BRIA 2.0 on HuggingFace Model License Agreement

This Agreement and any additional terms BRIA Artificial Intelligence Ltd. ("BRIA") presents when you access a Model (the "Agreement"). The Agreement takes effect when the Customer (as defined below) accepts this Agreement and Conditions or accesses or uses the Foundation Model, the earlier (the "Effective Date"). You must be 18 years or older and able to form a binding contract with BRIA to access or use the Foundation Model. The individual who accepts this Agreement represents that they are authorized to enter into this Agreement on behalf of the Customer. Capitalized terms have the meanings given under Definitions.

1. License to Foundation Models and Open Foundation Models

- 1.1. License grant. Subject to Customer's compliance with this Agreement, BRIA grants to Customer a worldwide, non-exclusive and limited to the Term license to (i) install, access, use and maintain the Foundation Models and the Open Foundation Models, (ii) create, develop, train advance and maintain any Derivatives of the Foundation Models and (iii) market and have marketed, distribute and have distributed and commercialize and have commercialized the Foundation Models and any Derivatives of the Foundation Models, other than as Open Version. This license is non-transferable except as expressly permitted under this Agreement.
- 1.2. Affiliates. Customer's Affiliates may use the Foundation Models, or any Derivatives of the Foundation Models created by the Customer in accordance with this Agreement, other than as Open Versions. Customer is responsible for its Affiliates' use, and Customer has the sole right to enforce this Agreement.
- 1.3. **Compliance with laws.** Customer's use of the Foundation Models and the Open Foundation Models must not violate any applicable laws, including copyright or trademark laws, export control laws and regulations, including laws and regulations in its jurisdiction.
- 1.4. **Reservation of rights.** Foundation Models and the Open Foundation Models are protected by copyright and other intellectual property laws and international treaties. BRIA reserves all rights not expressly granted in this Agreement, and no rights are granted or implied by waiver or estoppel.
- 1.5. **Feedback.** Feedback by Customer is optional and voluntary. Feedback may be used by BRIA for any purpose without obligation of any kind as long as the Customer's confidential information remains confidential.
- 1.6. **Restrictions.** Unless expressly permitted in this Agreement or by law, Customer may not:
 - 1.6.1. modify, develop or change the Foundation Model or Open Foundation Model by incorporating any open-source software or technology in any way that makes BRIA's intellectual property or technology subject to any other license terms;
 - 1.6.2. work around, disable, circumvent or tamper with the Attribution Agent from the Foundation Models, Open Foundation Models or any Derivatives of the Foundation Models or any Open Version thereof;
 - 1.6.3. sell, rent, lease, sublicense, distribute or lend the Open Foundation Models or Open Version of any Derivatives of the Foundation Models to others, in whole or in part, or host the Open Foundation Models or Open Version of any Derivatives of the Foundation Models for access or use by others, except incorporated into Customer's products and/or services; or
 - 1.6.4. use any distillation methods entailing the use of intermediate data representations or methods based on the generation of synthetic data by the Foundation Models or any Derivatives of the Foundation Models for training any other model.

2. Outputs

- 2.1. License to Outputs. Subject to the terms of this Agreement, BRIA hereby assigns to Customer all its right, title and interest in and to Outputs. Customer is responsible for Content, including for ensuring that Outputs do not violate any applicable law or this Agreement.
- 2.2. Use restrictions. Customer may not use, sell, license or distribute pre-generated Outputs in connection with a stock photo website or similar service for search, preview and download of Content by end users. Nothing herein shall be interpreted to limit Customer to allow End User to access or use the Foundation Models or any Derivatives of the Foundation Models to generate Outputs.
- 2.3. **Content Guidelines.** Customer's use of the Foundation Models, Open Foundation Models or any Derivatives of the Foundation Models and any Output is subject to the Content Guidelines. Customer will have any End User consent to comply with the Content Guidelines. To that end, Customer undertakes to

deploy standard tools for a NSFW detection/blocking feature to guard against Outputs comprising NSFW content.

2.4. **Outputs marking.** Customer will ensure that all Outputs generated by End Users executing upon any Foundation Models or any Derivatives of the Foundation Models automatically marked as "AI Generated" using such metadata standards and/or invisible watermarking techniques pursuant to industry standards.

3. Confidentiality

3.1. **Confidential Information.** "Confidential Information" is non-public information in any form that is marked as "confidential" or that a reasonable person should understand is confidential. This includes, but is not limited to, the Foundation Models, Open Foundation Models, any Derivatives of the Foundation Models or an Open Version thereof, the terms of this Agreement and Customer's account authentication credentials.

Confidential Information does not include information that:

- 3.1.1. becomes publicly available without a breach of a confidentiality obligation;
- 3.1.2. was received lawfully from another source without a confidentiality obligation; or
- 3.1.3. is independently developed.
- 3.2. **Protection of Confidential Information.** Each party will take reasonable steps to protect the other's Confidential Information. A party will only use the other party's Confidential Information as part of the parties' business relationship. Neither party will disclose Confidential Information to third parties. A party may only share Confidential Information with a party's Representatives on a need-to-know basis, under nondisclosure obligations at least as protective as this Agreement. Each party remains responsible for the use of Confidential Information by its Representatives. A party must promptly notify the other party if it discovers any unauthorized use or disclosure.
- 3.3. **Disclosure required by law.** A party may disclose the other's Confidential Information if required by law, but only after it notifies the other party (if legally permissible) so that the other party can seek a protective order.
- 3.4. **Residual information.** Neither party is required to restrict its Representatives in other work assignments if they have had access to Confidential Information. Each party agrees that the use of information retained in Representatives' unaided memories in the development or deployment of the parties' respective model or services does not create liability under this Agreement or trade secret law.
- 3.5. **Duration of confidentiality obligation.** These confidentiality obligations apply during the Term and for a period of 3 years after the termination of this Agreement.

4. Warranties

- 4.1. Limited warranties and remedies.
 - 4.1.1. Limited Warranty. BRIA warrants that (i) the Foundation Models and the Open Foundation Models will perform substantially as described in the Foundation Models documentation for one year from the date Customer acquires a license for that version (ii) the Foundation Models, when used within the scope of this Agreement, unmodified (as provided by BRIA), and not combined with anything else, will not misappropriate a trade secret or directly infringe a patent, copyright, trademark, or other proprietary right of a third party and (iii) Outputs, when used within the scope of this Agreement, unmodified, and not combined with anything else, will not infringe on any copyrights or moral rights of any training data owner/creator or, and where a property is depicted, will not infringe on any trademark or other intellectual property right and/or will not, where a model is depicted, violate any right of privacy or right of publicity.
 - 4.1.2. Limited Remedies. The sole remedy for breach of BRIA's warranty in Section 4.1.1(i) above, shall be that BRIA will perform Support in accordance with the SLA.
- 4.2. **Exclusions.** The warranties in this Agreement do not apply to problems caused by accident, abuse, or use inconsistent with this Agreement, including failure to meet minimum system requirements. BRIA's warranty does not apply if (i) Customer fails to update a Foundation Model to the newest release, (ii) someone other than BRIA modifies a Foundation Model or Open Foundation Model or (iii) Customer uses a Foundation Model or Open Foundation Model in a manner unauthorized by this Agreement. Customer waives any warranty claims not made during the warranty period.
- 4.3. **Disclaimer.** Except for the limited warranties above and subject to applicable law, BRIA provides no other warranties. It disclaims any other express, implied or statutory warranties, including warranties of quality, title, non-infringement, merchantability, and fitness for a particular purpose.

5. Indemnification for third-party claims

- 5.1. The parties will defend each other against third party claims described in this section and will pay the amount of any resulting adverse final judgment or approved settlement, but only if the defending party is promptly notified in writing of the claim and has the right to control the defense and any settlement of it.
- 5.2. The party being defended must provide the defending party with all requested assistance, information, and authority. The defending party will then reimburse the other party for reasonable out-of-pocket expenses it incurs in providing such assistance.
- 5.3. This section describes the parties' sole remedies and entire liability for such claims, subject to the limitations set out in Section 6 ("Limitation of liability").
 - 5.3.1. Foundation Models indemnity by BRIA. BRIA will defend Customer against any third-party claim that a Foundation Models or Open Foundation Models made available by BRIA and used within the scope of this Agreement (unmodified as provided by BRIA and not combined with anything else), misappropriated a trade secret or directly infringes a patent, copyright, trademark, or other proprietary right of a third party. If BRIA is unable to resolve a claim of misappropriation or infringement of a Foundation Model or Open Foundation Model, BRIA will make best commercial effort to modify or replace the Foundation Model or Open Foundation Model with a functional equivalent. BRIA will not be liable for any claims or damages due to Customer's continued use of a Foundation Model or Open Foundation Model after being notified to stop due to a third-party claim.
 - 5.3.2. **Training data indemnity by BRIA.** BRIA will defend Customer against any third-party claim that training data used to train the Foundation Models made available by BRIA, infringes on any copyrights or moral rights of any training data owner/creator or, and where a property is depicted, infringes on any trademark or other intellectual property right, or, where a model is depicted, violates any right of privacy or right of publicity.
 - 5.3.3. Output indemnity by BRIA. BRIA will defend Customer against any third-party claim that a Output generated by the Foundation Models in accordance with this Agreement, when used within the scope of this Agreement, unmodified, and not combined with anything else, infringes on any copyrights or moral rights of any training data owner/creator or, and where a property is depicted, infringes on any trademark or other intellectual property right, or, where a model is depicted, violates any right of privacy or right of publicity. BRIA's defense obligations with respect to Outputs shall not apply if (i) the claim is arising from the combination of an Output with Customer Content or modification of an Output by a Customer of End User, if such claim would not have arisen but for such combination or modification, (ii) such claim would not have arisen but for a breach of Section 2 or the Content Guidelines by Customer or an End User.
 - 5.3.4. **Indemnity by Customer.** To the extent permitted by applicable law, Customer will defend BRIA and its Affiliates against any third-party claim that: (i) any Customer Content or Derivatives of the Foundation Models misappropriated a trade secret or directly infringes a patent, copyright, trademark, or other proprietary right of a third party; (ii) data used by Customer to train the Open Foundation Models or any Derivative of the Foundation Models, infringes on any copyrights or moral rights of any such data owner/creator or, and where a property is depicted, infringes on any trademark or other intellectual property right, or, where a model is depicted, violates any right of privacy or right of publicity, or (iii) Customer's use of the Foundation Models, Open Foundation Models or any Derivatives of the Foundation Models, alone or in combination with anything else, violates the law or harms a third party.

6. Scope of liability

- 6.1. **Unlimited liability.** No limitation or exclusions will apply to liability arising out of either party's (i) indemnification obligations described in Section 5.3, (ii) violation of the other party's intellectual property rights or confidentiality breach, or (iii) violation by Customer of Section 1.8 above.
- 6.2. Limited liability. In all other cases (i) each party's maximum, aggregate liability to the other under this Agreement is limited to direct damages finally awarded in an amount not to exceed the amount Customer paid under this Agreement during the 12 months before the incident, and (ii) neither party shall be liable for indirect, incidental, special, punitive, or consequential damages, or loss of use, loss of profits, or interruption of business, however caused or on any theory of liability.
- 6.3. **Trial Period.** Notwithstanding anything to the contrary herein, if Customer obtained a Foundation Model or an Open Version thereof for a Trial Period, no commercial use thereof or any Output thereof is permitted or shall be covered by BRIA under any warranty, liability and/or indemnity undertaking provided hereunder and Customer may only access and use the same solely for evaluation purposes. After the expiration of the Trial Period and subject to the payment of the fees stipulated herein and all other terms and conditions of this Agreement, said provisions shall enter into effect also for any commercial use.

7. Pricing and payment

- 7.1. Fees. Customer will pay BRIA the platform fees set forth in the respective purchase order.
- 7.2. **Payment terms.** Platform fees are payable in advance on a calendar quarterly basis within 10 days from the beginning of each calendar quarter. Consumption fees are payable within 30 days from the end of the calendar month during which such execution on the models were made. Amounts payable are non-refundable.
- 7.3. **Attribution Agent Record & Audit.** The Foundation Models, Open Foundation Models, any Derivative of the Foundation Models or any Open Version thereof, must include the Attribution Agent provided by BRIA. Any warranty and indemnity hereunder is strictly conditioned upon Customer deployment, activation and use of the Attribution Agent pursuant with its pertaining documentation. Customer agrees to provide BRIA with true and accurate record of the Attribution Agent within 10 days following the end of each calendar month and BRIA will issue Customer an invoice based on such record. Upon reasonable notice, BRIA may, at its discretion, through a third party, audit Customer's records directly related to this Agreement and Customers' use of the Foundation Models, Open Foundation Models, any Derivative of the Foundation Models or any Open Version thereof, in order to verify compliance with the terms of this Agreement.
- 7.4. **Taxes.** Customer is solely responsible for all taxes, fees, duties and governmental assessments (except for taxes based on BRIA's net income) that are imposed or become due in connection with this Agreement. If any taxes are required to be withheld on payments invoiced by BRIA, then the amounts due to BRIA shall be increased such that BRIA will receive the amount it would have received had Customer not made any such withholding.

8. Term and termination

- 8.1. **Term.** This Agreement will enter into effect upon the Effective Date and will remain in full force and effect for the Trial Period, whereupon it shall automatically renew for successive 1-year periods unless either party provides not less than 60-day notice to terminate prior to the expiry of any renewal period, or until earlier termination by either party as described below.
- 8.2. **Termination for cause.** Without limiting other remedies, either party may terminate this Agreement for material breach immediately if the other party fails to cure a curable breach within a 30-day notice period.
- 8.3. **Termination for convenience.** During the Trial Period any party may terminate this Agreement for any reason or for no reason upon 10-day notice to the other party.
- 8.4. **Termination for regulatory reasons.** BRIA may modify, discontinue, or terminate any license granted under this Agreement in any country or jurisdiction where there is any current or future government regulation, obligation, or other requirement, that (i) is not generally applicable to businesses operating there; (ii) presents a hardship for BRIA to continue offering the Foundation Models or Open Foundation Models without modification; or (iii) causes BRIA to believe these terms and conditions or the Foundation Models or Open Foundation Models may conflict with any such regulation, obligation, or requirement.
- 8.5. **Implication of termination.** Upon termination of this Agreement for any reason: (i) all licenses granted under this Agreement will terminate immediately, (ii) Customer shall cease immediately the access, use, distribution or marketing of the Foundation Models, Open Foundation Models or any Derivative of the Foundation Models, (iii) Customer will immediately delete all Foundation Models, Open Foundation Models and any Derivative of the Foundation Models, including any digital fingerprints or other copies thereof using then-current best practices for ensuring that it is permanently and irretrievably deleted and expunged from Customer's systems and environment and provide a written certification signed by a C-level officer certifying to the deletion thereof, and (iv) all outstanding amounts payable under this Agreement will become immediately due and payable.

9. Miscellaneous

- 9.1. **Independent contractors.** The parties are independent contractors. Customer and BRIA may develop any model, product or service independently without using the other's Confidential Information.
- 9.2. **Assignment.** Either party may assign this Agreement to an Affiliate, but it must notify the other party in writing of the assignment. Any other assignment of this Agreement must be approved by the other party in writing. Any attempted assignment without required approval will be void.
- 9.3. **Severability.** If any part of this Agreement is held to be unenforceable, the rest of the Agreement will remain in full force and effect.
- 9.4. **Waiver.** Failure to enforce any provision of this Agreement will not constitute a waiver. Any waiver must be in writing and signed by the waiving party.

- 9.5. No third-party beneficiaries. This Agreement does not create any third-party beneficiary rights except as expressly provided by its terms.
- 9.6. **Survival.** All provisions survive termination of this Agreement except those requiring performance only during the term of the Agreement.
- 9.7. Notices. Except as may be otherwise set forth herein, all notices, requests, demands and other communications hereunder will be in writing and will be deemed to have been duly given: (i) on the next day if delivered personally to such Party; (ii) on the date 3 days after mailing if mailed by registered or certified mail; or (iii) on the next day if delivered by courier. All notices will be sent to the following address:

If to Customer: as indicated in the respective purchase order

If to BRIA:

BRIA Artificial Intelligence Ltd. 126 Yigal Alon St. Tel Aviv Israel

With a copy to: vered@bria.ai

Such addresses may be changed by notice given by one party to the other pursuant to this Section 9 or by other form of notice agreed to by the parties.

9.8. **Applicable law and venue.** This Agreement will be governed by and construed in accordance with the laws of the State of New York, USA and federal laws of the United States, without reference to principles and laws relating to the conflict of laws. Any legal action or proceeding will be brought exclusively in the federal or state courts located in the city of New York, NY, USA. The parties' consent to personal jurisdiction and venue there. Each party irrevocably waives its right to trial of any issue by jury.

The above choice of venue does not prevent either party from seeking injunctive relief in any jurisdiction with respect to a violation of intellectual property rights or confidentiality obligations.

The 1980 United Nations Convention on Contracts for the International Sale of Goods and its related instruments will not apply to this Agreement.

10. Definitions

"Affiliate" means any legal entity that controls, is controlled by, or is under common control with a party. In this context control means ownership of more than a 50% interest in an entity.

"Attribution Agent" means a software agent provided by BRIA together with the Foundation Models and Open Foundation Models, which keeps log of usage of such models in order to facilitate BRIA's payment undertaking to licensors of the pertaining training data.

"Content" means text, data, images and any other materials that are provided or otherwise made available to the Foundation Models.

"Content Guidelines" means the BRIA Content Guidelines available at https://BRIA.ai/content-guidelines.

"Customer" means the party that takes a Foundation Model from BRIA on HuggingFace.

"Customer Content" means Content that Customer or End User creates, owns, or to which Customer or End User holds the rights, other than Outputs.

"Derivatives of the Foundation Models" means all modifications to the Open Foundation Models, works based on the Open Foundation Models, or any other model which is created or initialized by transfer of patterns of the weights, parameters, activations or output of the Open Foundation Models, to the other model, in order to cause the other model to perform similarly to the Open Foundation Models. Without derogating from the generality of the foregoing, "Derivatives of the Foundation Models" shall also include products or services based on the Open Foundation Models, including any platform and/or application such as content modification or editing tools.

"Development Phase" means, with respect to any Foundation Model or Derivative of a Foundation Model, any time from the expiry of the Trial Period and until the beginning of the Production Phase.

"End User" means any person or machine account that Customer permits to use or access a Foundation Models or any Derivative of the Foundation Models in accordance with this Agreement.

"Feedback" means a comment or Output volunteered by a party about the other party's business, models, products or services.

"Foundation Models" means machine-learning based assemblies, consisting of learnt weights, parameters, corresponding to the model architecture as described on the model documentation, including updates, patches, bug fixes, model releases and Support provided by BRIA.

"Open Foundation Models" means an Open Version of the Foundation Models.

"Open Version" means source code, scripts, machine-learning based assemblies, learnt weights, parameters, or model architecture.

"Outputs" means any Content or edit or modification of Customer Content or Content or any other output returned by the Foundation Models.

"Party" means each of BRIA or Customer, and together, the "Parties".

"Production Phase" means, with respect to any Foundation Model or Derivative of a Foundation Model, the time Customer makes such Foundation Model or Derivative of such Foundation Model, as applicable, generally available to its customers.

"Representatives" means a party's employees, Affiliates, contractors, advisors and consultants.

"SLA" means BRIA minimum service level for the Foundation Models and Open Foundation Models as specified in <u>Annex A</u> hereto.

"Support" means BRIA's support services described on the SLA.

"Trial Period" means the term specified in the respective HuggingFace listing (if any) during which the Customer may use a Foundation Model for non-commercial, evaluation purposes solely.

Annex A

Service Level Agreement

1. Definitions

"Business Days" means regular working days, except for official holidays applicable in the country where the Support Services are performed.

"Business Hours" means 9:00-18:00 during Business Days, except for official holidays applicable in the country where the Support Services are performed.

"Response Time" means the time between the first call from Customer to technical support and the first reply by BRIA, considering the hours of coverage.

"Resolution Time" means the time between the request for assistance by Customer and the resolution of the issue.

2. Scope

- 2.1. BRIA is responsible for resolving problems directly related to the Foundation Models or the Open Foundation Models failure to perform substantially as described in the Foundation Models documentation.
- 2.2. BRIA's principal responsibilities are to:
 - 2.2.1. Perform regular on-going maintenance of the Foundation Models and the Open Foundation Models.
 - 2.2.2. Respond to Customer's requests for assistance.
 - 2.2.3. Identify the type, nature and circumstances leading to the cause of the problem in connection with the Foundation Models or the Open Foundation Models.
 - 2.2.4. Execute activities required for problem solving and resolution.
 - 2.2.5. Ensure that the relevant rectifying measures are taken to avoid the reoccurrence of the problem or similar problems in the future.

3. Support

3.1. **Issue Severity Determination.** The severity of an issue is determined by several factors such as the system type (production or test) and the business impact of the issue.

Severity Level	Description				
Level 1 / Blocker	Foundation Models or the Open Foundation Models does not return a Output.				
Level 2 / Critical	Main business functionality is not available or impaired causing a severe impact on the Customer's business.				
	For Example:				
	 Major performance degradation of the Foundation Models or the Open Foundation Models 				
	 Foundation Models or the Open Foundation Models failure which severely adversely affects Outputs results quality 				
Level 3 / Major	An issue which does not have a significant impact on the Foundation Models or the Open Foundation Models.				
	For Example:				
	 Minor performance degradation of the Foundation Models or the Open Foundation Models 				
	 Foundation Models or the Open Foundation Models failure which insignificantly adversely affects Outputs results quality 				
Level 4 / Minor	Look and feel (cosmetic) or user experience issues that do not prevent the Foundation Models or the Open Foundation Models from functioning.				

3.2. Response and Resolution Times.

Case Severity	Level 1	Level 2	Level 3	Level 4
Initial Response	1 Hour	Same Business	Same Business Day	Next Business Day
		Day		
Target Resolution	4 Hours	2 Business Days	In the next two components	Will be considered in
Time			versions release	future release

* BRIA will make best efforts to achieve the above timelines for 90% of the issues.

3.3. BRIA Case Handling by Severity.

Level 1 – resources applied continuously (around-the-clock basis) until a solution or acceptable workaround is developed.

Level 2 – resources applied continuously, during normal Business Hours, until a solution or workaround is developed.

Level 3 – BRIA will add a solution to the current workplan and provide a solution date before closing the ticket.

Level 4 – BRIA will make reasonable efforts to provide a solution to the issue in a future version release.

Customer's Obligations

3.4. Customer Responsibility. Date Partner undertakes to:

- 3.4.1. Eliminate the possibility that the issue is not related to the Foundation Models or the Open Foundation Models.
- 3.4.2. Conduct troubleshooting using BRIA Knowledge Base & Troubleshooting Guides.
- 3.4.3. Provide full cooperation in investigating other instances encountered by BRIA.