

AI RISK & LIABILITY DISCLOSURE

(Addendum to Master Services Agreement)

Cyber Dogs LLC

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This AI Risk & Liability Disclosure (the “**Disclosure**” or “**Addendum**”) is incorporated into and forms part of the Master Services Agreement (the “**MSA**”), each Statement of Work (“**SOW**”), and any related engagement between **Cyber Dogs LLC**, a Montana limited liability company (“Cyber Dogs,” “Provider,” “we,” “us,” or “our”), and the client identified on the applicable SOW, proposal, or order form (“Client,” “you,” or “your”).

Capitalized terms not defined in this Disclosure have the meanings given to them in the MSA.

ACCEPTANCE. Client accepts this Disclosure by any of the following: (a) signing the MSA, an SOW, proposal, or order form that references this Disclosure or the MSA; (b) authorizing Cyber Dogs to begin AI-related work via email, electronic acknowledgment, or verbal confirmation followed by written confirmation from Cyber Dogs; or (c) using or continuing to use any Services after receiving notice of these Terms. Each method constitutes a binding acceptance.

By engaging Cyber Dogs for AI-related Services, Client acknowledges and agrees to the following:

1. NATURE OF ARTIFICIAL INTELLIGENCE

Client expressly understands and acknowledges that artificial intelligence systems — including large language models, foundation models, generative AI, machine-learning platforms, and related technologies — have inherent characteristics and limitations:

- Are probabilistic and non-deterministic, meaning the same input may produce different outputs at different times;
- May produce outputs that are inaccurate, incomplete, misleading, biased, outdated, or unexpected;
- May generate content that appears confident but is factually incorrect, fabricated, or invented (commonly called “hallucinations”);
- Rely on training data that may contain errors, omissions, or outdated information;
- Are subject to evolving capabilities, model deprecations, and ongoing changes by their underlying providers; and
- May reflect bias inherited from training data, model design, or deployment choices.

AI outputs must never be relied upon as a sole source of truth and must be independently reviewed and verified by qualified human personnel before use.

2. NO RELIANCE ON AI OUTPUTS

Client agrees that:

- All AI-generated outputs, recommendations, analyses, and artifacts are advisory and informational only;

- Client is solely responsible for reviewing, validating, and approving any AI-assisted output, recommendation, or decision before relying on, distributing, deploying, or implementing it;
- Cyber Dogs makes no warranty regarding the accuracy, legality, suitability, completeness, or fitness for purpose of any AI-generated output; and
- Client assumes full responsibility for how AI outputs are used within its business, products, or services.

3. NO LEGAL, FINANCIAL, MEDICAL, OR OTHER REGULATED PROFESSIONAL ADVICE

Cyber Dogs is an AI advisory and consulting firm. Cyber Dogs does not provide:

- Legal advice;
- Financial, accounting, or tax advice;
- Investment, insurance, or financial-planning advice;
- Medical, mental-health, or healthcare advice;
- Regulatory or compliance certifications; or
- Any other regulated professional advice.

Recommendations regarding regulated subject matter are general in nature. Client must consult licensed legal, financial, accounting, tax, medical, or other qualified professionals before acting on any recommendation. AI-related recommendations do not replace professional advice from such qualified professionals.

4. REGULATORY & COMPLIANCE UNCERTAINTY

Client acknowledges that:

- Laws, regulations, executive orders, and enforcement standards governing AI are evolving rapidly at the federal, state, and international levels;
- Compliance requirements vary by jurisdiction, industry, and use case (including but not limited to HIPAA, GLBA, FCRA, COPPA, GDPR, CCPA/CPRA, FTC Section 5 guidance, the EU AI Act, and emerging state AI laws);
- Conduct that is acceptable today may become restricted, prohibited, or subject to disclosure, audit, or impact-assessment obligations in the future; and
- Cyber Dogs cannot and does not guarantee that any deliverable, recommendation, prompt, model, or implementation will remain compliant with future legal or regulatory requirements.

Client is solely responsible for: (a) determining which laws, regulations, and standards apply to its business and AI use; (b) ensuring its own compliance and obtaining any required licenses, consents, or registrations; (c) conducting any required impact assessments, audits, or disclosures; and (d) responding to any regulatory inquiry, investigation, or enforcement action. Cyber Dogs is not responsible for future regulatory changes or enforcement actions of any kind.

5. THIRD-PARTY TOOLS & PLATFORMS

Cyber Dogs may recommend, configure, integrate with, or discuss third-party AI tools, models, APIs, platforms, and software (collectively, “**Third-Party Tools**”, as defined in the MSA),

including but not limited to OpenAI, Anthropic, Google, Microsoft, Meta, Amazon Web Services, and other foundation-model and platform providers.

Client acknowledges that:

- Third-Party Tools are owned, operated, and controlled by parties other than Cyber Dogs;
- Cyber Dogs does not control the availability, accuracy, pricing, terms of service, data-handling practices, or continued existence of any Third-Party Tool;
- Use of Third-Party Tools is governed by those providers' own terms of service, acceptable-use policies, privacy policies, and data-handling terms, which Client is solely responsible for reviewing and accepting;
- Third-Party Tool providers may use, retain, log, or train on Client Data in ways outside Cyber Dogs' control; and
- Outages, changes, deprecations, security incidents, pricing changes, or discontinuation of any Third-Party Tool are not the responsibility of Cyber Dogs.

Any issues, claims, or losses arising from Third-Party Tools are between Client and the applicable Third-Party Tool provider.

6. DATA, SECURITY, & PRIVACY RESPONSIBILITY

Client acknowledges that:

- Client controls what data, content, credentials, and information are shared with AI tools and Cyber Dogs;
- Client is solely responsible for ensuring it has all necessary rights, consents, permissions, and licenses to share Client Data with Cyber Dogs and any Third-Party Tool;
- Cyber Dogs does not control how Third-Party Tools store, transmit, retain, train on, or process data;
- Client is solely responsible for maintaining its own cybersecurity controls, backups, access management, encryption, and incident-response procedures; and
- Client is solely responsible for compliance with all applicable data-protection, privacy, breach-notification, and confidentiality laws.

Client expressly assumes all risk related to:

- Data exposure, leakage, or unauthorized disclosure;
- Confidential or proprietary information shared with AI tools;
- Personally identifiable information ("PII"), protected health information ("PHI"), payment-card data, or other regulated data;
- Trade secrets and competitively sensitive information;
- Data breaches, ransomware, malware, phishing, business-email compromise, or other cybersecurity incidents involving Client's systems or accounts; and
- Loss, corruption, or destruction of Client Data, whether occurring before, during, or after the engagement.

7. NO GUARANTEE OF RESULTS

Client acknowledges and agrees that Cyber Dogs makes no representation, warranty, or guarantee regarding:

- Revenue, profit, cost savings, return on investment, or any business or financial outcome;
- Productivity gains, efficiency improvements, or workforce impact;
- Time-to-value, adoption rates, or success metrics;
- The performance, uptime, or availability of any AI system or Third-Party Tool;
- Any specific result or outcome from AI adoption, integration, or implementation; or
- Compliance with any specific certification, framework, or industry standard.

Results depend on Client's execution, data quality, internal processes, decision-making, change management, and many factors outside Cyber Dogs' control. AI can amplify value, but it does not create value independently of Client's own efforts.

8. LIMITATION OF LIABILITY & WAIVER

READ CAREFULLY. THIS SECTION SIGNIFICANTLY LIMITS CYBER DOGS' LIABILITY.

TO THE FULLEST EXTENT PERMITTED BY MONTANA LAW, CLIENT WAIVES, RELEASES, AND HOLDS HARMLESS CYBER DOGS AND ITS MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS, SUCCESSORS, AND ASSIGNS (THE "RELEASED PARTIES") FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES, LIABILITIES, COSTS, AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES), WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STATUTE, OR OTHERWISE, ARISING OUT OF OR RELATING TO:

- **ANY AI-GENERATED OUTPUT, RESPONSE, RECOMMENDATION, ANALYSIS, OR ARTIFACT, INCLUDING ANY HALLUCINATION, INACCURACY, BIAS, OMISSION, OR ERROR;**
- **ANY DECISION OR ACTION TAKEN (OR NOT TAKEN) BY CLIENT BASED ON AI OUTPUTS, DELIVERABLES, OR CYBER DOGS' SERVICES;**
- **ANY BUSINESS LOSSES, LOST REVENUE, LOST PROFITS, LOST OPPORTUNITIES, OR BUSINESS INTERRUPTION;**
- **ANY REGULATORY FINE, PENALTY, INVESTIGATION, OR ENFORCEMENT ACTION IMPOSED ON CLIENT;**
- **ANY COMPLIANCE FAILURE OR ALLEGED COMPLIANCE FAILURE;**
- **ANY DATA LOSS, DATA CORRUPTION, DATA BREACH, RANSOMWARE, MALWARE, PHISHING, OR OTHER CYBERSECURITY INCIDENT INVOLVING CLIENT'S SYSTEMS OR ACCOUNTS;**
- **ANY ACT, OMISSION, OUTAGE, PRICING CHANGE, TERMS-OF-SERVICE CHANGE, DATA-HANDLING PRACTICE, OR DISCONTINUATION OF ANY THIRD-PARTY TOOL; AND**
- **ANY HARM TO CLIENT'S CUSTOMERS, EMPLOYEES, END USERS, OR OTHER THIRD PARTIES RESULTING FROM CLIENT'S USE, DEPLOYMENT, OR DISTRIBUTION OF AI TOOLS, OUTPUTS, OR DELIVERABLES.**

Cyber Dogs' role under this Disclosure and the MSA is advisory only. Cyber Dogs' total aggregate liability arising out of or relating to AI-related Services is governed by, and subject to,

the limitation of liability in Section 13 of the MSA, which is incorporated here by reference. Nothing in this Disclosure expands Cyber Dogs' liability beyond that cap.

9. CLIENT INDEMNIFICATION

Client shall defend, indemnify, and hold harmless Cyber Dogs and the Released Parties from and against any third-party claim, loss, damage, liability, judgment, fine, settlement, or expense (including reasonable attorneys' fees) arising out of or relating to:

- Client's use, deployment, modification, or distribution of any AI output, recommendation, or Deliverable;
- Client's selection, use, or reliance on any Third-Party Tool;
- Client's failure to comply with any applicable law, regulation, or industry standard;
- Inaccurate, incomplete, or unauthorized information or Client Data provided to Cyber Dogs or to any Third-Party Tool;
- Any claim by Client's customers, employees, end users, or other third parties arising from Client's products, services, or use of AI;
- Any cybersecurity incident, data breach, or data loss involving Client's systems or accounts; and
- Any infringement claim arising from Client's use, modification, or distribution of AI outputs.

This indemnification supplements, and does not replace, the indemnification obligations in Section 14 of the MSA.

10. ACKNOWLEDGMENT OF RISK

Client expressly acknowledges that:

- AI involves inherent, evolving, and not fully knowable risks;
- Cyber Dogs has made no representations or warranties beyond those expressly stated in writing in the MSA, the applicable SOW, or this Disclosure;
- Client has had the opportunity to review this Disclosure with its own legal counsel; and
- Client accepts full responsibility for AI-related decisions, deployments, and implementations.

This Disclosure reflects a deliberate allocation of risk between sophisticated parties. Cyber Dogs' fees are set in reliance on the limitations and waivers contained here, which form an essential basis of the parties' bargain.

11. INCORPORATION BY REFERENCE

This Disclosure is incorporated into and forms part of:

- The Master Services Agreement between Cyber Dogs and Client;
- Each Statement of Work, assessment, advisory, training, or implementation engagement; and
- Any related addenda, exhibits, proposals, or order forms.

In the event of any conflict between this Disclosure and the MSA, the MSA controls, except that the AI-specific waivers, acknowledgments, and limitations in this Disclosure are intended to be cumulative with — and not narrower than — those in the MSA.

12. GOVERNING LAW & VENUE

This Disclosure is governed by the laws of the State of Montana, without regard to conflict-of-law principles. Any dispute arising out of or relating to this Disclosure is subject to the mediation, exclusive-venue (Yellowstone County, Montana), jury-trial waiver, attorneys'-fees, and one-year statute-of-limitations provisions in Section 22 of the MSA, all of which are incorporated here by reference.

13. SURVIVAL

The acknowledgments, waivers, releases, indemnifications, and limitations in this Disclosure survive expiration or termination of the MSA and any SOW, and continue to bind Client with respect to any AI-related Services, AI outputs, or Deliverables provided before termination.