
Sovara Labs Terms of Service for US Customers

Version 1.0 (US Customers) - May 21, 2026

1 Scope

These terms and conditions ("**Terms**"), together with all other referenced documents, form a legally binding agreement ("**Agreement**") between Sovara Labs Inc., 1111B S Governors Ave # 57777, Dover, DE 19904, USA ("**Company**") and the customer ("**Customer**").

2 Services

2.1 Scope, functionality and deployment of Services

The Company shall provide the Customer with the services defined in the Agreement and with any other services agreed in writing, text form or orally between the Parties from time to time ("**Services**") in accordance with this Agreement. In case of oral instruction, the Parties shall subsequently confirm the scope and fees in text form.

The Services are either (i) made available by the Company as software as a service , or (ii) installed on infrastructure controlled by the Customer ("**On-Premise Deployment**"), as specified in the Agreement.

2.2 Service changes

The Company constantly develops and improves its Services and may modify or either temporarily or permanently stop providing the offered Services or any part of it at its sole discretion. In case of material changes to the Services, i.e., changes significantly altering the nature and scope of the Services provided to the Customer according to the Agreement, the Company shall, where reasonably possible, notify the Customers that are directly affected by such changes. In case of On-Premise deployments, this right applies to future updates, releases, and modifications provided by the Company; versions already installed on the Customer's infrastructure remain available in accordance with the Agreement. If a material change results in the Services being objectively no longer in accordance with the Agreement, the Customer may terminate the Agreement by written notice within 1 month from receipt of the Company's notice of such change, or, where no notice is provided, from the date the change takes effect.

2.3 Test versions & pilots

As a part of the development and improvement process, the Company may offer some of the Services in previews, alpha, beta or test versions ("**Test Versions**"). The Customer hereby acknowledges and agrees that (i) the use of Test Versions bears additional risks, that (ii) the Company is not obliged to inform the Customer about any updates or modifications to the Test Versions, that (iii) the Company may end the provision of any Test Versions at any time, without a reason, and at the Company's sole discretion, and that (iv) Test Versions may include features never released. Unless otherwise explicitly agreed, the Company offers no warranty, indemnity, SLA or support for Test Versions and its liability for Test Versions is fully excluded to the maximum extent permitted by applicable law.

The Company may make the Services available to the Customer on a pilot basis for evaluation purposes ("**Pilots**"). Pilots may be provided for a fee or free of charge.

During a Pilot, the Customer obtains only a limited, non-exclusive, non-transferable right to access and use the Services for internal evaluation purposes.

Unless agreed otherwise, the Customer shall not use the Services in production environments, for the processing of business-critical data, or for any commercial purpose. The Company offers no warranty, indemnity, SLA, or support for Pilots, and its liability for Pilots is fully excluded to the maximum extent permitted by applicable law.

3 Onboarding

The Customer may need to register an account to access and use all or part of the Services. The Customer shall provide accurate, current, and complete information during registration and keep their account information up-to-date. Accounts registered by bots or automated methods are not authorized and will be terminated. In case of an On-Premise Deployment, the Customer is responsible for managing access by its authorized users through its own authentication systems.

The Customer is responsible for maintaining the confidentiality and security of their account credentials and shall not disclose their credentials to any third party. The Customer is responsible and liable for activities conducted through their account and shall immediately notify the Company if there is any suspicion that their credentials have been lost, stolen, or their account is otherwise compromised. In case of an On-Premise Deployment, this obligation applies analogously to all access credentials issued or managed by the Customer for its authorized users.

4 Rights and obligations of the Company

The Company:

- a. shall provide the Customer with the Services with reasonable care and skills to the extent set forth in this Agreement;
- b. shall use reasonable care and skills in keeping the Services free from viruses and other malicious software programs;
- c. shall regularly carry out maintenance or improvements to the Services and its infrastructure, but does not warrant or guarantee that the Services will function without any interruption or disruption. The Customer acknowledges that this may result in temporary delays and interruption from time to time. Where reasonably possible, the Company shall inform the Customer about potential interruptions in advance;
- d. may subcontract third parties for all its obligations under this Agreement;
- e. is liable to the Customer for its subcontractors and ensures that subcontractors are bound to appropriate confidentiality and data protection obligations, to the extent set forth in this Agreement;
- f. may suspend access to the Services upon reasonable determination of illegal, wrongful, or fraudulent activity. The Customer remains liable for all fees during suspension. For On-Premise Deployments, suspension may be exercised by deactivating license keys and/or withholding updates, patches, and support.

The Customer may provide feedback or other inputs through forms, questionnaires, and polls in order to improve their Services (the "**Feedback**"). The Company may ask the Customer to provide such Feedback. The Company may use, or not use, any such Feedback, without any obligation, whether financial or otherwise, to the Customer. The Customer assigns all rights (including but not limited to intellectual property rights), title, and interest in the Feedback to the Company and acknowledges it has no claim in relation to the Feedback.

5 Rights and obligations of the Customer

The Customer shall:

- a. use the Services in compliance with the Agreement and all legal and moral obligations applicable in the territory where they are located;
- b. cooperate in the performance of this Agreement to the necessary extent;
- c. provide the Company with all necessary information, documents, materials, access, software, data, as well as competent staff, and anything else reasonably required for the provision of Services;
- d. inform the Company immediately if errors or faults occur and support the Company in the analysis and, if necessary, in the elimination of errors and faults to the extent required;

- e. designate a responsible contact person and provide the Company with all contact details, and ensure the availability of the contact person;
- f. check any data and information uploaded or otherwise added to the Services for viruses or other harmful components before entering it into the Services and use state-of-the-art virus protection programs for this purpose.
- g. immediately inform the Company of all circumstances within its sphere that might endanger or may be relevant to the provision of the Services and all misuses or suspicions of misuse of the Services;
- h. in case of an On-Premise Deployment, provide and maintain infrastructure meeting the Company's system requirements as set forth in the Documentation;
- i. in case of an On-Premise Deployment, install the Software in accordance with the Company's instructions and apply updates and patches provided by the Company within a reasonable time;
- j. in case of an On-Premise Deployment, ensure the security and integrity of the infrastructure on which the Software is installed.

The Customer is solely responsible for, and the Company may rely on, the accuracy of any information provided by the Customer.

Unless otherwise explicitly agreed in text form between the Parties, the Customer shall carry its duties listed in this section free of charge.

The Customer shall not:

- a. circumvent or attempt to circumvent any security protection of the Services;
- b. access the Services via any automated system or take any action that may impose an unreasonable load on the Company's infrastructure, unless otherwise agreed by the Company;
- c. bypass the measures that the Company may use to prevent or restrict access to or use of the Services;
- d. decompile or reverse engineer the Services or any part of it, derive the source code, or attempt to access, inspect, or extract any non-public component of the Services in any form;
- e. copy, modify, distribute, reproduce, translate, disassemble or use in any other way any information, text, graphics, images, software obtained from the Services, or any other part of the Services; and
- f. create derivative works based on the whole or any part of the Services or any content available on the Services.
- g. sell, sublicense, allow access or make the Services or any part of it otherwise available to third-parties other than as explicitly set out in the Agreement.
- h. use or exploit the Services, any part of it or any content contained there in any data mining or any other similar activity.

In case of an On-Premise Deployment, the Customer is solely responsible for providing and maintaining, at its own cost, suitable technical infrastructure (including hardware, network capacity, and connectivity) for the installation, hosting, and operation of the Services, in accordance with the Company's technical requirements specified in the Agreement. Such requirements may be updated by the Company from time to time, subject to reasonable advance notice.

The Company disclaims all liability for any damages, defects, or malfunctioning of the Services to the extent attributable to the Customer's infrastructure or to its failure to meet the requirements specified by the Company.

In case of an On-Premise Deployment, the Customer shall grant the Company reasonable access to the Customer's IT infrastructure as necessary for the Company to install, configure, update, maintain, and support the Software. Such access shall be coordinated with the Customer in advance and shall take place during normal business hours, unless otherwise agreed.

6 Fees

The Customer shall pay the fees indicated in the Agreement via the payment methods made available by the Company.

The Company may offer different fee models for various Services. The fees may include, but are not limited to, the following:

- One-off fees, such as set-up fees for the initial configuration of the Services or customization fees for specifying the Services. One-off fees generally apply within the scope of a defined project phase (e.g. prior to the start of an ongoing production collaboration) or a specific service. Unless otherwise agreed, one-off fees are invoiced in advance.
- Recurring fees such as license fees. Recurring fees may be adjusted by the Company in the event of changes to the scope of Services (e.g. due to changes in authorized users or in the event of additionally requested specifications). Unless otherwise agreed, recurring fees are invoiced monthly in advance.
- Usage-based fees, such as fees for token usage. Usage-based fees are determined by the number and complexity of algorithmic calculations or other actions carried out via the Services. Unless otherwise agreed, usage fees are invoiced in the following month.
- Cost-based fees, such as support services not contractually guaranteed. Cost-based fees are charged on the basis of the applicable hourly rates and travel expenses. Cost-based fees are invoiced in the following month.

Upgrades to higher Service options are possible at any time; service downgrades can only be carried out at the end of the notice period. If the Customer chooses an upgrade during an ongoing subscription, the additional charge must be paid on a pro rata basis.

If not explicitly stated otherwise, all fees are in USD and exclude any applicable sales, use, value-added, withholding, or similar taxes, levies, or governmental charges of any kind (collectively, "**Taxes**"). If the Customer is required by applicable law to withhold or deduct any Taxes from any payment to be made to the Company (a "**Withholding**"), the Customer shall (i) promptly pay the full amount withheld to the relevant governmental authority, and (ii) provide the Company with reasonable documentation evidencing such payment. The Parties shall cooperate in good faith to minimize any such Withholding, including by applying any available exemptions.

Invoices are due within 14 days. Late payments result in an interest rate of 5% p.a. Prepaid fees are non-cancelable and non-refundable.

In case the Customer does not pay the applicable fees as agreed between the parties latest 14 days after notice of non-payment, the Company reserves the right to limit or suspend access to the Services. In case of a suspension, the Customer remains liable for all charges and fees incurred during the suspension period. In case of an On-Premise Deployment, the Company may exercise its suspension right by deactivating license keys and/or withholding updates, patches, and support.

Any right to set off, retain, deduct, counterclaim and/or withhold any payments of fees due under the Agreement vis-à-vis the Company is hereby expressly waived and excluded.

The Company may change the fees from time to time, provided that any price changes will apply no earlier than 30 days following notice to the Customer.

7 Intellectual property

Except as expressly set forth in the Agreement, each Party retains all rights, titles, and interests to its own intellectual property, including all copyrights, inventions, trademarks, designs, domain names, know-how, trade secrets, data and other intangible property rights ("**Intellectual Property Rights**"). All Intellectual Property Rights in the Services, including their underlying models, algorithms, source code and software, remain vested in the Company.

The Company hereby grants the Customer a limited, non-exclusive, revocable, non-transferable, non-sublicensable right to install, run, access and use the Services for the Customer's internal business operations only, in accordance with and for the term of the Agreement.

The Customer hereby grants the Company a limited, non-exclusive, royalty-free, worldwide, non-transferable, sublicensable (only to the Company's subprocessors as permitted under this Agreement) right

to access, use, store, transmit, and process the data and information entered into, or generated by the use of, the Services ("**Customer Data**") solely as necessary to provide the Services in accordance with this Agreement.

The Company may collect performance, analytical, and technical data relating to access to and use of the Services, including log files, configuration data, and usage statistics ("**Usage Data**"). The Customer hereby irrevocably assigns to the Company all rights, title, and interest in the Feedback and, to the extent permitted by applicable law, in the Usage Data.

With respect to Customer Data, the Company may use such data only in aggregated and/or anonymized form, such that neither the Customer nor any identifiable natural person can be re-identified ("**Aggregated Data**"), on a perpetual, irrevocable, worldwide, sublicensable basis, to develop, train, test, and improve the Services and the Company's other products, including artificial intelligence, machine learning, and large language models, and for related security, support, maintenance, and analytics purposes. The Company shall implement appropriate technical and organizational measures to prevent re-identification. Except as permitted above or required by law, the Company shall not use Customer Data in non-aggregated or identifiable form for training or improving generally available models without the Customer's prior written consent.

8 Confidentiality & data protection

The Parties may disclose to each other confidential information ("**Confidential Information**"). Confidential Information includes, without limitation, any information which is marked as confidential such as organization information, customer databases, functionalities and features of the Services, or information which has otherwise been indicated as being confidential or could reasonably be deemed confidential and attributable to the Customer or the Company.

Publicly available or accessible information, information lawfully and unrestrictedly received or independently developed by the receiving Party, is not considered confidential.

Each Party undertakes to protect all Confidential Information that becomes accessible or known based on the Agreement. This confidentiality obligation remains in force even after the termination of the Agreement. Disclosure is permitted only (i) to employees, contractors, advisors, and subprocessors who have a need to know and are bound by confidentiality obligations no less protective than those set forth herein, and (ii) to the extent required by law, court order, or regulatory authority, in which case the disclosing Party shall, where legally permitted, promptly notify the other Party. The confidentiality obligations under this Section shall survive termination or expiration of this Agreement for a period of five (5) years, and indefinitely with respect to any Confidential Information that constitutes a trade secret.

The Parties shall process personal data in accordance with the Agreement and applicable law. The Parties may further define their duties regarding data protection in a data processing agreement, in which case the provisions of the data processing agreement prevail.

9 Audit right

In case of an On-Premise Deployment, the Company may, from time to time and upon ten (10) working days' prior written notice, conduct an audit of the Customer's premises, books, and IT infrastructure to verify the Customer's compliance with this Agreement, at the Company's cost. Audits may be conducted remotely or on-site, shall take place during normal business hours, and shall not unreasonably interfere with the Customer's business and operations. The Company may not conduct more than one audit within any six (6) month period, unless a prior audit revealed a breach. The Company's audit rights apply during the term of this Agreement and for twelve (12) months thereafter.

The draft audit report shall be provided to the Customer and shall be deemed accepted if not commented on in writing within twenty (20) working days. If the audit reveals a confirmed breach, the Customer shall promptly remedy it at its own cost and reimburse the Company for all reasonable audit costs. The engagement of any third-party auditor is subject to the Customer's prior written approval, which shall not be unreasonably withheld. In exercising its audit rights, the Company shall comply with reasonable security and confidentiality measures of the Customer.

If the audit confirms that the Customer has breached the Company's intellectual property rights or disclosed, misused, copied, reverse engineered, decompiled, transferred, or otherwise made available the Company's trade secrets or confidential know-how in breach of this Agreement, the Customer shall pay to the Company liquidated damages in the amount of **USD 65,000.00** for each breach. The Parties acknowledge and agree that the actual damages likely to result from such breach would be difficult or impossible to determine with precision, that such amount represents a reasonable estimate of the damages likely to be incurred by Company, and that such amount is not intended as a penalty. The Customer shall immediately cease and remedy any ongoing breach. If the Customer fails to fully cease and remedy such breach within three (3) working days after written notice by the Company, the Customer shall owe additional liquidated damages in the amount of **USD 25,000.00** for each day, or part thereof, during which the breach continues. The Parties acknowledge and agree that the additional damages arising from an ongoing breach would be difficult to ascertain and that such daily charge constitutes a reasonable pre-estimate of the damages likely to be suffered by Company for such ongoing breach and is not a penalty. The payment of liquidated damages under this Section shall not limit Company's right to seek injunctive or equitable relief to prevent or stop any actual or threatened breach of this Agreement. To the extent permitted under applicable law, the liquidated damages set forth in this Section are intended to compensate Company for the harm resulting

from the applicable breach and shall constitute Company's sole monetary remedy for the specific breach giving rise to such liquidated damages.

10 Limitation of liability

EXCLUSION OF DAMAGES. EXCEPT FOR OBLIGATIONS TO MAKE PAYMENT UNDER THIS AGREEMENT OR AS OTHERWISE PROVIDED IN THIS SECTION, IN NO EVENT SHALL EITHER PARTY OR ANY OF THEIR RESPECTIVE AFFILIATES, LICENSORS, CONTRACTORS, OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS, BE LIABLE FOR ANY LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR STRICT LIABILITY, FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFITS, REVENUE, DATA, OR BUSINESS, REGARDLESS OF WHETHER SUCH PERSONS WERE ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES, OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE.

CAP ON MONETARY DAMAGES. EXCEPT FOR OBLIGATIONS TO MAKE PAYMENT UNDER THIS AGREEMENT OR AS OTHERWISE PROVIDED IN THIS SECTION, IN NO EVENT WILL THE AGGREGATE LIABILITY OF EITHER PARTY OR OF ANY OF THEIR RESPECTIVE AFFILIATES, LICENSORS, CONTRACTORS, OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER ARISING UNDER OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EXCEED THE TOTAL AMOUNTS PAID TO THE COMPANY UNDER THIS AGREEMENT IN THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM [OR USD [•], WHICHEVER IS LESS].

THE FOREGOING LIMITATIONS APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

The foregoing notwithstanding, the limitations set out in this Section shall not apply to (a) damages resulting from gross negligence or wilful misconduct, (b) the indemnification obligations in Section 11, and (c) the liquidated damages pursuant to Section 9.

Neither Party shall be liable for any failure to perform its obligations under this Agreement (other than payment obligations) caused by circumstances beyond the Parties' reasonable control (force majeure). The affected Party shall notify the other Party as soon as reasonably practicable of the occurrence of a force majeure event and shall use reasonable efforts to mitigate the effects of such event. The time for performance of such obligations shall be extended for the period during which performance is prevented due to the force majeure event.

11 Indemnity

The Customer shall, at its own costs, indemnify, defend, and hold the Company harmless from and against any loss, damage, liability, claim, demand, or settlement, including reasonable attorneys' fees and expenses, made by or with any third party due to or arising out of: (i) breach of this Agreement or any legal regulation by the Customer, its employees or other persons acting on behalf of the Customer; (ii) any breach of Customer's representations and warranties set forth in the Agreement; (iii) Customer's violation of the rights of a third party.

The Company shall, at its own cost, defend and indemnify the Customer against third-party claims that the Services, as provided by the Company and used in accordance with this Agreement, infringe a third party's intellectual property rights. This indemnity does not apply to claims arising from (i) modifications not made by the Company, (ii) combination with materials not provided by the Company, (iii) continued use after notice to discontinue, or (iv) failure to apply updates. The Company may at its option procure the right to continue use, modify the Services to be non-infringing, or terminate the affected Services with a pro-rata refund. This is the Customer's sole remedy for IP infringement claims.

12 Warranty Disclaimer

DISCLAIMER. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, THE SERVICES ARE PROVIDED "**AS IS**" AND "**AS AVAILABLE.**" THE COMPANY MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE COMPANY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT, AND ANY WARRANTIES ARISING OUT OF COURSE OF DEALING, USAGE, OR TRADE PRACTICE. The Customer acknowledges that the Company does not warrant that the Services are error-free and will function without any interruption or disruption.

The Customer hereby further acknowledges and agrees that using AI and machine learning tools such as some of the tools included in the Services can produce results influenced by data used for training the algorithm. The Customer acknowledges that such outputs are generated by large language models and may contain inaccuracies, biases, or similarities to existing works. Although the Company uses its best efforts to prevent the Services from producing biased output through technical and statistical support, the Company does not warrant that the output will be entirely free of inaccuracies, biases, or similarities to existing works.

13 Marketing

The Customer entitles the Company to use the Customer's name, logo, and a brief description of the services provided for advertising purposes on the Company's website and other marketing or investment materials. Any other use by the Company requires the prior consent of the Customer.

By signing up for the Company's email notification services, the Customer agrees that the Company may contact them and inform them about updates on the Services and new products from time to time. The Customer can at any time unsubscribe from the contact list.

14 Term & termination

The Agreement remains in full force and effect until its termination by either Party. Unless otherwise agreed:

- Subscription based Services shall automatically renew for successive periods of 12 months each after the initial subscription term, unless either party objects to the renewal in text form with 3 months' notice. Terminations are only possible towards the end of a term.
- Fixed term agreements cannot be terminated for convenience and automatically end at the end of the term.
- Test Versions and Services provided for free can be terminated with immediate effect at any time before the agreed free trial period expires.

In all other cases, either Party may terminate at any time by notifying the other Party in text form with a notice period of 30 days.

Either Party may terminate the Agreement at any time with immediate effect if the other Party is in material breach of the Agreement. This includes, in particular, Customer's failure to pay on time or the start of insolvency procedures against the other Party.

Customer's right to use the Services will cease upon any termination or expiration of this Agreement, subject to this Section. Termination does not affect any rights, obligations, or liabilities of either Party that have accrued before or are intended to stay effective beyond termination. Upon termination or expiration, in case of an On-Premise Deployment, the Customer shall, within 14 days, uninstall and permanently delete all copies of the Software, destroy all decryption keys, and confirm such destruction in text form to the Company. The Company may, at its own cost and upon reasonable notice, audit such uninstallation and destruction.

After termination or expiration of this Agreement, within 60 days of request, each Party shall delete any Confidential Information of the other Party in its possession or control. Nonetheless, each party may retain Confidential Information in accordance with its standard backup or record retention policies or as required

by law. Each Party shall, upon request, confirm such deletion in text form. The other Party may, at its own cost and upon reasonable notice, audit such deletion.

15 Miscellaneous

Entire Agreement: This Agreement is the entire agreement, and supersedes all prior agreements, between the Parties relating to the scope of this Agreement.

Amendments: Amendments and supplements to this Agreement must be made in writing.

Contact & Notices: Unless written form is explicitly required, notices can be made in text form, and are to be sent to the following contact addresses:

- to Company's attention: to hello@sovara-labs.com
- to Customer's attention: to the last communicated or available address or email, or in the Services.

Severability: If any provision of this Agreement (in whole or part) is held to be illegal, invalid or otherwise unenforceable, the other provisions will remain mutatis mutandis in full force and effect.

Independent contractors: Parties acknowledge and agree that they are independent contractors and nothing in this Agreement shall be construed to create a partnership, joint venture, agency, or employment relationship between the parties. Neither Party has authority to bind the other Party in any respect whatsoever, and neither Party shall represent itself as having such authority.

No assignment: Neither Party may not assign any of its rights, obligations or claims under this Agreement without prior consent of the other Party.

Order of precedence: In the event of a conflict between these Terms and the other elements of the Agreement, the provisions of these Terms prevail, unless a deviation expressly references the articles of these Terms which are to be amended.

Form requirements: For the purpose of the Agreement, the written form requires wet-ink, qualified or simple electronic signature (such as DocuSign). Text form includes electronic text, such as e-mail or pop-ups on the Services.

Governing law and jurisdiction: This Agreement is governed by the laws of the State of New York, without regard to its conflict of laws principles. The parties agree that the state and federal courts located in New York County, New York shall have exclusive jurisdiction over any dispute arising out of or relating to this Agreement, and each party irrevocably submits to the jurisdiction of such courts..