



# ***25 Years Product Warranty***

## ***October 2011***

# *Introduction*

- ZNShine Solar product warranty insurance is insured by world leading insurance companies based in North America and Bermuda with AM Best Rating of "A" VIII or Better.
- The policy period is one year effective October 07, 2011 to October 07, 2012 covering 25 years products warranty.
- The insurance coverage is based on ZNShine standard quality and performance warranty statements.
- This one year non-revocable insurance policy covers claims from Effective Date to 25 years after for shipments through the policy year.
- This means that if ZNShine does not exist, in any years after, insurance companies still have to compensate our end users for any claims against our product quality and/or performance warranty.

# **Warranty Coverage Highlights**

- 25 Years Coverage
- Immediate Coverage (No Waiting Periods)
- Worldwide Coverage
- Non-Cancellable
- Helps to meet banks and lenders requirements
- 3<sup>rd</sup> party Bankruptcy rights

# Warranty Coverage Highlights Continued

- **-Warranty Coverage**

<b>Years 1 through 10</b>	<b>Insurance Company A A.M. Best Rating “A” VIII<sup>1</sup></b>
<b>Coverage</b>	Product / Serial Product Defect 90% Output Efficiency
<b>Years 11 through 25</b>	<b>Insurance Company B A.M. Best Rating “A” XII<sup>1</sup></b>
<b>Coverage</b>	80% Output Efficiency

1. *A.M. Best ratings are made by A.M. Best Company as the reference of an insurer's financial strength and ability to meet ongoing obligations to policyholders. A.M. Best Company is a worldwide insurance-rating and information agency with more than 100 years of history.*

# Coverage of the Insurance

## ➤ **The insurance company will pay for Claims for Expenses ZNShine incur:**

- *To repair, replace or furnish financial settlement to ZNShine customers for damaged Covered Solar Energy Collection Equipment when that damage arises from a product defect.*
- *To repair, replace or furnish financial settlement to ZNShine customers for undamaged Covered Solar Energy Collection Equipment when a Serial Product Defect arises.*
- *For amounts ZNShine is contractually obligated to pay and that arise from our product's failure to achieve its Warranted Energy Production Level.*

## ➤ **It is in accordance with the warranty terms contained in a warranty statement or limited warranty statement issued by ZNShine during the policy period. Coverage does not exceed the actual cash value of the covered solar energy collection equipment.**

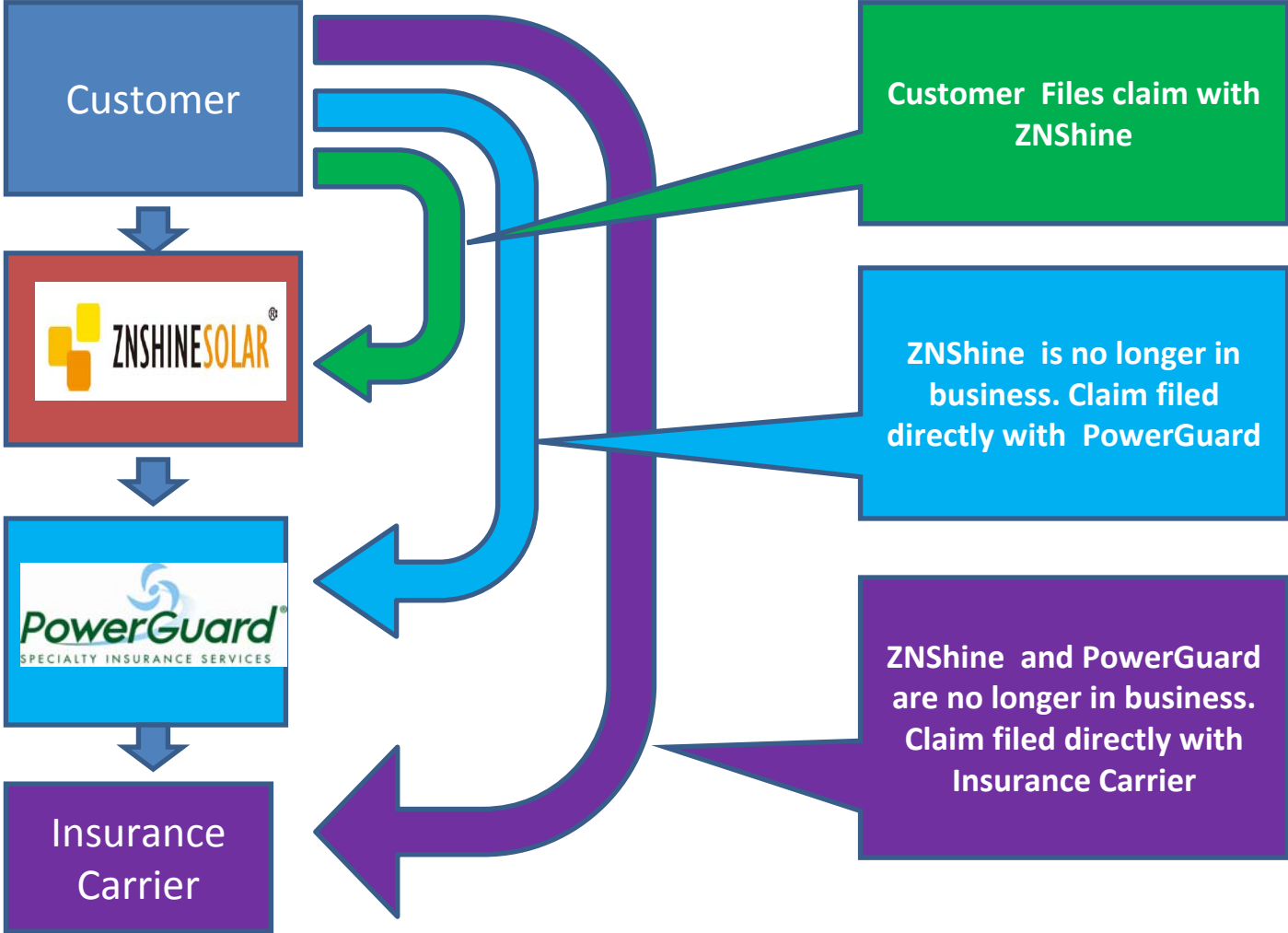
# **Third Party Bankruptcy Rights**

## **7. Bankruptcy**

**Your bankruptcy or insolvency or the bankruptcy or insolvency of any entity comprising you shall not relieve us of our obligations under this policy, and, in the event of your bankruptcy or insolvency, your customers shall have the same rights under this policy that you have.**

**\*Taken verbatim from the 2011 PowerGuard Policy Form as purchased by ZNShine.**

# Claims Process



# *Exclusions of the Insurance*

- Consequential or incidental loss of any kind, including loss arising from ZNShine performance or the performance of its agents, employees or any repair facility, its agents or employees.
- Any loss or damage arising from those events specially excluded under an Equipment Supply Agreement or product warranty to any covered solar energy collection equipment.
- Any loss or damage arising from the interruption of service from any covered solar energy collection equipment, such as unavailability or delay of replacement parts, service or servicing equipment.
- Any loss or damage or expense arising from a willful, tort, or wrongful act, or negligence. Other exclusions are listed in the insurance program.



# *Definitions*

## ➤ *Covered Solar Energy Collection Equipment :*

- **Including** : photovoltaic cells, panels and modules that are sold under the terms of a covered Equipment Sales Agreement we issue during the Policy Period and for which ZNShine has filed serial numbers with insurance company.
- **Not including** : foundation, support apparatus or footings; cabinet, compartment, conduit or ductwork; vehicle or any equipment mounted on a vehicle; low-voltage or high-voltage cables, wires or lines and related equipment carrying electricity from the covered solar energy collection equipment to points external of the covered solar energy collection equipment or data.

# **Definitions-Continued**

- **Warranty Terms:** means the terms issued by ZNShine to a Contract Holder during the Policy Period and accepted by us in writing. Under no circumstances shall the coverage afforded by this policy exceed your “Warranty Terms.”
- **Expenses :** means the sums incurred by ZNShine to fulfill its warranty terms. It does not include any sums ZNShine may incur to rectify or remedy a defect in production design, material or workmanship.
- **Product Defect :** means a unit or a part of a component that breaks; ceases to perform the function; fails to conform to our technical specifications in any material respect; is not produced in any material respect in accordance with our technical specification; or is not free of defect in material or workmanship.
- **Serial Product Defect :** means damage to a unit or a component or a part of a unit or a component thereof that due to design, assembly, materials, engineering or manufacture and that fails to meet the manufacturer’s warranted level of quality or performance in more than 20% of covered solar energy collection equipment of the same manufacture and model within the warranty period of coverage.

# ***Duties in the Event of Loss***

## ***➤ In the event of any loss or damage that may lead to a possible claim, we shall:***

- As soon as reasonably practicable notify the insurance service company by telephone, fax or email and send written Notice of Claim after the loss or damage.
- Take all reasonable steps to preserve and salvage the property insured and to minimize the loss.
- Submit a written report to insurance company describing the extent of the damage or loss, the causes thereof the measures which we recommend are to be taken to remedy same.
- ZNShine or any person authorized by you has the duty to control all necessary repairs, provided however that ZNShine shall ensure that such repairs are performed in a proper, reasonable and economical manner.



***Thank you !***

