In the Matter of

Everalbum, Inc., also d/b/a Ever and Paravision, a corporation.

Federal Trade Commission File No. 1923172

COMPLIANCE REPORT OF PARAVISION, INC.

Paravision, Inc. ("Paravision" or "the Company")¹ submits this compliance report ("Report") pursuant to Part V of the Decision and Order ("Order") in this matter. This Report sets forth in detail the manner and form in which Paravision has complied with the Order, addressing each Part of the Order in turn. Terms used in this Report are used as defined in the Order.

On September 7, 2021, Everalbum, Inc. changed its name to Paravision, Inc.

Order § V(A) (a)

Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with Respondent.

Kamil Chaudhary General Counsel and SVP, Data Acquisition 1160 Gorgas Ave San Francisco, CA 9419 (415) 209-5729 kamil@paravision.ai

Order § V(A) (b)

Identify all of the Respondent's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses.

Paravision, Inc. 1160 Gorgas Ave San Francisco, CA 94129 (415) 209-5729 info@paravision.ai https://www.paravision.ai/

Paravision Canada Ltd.
321 Water Street, Suite 501
Vancouver, British Columbia V6B 1B8
Canada
(415) 209-5729
info@paravision.ai
https://www.paravision.ai/

Order § V(A) (c)

Describe the activities of each business, including the goods and services offered, what Covered Information is collected, and the means of advertising, marketing, and sales.

In September 2020, Paravision voluntarily shut down the Ever photo storage and organization application. Paravision operates solely on a business-to-business or business-to-government basis and does not offer any products or services to individual consumers.

Paravision researches and develops computer vision and face recognition technology that it offers to businesses and governments. Paravision's technology is ranked one of the highest in the United States and globally according to the National Institute of Standards and Technology's Face Recognition Vendor Tests. The face recognition technology that Paravision sells is trained exclusively on images from public datasets; from its employees who allow, with their written consent, Paravision to photograph or video record them or who provide Paravision with their photographs or videos; or from third parties outside of the United States and Europe Economic Area who are contractually obligated to obtain consent for any images that Paravision purchases.

Paravision works to ensure that its technology is both Ethically Trained and Conscientiously Sold. In August 2020, Paravision published a set of AI Principles,² and in January 2021, appointed a Chief AI Ethics Advisor.³ Paravision's ethics committee works to ensure that its business remains aligned with the AI Principles. These principles are summarized below:

Ethically Trained: Paravision trains and benchmarks its models on diverse, annotated data. To that end, Paravision:

- a. Works to ensure that images used in its training data include representation across gender, age, ethnicity, and other characteristics, to create fair models and reduce bias. The images Paravision collects for product development are comprised exclusively of images from public datasets, Paravision employees with their written consent, or third parties who are contractually obligated to obtain consent for any images that Paravision purchases.
- b. Conducts a review of all applicable licenses for public datasets it uses.
- c. Requires that all necessary consents are obtained, including appropriate written releases, prior to collection of data that it purchases.
- d. Invests heavily in internal benchmarking and tools to identify deficiencies in models and address them.

Paravision publishes its AI Principles on its website at https://www.paravision.ai/ai-principles/.

Paravision's announcement of the appointment of its Chief AI Ethics Advisor can be found on its website at https://www.paravision.ai/news/paravision-appoints-chief-ai-ethics-advisor/.

Conscientiously Sold: Paravision vets partners and customers with whom the Company does business. To help ensure the Company's technology is conscientiously sold, Paravision:

- a. Only sells AI models that meet its standards of quality.
- b. Limits distribution geographically. The Company maintains and makes available on request a list of countries in which it will not do business. This list is informed by the United States Department of State as well as human rights organizations. Further, Paravision does not sell its technology for law enforcement, defense, or intelligence applications outside of the United States, its close allies, and other democracies.
- c. Limits distribution by use case. Paravision does not sell its technology for use cases intended to discriminate against any individual or group based on protected characteristics. Paravision only sells to law enforcement, defense, and intelligence agencies when it believes sufficient legislation or process is in place to govern its use. Paravision believes computer vision, and specifically face recognition, can be a powerful tool for law enforcement to solve and prevent crime and for defense and intelligence agencies to protect our nations, provided the face recognition solution used: 1) complies with applicable laws and is used for properly-defined purposes; 2) requires rigorous training for users on its legitimate and lawful use; and 3) operationally includes thorough human review and analysis before any consequential decision is made or action is taken. Paravision does not permit the use of its technology for lethal autonomous weapons systems (LAWS).
- d. Works with partners and customers to ensure a baseline level of accuracy in test environments before Paravision's technology is used in production environments.

Paravision Canada Ltd. ("Paravision Canada") is a wholly-owned subsidiary of Paravision, Inc. Paravision Canada performs research and development work for Paravision.

Order § V(A) (d)

Describe in detail whether and how Respondent is in compliance with each Provision of this Order, including a discussion of all of the changes the Respondent made to comply with the Order.

I. Prohibition against Misrepresentations

IT IS ORDERED that Respondent; and Respondent's officers, agents, and employees; and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with any product or service must not misrepresent in any manner, expressly or by implication:

A. The extent to which Respondent collects, uses, discloses, maintains, or deletes any Covered Information;

- B. The extent to which consumers can control the collection, use, disclosure, maintenance, or deletion of Covered Information;
- C. The extent to which Respondent accesses or permits access to Covered Information;
- D. The extent to which, purposes for which, or duration of time during which Respondent retains any Covered Information following a consumer's deletion or deactivation of a user account with Respondent; or
- E. The extent to which Respondent otherwise protects the privacy, security, availability, confidentiality, or integrity of any Covered Information.

Paravision decided to shut down the Ever photo storage and organization application in September 2020. As a result of this shut down, Paravision has not offered any products or services to consumers since the entry date of the Order. In addition, the technology that Paravision sells was not trained on any Covered Information collected through the Ever application or any other product or service offered to individual consumers.

Paravision does operate a website and collects limited data from visitors to that website. The Company publishes a Privacy Policy,⁴ written in plain and simple language, that states data the Company collects, both in connection with its sales and marketing efforts, and for product development purposes. The Privacy Policy separately explains how data is collected for its sales and marketing efforts (e.g., submission of forms to contact the Company to learn more about Paravision) and for its product development efforts (e.g., after obtaining consent, or through public data sets). It describes how the Company does and does not process data, the instances in which the Company will share the data it collects, and the steps the company takes to protect the data it collects.

The Company regularly reviews the Privacy Policy, and has committed to informing consumers of any material changes in the policy, either by posting a notification on its website or emailing consumers directly.

II. Notice and Affirmative Express Consent Provision

IT IS FURTHER ORDERED that Respondent; and Respondent's officers, agents, and employees; and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with any product or service, prior to using Biometric Information collected from a User to (1) create a Face Embedding or (2) train, develop, or alter any face recognition model or algorithm, must:

A. Clearly and Conspicuously disclose to the User from whom Respondent has collected the Biometric Information, separate and apart from any "privacy policy," "terms of

⁴ Paravision publishes its privacy policy on its website at https://www.paravision.ai/privacy-policy/.

- use" page, or other similar document, all purposes for which Respondent will use, and to the extent applicable, share, the Biometric Information; and
- B. Obtain the affirmative express consent of the User from whom the Respondent collected the Biometric Information.

Provided, however, Respondent need not comply with this provision in connection with any product or service that is only offered to Users outside the United States.

Paravision stopped offering any product or service to consumers on September 30, 2020 when it shut down the Ever application, approximately nine months prior to entry of the Order. As a result, Paravision has not offered Users any product or service since the entry date of the Order. In addition, the technology that Paravision sells was not trained on any Covered Information collected through the Ever application or any other product or service offered to consumers. Therefore, Paravision is in compliance with Order § II.

III. Deletion

IT IS FURTHER ORDERED that Respondent; and Respondent's officers, agents, and employees; and all other persons in active concert or participation with any of them, who receive actual notice of this Order, must, unless prohibited by law:

- A. Within thirty (30) days after the issuance of this Order, delete or destroy all photos and videos that Respondent collected from Users who requested deactivation of their Ever accounts on or before the issuance date of this Order, and provide a written statement to the Commission, sworn under penalty of perjury, confirming that all such information has been deleted or destroyed;
- B. Within ninety (90) days after the issuance of this Order, delete or destroy all Face Embeddings derived from Biometric Information Respondent collected from Users who have not, by that date, provided express affirmative consent for the creation of the Face Embeddings, and provide a written statement to the Commission, sworn under penalty of perjury, confirming that all such information has been deleted or destroyed; and
- C. Within ninety (90) days after the issuance of this Order, delete or destroy any Affected Work Product, and provide a written statement to the Commission, sworn under penalty of perjury, confirming such deletion or destruction.

Provided, however, that any photos, videos, Face Embeddings, Affected Work Product, or other matter that Respondent is otherwise required to delete or destroy pursuant to this provision may be retained, and may be disclosed, as requested by a government agency or otherwise required by law, regulation, court order, or other legal obligation, including as required by rules applicable to the safeguarding of evidence in pending litigation. In each written statement to the Commission required by this provision,

Respondent shall describe in detail any relevant information that Respondent retains on any of these bases and the specific government agency, law, regulation, court order, or other legal obligation that prohibits Respondent from deleting or destroying such information. Within thirty (30) days after the obligation to retain the information has ended, Respondent shall provide an additional written statement to the Commission, sworn under penalty of perjury, confirming that Respondent has deleted or destroyed such information.

Paravision timely submitted written statements to the Commission confirming it deleted the data required under Order § III (A), (B), and (C).

IV. Acknowledgments of the Order

IT IS FURTHER ORDERED that Respondent obtain acknowledgments of receipt of this Order:

- A. Respondent, within ten (10) days after the issuance date of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.
- B. For ten (10) years after the issuance date of this Order Respondent must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees, agents, and representatives having managerial responsibilities for conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Provision titled Compliance Reports and Notices. Delivery must occur within ten (10) days after the effective date of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.
- C. From each individual or entity to which Respondent delivered a copy of this Order, Respondent must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

On May 17, 2021, Paravision submitted to the Commission an acknowledgment of receipt of this Order.

On May 11, 2021, Paravision timely distributed copies of the Order via email to all current employees at manager level or above and all employees with managerial responsibilities for conduct related to the subject matter of the Order. The email messages included a contact person to which recipients could direct questions.

In addition, Paravision has established a process to similarly distribute the FTC Order to (1) all new hires with managerial responsibilities or access to Paravision's facial recognition data, and (2) all role changes where an employee receives managerial responsibilities or access to

Paravision's facial recognition data. Paravision's Human Resources or Legal team is responsible for determining when distribution is required to new hires or as a result of role changes.

Refer to the attached Exhibit 1 for a record of each Acknowledgment of the Order obtained through May 5, 2022.

V. Compliance Reports and Notices

IT IS FURTHER ORDERED that Respondent make timely submissions to the Commission:

A. One year after the issuance date of this Order, Respondent must submit a compliance report, sworn under penalty of perjury, in which Respondent must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with Respondent; (b) identify all of the Respondent's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, what Covered Information is collected, and the means of advertising, marketing, and sales; (d) describe in detail whether and how Respondent is in compliance with each Provision of this Order, including a discussion of all of the changes the Respondent made to comply with the Order; and (e) provide a copy of each Acknowledgment of the Order obtained pursuant to this Order, unless previously submitted to the Commission.

Paravision is complying with Order § V(A) with the submission of this Report. Refer to the attached Exhibit 1 for a record of each Acknowledgment of the Order obtained pursuant to the Order through May 5, 2022.

B. Respondent must submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following: (a) any designated point of contact or (b) the structure of Respondent or any entity that Respondent has any ownership in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.

Paravision will notify the Commission, in accordance with Order $\S V(B)$, should any of the events described in Order $\S V(B)$ occur.

C. Respondent must submit notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against Respondent within fourteen (14) days of its filing.

Paravision will notify the Commission, in accordance with Order § V(C), should this event occur.

- D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: "I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____" and supplying the date, signatory's full name, title (if applicable), and signature.
- E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: "In re Everalbum, Inc., FTC File No. 1923172."

VI. Recordkeeping

IT IS FURTHER ORDERED that Respondent must create certain records for ten (10) years after the issuance of this Order, and retain each such record for five (5) years, unless otherwise specified below. Specifically, Respondent must create and retain the following records:

- A. Accounting records showing the revenues from all goods or services sold, the costs incurred in generating those revenues, and resulting net profit or loss;
- B. Personnel records showing, for each person providing services in relation to any aspect of the Order, whether as an employee or otherwise, that person's: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. Copies or records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;
- D. A copy of each widely disseminated representation by Respondent that describes the extent to which Respondent maintains or protects the privacy, security, availability, confidentiality, or integrity of any Covered Information, including any representation concerning a change in any website, mobile app, or other service controlled by Respondent that relates to privacy, security, availability, confidentiality, or integrity of Covered Information; and
- E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission.

Paravision maintains and will make available to the Commission the enumerated records and documents in Order § VI upon request, so long as such documents are responsive and non-privileged.

VII. Compliance Monitoring

IT IS FURTHER ORDERED that, for the purpose of monitoring Respondent's compliance with this Order:

- A. Within ten (10) days of receipt of a written request from a representative of the Commission, Respondent must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury, and produce records for inspection and copying.
- B. For matters concerning this Order, representatives of the Commission are authorized to communicate directly with Respondent. Respondent must permit representatives of the Commission to interview anyone affiliated with Respondent who has agreed to such an interview. The interviewee may have counsel present.
- C. The Commission may use all other lawful means, including posing through its representatives as consumers, suppliers, or other individuals or entities, to Respondent or any individual or entity affiliated with Respondent, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

Paravision will comply with Order § VII.

VIII. Order Effective Dates

IT IS FURTHER ORDERED that this Order is final and effective upon the date of its publication on the Commission's website (ftc.gov) as a final order. This Order will terminate twenty (20) years from the date of its issuance (which date may be stated at the end of this Order, near the Commission's seal), or twenty (20) years from the most recent date that the United States or the Commission files a complaint (with or without an accompanying settlement) in federal court alleging any violation of this Order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any Provision in this Order that terminates in less than twenty (20) years;
- B. This Order if such complaint is filed after the Order has terminated pursuant to this Provision.

Provided, further, that if such complaint is dismissed or a federal court rules that the Respondent did not violate any provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate according to this Provision as though the complaint had never been filed, except that the Order will not terminate

between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: May 5, 2022.

By:

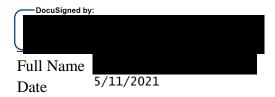
Doug Aley

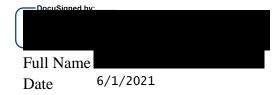
Chief Executive Officer

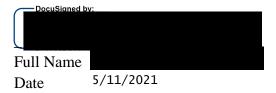
Paravision, Inc.

Exhibit 1

Order Acknowledgments



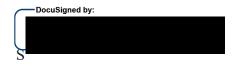




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Individual Acknowledgment

I acknowledge that on August 11, 2021 I received a copy of the May 7, 2021 Decision and Order in *In the Matter of Everalbum, Inc.*, FTC Docket No. C-4743.



Full Name:

Date: 8/11/2021

DocuSign Envelope ID:

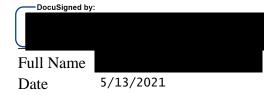
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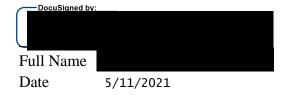
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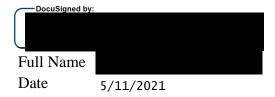
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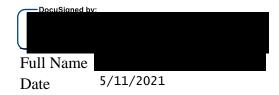
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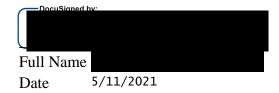
Date: 29-Mar-22

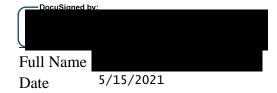




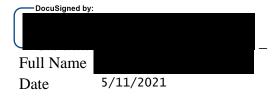


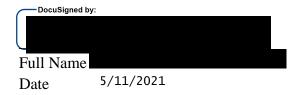


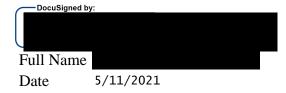


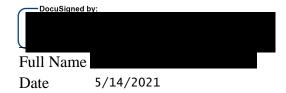














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Individual Acknowledgment

I acknowledge that on April 28, 2022 I received a copy of the May 7, 2021 Decision and Order in *In the Matter of Everalbum, Inc.*, FTC Docket No. C-4743.



Full Name:

Date: 28-Apr-22



DocuSign Envelope ID:

Individual Acknowledgment

I acknowledge that on January 26, 2022 I received a copy of the May 7, 2021 Decision and Order in *In the Matter of Everalbum, Inc.*, FTC Docket No. C-4743.



Full Name

Date: 01-Mar-22

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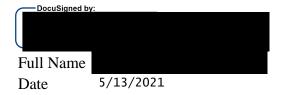
Individual Acknowledgment

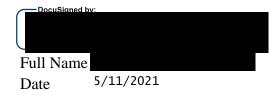
I acknowledge that on December 3, 2021 I received a copy of the May 7, 2021 Decision and Order in *In the Matter of Everalbum, Inc.*, FTC Docket No. C-4743.



Full Name:

Date: 03-Dec-21





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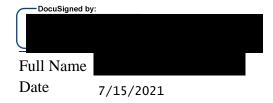
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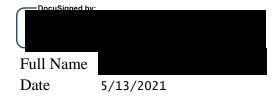
I acknowledge that on August 5, 2021 I received a copy of the May 7, 2021 Decision and Order in *In the Matter of Everalbum, Inc.*, FTC Docket No. C-4743.

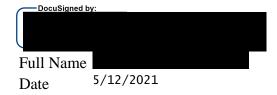


Full Name:

Date: 8/5/2021





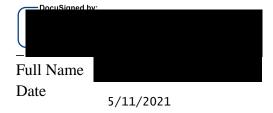








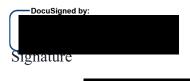




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Individual Acknowledgment

I acknowledge that on January 14, 2022 I received a copy of the May 7, 2021 Decision and Order in *In the Matter of Everalbum, Inc.*, FTC Docket No. C-4743.



Full Name:

Date: 19-Jan-22