

VALENCE LIMITED U-CHARGE® U-WARRANTY

Valence warrants that the U-Charge® power systems delivered hereunder shall be free from defects in material and workmanship under normal use and service for a period of five (5) years from the date of shipment from Valence's facility. This warranty is offered exclusively to Purchaser and may not be transferred to any other party.

- (i) If during the initial three (3) year period of the five (5) year warranty period: (i) Valence is notified promptly in writing upon discovery of any defect in the Valence power systems, including a detailed description of such defect; (ii) such U-Charge® power systems are returned to Valence (if so requested by Valence) in accordance with Valence's then current RMA procedures; and (iii) Valence's examination or the examination by Purchaser of such U-Charge® power systems discloses to Valence's satisfaction that such U-Charge® power systems are defective and such defects are not caused by accident, abuse, misuse, neglect, alteration, improper installation, repair or alteration by someone other than Valence, improper testing, or use contrary to any instructions issued by Valence; then within a reasonable time Valence shall (at its sole option) either replace with the same or equivalent model or credit Purchaser for such U-Charge® power systems or (ii) provide replacement parts for Purchaser to repair such U-Charge® power systems. Storage or operation of Valence power systems outside of the specifications provided by Valence, including but not limited to the voltage, current, temperature, and humidity parameters stated in the product's Data Sheet, shall void this warranty. Recognizing that all lithium ion batteries gradually and naturally lose charge capacity over time, Valence does not guarantee or warrant capacity retention of Valence power systems. Valence shall return any U-Charge® power system replaced under this warranty to Purchaser, transportation prepaid. The performance of this warranty does not extend the warranty period for any U-Charge® power system beyond the period applicable to the U-Charge® power system originally delivered. The foregoing warranty constitutes Valence's exclusive liability, and the exclusive remedy of Purchaser, for any breach of any warranty or other nonconformity of the U-Charge® power system covered by this acknowledgment.
- (ii) If during the last two (2) year period of the five (5) year warranty period: (i) Valence is notified promptly in writing upon discovery of any defect in the Valence power systems, including a detailed description of such defect; (ii) such U-Charge® power systems are returned to Valence (if so requested by Valence) in accordance with Valence's then current RMA procedures; and (iii) Valence's examination or the examination by Purchaser of such U-Charge® power systems discloses to Valence's satisfaction that such U-Charge® power systems are defective and such defects are not caused by accident, abuse, misuse, neglect, alteration, improper installation, repair or alteration by someone other than Valence, improper testing, or use contrary to any instructions issued by Valence; then within a reasonable time Valence shall (i) provide Purchaser with a credit totaling 1/60th of the original purchase

price of the repair parts for each remaining month in such two year warranty term, which can be used toward the purchase of such repair parts for the U-Charge[®] power systems at the then prevailing price for such repair parts, or (ii) provide Purchaser with a credit totaling 1/60th of the original purchase price for each remaining month in such two year warranty term, which can be used toward the purchase of new replacement U-Charge[®] power systems at the then prevailing price for such U-Charge[®] power system.