

AI Services Addendum

This AI Addendum was last updated March 18, 2026. Perceptyx reserves the right to periodically modify this AI Addendum upon written notice to Customer, and such modification will become effective upon renewal. Archived versions of the AI Addendum are available [here](#).

This Artificial Intelligence Services Addendum (this “Addendum”) is incorporated into and forms a part of the Agreement.

The parties agree that this Addendum governs the provision and use of any generative artificial intelligence, machine learning, or related automated tools provided by Perceptyx. Capitalized terms used but not defined in this Addendum shall have the meanings assigned to them in the Agreement.

1. Definitions

1.1 “**AI**” shall mean any system, software, or service utilizing computational methods, including but not limited to machine learning, natural language processing, or other adaptive techniques, to generate content, predictions, or decisions.

1.2 “**AI Feature**” shall mean any specific functionality, tool, or capability within the Services that is powered by or incorporates AI, Internal AI, or Generative AI.

1.3 “**Internal AI**” refers to proprietary, deterministic, or inferential systems (such as rules-based logic and NLP) embedded within the core functionality of the Services for data processing and performance optimization.

1.4 “**Generative AI**” refers to AI systems designed to generate novel content (such as text, images, or code) utilizing third-party large language models (“LLMs”) or similar technologies.

1.5 “**AI Input**” means any Customer Data submitted by Customer to an AI Feature.

1.6 “**AI Output**” means the results, predictions, or content generated by an AI Feature based on AI Input.

1.7 “**Customer Data**” means all data, information, or material provided or submitted by Customer to the Services in the course of using the AI Features.

1.8 “**Perceptyx Intellectual Property**” means all rights, titles, and interests in and to the AI Features, including underlying models, proprietary algorithms, NLP frameworks, and the structural logic used to deliver the Services.

2. Usage, Customer Control, and Regulatory Compliance

2.1 Internal AI Consent. Customer acknowledges that Internal AI is a foundational component of the Services. The use of the Services constitutes Customer's consent to the operation of Internal AI.

2.2 Generative AI Opt-In. Customer may elect to enable features designated as Generative AI and may elect to opt out of Generative AI Features previously enabled. In such event, Perceptyx shall provide a mechanism to disable these specific Generative AI Features.

2.3 Regulatory Notification. In the event Perceptyx determines that it is unable to provide the AI Features in compliance with applicable laws or regulations (an "AI Regulatory Event"), Perceptyx shall (a) promptly notify Customer in writing, and (b) reserve the right to suspend or modify the affected AI Features to achieve compliance.

2.4 Effect of Disabling Features. The suspension or disabling of AI Features pursuant to Section 2.2 or 2.3 (a) shall not constitute a breach of the Agreement or this Addendum, and (b) shall not entitle Customer to any refund, credit, or reduction in fees.

3. Data Privacy, Training, and Security

3.1 Non-Training Covenant. Perceptyx represents and warrants that neither Perceptyx nor its third-party Generative AI vendors shall utilize Customer Data or AI Input to train, retrain, or improve their respective base models.

3.2 Material Changes. Perceptyx shall provide prior written notice of any material changes to the methodology by which Customer Data is processed within the AI Features. Any such material change shall require Customer's prior written consent.

3.3 Security Framework. All AI Features remain subject to the applicable security and privacy obligations set forth in the Agreement.

4. Ownership of Output

4.1 Intellectual Property Limitations. Customer acknowledges that AI Output may not be eligible for copyright protection under applicable law.

4.2 Contractual Ownership. As between the parties, Customer shall own all right, title, and interest in the AI Output, provided and solely to the extent that such AI Output is derived from Customer's AI Input, does not contain Perceptyx Intellectual Property, or is not generic in nature.

4.3 Reservation of Rights. Perceptyx expressly retains all ownership of the Perceptyx Intellectual Property used to generate the AI Output.

5. Limitation of Liability

5.1 Enhanced Liability Cap. Notwithstanding any general limitation of liability in the Agreement, Perceptyx's aggregate liability for claims arising out of this Addendum shall be limited to three times (3x) the fees paid by Customer during the twelve (12) months immediately preceding the event giving rise to the claim.

5.2 Indirect Damages Disclaimer. Perceptyx shall not be liable for any indirect, incidental, or consequential damages arising from Customer's reliance on AI Output for business operations or decisions.

6. Testing and Remediation

6.1 Internal Testing. Perceptyx shall maintain commercially reasonable protocols for the testing of AI Features to identify bias and security vulnerabilities.

6.2 Third-Party Dependency. Where Perceptyx leverages third-party models, Perceptyx's obligation is limited to monitoring vendor compliance. If a material risk is identified, Customer's sole remedy is the cessation of use of the affected AI Feature as set forth in Section 2.4.

7. Order of Precedence

7.1 In the event of any inconsistency or conflict between the terms and conditions of this Addendum and the terms and conditions of the Agreement (including any exhibits, order forms, or addenda), this Addendum shall control and govern solely with respect to the subject matter herein (the use and regulation of AI Features). In all other respects, the Agreement remains in full force and effect.