



AI Act Assessment

ContractHero GmbH



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1. Assessment Regarding Classifications Under AI Act

ContractHero has been assessed in accordance with the criteria set out in the EU Artificial Intelligence Act (EU AI Act). Based on this assessment, ContractHero’s current systems and operations do not fall under the classification of high-risk or prohibited AI systems as defined by the Act. As such, ContractHero is considered compliant with the applicable provisions of the EU AI Act as of the date of this report. ContractHero’s obligations and evidence is available below.

Applicable Article	Evidence
Art. 4 – AI Literacy	Kertos Platform
Art. 50 – Transparency	ContractHero Platform

2. Classification Criteria for Operator Roles

Operator roles are described in the AI Act Article 3 definitions. As such below Operator roles can be assigned to the ContractHero GmbH:

Operator Type	Definition	Assessment	Notes:
Provider	Any organisation that develops an AI system/GPAI	Applicable	ContractHero GmbH develops it’s AI

	model, or that has an AI system/GPAI model developed and places it on the market or puts the AI system into service under its own name or trademark.		functionality in the platform and places it on the market.
Deployer	Any organisation that uses an AI system under its own authority, except where the AI system is used in the course of a personal non-professional activity.	Not Applicable	ContractHero GmbH develops it's AI functionality in the platform and places it on the market.
Importer	Any organisation located or established in the EEA that places an AI system on the market which bears the name or trademark of an entity established outside of the EEA is an "importer"	Not Applicable	-
Distributor	Any organization (other than a provider or importer) that provides AI systems/GPAI models for distribution or use on the EEA market is a "distributor". The distributor	Not Applicable	-

	does not need to be the first organization in the AI value chain that releases the AI system/GPAI model to the EEA market.		
Authorized representative	Authorized representatives are intermediaries appointed by providers outside of the EEA. An “authorized representative” is any organization in the EEA that has accepted a written mandate from the provider to carry out the provider’s obligations with respect to the EU AI Act.	Not Applicable/Applicable Needs Further Investigation	-

3. Classification Criteria for Prohibited AI Systems

According to the AI Act Article 5 , designation of Prohibited AI Practices are defined as:

- *Manipulative / subliminal techniques that distort decisions and cause likely harm*
- *Exploiting people’s vulnerabilities (age, disability, economic hardship) to manipulate them*
- *Public- or private-sector “social scoring” of individuals or groups*
- *Predictive-crime profiling based solely on personal profiling or traits*
- *Untargeted scraping of images to build facial-recognition databases*
- *Emotion-recognition systems in workplaces or educational settings*
- *Biometric categorization that infers sensitive traits (race, politics, sexuality, etc.)*

- *Real-time remote biometric ID in public spaces by police—except a few tightly defined cases (missing persons, imminent terror, serious crimes)*

Below are more detailed analysis of prohibited AI Act practices that are more relevant to businesses within the context of the product provided by ContractHero GmbH,

Prohibited AI Criteria	Scope of Product	Assessment	Notes
Subliminal, manipulative or deceptive techniques	Product is not capable of assessing Biometric data.	Not Applicable	-
Exploiting vulnerabilities	Product is not capable of exploiting vulnerabilities.	Not Applicable	-
Inference of emotions in the workplace and Educational institutions	Product is not capable of emotions.	Not Applicable	-
Biometric categorisation	Product is not capable of biometric categorization.	Not Applicable	-

4. Classification Criteria for High Risk AI System:

In the product provided by ContractHero GmbH, accordingly with AI Act Article 6(2), requirements for High Risk AI system is referred to in the Act's Annex III document in which an AI system is considered to be a high risk AI system under these categories.

- *Biometrics, in so far as their use is permitted under relevant Union or national law*
- *Critical infrastructure: AI systems intended to be used as safety components in the management and operation of critical digital infrastructure, road traffic, or in the supply of water, gas, heating or electricity.*
- *Education and vocational training.*
- *Employment, workers management and access to self-employment.*

- *Access to and enjoyment of essential private services and essential public services and benefits.*
- *Law enforcement, in so far as their use is permitted under relevant Union or national law.*
- *Migration, asylum and border control management, in so far as their use is permitted under relevant Union or national law.*
- *Administration of justice and democratic processes.*

In the scope of the product provided by ContractHero GmbH, the high risk criteria is assessed in the table below:

High Risk Criteria	Scope of Product	Assessment
<i>Biometrics</i>	Product is incapable of assessing Biometric data. Product runs on text input and is not capable of getting any other type of input.	Product is not capable of receiving biometric input.
<i>Critical infrastructure</i>	Product is not part of Critical Infrastructure definition provided by the law.	-
<i>Education and vocational training</i>	Product is not used in educational services.	-
<i>Employment, workers management and access to self-employment.</i>	Product is not used in employment services.	Product is used for contractual reviews and does not assess employment access or employee management.
<i>Access to and enjoyment of essential private services and essential public services and benefits.</i>	Product is incapable of assessing access to any service.	Product is used for contractual reviews and does not assess benefits or access to public services.
<i>Law enforcement, in so far as their use is permitted under relevant Union or national law</i>	Product is not used in law enforcement.	-

<i>Migration, asylum and border control management, in so far as their use is permitted under relevant Union or national law</i>	Product is not used in migration or asylum or border control.	-
<i>Administration of justice and democratic processes.</i>	Product is not used used in administration of justice or democratic process.	-

Another angle to consider is AI Act Art. 6(1)(a) in which Annex I is referred to determine whether a product falls under the High Risk definition. Products mentioned in this section are regulated sectors and as such also have their own set of regulations. Products and safety components mentioned in the Annex is:

High Risk Criteria	Scope of Product	Assessment
<i>Appliances burning gaseous fuels</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Cableway installations</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Equipment and protective systems intended for use in potentially explosive atmospheres</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>In vitro diagnostic medical devices</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Lifts and safety components for lifts</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Machinery</i>	Product is not within the scope of the mentioned product regulations	Not Applicable

<i>Medical devices</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Personal protective equipment</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Pressure equipment</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Radio equipment</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Recreational craft and personal watercraft</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Toys</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Agricultural and forestry vehicles</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Civil aviation security</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Marine equipment</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Motor vehicles and their trailers, as well as systems, components, and separate technical units intended for such vehicles</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Rail systems</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Two- or three-wheel vehicles and quadricycles</i>	Product is not within the scope of the mentioned product regulations	Not Applicable
<i>Unmanned aircraft and their engines, propellers,</i>	Product is not within the scope of the mentioned product regulations	Not Applicable

parts, and equipment to control them remotely		
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5. Considerations Around GPAI

Examples of GPAI are defined in Recital 100 of the regulation in which example below is given:

Large generative AI models are a typical example for a general-purpose AI model, given that they allow for flexible generation of content, such as in the form of text, audio, images or video, that can readily accommodate a wide range of distinctive tasks.

Furthermore, Article 3 (63) classifies GPAI as:

*‘general-purpose AI model’ means an AI model, including where such an AI model is trained with a large amount of data using self-supervision at scale, that displays significant **generality and is capable of competently performing a wide range of distinct tasks regardless of the way the model is placed on the market and that can be integrated into a variety of downstream systems or applications**, except AI models that are used for research, development or prototyping activities before they are placed on the market*

Detailing of what GPAI is further explained in Recital 97:

“General-purpose AI models may be placed on the market in various ways, including through libraries, application programming interfaces (APIs), as direct download, or as physical copy. **These models may be further modified or fine-tuned into new models.** Although AI models are essential components of AI systems, they do not constitute AI systems on their own”

Accordingly with the provided information in the regulation, aspects of GPAI can be broken down to items below.

GPAI Classification	Product
<i>capable of competently performing a wide range of distinct tasks</i>	Product is not capable of performing wide range of tasks. It is designed to perform contract reviews.
<i>do not constitute AI systems on their own</i>	Product has UI and UX components and therefore is a standalone AI system.

<p><i>General-purpose AI models may be placed on the market in various ways, including through libraries, application programming interfaces (APIs), as direct download, or as physical copy.</i></p>	<p>Product does not have a separate API access capability that can be deployed outside of it's own platform.</p>
<p><i>flexible generation of content, such as in the form of text, audio, images or video, that can readily accommodate a wide range of distinctive tasks.</i></p>	<p>System can only generate text output.</p>

As such, a **GPAI in this context refers to models such as GPT, Ada, DALL-E, Llama** and responsibilities around this GPAI belongs to the developers of these models and not on the ContractHero GmbH.

6. Considerations Around Transparency

Article 50 of AI Act regulates transparency requirements. Recital 132 clarifies the scope of this requirement:

Certain AI systems **intended to interact with natural persons** or to generate content may pose specific risks of impersonation or deception irrespective of whether they qualify as high-risk or not. In certain circumstances, the use of these systems should therefore be subject to specific transparency obligations.

Product is intended to interact with natural persons and to generate content. ContractHero GmbH products do interact with natural persons therefore falls under the scope of this Article.

7. Conclusion

Due to aforementioned reasons ContractHero GmbH is:

- Provider

Due to aforementioned reasons product:

- Is not a Prohibited AI System
- Is not a General Purpose AI System
- Is not a High Risk AI System