GENERAL TERMS 2026

1. SCOPE AND APPLICABILITY

SiPhotonIC ApS, Danish Reg. No. 39934639 ("SiPhotonIC") is engaged in the design, manufacture and sale of silicon photonic integrated circuit products ("Products") and related products and services.

Unless otherwise expressly agreed in writing, these General Terms ("Terms") shall apply between SiPhotonIC and its customers ("Customers") with respect to Products sold and Services performed. Services mean research and development related assignments.

2. DELIVERY OF PRODUCTS AND FORECASTS

The products can be delivered Ex Works (Incoterms 2000), and in this case that the customer arranges the pickup from the company offices (SiPhotonIC ApS, DTU Science Park, Diplomvej 381, 2800 Kongens Lyngby, Denmark).

Products can also be delivered via shipping (DHL or other company) with 1% shipping insurance that covers the order value for damages, lost packages etc. No other damages from consequences, i.e. delay, are reimbursed in such case. When SiPhotonIC undertakes to engage a freight forwarder on Customer's behalf, the passing of risk and other consequences of the prescribed delivery term shall not be altered thereby

If SiPhotonIC realises that an agreed delivery date cannot be adhered to, SiPhotonIC shall inform Customer and indicate the expected duration of the delay. The parties shall immediately endeavour to take reasonable remedial measures. SiPhotonIC shall not be liable to Customer for any delay or loss during shipment. Customer shall be entitled to cancel the purchase of delayed Products without incurring any liability, if the Products have not been delivered three months after the agreed delivery date. Any further claims due to delay are excluded.

With respect to continuous deliveries of Products, Customer shall not be entitled to cancel orders that are not delayed. SiPhotonIC shall not be obliged to accept new orders.

3. PERFORMANCE OF SERVICES

SiPhotonIC shall ensure that ordered Services are performed conscientiously and with the optimum utilisation of the expertise at SiPhotonIC's disposal.

If a budget has been agreed, SiPhotonIC shall obtain Customer's consent before incurring costs that can reasonably be expected to exceed the total budget.

If employees of Customer are to be based at SiPhotonIC in connection with performance of Services or otherwise work closely together with SiPhotonIC, such employees shall obey SiPhotonIC's operating and safety instructions, and upon request sign personal non-disclosure agreements. Such employees shall remain Customer's responsibility and liability.

If it becomes apparent that a milestone or deadline will be exceeded to any significant extent, SiPhotonIC shall inform Customer of the fact so reasonable measures may be taken. SiPhotonIC shall not be liable in the event of delays, nor if the objective of the Services is not obtained.

4. INTELLECTUAL PROPERTY RIGHTS

These Terms shall not constitute or imply any transfer of, or grant of license to, intellectual property rights ("IPR") held by either party or generated outside their collaboration.

Any transfer, etc., of IPR generated by either party during the collaboration shall be subject to written agreement, in the absence of which no transfer, etc., is made.

SiPhotonIC shall be unrestricted in its right to use IPR generavted by itself during the course of designing or manufacturing Products or the performance of Services, unless SiPhotonIC has accepted specific limitations in writing.

Each of the parties shall free of charge be entitled to utilise and grant licenses to IPR generated jointly by the parties.

5. CONFIDENTIALITY

Any information, such as, but not limited to, information on products, intellectual property, processes, technology, results, materials, designs, prices, and any physical material of a party that i) if disclosed in writing, is marked "confidential" or "proprietary" at the time of such disclosure; (ii) if disclosed orally, is identified as "confidential" or "proprietary" at the time of such disclosure, and is summarized in a writing sent by the disclosing party to the receiving party within 10 days after any such disclosure; or (iii) under the circumstances, a person exercising reasonable business judgment would understand to be confidential or proprietary, shall be treated and maintained as confidential by the receiving party.

Information that is, or without breach of the above obligations becomes, part of the public domain; information already in the possession of a party; information received from a third party who was entitled to disclose such information; and information independently developed, shall be excluded as confidential information.

Always subject to the duty of confidentiality, the parties may use each other's confidential information for purposes within their publicly known field of business, unless the confidential information has been marked "special confidential information" and the parties prior to its disclosure have agreed specific limitations of use in writing. However, Customer shall not without prior written consent be entitled to use SiPhotonIC's confidential information for purposes other than what is necessary for utilising SiPhotonIC's Products or Services. Customer shall not perform any reverse engineering on SiPhotonIC's Products.

The duty of confidentiality shall last until the disclosing party's Confidential Information lawfully and without breach of these Terms becomes public domain.

SiPhotonIC may currently or in the future develop information internally or receive information from other parties that may be similar to Customer's information. Accordingly, nothing in these Terms shall be construed as a representation or inference that SiPhotonIC will cease to develop products or offer services that, without violation of these Terms, compete with products contemplated by Customer's information.

Unless otherwise agreed, SiPhotonIC shall be entitled to state Customer's name in SiPhotonIC's list of references.

6. PRICES AND PAYMENT

All prices are exclusive of any applicable sales or value added taxes as well as transportation and insurance charges. Such taxes and charges will be stated separately on invoices.

Services shall be paid for according to (i) an agreed payment schedule with respect to lump sums or, in the absence thereof, (ii) monthly invoices based on SiPhotonIC's hourly rates (calculated in half-hour intervals) and rates for the use of special equipment and cleanroom facilities plus expenses incurred for materials, travel, deliveries from sub-suppliers, etc.

Prices and rates may be adjusted in accordance with price trends once a year as of 1st January.

All payments shall be made in the quoted currency upon submission of purchase orders, unless terms of credit have been agreed. SiPhotonIC shall be entitled to demand security for due payment. In the event of delayed payment, SiPhotonIC shall upon giving one week's notice be entitled to terminate all, or some, pending deliveries or Services. Simultaneously, all outstanding amounts shall fall due regardless of previously granted terms of credit. On delayed payments an interest of 1% per commenced month is accrued.

Until payment has been received in full by SiPhotonIC, title to the Products shall remain with SiPhotonIC, and in the event of non-payment, SiPhotonIC shall, in addition to all other rights and remedies available to it, be entitled to recover possession of the Products.

The bank account details for payment is noted each time on the quotation send to the customer.

7. LIMITED WARRANTY

SiPhotonIC warrants that its Products are manufactured in accordance with good workmanship. This warranty is expressly made in lieu of any and all warranties, express or implied, including, without limitation, warranties of merchantability and fitness for any particular purpose.

SiPhotonIC does not warrant any functionality of designs, etc. furnished by Customer. Only explicitly agreed specifications are binding for SiPhotonIC.

Products manufactured for testing or sold as or marked "prototypes", "pre-production", "pre-qualified" or in a limited volume of less than 20 units are sold "as is" and without any warranty whatsoever except for good workmanship and explicitly agreed specifications.

Customer shall examine the Products upon receipt and any alleged breach of warranty shall be notified to SiPhotonIC immediately. The sole liability of SiPhotonIC for breach of warranty shall be the prompt repair or replacement of non-conforming Products at SiPhotonIC's option. If such corrective actions fail within a reasonable period of time, Customer shall be entitled to a reasonable price reduction or to cancel the purchase of the non-conforming Products. The warranty shall not cover the cost of labour by Customer's own employees, agents or contractors in identifying, removing or replacing any defective Product or any other costs.

The warranty provided herein does not cover damage, defects, malfunctions or service failures caused by:

- Customer's failure to follow SiPhotonIC's environmental, installation, operation or maintenance specifications or instructions;
- Customer's mishandling, abuse, misuse, negligence, or improper storage or operation of any Product, including without limitation use with incompatible equipment;
- damage in shipment of any Product after delivery by SiPhotonIC; or
- power failures, surges, fire, flood, accident, actions of third parties or other events outside SiPhotonIC's control.

SiPhotonIC specifically excludes all warranties of non-infringement with respect to third party rights.

The warranty expires 12 months after the delivery of conforming Products.

8. INDEMNIFICATION

Subject to SiPhotonIC's overriding right to resolve any infringement pursuant to any of the alternatives set forth below and to the limitations and exceptions set forth further below, as long as Customer provides SiPhotonIC with prompt written notice of any claim or action, offers SiPhotonIC sole control and authority over the defense or settlement of such claim or action and provides complete information and reasonable assistance to defend or settle such claim, SiPhotonIC shall, at SiPhotonIC's own expense, defend or settle, at SiPhotonIC's option, any claim, suit, action and proceeding brought by any third party (a "Claim") against Customer alleging that any Product as used by Customer strictly within the scope and in the countries contemplated by these Terms, infringes any European Union member state or U.S. patent issued no later than 3 months prior to the date of the applicable agreement regarding the relevant Products and shall indemnify Customer against damages and costs, including reasonable legal fees, that a court finally awards against Customer to the extent resulting from any such claim or action.

In its defence or settlement of any such claim, SiPhotonIC may at its discretion: (A) procure for Customer a right to continue using or selling the Products; (B) modify the manufacturing process so that the use or selling of the Products becomes non-infringing but still retains at least the same form, fit and level of functionality and performance; or (C) replace the Products with equivalent devices not subject to such claim.

If any Product becomes, or in SiPhotonIC's opinion is likely to become, the subject of any Claim, Customer shall permit SiPhotonIC, at SiPhotonIC's option and expense, to: (i) procure for Customer the right to continue using the Product; (ii) replace or modify the Product so that it becomes noninfringing; or (iii) terminate Customer's right to use the Product, in which case Customer shall promptly return the Product to SiPhotonIC, and SiPhotonIC shall refund to Customer the purchase price Customer paid for the Product if this remedy is utilized in the first two years after delivery.

Customer shall offer an infringement warranty similar to the above concerning designs and like information furnished by Customer to SiPhotonIC. Customer shall pay any resulting costs and damages awarded against SiPhotonIC that are attributable to such infringement and shall pay the part of any settlement that is attributable to such infringement subject to the same provisions that are applicable to SiPhotonIC's warranty.

SiPhotonIC shall not be liable towards Customer in respect to any inability to deliver Products to the extent such inability is due to an alleged infringement or other violation as described above or an injunction or lawsuit in the same respect.

SiPhotonIC shall have no liability for any claim of patent, copyright or trade secret infringement that is based on: (i) use or combination of any Product with any other material, item or system (including but not limited to contributory infringement), (ii) use of any Product in a manner other than that for which it was designed or contemplated as evidenced by the specifications; (iii) any modification by Customer or a third party of any Product that has not been authorized or recommended by SiPhotonIC; or (iv) any compliance with designs, plans or specifications furnished by Customer or on Customer's behalf.

SiPhotonIC's duty of indemnification is in lieu of any and all other remedies of Customer with respect to infringement and shall only apply with regard to countries designated by Customer when purchasing Products.

SiPhotonIC does not warrant that the results of its Services do not infringe any third party's copyrights, patents, trade secrets, or other proprietary rights.

9. GENERAL LIMITATIONS OF LIABILITY

SiPhotonIC shall in no event be liable for any liability, loss or damage arising, directly or indirectly, from the use of the Products or the Services or for any special, incidental, indirect, exemplary or consequential losses or damages, including but not limited to loss of opportunity, use, income or profit, or interrupted operation, nor shall SiPhotonIC be liable for any post-processing or misappropriate use, handling or exposure of the Products or based on the Services, or the cost of procurement of any substitute product.

SiPhotonIC cannot be held responsible if SiPhotonIC's Products or Services fail to produce the required or expected result nor for costs defrayed in vain.

Notwithstanding the foregoing limitations and except specifically for either party's liabilities with respect to breach of confidentiality, for infringement of the other party's intellectual property and for Customer's liability for payment for Products and Services, in no event shall either party's cumulative liability under any agreement in no event exceed the lesser of sums paid by Customer to SiPhotonIC during the 6 months prior to Customer becoming aware of the basis for a claim towards SiPhotonIC, or 20,000 EURO.

SiPhotonIC cannot be held liable for any loss or damages unless a written request for compensation is made within 12 months after the delivery of the Products or the performance of the Services to which the liability relates.

10. PRODUCT LIABILITY

CUSTOMER SHALL BE ENTIRELY RESPONSIBLE FOR THE USE TO WHICH IT PUTS THE PRODUCTS OR THE SERVICES. For personal injuries and damage to consumers' goods, SiPhotonIC remains liable in accordance with applicable mandatory laws, however, SiPhotonIC disclaims all liability for damage arising from the fact that recognised scientific and technical expertise used later proves to be incorrect or defective. Customer shall, none-the-less, indemnify SiPhotonIC for any loss or damage resulting from Customer's, its employees' and its customers' use of the Products and the Services, or caused by the Products or the Services, including product liability.

11. CANCELLATION, TERMINATION AND RETURNS

- Cancellation by Customer

Any cancellation of an order by the Customer shall be subject to SiPhotonIC's prior written approval. In mitigating its losses, SiPhotonIC shall be entitled to complete any booked or commenced production runs, procurement activities, or processing steps already initiated at the time of the cancellation.

- Cancellation Fees

If the Customer requests cancellation of an order, the following cancellation fees shall apply, unless otherwise agreed in writing:

(A) Orders with 50% pre-payment and 50% final payment:
If the Customer cancels the order prior to completion of manufacturing, SiPhotonIC shall retain the pre-payment amount and, in lieu of the final payment, charge a cancellation fee equal to 20% of the total order price.

(B) Orders with 100% upfront payment

If the Customer cancels the order at any stage prior to delivery, SiPhotonIC shall be entitled to retain 50% of the total order price as a cancellation fee.

(C) Orders with 100% payment after receipt of the Products

For orders agreed with payment due in full after receipt of the Products, the following shall apply:

(i) If the Customer cancels the order before any manufacturing, procurement, or production slot allocation has commenced, no cancellation fee shall apply.

(ii) If the Customer cancels the order after manufacturing has commenced but prior to shipment, SiPhotonIC shall be entitled to a cancellation fee equal to 50% of the total order price.

(iii) If the Customer cancels the order after shipment or refuses to accept delivery of the Products, the Customer shall be liable for 100% of the total order price, and the order shall be deemed completed.

(iv) Failure to pay in accordance with the agreed payment terms after receipt of the Products shall constitute a material breach of contract and shall not be considered a valid cancellation.

- Justification of Cancellation

Any cancellation request must be duly justified and assessed in accordance with these General Terms and applicable law. Approval of cancellation shall not affect SiPhotonIC's right to compensation as set forth herein.

- Cancellation or Termination by SiPhotonIC

SiPhotonIC reserves the right to cancel or terminate an order, in whole or in part, upon written notice to the Customer, if:

(a) the Customer is in material breach of these General Terms or the applicable order and fails to remedy such breach within a reasonable period after written notice;

(b) the Customer becomes insolvent, enters into bankruptcy, liquidation, or any similar proceeding;

(c) performance of the order becomes impossible or commercially impracticable due to events beyond SiPhotonIC's reasonable control, including but not limited to force majeure events, supply chain disruptions, equipment failure, or changes in applicable laws or regulations.

If SiPhotonIC cancels an order for reasons not attributable to the Customer, SiPhotonIC shall refund any payments received for the unperformed portion of the order. Such refund shall constitute the Customer's sole and exclusive remedy, and SiPhotonIC shall not be liable for any indirect, consequential, or loss-of-profit damages.

If the cancellation or termination is due to the Customer's breach or insolvency, SiPhotonIC shall be entitled to retain any amounts already paid and to claim further damages or costs incurred in accordance with applicable law.

- Insolvency or Bankruptcy of Customer

If the Customer becomes insolvent, enters into bankruptcy, liquidation, or any similar proceeding, SiPhotonIC shall be entitled to immediately terminate all pending and future orders without liability.

- Returns

Return of Products may only take place with SiPhotonIC's prior written approval. Custom-fabricated, made-to-order, or non-standard Products are non-returnable unless explicitly agreed otherwise in writing.

- Force Majeure

SiPhotonIC shall not be liable for any delay or failure to perform, if such delay or failure results from fire, explosion,

labour dispute, earth quake, casualty or accident, lack or failure of transportation facilities, epidemic, flood, drought, or by reason of war, declared or undeclared, revolution, civil commotion, the act of a public enemy, blockade or embargo, act of God, any inability to obtain any requisite license, permit or authorization, failure by any supplier or vendor, or by reason of law, proclamation, regulation, ordinance, demand, or requirement of any government or by reason of any other cause whatsoever, whether similar or dissimilar to the enumerated, beyond the reasonable control of SiPhotonIC. All such causes entitle SiPhotonIC to a postponement of the performance of its duties equal to the delay resulting from such cause. However, Customer shall be entitled to terminate an affected order or delivery if and when the delay has exceeded 3 months.

12. EXPORT RESTRICTIONS

Customer represents and warrants that (i) no relevant agency has suspended, revoked or denied Customer's export and/or import privileges; and (ii) Customer shall not in any manner whatsoever either remove, convey, export, import or transmit SiPhotonIC's technology or Products from or to Customer's jurisdiction in violation of applicable laws and regulations. Customer agrees to indemnify SiPhotonIC from and against any liability incurred by it as a result of Customer's breach of the above provisions.

13. DUAL USE ITEMS COMPLIANCE

Customer acknowledges that certain Products, software, or technology may qualify as dual-use items under EU Regulation 2021/821 and may be subject to export control restrictions.

Customer shall use such items solely for the declared civil end-use and at the declared end-use location, and shall not use, directly or indirectly, the items in connection with nuclear explosive activities, unsafeguarded nuclear fuel-cycle activities, or the development, production, handling, operation, maintenance, storage, detection, identification, or dissemination of chemical, biological, or nuclear weapons, or missiles or UAVs capable of delivering such weapons.

Customer shall not re-export, transfer, or make available such items, or any products derived therefrom, to any third country or third party without all required export authorisations and shall obtain equivalent end-use and non-re-export commitments from any permitted subsequent transferee.

SiPhotonIC reserves the right to require Customers to sign an dual-use compliance declaration in line with applicable EU export control guidelines before shipment.

Customer shall promptly provide all end-use statements and other information reasonably requested by SiPhotonIC to ensure compliance with applicable export control laws.

14. SURVIVAL OF CERTAIN PROVISIONS

All obligations, liabilities and limitations that, by their nature, are intended to survive expiration or termination shall remain in effect beyond any expiration or termination.

15. DISPUTES

Unless the parties agree otherwise, any dispute arising out of or in connection with these Terms shall be finally settled in Copenhagen, Denmark, in accordance with the Rules of Procedure of the Danish Institute of Arbitration (Danish Arbitration, www.denarbitra.dk).

Danish law, except its choice of law rules, shall apply.

Notwithstanding the above, SiPhotonIC shall at its discretion be entitled to subject a dispute to settlement under the law and by the appropriate courts of the country in which Customer is domiciled.