Palasil AI and Transparency

Palasil

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Palasil is a service of Terahold S.r.l. ("Terahold"). This page explains how Palasil uses artificial intelligence, which data the AI sees, how people control it, how the content it generates is marked and what its limits are. It complements the Terms of Service, the Data Processing Agreement (the "DPA"), the Acceptable Use Policy, the Privacy Policy and the Sub-processors page, all available at palasil.com/legal. Capitalised terms not defined on this page have the meaning given in the Terms of Service.

This page is published in English and Italian. In case of conflict, the English version prevails.

1. What the AI agent does

1.1 Palasil is built around an AI agent that works in a chat with the team of a brand. The agent analyses data and results, plans email sends, writes the copy of emails, selects products and images from the brand's catalogue and library, and prepares drafts in the brand's Klaviyo account.

1.2 The agent does not generate images. The agent chooses images by their file names and product names, without seeing them, and images are not sent to the AI models.

2. Human control

2.1 The agent proposes and people decide. The agent creates or changes content in the brand's Klaviyo account only after an explicit action of a User or of Terahold staff acting under Section 6.1 of the DPA, such as approving a proposal, confirming the creation of a proposed segment, saving a draft in Klaviyo or sending a test email to the addresses entered by the person who sends it. The agent cannot approve its own proposals.

2.2 Each approval is recorded with the identity of the person who took the decision and the time.

2.3 [Deleted]

2.4 The agent does not schedule or send campaigns: it proposes, and a person acts. A campaign is scheduled or sent from Palasil only by a User with the Owner, Manager or Editor role, by Terahold staff during a support access granted under Section 6.1 b) of the DPA, within the actions permitted to the Editor role, and, under a Palasil Custom Agreement, by Terahold staff with the Palasil admin role, or directly from Klaviyo. Campaigns always leave from the brand's Klaviyo account, which is their sender.

2.5 When a brand connects its Klaviyo account, Palasil creates in that account six audience segments whose names begin with "Palasil ·". The segments are based on email consent, clicks, purchases, website visits, bounces and spam complaints, and not on email opens. Palasil creates each segment only once. At the request of a User, or as part of a strategy, the agent may also propose another segment in the chat: it shows its name, which begins with "Palasil ·", and the rules that determine who belongs to it, which do not use email opens. Palasil creates the segment in the brand's Klaviyo account, exactly as proposed, only after the confirmation in the chat of a User with the Owner, Manager or Editor role or of Terahold staff acting under Section 6.1 of the DPA. Palasil does not change or delete segments, including those it has created, and a segment does not send emails.

2.6 Before deleting content, or removing a draft from the brand's Klaviyo account, the agent asks the User for confirmation and waits for a written answer.

2.7 The agent inserts in emails only links to the brand's own website, unless the User writes a different address in the chat. The agent does not take addresses from newsletters of other brands, from the inspiration feed or from web pages.

2.8 The agent does not change the content of an email in order to send a test. If an email has no subject or body yet, the agent asks the User whether to write them and waits for the answer.

3. Models and providers

3.1 Palasil uses general purpose language models developed by third parties, including open-weight models. This page does not name specific models or versions, because Terahold may change them to improve quality, cost or security.

3.2 All requests to the models are sent through OpenRouter, Inc. ("OpenRouter"), which selects for each request an Inference Provider, that is a provider of the computing infrastructure that runs the model. Inference Providers must meet all the following criteria, set in Terahold's account configuration:

a) zero data retention: the content of requests is not stored after the response;

b) no training: the data are not used to train or improve models, whether paid or free;

c) exclusion of providers established in the People's Republic of China, of decentralised computing networks and of the other providers that Terahold has specifically excluded;

d) headquarters of the provider in the United States or in a country covered by an adequacy decision of the European Commission, as declared by OpenRouter. The servers used by a provider may be located in other countries.

3.3 The criteria concern the providers that run the models, not the developers of the models. The Service may use open-weight models developed by third parties in any country, run only by providers that meet the criteria. Open-weight models run on the servers of the Inference Providers, and the data are not transmitted to the developers of the models.

3.4 The short replies that Users type in response to the agent's proposals are also classified by a specialised model, reached through OpenRouter under the same conditions of zero data retention and no training. This model is run by its own developer, acting as Inference Provider.

3.5 In addition to the account configuration in Section 3.2, Palasil asks for zero data retention in each request it sends to OpenRouter.

3.6 OpenRouter and the Inference Providers are sub-processors under the DPA and are described on the Sub-processors page. On request to privacy@palasil.com, Terahold informs the Customer, within 15 days, of the Inference Providers that processed the requests of its Brand Workspace, as shown in the request records that OpenRouter makes available to Terahold at the time of the request.

3.7 Under a Palasil Custom Agreement, Terahold staff may also use AI assistants and image generation tools of third parties, which are not part of the Service. These tools are used under the conditions set out in the Palasil Custom Agreement and on the Sub-processors page; the criteria in Section 3.2 do not apply to them.

4. What data the models see

4.1 To perform a task, the agent sends to the model only what that task requires, which may include:

a) the Brand kit;

b) the history of the conversation;

c) the results of the tools used by the agent, such as performance indicators, product information, the calendar and the copy of emails;

d) the text that Users type in the chat, which is sent as written, including the short replies to the agent's proposals;

e) the text of newsletters of the inspiration feed, to identify the sender brand when the sender address does not show it and when a User asks the agent to analyse a newsletter. The agent describes a newsletter in its own words, quotes at most a few words of it and refuses to copy its text or images.

4.2 The models do not receive images. Data from the brand's store are read without the names, email addresses or postal addresses of its customers. Data from Klaviyo are processed with pseudonymous profile identifiers and stored as aggregates.

4.3 Users cannot upload documents in the chat. Images uploaded in the chat are saved in the library of the Brand Workspace and are not sent to the models. Conversations contain personal data only if Users type them: Terahold asks Users not to enter in the chat personal data of the brand's customers.

4.4 The execution log of the agent is kept on Terahold's application server in the European Union for 14 days. The working data of the agent, that is the queued requests, the events of each response and the data read by the tools, are deleted 90 days after their creation. Conversations and the other content of the Brand Workspace are stored in the European Union as described in the DPA.

4.5 Terahold does not train AI models and does not use Customer Content to train or improve AI models.

5. Limits and errors

5.1 AI can be wrong. Analyses, plans and copy produced by the agent may be inaccurate, incomplete or unsuitable, and may resemble content generated for others.

5.2 Users must review the agent's output before using it, in particular statements about products, prices, discounts, availability, origin, environmental characteristics, effects on health and results. Users can report an incorrect or unhelpful answer directly in the chat.

5.3 The agent does not take decisions that produce legal effects on people or that similarly significantly affect them.

5.4 The agent, the automatic writing of copy and the monthly plan follow these rules on the texts they generate:

a) discounts: a discount is mentioned only if the brand has stated it. When an email shows the discounted price of a specific product, the agent asks the brand for the lowest price applied in the previous 30 days and states it as such; in general discounts, the agent reminds the brand once that the page of each discounted product on its website must show that price;

b) environmental claims: no generic claims such as "eco", "green" or "sustainable", only the specific fact provided by the brand, such as a material, a percentage or a certification with its name, and only for the part of the product it concerns;

c) effects on health or on the body: only those written by the brand;

d) origin of products and comparisons with other brands: only those provided by the brand;

e) prohibited content: the agent refuses, and proposes a lawful alternative, texts that are misleading about prices, availability, origin or effects, that invent urgency, scarcity or reviews, that target or manipulate vulnerable persons, or that promote the products and sectors excluded by the Acceptable Use Policy.

5.5 On the matters in Section 5.4 a) to d) the agent warns and does not block. When a User dictates a text word for word, or decides how to present a discount after the warning, the agent writes it as decided by the User; for discounts, the offer of the send keeps a note that the text was decided by the brand. For environmental claims and effects on health, the agent writes only the exact sentence dictated by the User and does not generate such claims itself.

5.6 The rules in Section 5.4 are instructions given to the AI models, not a technical check of every text. They reduce, but do not exclude, the risk that the output contains statements that are inaccurate or not permitted. They do not replace the review in Section 5.2, and the Customer remains responsible for the content it publishes and sends.

6. Transparency of AI-generated content

6.1 Palasil is offered and presented as an AI agent, only to businesses and to their staff. The answers in the chat are generated by AI models. Under the message box of every chat, the notice "Palasil is an AI agent and can make mistakes. Always check its answers." reminds Users that the answers are generated automatically and must be checked.

6.2 The HTML of the email drafts generated by the agent contains a machine-readable indication that they were generated with AI. Palasil adds to the head of that HTML, when it sends a draft or a test email to the brand's Klaviyo account, two metadata elements: "generator" with the value "Palasil AI" and "ai-generated" with the value "true". The indication is added when the copy of the email was written by the agent, also if a User edited it afterwards. The indication identifies neither the User nor the brand.

6.3 Terahold keeps a register of the copy generated with AI. For each version of a copy (subject, preview text, headline, body and buttons) written by the agent or sent to Klaviyo as a draft or as a test email, the register stores the date, a fingerprint of the whole copy and a fingerprint of each sentence of at least six words. The register does not contain the text, the brand or the

User, and the text cannot be reconstructed from the fingerprints. Terahold uses the register only to establish whether a text was generated with Palasil, and deletes each entry 5 years after its creation.

6.4 The indication in Section 6.2 is contained only in the HTML of the drafts and test emails. It does not cover the subject and preview text of an email, the answers in the chat, the reports, the Brand kit, or copy that Users copy outside Palasil. Klaviyo, email programs, forwarding or later edits may remove or change the indication. As provided in Section 8.6-bis of the Terms of Service and in Section 4.2 f) of the Acceptable Use Policy, the Customer must not remove, alter or obscure the indication, nor use tools designed to remove it.

6.5 Palasil does not add visible labels to content in its interface or to the emails that brands send. Brands publish and send the content under their own name and remain responsible for any information to recipients required by the law that applies to their communications, including Article 50(4) of Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 (the "AI Act") where it applies.

7. The AI Act

7.1 Under the AI Act, Terahold is the provider of an AI system built on general purpose models of third parties. The Customers, that is the businesses that use Palasil for their brands, are deployers. When Terahold prepares content for a Customer under a Palasil Custom Agreement, Terahold also uses the system as deployer. Palasil is not intended for any of the high-risk uses listed in the AI Act.

7.2 Terahold applies Article 50 of the AI Act as described in Section 6. Terahold takes measures to support the AI literacy of its staff and collaborators, as required by Article 4 of the AI Act. The Customers, as deployers, take measures to support the AI literacy of their own Users under Article 4 of the AI Act; for the Customers that use the Service under the Terms of Service, this is also provided in Section 8.6 of the Terms of Service.

8. Contacts and changes

8.1 For questions about the use of AI in Palasil write to support@palasil.com. For questions about personal data write to privacy@palasil.com.

8.2 Terahold updates this page when it changes how AI is used in Palasil. The current version is available at palasil.com/legal/ai, and the previous versions remain available in the archive at palasil.com/legal/archive.