

Scalable AI Inc. Terms of Service

Last updated: August 31, 2026

These Terms of Service (the "Terms") govern access to and use of the products and services of Scalable AI Inc. ("Scalable," "we," "us" or "our") by the customer identified in an applicable Service Order ("Customer" or "you").

These Terms form a legally binding agreement between you and Scalable concerning your access to and use of the Services. By signing a Service Order that references these Terms, clicking "I Agree," or accessing or using the Services, you confirm that you have read, understood and agreed to be bound by these Terms. If you do not agree, you are not permitted to use the Services and must discontinue use immediately.

If you are entering into these Terms on behalf of a company or other legal entity, you represent that you are authorized to bind that entity, in which case "you" refers to that entity.

We may update these Terms from time to time. We will give you written notice of any change that materially affects your rights or obligations, by email or upon your next login, at least thirty (30) days before the change takes effect. Your continued use of the Services after a change becomes effective constitutes acceptance of the updated Terms. We recommend you retain a copy for your records.

Table of Contents

1. Service Orders
2. Access to the Services
3. AI Features, Outputs and Automated Actions
4. Customer Data, Model Training and Usage Data
5. Subprocessors and Model Providers
6. Security

- 7. Fees and Payment
 - 8. Intellectual Property and Publicity
 - 9. Confidentiality
 - 10. Term and Termination
 - 11. Warranties and Disclaimers
 - 12. Indemnification
 - 13. Limitations of Liability
 - 14. General Terms
-

1. Service Orders

1.1 Service Orders. Each Service Order describes the specific products, services, fees, subscription term, usage scope and commercial details for your subscription. These Terms apply to every Service Order that references them and together form a single agreement between you and Scalable.

1.2 Statements of Work. Implementation, integration and configuration work may be described in one or more Statements of Work ("SOW") or change orders, which are incorporated by reference into the applicable Service Order.

1.3 Order of precedence. If there is a direct conflict, the following order controls for the conflicting subject matter only: (a) the Service Order, including any SOW; then (b) these Terms.

2. Access to the Services

2.1 The Services. "Services" means the cloud-based agentic automation and artificial intelligence software branded as AXS (Agentic Execution System) and any related products, features and documentation described in a Service Order. The Services may include, without limitation, accounts payable automation, three-way matching, voucher entry, order entry, quoting and similarity search and parts lookup, including

the ability to read from and write back to your enterprise resource planning ("ERP") systems as configured by you.

2.2 License to use the Services. Subject to your compliance with these Terms and the applicable Service Order, Scalable grants you a limited, non-exclusive, non-transferable, non-sublicensable license for your Authorized Users to access and use the Services during the applicable subscription term, solely for your internal business purposes.

2.3 Authorized Users. You may permit your employees and contractors, and any affiliates identified in a Service Order, to use the Services on your behalf ("Authorized Users"). You may not knowingly permit any competitor of Scalable to be an Authorized User. You are responsible for: (a) all use of the Services by your Authorized Users; (b) maintaining the confidentiality of all access credentials; and (c) promptly notifying us of any unauthorized access or use.

2.4 Use restrictions. You agree not to, and not to permit any third party to: (a) reverse engineer, decompile or attempt to derive the source code, models or underlying algorithms of the Services; (b) modify or create derivative works of the Services; (c) interfere with, damage or disrupt the Services or our systems; (d) rent, lease, resell or otherwise make the Services available to third parties except as expressly permitted in a Service Order; (e) use the Services to develop or benchmark a competing product or service; or (f) remove or alter any proprietary notices.

2.5 Service suspension. We may suspend your access to the Services if: (a) we reasonably believe your use poses a security or legal risk to us or any third party; (b) you become insolvent or enter bankruptcy-type proceedings; or (c) any undisputed amount on your account is more than thirty (30) days overdue and we have given you notice. We will restore access promptly once the issue is resolved.

3. AI Features, Outputs and Automated Actions

3.1 AI Services. The Services use machine learning and other artificial intelligence techniques to observe your workflows, analyze your data and perform automation tasks within and across your systems.

3.2 Outputs and limitations. The Services may generate data, documents, recommendations, classifications, entries or other results (collectively, "Outputs"). YOU ACKNOWLEDGE THAT: (a) OUTPUTS MAY BE INCOMPLETE, INACCURATE OR INAPPROPRIATE; AND (b) NO AI SYSTEM CAN GUARANTEE PERFECT ACCURACY IN ALL CASES.

3.3 Human review and supervision. You are responsible for reviewing and validating Outputs before relying on them, particularly for financial, accounting or other consequential decisions. You agree not to rely solely on Outputs without appropriate human supervision.

3.4 Automated actions and write-back. You acknowledge that the Services are designed to take automated actions on your behalf and within your systems, including writing data back into your ERP and other connected applications. You are solely responsible for: (a) configuring the Services, including approval thresholds, guardrails and which actions require human approval before execution; (b) designating, scoping and maintaining the credentials and access the Services use to connect to your systems; and (c) reviewing the actions the Services take. You agree that the Services act in accordance with your configuration and instructions, and Scalable is not responsible for actions taken by the Services in accordance with that configuration and those instructions.

3.5 High-risk uses. The Services are not designed for use in environments where failure could result in death, personal injury or significant physical or environmental damage. You agree not to use the Services in any such high-risk environment.

4. Customer Data, Model Training and Usage Data

4.1 Customer Data. "Customer Data" means any data, information, content or materials you or your Authorized Users provide, upload, transmit or make available to the Services, or that the Services access, read or write within your systems, including documents, records, transactions, ERP data and similar content.

4.2 Ownership of Customer Data and Outputs. As between the parties, you retain all right, title and interest in and to your Customer Data, and you own all Outputs generated for you from your Customer Data. This does not limit our rights to Usage Data as described in Section 4.5.

4.3 Our use of Customer Data. We will access and use Customer Data only as necessary to provide, secure, maintain and support the Services for you, and as otherwise described in these Terms, our privacy policy and any applicable data processing agreement. You are responsible for: (a) ensuring you have all rights and consents necessary to provide Customer Data to the Services; and (b) the accuracy, quality and legality of Customer Data.

4.4 No training on Customer Data. Scalable will NOT use your Customer Data, or any proprietary, confidential or business data you provide or make available to the Services, to train, fine-tune, develop or improve any artificial intelligence or machine learning model, whether our own or any third party's, for any purpose other than performing the Services for you. We do not, and will not, use your proprietary data to train models that serve any other customer. This commitment survives termination of these Terms. Any model that we configure, tune or operate specifically for you using your Customer Data is used solely to provide the Services to you and is not shared with, or used for the benefit of, any other customer.

4.5 Usage Data. Notwithstanding Section 4.4, we may collect and use aggregated, de-identified technical and operational telemetry about how the Services perform and are used, such as performance metrics, error rates, latency, throughput and feature usage ("Usage Data"), to maintain, secure and improve the Services. Usage Data does not include the content of your Customer Data and does not identify you, your Authorized Users or any individual.

5. Subprocessors and Model Providers

5.1 Subprocessors. We use a limited set of third-party infrastructure and service providers to operate the Services, which may include providers of hosting, deployment, authentication, secrets management and

AI model inference. We remain responsible for our subprocessors' performance of our obligations under these Terms.

5.2 Model providers and no-training configuration. The Services use third-party AI model providers (currently OpenAI). Our OpenAI organization is configured for Zero Data Retention. Customer Data sent for inference is not stored by the provider beyond the duration of the request and is not used to train or improve the provider's models. We will not knowingly route your Customer Data to any model provider or endpoint that uses inputs to train its models.

6. Security

6.1 Security measures. We will maintain reasonable administrative, technical and physical safeguards designed to protect Customer Data against unauthorized access, use or disclosure. Our current architecture includes: (a) application hosting and backend infrastructure provided by Railway; (b) frontend delivery via Vercel; (c) user authentication and access management via Clerk; (d) encrypted secrets management via Phase; and (e) source control and deployment via GitHub. Multi-factor authentication is enforced for all Scalable personnel with access to these providers and to our source control (GitHub). Scalable personnel are located in the United States. We may update these providers and measures from time to time, provided we do not materially reduce the overall level of security.

6.2 Customer responsibilities. You are responsible for maintaining the security of your own systems, credentials and access scoping, and for promptly notifying us of any suspected compromise affecting the Services.

6.3 Regulated data. The Services are not designed to meet industry-specific legal requirements such as HIPAA, GLBA or FISMA. You should not provide data subject to those regimes to the Services unless we have signed a separate written agreement covering that data.

7. Fees and Payment

7.1 Fees. You agree to pay the fees specified in each Service Order ("Fees"). Unless otherwise stated in a Service Order, the Services are provided on a flat annual subscription basis. Fees are non-refundable except as required by law or as otherwise expressly stated in the Service Order.

7.2 Invoicing and payment terms. Unless otherwise stated in the Service Order, we will invoice the annual subscription Fee in advance, and invoices are due within thirty (30) days of the invoice date. We may permit payment in equal monthly installments for convenience; this does not change your overall annual commitment.

7.3 Disputed amounts. If you believe an invoice is incorrect, you must notify us within ten (10) days of receipt with reasonable detail. The parties will work together in good faith to resolve the dispute. Undisputed amounts remain due.

7.4 Late payments. Overdue undisputed amounts may accrue interest at the lesser of 1.5% per month or the maximum rate permitted by law, and we may suspend the Services if any undisputed amount remains unpaid for more than thirty (30) days after notice. You are responsible for reasonable collection costs, including attorneys' fees, for undisputed overdue amounts.

7.5 Taxes. Fees are exclusive of taxes. You are responsible for all sales, use, value-added or similar taxes arising from your purchases, other than taxes on our income.

8. Intellectual Property and Publicity

8.1 Scalable IP. The Services, including our software, platform, models, documentation, content and trademarks (collectively, "Scalable IP"), are owned by Scalable and our licensors. We reserve all rights in Scalable IP not expressly granted in these Terms.

8.2 Feedback. If you provide suggestions or feedback about the Services, we may use that feedback for any purpose without obligation or payment to you, provided we do not disclose your Confidential Information in doing so.

8.3 Publicity. Upon your prior written approval, we may identify you as a customer and use your name and logo on our website and in marketing materials. Any case study or quote will be subject to your review and approval.

9. Confidentiality

9.1 Confidential Information. "Confidential Information" means non-public information disclosed by one party to the other that is marked confidential or that a reasonable person would understand to be confidential. The terms and pricing of Service Orders, our security practices and your non-public business and technical information are Confidential Information.

9.2 Obligations. The receiving party will: (a) use Confidential Information only as needed to perform under these Terms; (b) protect it with at least the same care it uses for its own similar information, and no less than reasonable care; and (c) not disclose it except to its employees, contractors and advisors who need to know it and are bound by similar confidentiality obligations.

9.3 Exceptions. Confidential Information does not include information that: (a) is or becomes public through no fault of the receiving party; (b) was already known to the receiving party without restriction; (c) was lawfully received from a third party; or (d) was independently developed without use of the other party's Confidential Information.

9.4 Required disclosures. A party may disclose Confidential Information if required by law or court order, but must, where legally permitted, give prompt notice and cooperate reasonably to limit the disclosure.

10. Term and Termination

10.1 Term. These Terms start on the effective date of your first Service Order and continue until all Service Orders have expired or been terminated.

10.2 Subscription term and renewal. Each Service Order has an initial subscription term of twelve (12) months unless otherwise stated. Each Service Order automatically renews for successive twelve (12) month terms unless either party gives written notice of non-renewal at least thirty (30) days before the end of the then-current term.

10.3 Termination for cause. Either party may terminate these Terms or an affected Service Order if the other party materially breaches and does not cure the breach within thirty (30) days after written notice, or immediately if the breach cannot reasonably be cured, or if the other party becomes subject to bankruptcy or similar proceedings.

10.4 Effect of termination. Upon expiration or termination: (a) your access to the affected Services will stop; (b) you will pay all Fees due through the effective date of termination, and, if termination is due to your uncured material breach, any remaining committed Fees for the then-current term; and (c) each party will, upon request, return or delete the other party's Confidential Information, subject to standard backup and archival copies and applicable law.

10.5 Survival. Provisions that by their nature should survive termination, including those relating to confidentiality, intellectual property, no-training of Customer Data, payment, disclaimers, indemnification and limitations of liability, will survive.

11. Warranties and Disclaimers

11.1 Customer warranties. You represent and warrant that: (a) you will use the Services only in accordance with these Terms and applicable law; and (b) you have obtained and will maintain all rights and consents necessary to provide Customer Data to the Services and to use the Outputs.

11.2 Limited warranty. We warrant that, during the subscription term, the Services will conform in all material respects to the applicable documentation when used in accordance with these Terms.

11.3 Exclusive remedy. If the Services do not meet the warranty in Section 11.2, your exclusive remedy and our entire liability is for us to use commercially reasonable efforts to correct the non-conformity in a timely manner.

11.4 Disclaimer. EXCEPT AS EXPRESSLY STATED IN THESE TERMS, THE SERVICES AND OUTPUTS ARE PROVIDED "AS IS" AND "AS AVAILABLE." SCALABLE MAKES NO WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. SCALABLE DOES NOT WARRANT THAT THE SERVICES WILL MEET YOUR REQUIREMENTS, THAT OUTPUTS WILL BE ACCURATE OR THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE.

12. Indemnification

12.1 Indemnity by Customer. You will defend, indemnify and hold harmless Scalable and its affiliates, officers, directors and employees from third-party claims, damages and expenses arising out of: (a) your use of the Services in violation of law or these Terms; (b) your breach of your warranties; or (c) Customer Data that infringes or misappropriates a third party's intellectual property or other rights.

12.2 Indemnity by Scalable. We will defend, indemnify and hold you and your affiliates, officers, directors and employees harmless from third-party claims, damages and expenses arising out of a claim that the Services, when used as permitted under these Terms, infringe a third party's intellectual property rights.

12.3 Procedures. The indemnified party must promptly notify the indemnifying party of the claim, allow the indemnifying party to control the defense and settlement and cooperate as reasonably requested. The indemnifying party will not settle any claim imposing non-monetary obligations on the indemnified party without its prior written consent, not to be unreasonably withheld.

13. Limitations of Liability

13.1 Exclusion of indirect damages. To the maximum extent permitted by law, neither party will be liable for any lost profits, business interruption or indirect, special, incidental, consequential or punitive damages, regardless of the theory of liability.

13.2 Liability cap. Except for the Excluded Claims described in Section 13.3, each party's total aggregate liability arising out of or related to these Terms will not exceed the total Fees paid or payable by you during the twelve (12) months immediately preceding the event giving rise to the claim.

13.3 Excluded Claims and super-cap. The following are not subject to the cap in Section 13.2: (a) your payment obligations; and (b) each party's breach of its confidentiality obligations. For (i) Scalable's indemnification obligations under Section 12.2, and (ii) liability arising from a breach of our data security obligations resulting in unauthorized access to or disclosure of Customer Data, each party's aggregate liability will not exceed two (2) times the total Fees paid or payable by you during the twelve (12) months immediately preceding the event giving rise to the claim.

14. General Terms

14.1 Compliance with laws. Each party will comply with applicable laws in connection with its performance under these Terms, including laws governing personal data and artificial intelligence to the extent applicable.

14.2 Assignment. You may not assign these Terms or any Service Order without our prior written consent, except as part of a merger or sale of substantially all of your assets. We may assign these Terms without consent in connection with a merger, reorganization or sale of all or substantially all of our assets.

14.3 Force majeure. Neither party is responsible for delays or failures caused by events beyond its reasonable control, such as natural disasters, war, civil unrest, or internet or power outages, except that your payment obligations for Services already provided remain in effect.

14.4 Notices. Formal notices must be sent to the addresses specified in the Service Order by email, courier or registered mail. Day-to-day operational notices may be given by email.

14.5 Governing law and dispute resolution. These Terms are governed by the laws of the State of Michigan, without regard to conflict-of-laws rules. The parties will first attempt to resolve any dispute through informal good-faith negotiation, commencing upon written notice. If the parties cannot resolve the dispute within thirty (30) days, the dispute will be finally and exclusively resolved by binding arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules. The arbitration will take place in Michigan. Notwithstanding the foregoing, either party may seek injunctive or other equitable relief in the state or federal courts located in Michigan to protect its intellectual property or Confidential Information, and both parties consent to the exclusive jurisdiction of those courts for that purpose.

14.6 Entire agreement. These Terms, together with all Service Orders, SOWs and any referenced policies or addenda, form the entire agreement between you and Scalable regarding the Services and supersede all prior or contemporaneous agreements on the same subject. Any amendment must be in a signed writing or in a revised version to which you agree in a subsequent Service Order.

Contact

If you have questions or concerns about these Terms of Service, please contact us at:

Scalable AI Inc.

Grand Rapids, MI

Email: legal@getscalable.ai