

## Annex to the General Terms and Conditions of Contract Manufacturing Compliance of Components with the RoHS Directive and REACH Regulation

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### Article 1 – Introductory Provisions and Definitions

1.1 These contractual terms and conditions ("Conditions") form an integral part of the General Terms and Conditions of Contract Manufacturing, the contract manufacturing agreement, the framework purchase agreement, or the purchase order concluded between Y Soft Corporation, a.s. ("Y Soft" or "contract manufacturer") and the customer ("Customer" or "brand owner"), the subject of which is the manufacture of electronic devices or electronic assemblies ("Product") according to the Customer's specification.

1.2 For the purposes of these Conditions, the following terms shall mean:

**"BOM" (Bill of Materials)** – the list of components specified by the Customer, containing the part designation (Part Number / PN), the commercial name of the component, and the identification of the supplier;

**"Compliance Documentation"** – a declaration by the component manufacturer or authorized distributor confirming the compliance of a given component with the requirements of the REACH Regulation (in particular Annex XVII and Art. 33) and the RoHS II Directive, as amended;

**"DoC"** – EU Declaration of Conformity pursuant to Art. 17 of the RoHS II Directive;

**"CE marking"** – conformity marking within the meaning of Art. 15 et seq. of the RoHS II Directive and Art. 30 of Regulation (EU) No 765/2008;

**"SVHC"** – substance of very high concern entered on the candidate list pursuant to Art. 59 of the REACH Regulation;

**"PN"** – Part Number, a unique identifier of a component specified by the Customer in the BOM.

***Notice:** The Customer, as brand owner, is the manufacturer within the meaning of Act No. 22/1997 Coll. and Government Regulation No. 481/2012 Coll. (implementation of RoHS II) and bears full public-law responsibility for the compliance of the Product with REACH and RoHS regulations. These Conditions govern the mutual rights and obligations of the contracting parties; they cannot alter obligations imposed by public law.*

### Article 2 – Definition of the Roles and Responsibilities of the Parties

2.1 The Customer, as brand owner, declares and confirms that:

- it is the manufacturer of the Product within the meaning of §2 of Act No. 22/1997 Coll. and the EU Blue Guide, as it places the product on the market under its own trade name, logo, or trademark;
- as manufacturer, it is responsible for fulfilling all obligations imposed by RoHS II and the REACH Regulation, including the obligation to ensure that the EU Declaration of Conformity (DoC) is drawn up and that the CE marking is affixed to the Product;
- it acknowledges that Y Soft acts exclusively as a contract manufacturer and does not place the Product on the market under its own brand.

2.2 The Customer undertakes that prior to the commencement of any order (production):

- it shall clearly and in writing specify the BOM for the respective order;
- it shall submit to Y Soft the Compliance Documentation for each PN contained in the BOM;
- it shall issue the DoC and ensure that CE marking is affixed to the Product in accordance with applicable regulations;
- it shall without delay notify Y Soft of any change to the BOM, any change of a PN supplier, or any doubt regarding the compliance of a PN.

### 2.3 Y Soft undertakes:

- not to use in its manufacturing processes (soldering, surface treatment, cleaning, packaging materials) any substances prohibited under Annex XVII of the REACH Regulation or any substances restricted under RoHS II;
- when purchasing components according to the Customer's BOM, to routinely request from suppliers the relevant RoHS/REACH declarations as part of the procurement process;
- to fulfil the information obligation under Art. 33 of the REACH Regulation if the supplied product contains an SVHC substance at a concentration exceeding 0.1% w/w of the total weight of the Product;
- to cooperate with market surveillance authorities (Czech Trade Inspection Authority, Czech Environmental Inspection) to the extent required by applicable regulations.

## Article 3 – Compliance Documentation

3.1 Prior to the commencement of production of each order, the Customer is obliged to submit to Y Soft valid Compliance Documentation for all PNs contained in the BOM of that order. The Compliance Documentation must contain:

- a RoHS declaration confirming the component's compliance with Directive 2011/65/EU as in force on the date of manufacture;
- an SVHC declaration confirming whether or not the component contains an SVHC substance at a concentration above 0.1% w/w;
- in the event of the presence of an SVHC: the specification of the particular substance, its concentration, and its location within the component;
- identification of the issuer of the declaration (component manufacturer or authorised distributor), including the date of issue.

3.2 Validity of Compliance Documentation:

- Compliance Documentation shall be considered valid for a period of 12 months from its date of issue, unless the composition of the component changes or applicable legislation changes;
- in the event of an update to the SVHC candidate list (published approximately twice a year), the Customer is obliged within 30 days of the update to provide Y Soft with updated SVHC declarations for all affected PNs.

3.3 Y Soft reserves the right to:

- refuse to commence production of an order until the Customer submits complete Compliance Documentation for all PNs;
- suspend ongoing production if the Customer breaches its obligations under this Article or if Y Soft identifies evident signs of non-compliance;
- request the Customer to supplement or update the Compliance Documentation if doubts arise as to its accuracy or completeness.

## Article 4 – Representations and Warranties of the Customer

4.1 The Customer hereby represents and warrants that as of the date of conclusion of the agreement and as of the date of commencement of each production run:

- all components specified in the BOM comply with the requirements of RoHS II – i.e. they do not contain hazardous substances defined in Annex II of Directive 2011/65/EU at concentrations exceeding the permitted threshold values;
- all components specified in the BOM comply with the substance restrictions under Annex XVII of the REACH Regulation;
- the Compliance Documentation submitted to Y Soft is truthful, complete, and current;

- the Customer has not instructed Y Soft to manufacture Products where it is aware of their non-compliance with REACH or RoHS regulations.

4.2 The Customer undertakes to continuously maintain these warranties throughout the duration of the contractual relationship and to notify Y Soft without delay of any circumstance that could call them into question.

4.3 Y Soft does not verify the accuracy of the Compliance Documentation submitted by the Customer. Acceptance of the Compliance Documentation does not give rise to any liability on the part of Y Soft for the factual accuracy of its contents.

#### Article 5 – Mode of Component Delivery – Special Provisions

Mode of Component Delivery	Obligations of the Customer and Y Soft
The Customer physically delivers components to Y Soft	The Customer shall submit Compliance Documentation. Y Soft reserves the right to refuse acceptance of a shipment not accompanied by Compliance Documentation. The Customer bears responsibility for the physical properties of the delivered components.
Y Soft purchases according to the Customer's BOM from suppliers designated by the Customer	Y Soft shall request from the supplier RoHS/REACH declarations as part of the standard procurement process. The Customer remains responsible for the BOM specification and for the compliance of the PNs with REACH/RoHS. Y Soft shall inform the Customer if a supplier refuses to provide the declaration.

5.1 Any change to the BOM or to a PN supplier during the course of an order is subject to the Customer's prior written consent. Upon each such change, the Customer is obliged to supply updated Compliance Documentation for the affected PNs before production with the new components commences.

#### Article 6 – Indemnification and Compensation for Damage

6.1 The Customer undertakes to indemnify Y Soft, its statutory bodies, employees, and legal successors (hereinafter "Indemnified Persons") and to hold them harmless from all:

- claims, actions, and proceedings initiated by third parties or market surveillance authorities (Czech Trade Inspection Authority, Czech Environmental Inspection, and their counterparts in other EU Member States);
- fines, sanctions, and remediation orders imposed by the competent authorities;
- costs of product recall or mandated corrective actions;
- legal representation costs and court fees associated with the foregoing;

to the extent that such claims or costs arose solely or predominantly as a result of the non-compliance of components specified by the Customer in the BOM.

6.2 The indemnification obligation under Art. 6.1 shall not apply to:

- damages arising from a breach of Y Soft's obligations under Art. 2.3 of these Conditions;
- damages caused by Y Soft's intentional unlawful conduct or gross negligence;
- damages that would have arisen regardless of the non-compliance of the Customer's components.

6.3 Y Soft is obliged to notify the Customer without delay of any claim or proceeding in respect of which it intends to assert its right to indemnification under this Article, and to provide the Customer with reasonable assistance in resolving it.

6.4 The Customer shall have the right of recourse against Y Soft to the extent that Y Soft demonstrates that a payment (e.g. payment of a fine) was made as a result of the non-compliance of the Customer's components.

#### **Article 7 – Scope of Y Soft's Liability**

7.1 Y Soft shall not be liable for the compliance of components specified by the Customer in the BOM with RoHS and REACH regulations, unless Y Soft itself included such components in the BOM or recommended their inclusion.

7.2 Y Soft's liability is limited to:

- ensuring that its own manufacturing processes and materials added by Y Soft comply with REACH and RoHS regulations;
- fulfilling the information obligation under Art. 33 of the REACH Regulation in relation to components supplied by Y Soft;
- archiving the Compliance Documentation submitted by the Customer;
- cooperating with market surveillance authorities to the extent required by law.

7.3 Y Soft is not obliged to carry out its own analytical verification of the compliance of components specified by the Customer; however, it must not disregard manifest signs of non-compliance (e.g. an explicit supplier warning about the presence of a prohibited substance).

#### **Article 8 – Duration, Amendments, and Archiving**

8.1 These Conditions form part of each agreement or order concluded between Y Soft and the Customer for the duration of the contractual relationship.

8.2 Y Soft is entitled to amend these Conditions unilaterally in the event of a change in applicable REACH or RoHS legislation. Y Soft shall notify the Customer of such amendment in writing at least 30 days in advance. If the Customer does not express written objection within 15 days of receipt of the notice, the amendment shall be deemed accepted.

8.3 The Customer is obliged to retain Compliance Documentation for the period prescribed by applicable legislation, and in any event for at least 10 years from the date of placing the product on the market.

#### **Article 9 – Final Provisions**

9.1 These Conditions are governed by the law of the Czech Republic. Any arbitration clause or prorogation agreement on court jurisdiction agreed between the parties shall be contained in the main agreement.

9.2 The invalidity or unenforceability of any provision of these Conditions shall not affect the validity of the remaining provisions.

9.3 Matters not regulated by these Conditions shall be governed by the relevant provisions of Act No. 89/2012 Coll. (Civil Code), Act No. 22/1997 Coll. on Technical Requirements for Products, EC Regulation No. 1907/2006 (REACH), and Government Regulation No. 481/2012 Coll.