

Tremendous opportunity in solar power business along with large scale investment exerts pressure on all stake holders. As a step to bolster the clean energy solutions TATA AIG's **Solar Module Warranty Insurance** brings a smart cover for the photovoltaic Module sellers and buyers. This unique combination significantly increases project bankability and can become major-stepping stone in the financing of large-scale solar installations. Manufacturers of modules can take the long-term, technical guarantee risk off their balance sheet, thus giving their customers greater security.

PV manufacturers signing hence gain an important competitive edge: Their customers will value both the commitment to financial solidity and the planning security of getting long-term coverage, regardless of the solvency of the manufacturer.

Solar Module Warranty Insurance by TATA AIG TATA AIG is designed to protect the Interest of the Solar Modules sellers as well as Investment of the buyers.

The Policy Contains two sections SECTION A & SECTION B

About Section A coverage

- Photovoltaic modules of specific sales contracts are insured, which can be chosen by manufacturer.
- Losses related to both Product and Performance warranty are covered.

Each year all claims from each Sales Contract are indemnified subject to deductibles and limit.

About Section B coverage

The **Solar Module Warranty Insurance** - SECTION B works like the SECTION A but allows the Buyers of the PV modules to claim to the Insurer in the event of the **manufacturer's insolvency, thus making** buyer the beneficiary of the policy.

Every Sales Contract which is insured under the SECTION A can also optionally be insured under the SECTION B. In case of the insolvency of the manufacturer, the coverage will be transferred to the PV buyer; warranty claims can be addressed to the insurer.

Each Sales contract and each Buyer, has a clearly assigned limit and deductible.

SECTION B is optional and can be bought as a top-up cover for the policy.

COVERAGE

Solar Module Warranty Insurance

SECTION A covers:

In the event that, during the Indemnity Period, a Breach occurs, we will indemnify the Insured for its Loss directly resulting from such Breach.

SECTION B covers:

In the event that during the Indemnity Period, a breach occurs, we will indemnify the Beneficiary for its Loss resulting from such Breach, but only if the Insured has failed to comply with its contractual obligations under the Product Warranty or Performance Warranty in respect of such Breach due to the Insolvency of the Insured.

” Breach Means”

A claim by a Buyer under the Performance Warranty directly resulting from an unforeseen decrease in power output of the Actual Module Performance below the Insured Module Performance level due to Faulty Manufacturing, Material Defect, or Material Aging; or

A claim by a Buyer under the Product Warranty directly resulting from the Photovoltaic Modules being defective due to the Specified Defects of Photovoltaic Modules asset for thin the policy

The same Breach either

- 1) occurring several times with in a period of more than one year or
- 2) arising out of different Insured Sales Contracts, or
- 3) Not resulting from the same Unique Failure Patterns shall be considered as separate Breaches under this Policy and all deductibles and limits shall apply separately to each Breach.

POLICY DURATION & LIMITS

Policy duration is for 12 months, indemnity period is up to 25 years.

The Insurer’s maximum cumulative and aggregate limit of liability under this Policy in respect of all Photovoltaic Modules attaching to this Policy *during the Policy Period* until expiry of the respective Indemnity Period shall not exceed X% of the Total Sum Insured.

The Policy Limit shall apply in excess of the Deductible and the Self- Insured Retention. *Any payment of Loss shall erode the Policy Limit.*

EXCLUSIONS

In addition to the exclusions set forth in the Warranty, the Insurer shall not be liable to pay any Loss arising out of, relating to or resulting directly or indirectly from or payable under:

any Loss occurring during the Waiting Period;

any ex-gratia payment made by the Insured to the Buyer;

any (i) Breach of which any of the Representatives had actual knowledge or should have been known through reasonable due diligence prior to or at the date of Inception or (ii) material inaccuracy or incompleteness in the Application and the Questionnaire;

any failure in quality control as specified in the Insured quality handbook and work instructions controlled by means of ISO-9000/9001;

any fraud or wilful intent to deceive the Insurer committed by the Insured or any Representatives or any gross

negligence on the part of any of the Insured or its Representatives;

any inverters, cables, trackers, module level electronics, fastening systems or objects for mounting or transporting any Photovoltaic Module;

any installation, dismantling, removal, transportation, reassembly or modification of Photovoltaic Module;

Any fault, defect, error or omission in design, plan or specifications of the Photovoltaic Modules. For the avoidance of doubt, if the modules are produced accordance to (NAME OF THE CERTIFICATE WHICH CONTAINS SPECIFICATIONS) any defects shall not be considered as design defect.

Any misuse, abuse, neglect or accident, inadmissible alteration, improper installation application, or non-observance of the Insured's installation and maintenance instructions, repairs or modification of the Photovoltaic Module.

Any external influence on the Photovoltaic Modules other than the normal climate and weather related conditions, including but not limited to fire, lightning, explosion, windstorm, hail, flood, earth movement, earthquake, mine subsidence, riot, civil commotion, vandalism and malicious mischief whether or not caused by or attributable directly or indirectly, to the Photovoltaic Modules or contributing to a Breach.

Any war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, conspiracy, military or usurped power, confiscation, nationalization, commandeering, requisition or destruction or damage by or under the order of any government de jure or de facto or by any public or local authority;

Any acts of any person or persons acting on behalf of or in connection with any organization with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence;

Any act of Terrorism, including loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism;

Any ionizing radiation or radioactive contamination from any nuclear fuel or nuclear waste or from the combustion of nuclear fuel;

Any radioactive, toxic, explosive or otherwise hazardous or contaminating proper-ties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

Any weapon or device employing atomic or nuclear fission or fusion or any other similar reaction or radioactive force or matter;

Any pollution or contamination, directly or indirectly, arising from any cause whatsoever and any loss, cost or expense due to any request, demand or order that any Insured or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of any solid, liquid, gaseous or thermal irritant or contaminant; or any claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to, or assessing the effects of any solid, liquid, gaseous or thermal irritant or contaminant.

BENEFITS OF BUYING THIS POLICY

- Buyers can rely on getting indemnification over a long period.
- TATA AIG's strong market reputation
- Peace of mind for the buyers while purchasing insurance backed photovoltaic modules
- Insurance backed warranty adds value to overall financial protection of PV projects. Great unique selling proposition for PV buyers and investors focusing on long term return on investment.
- Ease of including insurance in selected sales contract

CLAIM INTIMATION / LOSS NOTIFICATION:

Losses can be notified by the Insured in the following ways:

- Toll Free No. 18002667780
- Email notification to general.claims@tataaig.com
- Through SMS to 5616181.
- By letter/ Fax / e-mails to any of our offices
- Through TATA AIG website

Minimum information required for registering a claim is:

Policy number, name & contact details of the concerned person, date of loss, description and loss location On Receipt of claim intimation the claim will be recorded in TATA AIG claim system with a claim reference number. The claim reference number must be intimated to the insurer/ broker within 24 hours of receipt of claim intimation.

Prohibition of Rebates - Section 41 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015

1. No person shall allow or offer to allow either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer
2. Any person making default in complying with the provisions of this section shall be liable for penalty which may extend to ten lakh rupees.

Insurance is the subject matter of the solicitation. For more details on benefits, exclusions, terms and conditions, please read policy wordings carefully before concluding a sale.

Commencement of risk cover under the policy is subject to receipt of premium by Tata AIG General Insurance Company Limited.