**AI SUPPLEMENTAL TERMS**

These supplemental terms (the, “**AI Terms**”) set out the terms and conditions applicable to features which incorporate artificial intelligence models or tools made available by Vendor (“**Vendor AI**”) as identified in the Order Form. The Vendor AI are features of the SaaS under the Agreement. These AI Terms supplement and form part of the **Agreement**. The AI Terms take precedence over other Agreement terms in relation to Vendor AI. Capitalized terms used but not defined herein shall have the meaning given them in the Agreement.

1. **DEFINITIONS.**

“**High Risk Use**” means any uses of Vendor AI that may: (i) significantly and negatively impacts Vendor’s operations or reputation; (ii) significantly and negatively impacts intellectual property protections or data security or privacy; (iii) impact the work and lives of Customer’s employees, users, partners, clients, and members of the public; or (iv) present novel or significant legal, compliance, or enterprise risks. [Examples include, without limitation, product safety components, use of biometric data, matching key words or traits to job candidates.] This would include high risk AI Systems, which pose significant risk of harm to people’s health, safety, or fundamental rights as defined under the EU AI Act.

**“Input”** means a query, prompt, request or other information, content or material submitted to the Vendor AI for the purpose of generating an Output.

**“Output”** means any data, text, content, sound, videos, software code, image, material, information, communication, and other outcome, action or result generated from use of the Vendor AI.

“**Unacceptable Risk Use**” means any use of Vendor AI that: (i) could or actually does have an effect on the access of an individual to employment or in a manner that could affect an individual’s rights under applicable laws or regulations; (ii) could lead or cause bias or discrimination (e.g., hiring decisions by Human Resources); or (iii) lead to errors, omissions or other risks that have the potential to impact safety, fundamental rights of natural persons or affect the safety of tangible or physical property. This includes prohibited uses as defined under the EU AI Act.

1. **OWNERSHIP AND RESTRICTIONS.**
	1. **Data.** Customer retains all rights that Customer already holds in Input Data that Customer or persons acting on Customer´s behalf provide to Vendor. Customer grants to Vendor a non-exclusive, transferable, worldwide, perpetual, irrevocable, sublicensable (through multiple tiers), royalty-free and fully paid-up right and license to retain, transfer, disclosure, duplicate, analyze, modify or otherwise use Input Data to provide, protect, develop, operate, improve and support Vendor’s products, services and/or offerings. Vendor may use Input Data for any other purpose provided it is in an anonymized form that does not identify Customer or any data subjects. Customer has sole responsibility for obtaining all consents and authorizations (including providing notices to users or third parties) and satisfying all requirements necessary to permit Vendor’s use of Input Data. Vendor, in compliance with https://www.vendor.com/us/en/privacy-statement, may also use Input Data for any other purpose provided it is in an aggregated and/or pseudonymized form that does not identify Customer or any data subjects. Customer will, at Customer’s cost and expense, defend Vendor and Vendor’s Affiliates, sub-contractors and licensors and hold Vendor harmless from and pay or reimburse all awards or damages (including attorney’s fees), arising out of claims by third parties related to possession, processing or use of Input Data in accordance with this Agreement. Any Personal Data contained within Input Data shall only be used or processed in accordance with the Vendor [Data Processing Agreement for Customers](https://www.honeywell.com/us/en/company/data-privacy) ) and Applicable Laws. All information, analysis, insights, inventions and algorithms derived from Input Data by Vendor and/or its Affiliates (but excluding Input Data itself) and any intellectual property rights related thereto, are owned exclusively and solely by Vendor and are Vendor´s Confidential Information. Unless agreed in writing, Vendor does not archive Input Data for Customer’s future use. Customer consents to any transfer of Customer’s Input Data outside of its country of origin, except that Personal Data is subject to the Vendor [Data Processing Agreement for Customers](https://www.honeywell.com/us/en/company/data-privacy) and Applicable Laws.
	2. **Inputs and Outputs.** Customer retains rights to all Inputs and Input Data, and though Customer has a right to use Outputs generated by the Vendor AI, the Outputs are owned by Vendor. Customer is solely responsible to ensure that all Outputs are checked and validated, that they are fit for purpose and that they are in compliance with Applicable Laws prior to their use. Customer acknowledges and agrees that Input Data may not be kept confidential, and the Input Data and Outputs may be used to further enhance the Vendor AI, as detailed in Section 2.2 above. Further, due to the nature of an AI System, the Output may not be unique across users and the Vendor AI may generate or return the same or similar Output to other customers, Vendor or a third party. If Customer provides Vendor with written notice or otherwise decides that Customer no longer desires to use Vendor AI, Vendor is not required to retain the Inputs, any Input Data or Outputs used or otherwise processed in connection with the Vendor AI.
	3. **Inventions.** All Intellectual Property and results of the Vendor AI, including software, models, designs, drawings, documents, inventions, and know-how (“**Inventions**”), conceived, or developed in connection with the Agreement, including any Customer suggestions, comments, or feedback regarding the Vendor AI and Vendor software, hardware, services and SaaS are the sole property of Vendor and Customer assigns any rights it may have in such Inventions to Vendor. Customer has no right or license to Intellectual Property or Inventions provided by Vendor, except as granted in these AI Terms.
	4. **Use Restrictions.** Without Vendor’s prior written consent, Customer will not (and will not authorize, encourage or cooperate with any third party to):
		1. Use any Vendor AI or Outputs for a High Risk Use or Unacceptable Risk Use;
		2. Distribute or use the Vendor AI in any manner except as provided under these AI Terms;
		3. Make modifications to or otherwise create derivative works of or improvements to the Vendor AI; notwithstanding the foregoing, any such unauthorized works and any intellectual property rights therein, will be deemed to be the sole and exclusive property of Vendor;
		4. Circumvent or interfere with the technical protections, security or operation of the Vendor AI;
		5. Assert, or authorize, assist, or encourage any third party to assert, against Vendor or any Vendor Affiliates, customers, vendors, business partners, or licensors, any patent infringement or other intellectual property infringement claim regarding the Vendor AI;
		6. Copy, create, offer, train, or sell any competing AI System, product, service or offering with the same or similar functionality during the term of these AI Terms and the Agreement;
		7. Access or use the Vendor AI in a manner that infringes a third party’s intellectual property rights;
		8. Engage in any conduct that may be detrimental to the Vendor AI or marketability thereof;
		9. Enter into any agreement which requires Customer to take any actions that are in conflict with the terms of these AI Terms;
		10. Sublicense, distribute or otherwise make available any portion of the Vendor AI (including any functionality of the Vendor AI) to any third party;
		11. Use or make any Output available without disclosing that the Output was generated using AI System.
2. **THIRD PARTY SOFTWARE**

Any third party software, services, or products used by Customer in connection with the Vendor AI are subject to their own terms, and Vendor is not responsible or liable for third party software, services or products.

1. **WARRANTY DISCLAIMER**

THE VENDOR AI AND FEATURES, INCLUDING ALL OUTPUTS, ARE PROVIDED “AS IS” AND “AS AVAILABLE”, WITHOUT ANY WARRANTY OR REPRESENTATIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY. VENDOR IS NOT RESPONSIBLE OR LIABLE FOR CUSTOMER’S (OR CUSTOMER’S USERS’) USE OF THE VENDOR AI, OR USE OR INTERPRETATION OFF ANY RESULTS, OUTCOMES OR OUTPUTS. TO THE MAXIMUM EXTENT PERMITTED BY LAW, VENDOR EXPRESSLY DISCLAIM ALL CONDITIONS, WARRANTIES AND REPRESENTATIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY REGARDING THE VENDOR AI, INCLUDING WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, ACCURACY (OF DATA OR ANY OTHER INFORMATION, RESPONSE, RESULTS OR CONTENT), SATISFACTORY QUALITY AND FITNESS FOR PURPOSE. NOTWITHSTANDING THE FOREGOING, VENDOR MAKES NO WARRANTY THAT THE VENDOR AI (OR THE INFORMATION OR OUTPUT PROVIDED BY THE VENDOR AI) WILL MEET CUSTOMER’S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, BE ACCURATE, COMPLETE OR ERROR FREE OR GENERATE ANY SPECIFIC OUTCOMES OR RESULTS.

VENDOR IS NOT RESPONSIBLE AND SHALL HAVE NO LIABILITY FOR ANY ISSUES, PROBLEMS, UNAVAILABILITY, DELAY OR SECURITY INCIDENTS ARISING FROM OR RELATED TO: (A) CYBERATTACK; (B) THE PUBLIC INTERNET AND COMMUNICATIONS NETWORK; (C) DATA, SOFTWARE, HARDWARE, SERVICES, TELECOMMUNICATIONS, INFRASTRUCTURE OR NETWORKING EQUIPMENT NOT PROVIDED BY VENDOR, OR ACTS OR OMISSIONS OF THIRD PARTIES NOT UNDER VENDOR’S CONTROL; (D) CUSTOMER’S NEGLIGENCE, OR THE NEGLIGENCE OF ANY USER, OR THE FAILURE OF ANY CUSTOMER OR USER TO FOLLOW PUBLISHED DOCUMENTATION; (E) MODIFICATIONS OR ALTERATIONS NOT MADE BY VENDOR; (F) LOSS OR CORRUPTION OF DATA; (G) UNAUTHORIZED ACCESS VIA CUSTOMER’S CREDENTIALS; OR (H) CUSTOMER’S FAILURE TO USE COMMERCIALLY REASONABLE ADMINISTRATIVE, PHYSICAL AND TECHNICAL SAFEGUARDS TO PROTECT ITS SYSTEMS OR DATA OR FOLLOW INDUSTRY-STANDARD SECURITY PRACTICES.

1. **CUSTOMER FEEDBACK**

Customer may voluntarily provide comments, suggestions, enhancement or modification requests, recommendations, proposals, ideas, and other feedback relating to the Vendor AI or otherwise (collectively, “**Feedback**”). Customer hereby assigns to Vendor (and shall cause its employees, contractors, and agents to assign to Vendor) all right, title, and interest in, and Vendor is free to use, without any attribution or compensation to any party, any Feedback and intellectual property rights contained in the Feedback, for any purpose whatsoever, whether or not the Feedback was provided at Vendor’s request. Vendor is not required to hold any Feedback in confidence, pay compensation for any Feedback, implement or use any Feedback, or respond to any Feedback.

1. **INDEMNIFICATION**

Customer will, at Customer’s expense and at Vendor’s option, defend and indemnify Vendor and its licensors and service providers from and against any third-party claim, suit or proceeding, and pay any final judgments awarded by a court of competent jurisdiction, or reasonable settlement amounts approved in writing by Vendor, arising out of any claim brought against Vendor by a third party: (a) alleging that Customer, its Affiliates, or any of its or their employees, agents or subcontractors, infringes such third party’s copyright, patent, trademark or trade secret rights in providing any Inputs or Input Data; (b) arising out of or relating to access or use of, or inability to access or use, the Vendor AI by Customer or its Affiliates or any of its or their respective employees, agents and subcontractors; (c) Customer’s use of the Vendor AI for any High Risk Use or Unacceptable Risk Use; or (d) Customer’s failure to comply with these AI Terms.

1. **LIABILITY**

CUSTOMER’S LIABILITY FOR BREACH OF SECTION 2 .5 (USE RESTRICTIONS) AND FOR THE INDEMNITY IN SECTION 6 (INDEMNIFICATION) ARE NOT SUBJECT TO THE LIMITATION OF LIABILITY SET FORTH IN THE AGREEMENT. VENDOR’S AGGREGATE AND CUMULATIVE LIABILITY ARISING OUT OF OR RELATED TO THE VENDOR AI IS LIMITED TO ONLY DIRECT DAMAGES EQUALING THE TOTAL AMOUNTS PAID BY CUSTOMER FOR THE USE OF THE VENDOR AI IN THE PRIOR TWELVE MONTHS.