

AI VENDOR DISCLOSURE STATEMENT **TEMPLATE**



About this Template

An AI Disclosure Statement is a document either provided by or completed in collaboration with your software vendors that outlines essential information about the AI technologies embedded within their products. This statement enables companies to make informed decisions about the AI solutions they integrate. Here's why gathering AI Disclosure Statements is crucial:

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- **Understanding AI Functionality:** AI Disclosure Statements provide insights into how AI technologies function within a product. This understanding empowers companies to assess whether the AI aligns with their needs and whether it operates in a manner consistent with their AI Use Policy.
 - **Evaluating Bias and Fairness:** Bias in AI systems is an ongoing concern. AI Disclosure Statements can shed light on the potential biases that exist within a technology. This allows companies to evaluate the fairness of the AI algorithms and make adjustments in policy, procedures, and training.
 - **Data Privacy and Security:** Understanding how AI vendors handle data is essential to ensuring compliance with data privacy regulations and maintaining the security of sensitive information. AI Disclosure Statements often include details about data collection, storage, and usage. If vendors share information with any 3rd parties to deliver their AI features, completing an AI Disclosure Statement for those 3rd parties is also crucial.
 - **Performance and Limitations:** AI technologies have limitations. AI Disclosure Statements provide information about the AI's performance metrics and potential shortcomings. These disclosures help identify areas where additional human oversight of AI-generated results is required to ensure accuracy and efficacy. This information helps companies manage expectations and plan for contingencies.
 - **Accountability and Trust:** By demanding AI Disclosure Statements from vendors, companies send a clear message that they prioritize transparency and accountability. This encourages vendors to develop ethical AI solutions and builds trust between parties.
 - **Governance and Control:** A well-documented AI Disclosure Statement not only covers what AI features are available within a vendor's products, but also how these features may be enabled or disabled, and which parties are allowed to make these changes.
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As AI continues to reshape industries and redefine business processes, the importance of responsible and ethical AI Strategies will remain a business imperative for the foreseeable future. AI Disclosure Statements provide a powerful enablement framework for ethical decision-making within the company, fostering alignment, transparency, and risk mitigation.

The below template is provided for informational purposes only and is designed as a starting point to help organizations craft their own customized AI Disclosure Statements. There may be additional areas that individual organizations will wish to consider in their AI Disclosure Statements. Organizations should consult with their trusted cybersecurity, compliance, and legal experts to build their final document. If you would like assistance in that process, [Stratecon Tech Advisors](#) is available to help. Please reach out to us to schedule a conversation – info@stratecon.tech.

Vendor AI Disclosure Statement

Introduction

For each AI tool utilized within the company, an AI Disclosure Statement should be completed and kept up to date. The Disclosure Statement should document, at a minimum:

1. What information is input into the AI model(s)?

Answer:

2. What information is generated because of using the AI model(s)?

Answer:

3. Where is the information that is input into the model(s) stored?

Answer:

- a. Is the input information encrypted at rest and/or in transit?

Answer:

- b. What data encryption methods are used?

Answer:

- c. How long is it stored?

Answer:

- d. When is it purged?

Answer:

- e. How will the company be notified of data being purged?

Answer:

4. Is there the ability to disable select AI features of the software for the entire company?

Answer:

- a. If so – who has the right to enable/disable these features?

Answer:

5. What information will the company be required to disclose to clients, prospects, or partners related to company's use of AI?

Answer:

6. Who owns the information generated by the AI model(s)?

Answer:

7. Which information is provided by vendor to third parties? i.e., a software vendor that the company utilizes happens to leverage other AI services (such as OpenAI/ChatGPT) to deliver features of their software.

Answer:

Note: If information is provided by a vendor to third parties – All of the above information must also be documented for all relevant third parties.

Vendor Representative:

Date:

Employee:

Date:
