

Firefly Legal FAQs – Enterprise Customers

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General Questions about the Technology

1. What is Adobe Firefly? How does the technology work?

- Adobe Firefly is a family of generative AI models that power features that can turn ordinary inputs (e.g., text) into new content (e.g., images). Using machine learning, Adobe trains these generative AI models on large amounts of data that enable the models to "learn" how to generate a multitude of outputs. The prompts that users provide to the generative AI model (e.g., "cat wearing a hat") are commonly called "inputs" and the content generated by the model (e.g., a picture of a cat wearing a hat) are commonly called "outputs."
- 2. Do Adobe's generative AI powered features "look up" content from its dataset to create outputs?
 - No. Adobe's generative AI technology is <u>not</u> a look-up service or search engine and the trained models do <u>not</u> store or contain copies of content from the dataset.

Outputs

- 3. Can I use Firefly outputs to train my own AI/ML models?
 - No.
- 4. How does Adobe treat content generated by Firefly?
 - Firefly outputs are "Customer Content" as defined in the customer agreement.
 - This means that:
 - As between Adobe and the customer, the customer owns and controls Firefly outputs, subject to the terms of the customer agreement
 - the user is responsible for use of the output
 - the output is the user's confidential information
 - Adobe does not assert any IP rights in the output

5. What use restrictions apply to Firefly outputs?

- As with the use of all Creative Cloud products and services, Firefly outputs <u>cannot</u> be used in an illegal manner (including to infringe or violate the rights of others) or in connection with creating, training or otherwise improving AI/ML models.
- Adobe does <u>not</u> restrict a customer's content distribution channel methods (e.g., client use cases, movie productions, etc.) so customers may use Firefly outputs in the same channels and manner as they do with any other content.

6. Can Firefly outputs be used in client projects (e.g., agency use cases)?

• Yes. (See above for the limited use restriction on Firefly outputs.)

7. Will the Firefly outputs be exclusive or unique to me?

• Although unlikely, it is theoretically possible that the same or similar Firefly output will be generated by different users and Firefly outputs are <u>not</u> guaranteed to be exclusive or unique. For example, in the very unlikely event that two users type in identical text prompts and the prompt query happens to have the same "seed" (i.e., a randomness variable), of which there are billions of options, then Firefly may output the same or very similar content.

Generative AI training by Adobe

- 8. For enterprise customers, will Adobe include my users' content (including Firefly inputs and outputs) in datasets used to train generative AI models?
 - No, Adobe does <u>not</u> plan to include enterprise user content in datasets used for generative AI training.
 - Note this does <u>not</u> apply to use of Adobe features as part of beta, improvement, or feedback programs.

Legal Topics

- 9. What does "designed to be commercially safe" mean for Firefly?
 - It means that Adobe is taking a thoughtful approach to how the Firefly family of models are being developed, including the sources of content used for training in accordance with <u>Adobe's AI Ethics principles</u>.
 - For example, the first model of Adobe Firefly is trained on Adobe Stock images, openly licensed content, and public domain content where the copyright has expired.
 - In addition, some customers will have the opportunity to purchase an entitlement that comes with contractual IP indemnification in the unlikely event of a claim involving a Firefly output (see below).

10. What is indemnification?

- Indemnification is a contractual concept in which one party agrees to assume the legal defense and pay for monetary damages in the unlikely event of certain types of claims.
- Indemnification often has limitations and exclusions (e.g., not all types of claims are covered and certain types of actions by the customer may exclude indemnification rights).

11. Will Adobe indemnify its customers for Firefly outputs?

• Yes, if you have purchased the appropriate entitlement (which will require a new contracting event), subject to the applicable terms, conditions, and exclusions.

12. What types of claims will be covered by the Firefly output IP indemnity?

- The Adobe indemnity will cover claims that allege that the Firefly output directly infringes or violates any third party's patent, copyright, trademark, publicity rights or privacy rights.
- The Adobe indemnity will <u>not</u> cover claims to the extent that any claim is based on or arises from the Customer's action or content, which includes without limitation:
 - your modification of the Firefly output using any product or service, including edits made with Creative Cloud products/services
 - any other materials that you use in combination with the Firefly outputs
 - any use of the Firefly output in violation of your customer agreement
 - the context in which you use the Firefly output
 - any use of the Firefly output after we tell you to stop

13. Which Firefly powered features will be covered by Adobe's contractual indemnity?

- We currently plan to have the indemnity cover outputs generated by the "Text to Image" feature accessed via specified apps or surfaces like Adobe Express, Adobe Stock, and the Firefly website (firefly.adobe.com). Exact features and apps/surfaces will be referenced in applicable agreement.
- Adobe is exploring having the indemnity cover additional Firefly powered features and surfaces over time, like Generative Fill in Photoshop, based on input from customers.

14. What liability cap will apply to the Firefly output indemnity?

• The same limitation of liability that applies to technology-based IP claims under your existing contract with Adobe will apply to IP claims involving Firefly outputs.

15. Will I have a copyright interest in my Firefly output?

- This will depend on the laws of your local jurisdiction.
- If you are interested in learning more about this issue, check out this <u>Copyright</u> <u>Alliance blog post</u> by Adobe's lead copyright attorney.

16. How will Adobe address changes in laws that affect generative AI technologies?

• Adobe is continually monitoring updates to relevant laws and regulations that may impact its technologies, including Adobe Firefly.

Content Credentials

17. What are Content Credentials and why are they being created for all Firefly outputs?

- As part of Adobe's commitment to setting the industry standard for responsible use of generative AI through its <u>Content Authenticity Initiative</u>, Adobe is requiring that all Firefly outputs create a Content Credential that indicates the output was created with generative AI.
- Customers should <u>not</u> remove Content Credentials from any Firefly outputs, including those embedded in larger projects (e.g., Adobe Express project).
- Below is an example of the information included in a Content Credential from the Firefly website (firefly.adobe.com) as of May 2023.

