

# **SERIES C FINANCING DOCUMENTS PACKAGE**

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**Polar Dynamics Robotics, Inc.**

**Delaware Corporation**

**Date: January 11, 2024**

### **1. TRANSACTION OVERVIEW**

This Series C Financing Documents Package (the "Package") contains the Series C Preferred Stock purchase agreements and documents relating to the Series C Preferred Stock for the financing round completed by Polar Dynamics Robotics, Inc., a Delaware corporation (the "Company") on January 11, 2024.

initial closing targeted for February 15, 2024 (the "Closing Date").

## **2. PRINCIPAL FINANCING DOCUMENTS**

1. The Series C financing contemplates the following principal documents:

(a) Series C Preferred Stock Purchase Agreement

(b) Amended and Restated Certificate of Incorporation

(c) Amended and Restated Investors' Rights Agreement

(d) Amended and Restated Right of First Refusal and Co-Sale Agreement

(e) Amended and Restated Voting Agreement

(f) Management Rights Letters

(g) Legal Opinion of Company Counsel

### **3. TRANSACTION TERMS**

1. **\*\*Securities Offered\*\***: Up to 12,500,000 shares of Series C Preferred
2. **\*\*Price Per Share\*\***: \$8.00 per share (the "Purchase Price")
3. **\*\*Pre-Money Valuation\*\***: \$400,000,000
4. **\*\*Total Round Size\*\***: Up to \$100,000,000
5. **\*\*Use of Proceeds\*\***: Working capital, expansion of BlueCore(TM) t

### **4. RIGHTS, PREFERENCES, AND PRIVILEGES**

1. **\*\*Dividend Rights\*\***: 8% non-cumulative dividend preference

2. **Liquidation Preference**: 1x Purchase Price plus declared but un-

3. **Conversion Rights**:

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Initial conversion ratio 1:1

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Automatic conversion upon qualified IPO (minimum \$200M raise at \$

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Anti-dilution protection (broad-based weighted average)

4. **Voting Rights**:

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One vote per converted common share

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Separate series vote on protective provisions

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Two board seats for Series C investors

## **5. PROTECTIVE PROVISIONS**

1. Series C approval required for:

- (a) Changes to certificate of incorporation
- (b) Changes to Series C preferences
- (c) Creation of senior/pari passu securities
- (d) Increase in authorized shares
- (e) Material changes to business
- (f) Sales or mergers of the Company
- (g) Dividends or distributions

(h) Related party transactions exceeding \$250,000

## 6. PARTICIPATION RIGHTS

1. **Pro Rata Rights**: Major investors (holding 500,000 shares) have

2. **Information Rights**:

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Quarterly financial statements

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Annual audited financials

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Annual operating budget

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Board observation rights

## **7. REGISTRATION RIGHTS**

### **1. \*\*Demand Rights\*\*:**

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Two demands after earlier of (i) 4 years or (ii) 180 days post-IPO

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Company to bear registration expenses

### **2. \*\*Piggyback Rights\*\*:**

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Unlimited piggyback rights

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Pro rata cutback if underwriter determines necessary

## **8. CLOSING CONDITIONS**

1. **\*\*Company Conditions\*\***:

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Board and stockholder approval

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Amended organizational documents

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Good standing certificates

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Legal opinion

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Management rights letters

2. **\*\*Investor Conditions\*\***:

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Minimum investment of \$50,000,000



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Accredited investor verification

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Execution of financing documents

## **9. CONFIDENTIALITY**

This Package and its contents are strictly confidential and provided pursuant to the Company's confidentiality obligations. Recipients shall not disclose or distribute without the Company's prior written consent.

## **10. LEGAL DISCLAIMER**

This Package is for informational purposes only and does not constitute an offer or solicitation to sell or solicitation of an offer to buy securities. Any such offer will be made by the Company.

made ogly pursuant to definitive agreements. The Company reserves  
modify any terms at any time prior to closing.

## **EXECUTION**

IN WITNESS WHEREOF, the undersigned acknowledges receipt and  
Series C Financing Documents Package.

POLAR DYNAMICS ROBOTICS, INC.

**By:** \_

Name: Victoria Wells

Title: Chief Financial Officer

Date: January 11, 2024

