

WARRANTY TERMS AND CONDITIONS

This limited warranty (“Warranty”) applies to MidTeQ Battery Energy Storage system and the accessory Components (“Products”) supplied by Midcosta s.r.o., Priemyselná 8E, Trnava, Slovakia (“Midcosta”) to End User through the Authorized Seller. The Warranty complies with the applicable laws and regulations in the European Union, including the EU Directive (EU) 2019/771, on the sale of goods.

End User Definition

End User (hereinafter “Buyer”) is the buyer who puts the Products into operation for the first time via the way authorized by Midcosta.

Authorized Seller

Authorized Seller (hereinafter “Seller”) is Midcosta or the Agents, Distributors, Partners, etc. authorized by Midcosta.

1. Warranty Products

- MidTeQ Battery Energy Storage System
- MidTeQ Battery Module Unit

2. Scope of Warranty

This Warranty only applies to newly purchased Products that have not been installed for any purposes before.

This Warranty is non-transferable except in cases where the Products are installed in a building, this Warranty will then be transferred to any subsequent purchaser of the building or the Products, as long as the Products remain installed.

This Warranty covers the repair or replacement of defective Products, including all associated costs (transportation, labor, and materials) at least during the first two years of the warranty period, in accordance with EU Directive (EU) 2019/771.

The warranty includes the cost of work and material necessary to regain faultless functioning goods. All other costs, particularly transports, travel- and accommodation cost of Midcosta personnel as well as customer’s own costs are not included in the warranty in case of “ out-of-warranty cases”. Any defects that occur after the expiry of the warranty period, or which occur within the warranty period, but which are listed in the warranty exclusions part in this document, are known by Midcosta as out-of-warranty cases. Any costs in making the warranty claim is not included.

3. Warranty Period

3.1 Product Warranty

The Products warranty period is five (5) years (60months) from the start date. The start date of the warranty shall be the date of below whichever is earlier:

- (1) The date on which the product was first installed.
- (2) 3 months after the date of production.

3.2 Performance Warranty (Standard)

3.2.1 Capacity performance warranty

Midcosta warrants that the Products maintain at least 80% of the initially stated Usable Energy for 10 years (120 months) from the start date.

Usable Energy is defined as the energy capacity listed on the product label at the time of purchase. For the 10-year Performance Warranty to remain valid, the Products must be used according to the **Usage and Transportation requirements detailed in Appendix 1.**

3.2.2 Capacity measurement condition

Measurement Ambient temperature: 23~28°C

Testing battery with a standard charge and discharge rate of 0.5C

Battery BMS has charge and discharge protection conditions to extend the battery's cycling capacity.

Special equipment and connectors need to be properly adjusted and debugged for testing.

Charge/discharge method:

- (1) Discharge the battery at constant current until reaching the end-of-discharge voltage.
- (2) Lay aside the battery for 10 minutes.
- (3) Charge the battery with constant current and voltage until the current falls to the predefined cut-off level.
- (4) Lay aside the battery for 10 minutes.
- (5) Discharge the battery once more at a constant current until the end-of-discharge voltage is reached, monitoring the current closely and calculating the discharged capacity.
- (6) Calculate formula: Current Capacity = Discharge Time *Constant Current Value.
- (7) Charge the battery again until the cut-off current is reached using a constant current and voltage approach.

- (8) Measure the current and voltage measurements at the battery's DC side.
- (9) If the battery has been inactive for three months, please repeat the full charge-discharge cycle three times, with a four-hour rest period between cycles, and record the highest capacity as the test result.

**Note: Current and voltage measurement at battery DC side*

4. Exclusion of Warranty

This Limited Warranty does not cover damage to the Products resulting from any of the following circumstances:

- (1) Normal wear and tear (including, without limitation, wear and tear of batteries).
- (2) Non-payment of dues to the Seller. The Buyer must settle all outstanding payments to support a warranty claim, unless the Seller exercises the right to deny such claims based on non-payment.
- (3) Failure to adhere to MidTeQ's official user manual and the **"Appendix 1 - Usage and Transportation Requirements"**.
- (4) Damage from modifications, alterations, disassembly, unauthorized repairs, or maintenance performed by personnel not authorized by Midcosta.
- (5) Damage or defects resulting from unauthorized use, including the use of non-standard materials, design alterations, or unauthorized functional modifications.
- (6) Improper use, misuse, or abuse of the Products, contrary to instructions in the User Manual.
- (7) Cosmetic damage such as scratches, dents, rust, or mildew caused during regular use.
- (8) Improper transportation, storage, installation, or use of the Products with faulty or incompatible devices. Damage is not covered if original packaging is not used during transportation.
- (9) Alterations to the model number, nameplate, serial number, or tampering with the products' tamper-evident features.
- (10) Faults or damage due to unforeseen circumstances or abnormal physical or environmental conditions, man-made factors, or examples of force majeure including but not limited to stormy weather, flooding, overvoltage, pests, inappropriate handling, misuse, neglect, fire, water, lightning or other acts of nature.
- (11) Damage from external forces or events beyond Midcosta's control, including natural disasters, acts of war, civil unrest, or governmental interventions.
- (12) Changes in national or regional regulations that affect the product.
- (13) Intentional damage or modifications by the end user.
- (14) Use with an incompatible inverter, rectifier, or power conditioning system.
- (15) Failure to report product defects to the Seller or the Midcosta Authorized Service Partner within two weeks of detection.
- (16) Expiration of the warranty period as initially specified.
- (17) Please kindly notice that if any MidTeQ products are used for the purpose of an anti-countercurrent solution, the manual of the anti-countercurrent products must be read in advance to ensure the operating principle of

anti-countercurrent has been fully understood. It shall be thoroughly understood that in the process of actual use, a tiny amount of power may still be sent to the power grid, which cannot be completely avoided by the MidTeQ anti-countercurrent products. Any photovoltaic plants in which MidTeQ products have been used must be reported to the competent local authority with the corresponding jurisdiction. Should the photovoltaic plants fail to report such use, Midcosta shall not be liable for any and all risks and penalties arising from or in connection to the unreported or unauthorized use of MidTeQ products.

5. OUT-OF-WARRANTY-CASE

Any defects that occur after the expiry of the warranty period, or which occur within the warranty period, but which are listed in the warranty exclusions above, are known by Midcosta as out-of-warranty cases. For all out-of-warranty cases, Midcosta may charge an on-site service fee, a parts fee, labor costs and a logistics fee to customer, including any/all of:

- On-site service fee: cost of travel and time for the technician to deliver on-site service and labor cost for the technician, who is repairing, performing maintenance on, installing (hardware or software) and debugging the faulty product.
- Parts/materials fee: cost of replacement parts/materials (including any shipping/admin fee that may apply).
- Logistics fee: cost of delivery and any other expenses incurred when defective products are sent from the user to Midcosta or/and repaired products are sent from Midcosta to the user.

6. Warranty Restriction

Unless otherwise specified herein, to the extent permitted by applicable law, the Warranty Letter and above remedies shall be exclusive and replace all other guarantees and remedies, oral or in writing, expressed or implied. To the extent permitted by applicable law, Midcosta expressly reject any and all legal or implied warranty, including but not limited to warranties of merchantability, fitness for a particular purpose and hidden or potential defects.

If Midcosta cannot abandon implied warranty as prescribed by applicable law or the guarantee specified by applicable laws, all of such guarantees and warranties shall limit to implied warranty as prescribed by applicable law or the scope within applicable laws and shall be under mandatory application according to applicable law. No distributor, agent, or staff of Midcosta and / or Midcosta Authorized Service Partner is authorized to make any revision, extension or addition to the quality warranty. The legality and enforceability of remaining clauses herein shall not be affected or damaged if any of clauses herein is adjudged to be illegal or unenforceable.

Unless otherwise specified herein, to the maximum range permitted by applicable law, Midcosta will not be liable for any direct, indirect, special, accidental or derivative losses caused by the purchase or use of Products and its

system, including but not limited to the loss of use, loss in income, actual or expected loss in revenue (including contract revenue losses), loss of the use of money, loss of anticipated savings, loss of business, loss of opportunity, loss of goodwill, loss of reputation, personal injury or death, damage loss, or the indirect or derivative loss or damage (including any expense arising from the replacement of equipment and property, resumption of production, etc.) caused by any reasons.

MIDCOSTA'S LIABILITY FROM ANY CAUSE WHATSOEVER SHALL IN NO EVENT EXCEED THE AMOUNT OF THE PURCHASE PRICE PAID BY END USER TO MIDCOSTA FOR SUCH PRODUCT GIVING RISE TO THE LIABILITY. EXCEPTED FROM THIS IS LIABILITY ON THE GROUNDS OF CULPABLE INJURY TO LIFE, PHYSICAL INJURY OR INJURY TO HEALTH AND THE MANDATORY LIABILITY FROM INTENT OR GROSS NEGLIGENCE.

7. Fault Handling and Warranty Process

In cases of product failure, the Buyer is required to collaborate with the Seller to document comprehensive data about the faulty equipment. This process involves several steps:

- **Data Collection:** The Buyer should provide detailed information including the faulty equipment's serial number, operating temperatures, usage patterns, energy storage inverter specifications (manufacturer/model), power consumption data, photovoltaic system configuration, observed fault phenomena, operating procedures, and battery operation logs.
- **Initial Replacement Approval:** If both parties agree that the product's failure is covered under warranty, the Buyer may proceed with replacing the faulty equipment using spare parts. Before doing so, the Buyer must obtain written confirmation from the Seller and provide the serial numbers of both the faulty equipment and the spare parts.
- **Confirmation Before Replacement:** Upon joint agreement of warranty coverage, the Buyer should confirm with the Seller in writing and provide the serial numbers of both the faulty equipment and the spare parts before proceeding with replacement.
- **Dispute Resolution and Testing:**
 - (1) If there is a disagreement over the warranty coverage of the faulty equipment, it can be tested jointly by methods agreed upon by both parties and sent to an independent third-party testing institution recognized by both.
 - (2) Both parties may offer input on the testing methodology, standards, and interpretation of the results.

The Buyer is initially responsible for the testing fees. However, if the testing confirms the product is covered under warranty, the Seller will reimburse all related transportation and testing costs and take full responsibility for the warranty of the faulty equipment.

8. Warranty Claim Procedure

Midcosta reserves the right to deny any warranty claim that is not accompanied by sufficient documentation or relevant information. To make a warranty claim, notification must be provided to the Seller from whom the products were purchased, within two weeks of the defect's discovery.

The following documents and details are required to process a warranty claim effectively:

- Original proof of purchase.
- Detailed description of the defect, verified by an authorized service center.
- The product's serial number and the date the warranty commenced.

If direct contact with the original Seller is not feasible, customers are encouraged to reach out to Midcosta directly via the following contact methods:

Website:

<https://www.midteq.com>

<https://www.midcosta.com>

Email: info@midteq.com

Telephone:

EN/SK+ 421332933116

EN/DE +49089262071850

General:

The EU mandatory warranty period for any defective or non-conforming product, including all costs of transportation, labor, and materials, applies to any Products delivered within the EU. These costs will be borne by Midcosta.

For products which are out of warranty or invalidation, Midcosta provides an additional charge service, which includes the on-site service fee, materials fee, labor cost, and logistic fee:

- On-site service fee: Travel cost and time for the technician to deliver on-site services and the cost of labor time for the technician to install, analyse, repair, test and maintain faculty products;
- Materials fee: Cost of replacing the parts or units or any other relevant materials;
- Logistic fee: Cost of delivery, including the costs of sending the defective products from end users to Midcosta, or/and the costs of sending the repaired products from Midcosta to end users;

9. Applicable Law

The Warranty is subject to the law of European Union.

Appendix 1

Usage and Transportation requirements

This product includes Lithium iron phosphate battery and the Accessory Components. Please adhere to the specified transportation and usage guidelines for full warranty coverage. Failure to follow these guidelines will void the warranty for any related damages or malfunctions.

1. Operating environment requirements

- Working temperature: -10 °C ~55 °C
- Working humidity: 5%~95% RH
- Installation location should be away from the sea to avoid brine and high humidity environment.
- The ground is flat and level.
- There is no flammable explosive near to the installation places.
- Keep away from dust and messy zones, water source and heat source, prevent equipment from entering water and overheating.

2. Storage environment requirements

- Short-term storage environment:
 - (3) Within 3 months of temperature range is -20~45°C.
 - (4) Relative humidity <85%RH. No corrosive gases.
 - More than 3 months long-term storage environment: Temperature range for -10~40°C
 - (5) Relative humidity <65% RH. No corrosive gases
 - If long-term storage is required, it should be recharged every 6 months, and no less than 80% of SOC should be charged.
 - Keep away from dust and messy zones, water source and heat source, prevent equipment from entering water and overheating.

3. Transportation requirements

- When shipping products individually, it is essential to use the Seller's original packaging. For extended

distances, including maritime transport, supplemental packaging should be applied to enhance security. Additionally, products should not be stacked more than six layers high during transit.

- If the original packaging materials provided by the Seller are not used for transportation, Buyer shall fully consider the risks of vibration, drop and collision in the transportation process, and adopt adequate product protection measures.

4. Equipment installation requirements

1	Visual inspection	<ol style="list-style-type: none"> 1. Check the appearance for damage and check the attachment variety and quantity according to the packing list. 2. Verify that the device is off state.
2	Electrical specification confirmation	<ol style="list-style-type: none"> 1. The rated working voltage of the energy storage should be confirmed that the storage energy inverter battery power interface parameter is matched. 2. Confirm that the maximum charging and discharging current designed by the system meets the specification requirements of the energy storage PACK. 3. The external power supply should not generate a surge that causes damage to the battery or BMS.
3	Battery Installation Connection	<ol style="list-style-type: none"> 1. When connecting the power line, pay attention to the positive and negative electrode, avoid reverse connection and short circuit. 2. It is forbidden to connect the battery directly to ac power. 3. The battery can be used in series connection. Once the use scenario of series-parallel connection specified in the user manual is exceeded, the scheme must be confirmed with Zetara before use. 4. Do not mix batteries with other factory batteries or other types of batteries. 5. The battery should be reliable grounding, grounding resistance should be less than 1 Ω.

5. Equipment Use

1	Battery Charging	<ol style="list-style-type: none"> 1. The battery's long-term continuous charging current should be $\leq 0.6C$ 2. If the battery capacity is empty, please charge it within 48 hours after the battery is empty.
2	Battery Discharging	The long-term continuous discharge current of the battery should be $\leq 0.6C$
3	Battery Cycles	<p>This Warranty covers a capacity equivalent to 1 full cycle per day for ten years.</p> <p>Full cycle: Discharge the usable capacity of a fully charged battery and fully charge it afterwards. Micro cycles sum up to full cycles according to amount of energy charged and discharged.</p>
4	Movement	To remove the battery, disconnect the external power supply and turn off the switch.
5	Maintain	It is forbidden to open the battery shell or dismantle the components before obtaining the written authorization of Seller.
6	Fire emergency	In case of emergency, for the use of fire-fighting equipment, use only dry powder fire extinguishers.