



# COGEN AI PROVIDER AGREEMENT

Welcome to CoGen AI, a platform operated by **Kalavai** (“**Company, we, us, or our**”). This Provider Agreement (“**Agreement**”) governs your use of the CoGen AI platform (the “**Platform**”) and your participation as a computing resource provider (“**Provider**”).

By accessing, downloading, installing, or using the CoGen AI software, tools, or services (collectively, the “**Services**”), or by clicking “I Accept” or otherwise indicating your agreement, you acknowledge that you have read, understood, and agree to be bound by the terms of this Agreement. If you do not agree with any part of this Agreement, you must not use the Services.

Please review this Agreement carefully. Your continued use of the Services constitutes your acceptance of all terms herein.

Absolutely! Here’s a **tight, no-fluff summary** of the **most critical points** from the CoGen AI Provider Agreement — perfect for quick user understanding:

## 2-Minute Summary

### What You Do

1. Share spare **CPU, GPU, RAM, storage** to run AI tasks (inference, training, fine-tuning).
2. Get paid based on **work done**, system uptime, and performance.

### How You Get Paid

1. **70% of revenue** from work your system completes.
2. **No minimum guarantee** — earnings vary.
3. Paid in **fiat currency** (e.g., USD), minus fees.

### Key Risks You Accept

1. **Hardware wear & tear** — CoGen AI **won't pay for damage**.
2. **Higher electricity bills** — you pay all power costs.
3. **No compensation** for downtime or performance issues.

## **Security & Privacy**

1. **No user data touches your device**.
2. Workloads are **encrypted and isolated**.
3. Your system **won't be used for crypto mining, hacking, or illegal activities**.



## **CoGen AI Can:**

1. **End your access anytime** — no warning.
2. **Audit or monitor your system remotely**.
3. **Change rules anytime** — continued use = agreement.

## **No Guarantees**

1. **No warranties** — “as is, as available.”
2. **No liability** for hardware damage, crashes, or lost income.
3. **Total liability capped** at your past 6 months' earnings.

## **Final Check: Should You Join?**

1.  If you have spare hardware and want to earn from it.
2.  If you expect guaranteed income, or can't handle higher power bills or hardware risk.

# **1. ABOUT THE PLATFORM AND SERVICES**

The CoGen AI Platform enables Providers like you to contribute spare computing capacity—such as CPU, GPU, RAM, and storage—to support AI workloads, including but not limited to:

1. **Generative AI model inference** (including but not limited to LLM, Image generation, text-to-speech, speech understanding, video models)
2. **AI model training**
3. **Model fine-tuning**

In exchange for providing these resources, you will receive compensation based on the amount of work performed and duration of capacity shared.

The Company retains full control over the AI workloads, data processing logic, and deployment of tasks on your system. The data processed during inference is provided by third-party users and remains private and confidential to them. **Kalavai accepts no responsibility for the content, accuracy, legality, or privacy of such third-party data.**

## 2. USE OF THE PLATFORM AND COMPUTING RESOURCES

By agreeing to this Agreement, you:

1. Grant the Company a **non-exclusive, non-transferable, non-sublicensable, revocable license** to access and utilize a portion of your computing resources (including CPU, GPU, RAM, storage, and network bandwidth) through the CoGen AI software client ("**Client**") installed on your system.
2. Acknowledge that the Client operates in the background and may use system resources during normal operation.
3. Agree that the Company may remotely configure, monitor, and manage the execution of AI workloads on your system, subject to the security and privacy protections outlined below.
4. Represent and warrant that:
  - a. You are at least 18 years old.
  - b. You have full legal authority to enter into this Agreement.
  - c. You own or have lawful rights to the computing resources you are sharing.
  - d. Your system complies with applicable laws and regulations.

## 3. COMPENSATION FOR SHARED RESOURCES

You will be compensated for the computing capacity you provide to the CoGen AI network based on:

1. The **type and quantity** of resources allocated (e.g., GPU hours, CPU core-hours, RAM usage, storage space).
2. The **duration** for which the resources remain online and available.
3. The **performance and reliability** of the system during workload execution.
4. The **workload amount performed by** the resources owned by the provider.

Compensation will be calculated using a formula determined by the Company at its sole discretion, which may be updated from time to time. The Company will notify Providers of material changes via the Platform or email.

### Key Points:

1. **No Minimum Payment Guarantee:** The Company does **not guarantee** any minimum level of compensation. While we aim to cover at least the cost of electricity, actual earnings may vary based on demand, system availability, and performance.
2. **Service Interruptions Impact Earnings:** System downtime, disconnections, or failure to meet performance thresholds may reduce or eliminate compensation for affected periods.
3. **Rewards based on workload amount completed:** providers are compensated for the workload their resources complete (e.g. tokens processed), which amounts to a percentage (70%) of the revenue generated by such workload.
4. **Payment Method:** Compensation will be paid in fiat currency (as determined by the Company), subject to applicable tax reporting and compliance obligations. Payments are made at the Company's discretion and may be subject to thresholds or payout schedules. When transferring funds to Providers, the Company will deduct required transaction fees and currency conversion fees from the total paid out amount.

## 4. DATA SECURITY AND PRIVACY

The Company takes data security and system integrity seriously.

1. All AI workloads are **encrypted and isolated** using secure containerization and sandboxing technologies.
2. **No third-party data is stored on your system** unless explicitly permitted by you and configured through secure protocols.
3. The Company ensures that **no sensitive or personally identifiable information (PII)** from end-users is transmitted to or retained on Provider systems.
4. Workloads are designed to prevent unauthorized access, reverse engineering, or exploitation of your system.
5. The Company will not use your computing resources to process data outside the scope of AI inference, training, or fine-tuning as defined in this Agreement.

You are responsible for maintaining the security of your system and ensuring it is not compromised by malware, unauthorized access, or vulnerabilities.

## 5. USE RESTRICTIONS AND PROHIBITED ACTIVITIES

Platform users agree not to:

1. Use the Platform or Services for any illegal, fraudulent, or harmful purpose.
2. Attempt to reverse engineer, decompile, or modify the Client software.
3. Interfere with or disrupt the operation of the Platform or any third-party systems.
4. Use the Platform to mine cryptocurrency, conduct DDoS attacks, or perform other malicious activities.
5. Share your account, login credentials, or Client access with others.

6. Attempt to bypass security, authentication, or resource monitoring mechanisms.
7. Sublicense, resell, rent, lease, or otherwise commercialize access to the Services.

Violations may result in immediate suspension or termination of your account and forfeiture of any pending or earned compensation.

## 6. MONITORING AND COMPLIANCE

The Company reserves the right to:

1. Monitor system performance, resource usage, and compliance with this Agreement.
2. Audit your system remotely to verify resource availability and workload integrity.
3. Terminate your access to the Platform at any time, with or without cause, including if:
  - a. Your system fails to meet performance or uptime standards.
  - b. You violate any term of this Agreement.
  - c. The system poses a security or compliance risk.
  - d. Take action to protect the integrity of the Platform, including removing or disabling the Client.

You acknowledge that the Company may investigate any suspected misuse or violation and cooperate with law enforcement if required.

## 7. INTELLECTUAL PROPERTY

All intellectual property rights in the Platform, Client software, AI models, and related technology are owned exclusively by the Company or its licensors.

You retain ownership of your computing hardware and software, but you grant the Company a limited license to use your system resources as described in this Agreement.

You agree not to claim any ownership or rights over the AI models, workloads, or software used in the Services.

## 8. FEEDBACK AND IMPROVEMENTS

We welcome feedback on your experience as a Provider. If you submit suggestions, ideas, or improvements (“**Feedback**”), you grant the Company a perpetual, worldwide, royalty-free, non-exclusive, sublicensable, and transferable license to use, modify, distribute, and exploit such Feedback for any purpose.

## 9. WARRANTY DISCLAIMER

THE PLATFORM AND SERVICES ARE PROVIDED “**AS IS**” AND “**AS AVAILABLE**”, WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED.

TO THE FULLEST EXTENT PERMITTED BY LAW, THE COMPANY DISCLAIMS ALL WARRANTIES, INCLUDING BUT NOT LIMITED TO:

1. ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT, OR SECURITY.
2. ANY WARRANTY REGARDING THE ACCURACY, RELIABILITY, AVAILABILITY, OR PERFORMANCE OF THE SERVICES.
3. ANY WARRANTY THAT THE PLATFORM WILL BE UNINTERRUPTED, ERROR-FREE, OR FREE FROM VIRUSES OR OTHER HARMFUL COMPONENTS.

YOU ASSUME ALL RISKS ASSOCIATED WITH USING YOUR SYSTEM TO PROCESS AI WORKLOADS, INCLUDING BUT NOT LIMITED TO:

1. Increased power consumption.
2. Heat generation and wear on hardware components.
3. Potential for reduced lifespan of hardware (e.g., GPU, CPU, fans).
4. Risk of system instability or crashes during high-load operations.

The Company makes no representation or warranty that your system will not be damaged or affected by normal use of the Services.

## 10. RISKS TO PROVIDERS

By participating in the CoGen AI network, you acknowledge and accept the following risks:

1. **Hardware Wear and Tear:** Prolonged use of computing resources under high load may accelerate wear on components such as GPUs, CPUs, fans, and power supplies. While the workloads are designed to be safe and within normal operating limits, **the Company is not liable for any physical damage to your hardware.**
2. **Power Consumption:** You are responsible for all electricity costs associated with running your system during active workloads.
3. **System Stability:** While the Client is designed to operate safely, unexpected behavior may occur due to software bugs, driver issues, or third-party conflicts.
4. **Internet and Network Costs:** You are responsible for any internet or network charges imposed by your ISP.

You should assess whether your system is suitable for continuous operation and whether you are comfortable with the associated risks.

## 11. LIMITATION OF LIABILITY

TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL THE COMPANY, ITS AFFILIATES, DIRECTORS, EMPLOYEES, OR AGENTS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO:

1. YOUR USE OR INABILITY TO USE THE PLATFORM OR SERVICES;
2. THE PERFORMANCE OR FAILURE OF THE SERVICES;
3. THE PROCESSING OF AI WORKLOADS ON YOUR SYSTEM;
4. OR ANY OTHER INTERACTIONS WITH THE COMPANY OR THIRD PARTIES.

THE COMPANY'S TOTAL LIABILITY TO YOU FOR ANY CLAIMS ARISING FROM THIS AGREEMENT SHALL NOT EXCEED **THE TOTAL AMOUNT OF COMPENSATION PAID TO YOU BY THE COMPANY IN THE SIX (6) MONTHS PRECEDING THE CLAIM.**

SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

## 12. MODIFICATION OF TERMS

The Company may modify this Agreement at any time. Changes will be posted on the Platform or communicated via email. Continued use of the Services after such changes constitutes your acceptance of the revised terms.

The Company may update this Agreement without prior notice, but material changes will be communicated in advance where practicable.

## 13. PRIVACY POLICY

Your privacy is important to us. Please refer to our **Privacy Policy** (available at <https://cogenai.kalavai.net/privacy-policy>) for details on how we collect, use, and protect your personal information.

By using the Platform, you consent to the practices described in the Privacy Policy.

## 14. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement is governed by and construed in accordance with the laws of the **State of Delaware**, without regard to its conflict of laws principles.

Any dispute arising under or related to this Agreement shall be resolved through **binding arbitration** administered by the **American Arbitration Association (AAA)** under its

Commercial Arbitration Rules. The arbitration will take place in **Delaware**, and will be conducted in English.

1. **Arbitration is on an individual basis only.** You may not join or consolidate claims with other users.
2. You waive any right to a jury trial or class action.
3. The prevailing party in any arbitration may be entitled to recover reasonable attorneys' fees and costs.

If you are a resident of California, you may also have the right to file a complaint with the California Department of Consumer Affairs.

## 15. GENERAL TERMS

1. **Entire Agreement:** This Agreement, together with the Privacy Policy and any additional terms posted on the Platform, constitutes the entire agreement between you and the Company regarding the Services and supersedes all prior agreements or understandings.
2. **Severability:** If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions will remain in full force and effect.
3. **No Waiver:** Failure to enforce any provision does not constitute a waiver of that or any other provision.
4. **Assignment:** The Company may assign this Agreement without notice. You may not assign or transfer any rights or obligations under this Agreement without prior written consent.
5. **Survival:** Sections on Limitation of Liability, Indemnification, Intellectual Property, Dispute Resolution, and Governing Law shall survive termination of this Agreement.
6. **Notice:** All notices to you will be sent via email to the address on file or posted on the Platform. You are responsible for checking your inbox regularly.
7. **Time to Sue:** Any legal action must be brought within **one (1) year** of the cause of action accruing. Otherwise, the claim is barred.

## 16. YOUR AGREEMENT

You acknowledge that:

1. You have read, understood, and voluntarily agreed to all terms of this Agreement.
2. You are entering into this Agreement with full knowledge of the risks and benefits.
3. This Agreement is legally binding and enforceable.

By clicking "I Accept" or using the CoGen AI Platform, you confirm that you are legally capable of entering into this Agreement and agree to be bound by its terms.

**Effective Date:** [Insert Date]



**Last Updated:** [Insert Date]

**Contact Us:**

For questions, concerns, or support, please email: **support@kalavai.net**

Visit: <https://cogenai.kalavai.net>