

INSURANCE COVERAGE AGREEMENT - ROBOTIC EQUIPMENT

INSURANCE COVERAGE AGREEMENT - RO

THIS INSURANCE COVERAGE AGREEMENT (the "Agreement") is made this 15th day of January 15, 2024 (the "Effective Date"), by and between Polar Dynamics Robotics, Inc., a Delaware corporation with its principal place of business at 2100 Arctic Way, Suite 400, Boston, Massachusetts 02110 ("Company")

RECITALS

WHEREAS, the Company manufactures, deploys, and maintains autonomous robots designed for extreme cold environment operations ("Covered Equipment")

WHEREAS, the Company seeks to establish comprehensive insurance requirements for its Covered Equipment to protect against various operational risks and potential liabilities;

NOW, THEREFORE, the Company hereby establishes the following insurance requirements and protocols:

1. DEFINITIONS

1 "Covered Equipment" means all BlueCore(TM)-enabled autonomous

(a) Arctic Series AMR-3000 units

(b) CryoNav(TM) guidance systems

(c) TempShield(TM) protective enclosures

(d) Associated charging stations and docking infrastructure

2 "Coverage Territory" means any facility or location within the United States.

3 "Insured Event" means any occurrence resulting in damage to, malfunctions of, or

2. REQUIRED INSURANCE COVERAGE

1 Primary Coverage Requirements

The Company shall maintain, at all times, the following insurance coverage:

Covered Equipment:

(a) Commercial General Liability Insurance

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Minimum coverage: \$5,000,000 per occurrence

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Aggregate limit: \$10,000,000

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Must include products liability and completed operations coverage

(b) Property Insurance

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Coverage for physical damage to Covered Equipment

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Replacement cost valuation

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Minimum coverage: \$2,000,000 per unit

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Aggregate limit: \$20,000,000

(c) Technology Errors & Omissions Insurance

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Minimum coverage: \$5,000,000 per claim

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Aggregate limit: \$10,000,000

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Must include software malfunction coverage

3. SPECIALIZED COVERAGE REQUIREMENTS

1 Cold Environment Operations

All insurance policies must explicitly cover:

(a) Operation in environments below -30 C

(b) Thermal stress damage

(c) Condensation-related electrical failures

(d) Battery system malfunctions in extreme temperatures

2 Autonomous Systems Coverage

Policies must include specific provisions for:

- (a) Navigation system failures
- (b) Sensor malfunction
- (c) Software errors
- (d) AI decision-making incidents
- (e) Network security breaches

4. CLAIMS PROCEDURES

1 Notification Requirements

The Company must notify insurers within:

- (a) 24 hours of any major equipment failure

- (b) 48 hours of any third-party property damage
- (c) Immediately upon any personal injury incident

2 Documentation Requirements

All claims must include:

- (a) Detailed incident report
- (b) System log data
- (c) Environmental conditions record
- (d) Maintenance history
- (e) Operator certification records

5. RISK MITIGATION PROTOCOLS

1 Preventative Measures

The Company shall maintain:

- (a) Regular equipment inspection schedule
- (b) Certified maintenance program
- (c) Operator training protocols
- (d) Environmental monitoring systems
- (e) Safety certification compliance

2 Documentation Requirements

The Company shall maintain records of:

- (a) All maintenance activities
- (b) Software updates
- (c) Operator certifications
- (d) Safety incidents

(e) Environmental condition logs

6. POLICY RENEWAL AND REVIEW

1 Annual Review Requirements

The Company shall conduct annual reviews of:

- (a) Coverage adequacy
- (b) Claims history
- (c) Risk assessment
- (d) Premium optimization
- (e) Policy terms and conditions

2 Coverage Modifications

Any modifications to coverage must be:

- (a) Approved by Company's Risk Management Committee
- (b) Documented in writing
- (c) Communicated to all relevant stakeholders
- (d) Implemented with minimum 30 days notice

7. COMPLIANCE AND REPORTING

1 Regulatory Compliance

The Company shall maintain compliance with:

- (a) State insurance regulations
- (b) Industry standards
- (c) Client contractual requirements

(d) Safety certification requirements

2 Reporting Requirements

The Company shall provide quarterly reports including:

- (a) Coverage status
- (b) Claims activity
- (c) Risk assessment updates
- (d) Compliance verification

8. GENERAL PROVISIONS

1 Governing Law

This Agreement shall be governed by and construed in accordance with the law of the State of Delaware.

2 Amendments

This Agreement may be amended only by written instrument executed by the Company's authorized representatives.

3 Severability

If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall continue in full force and effect.

IN WITNESS WHEREOF, the Company has executed this Insurance Policy as of the Effective Date.

POLAR DYNAMICS ROBOTICS, INC.

By:

Name: Victoria Wells

Title: Chief Financial Officer

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Name: Sarah Nordstrom

Title: Chief Operating Officer

ATTEST:

Corporate Secretary

