

INSURANCE REQUIREMENTS - POLARBOT OPERATIONS

Effective Date: January 1, 2024

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1. PURPOSE AND SCOPE

1. This Insurance Requirements document ("Requirements") establishes the minimum insurance coverage requirements for Polar Dynamics Robotics, Inc. ("Company") relating to the operation, deployment, and maintenance of PolarBot autonomous mobile robots ("AMRs") and associated systems.

2. These Requirements apply to all Company operations, facilities, employees, contractors, and third-party operators involved in PolarBot activities.

2. REQUIRED INSURANCE COVERAGE

1. **Commercial General Liability Insurance**

- Minimum Coverage: \$10,000,000 per occurrence
- Aggregate Limit: \$20,000,000
- Must include:
 - Products/Completed Operations
 - Premises Operations
 - Personal and Advertising Injury
 - Contractual Liability
 - Independent Contractors Coverage

2. **Technology Errors & Omissions Insurance**

- Minimum Coverage: \$5,000,000 per claim
- Aggregate Limit: \$10,000,000
- Must include:
 - Software/Programming Errors
 - System Performance Failures
 - Data Loss/Recovery
 - Cybersecurity Incidents

3. ****Product Liability Insurance****

- Minimum Coverage: \$15,000,000 per occurrence
- Aggregate Limit: \$25,000,000
- Specific coverage for:
 - Cold Environment Operations
 - Autonomous Navigation Systems
 - Mechanical/Electronic Components
 - Temperature Control Systems

4. ****Workers' Compensation and Employers' Liability****

- Statutory limits for Workers' Compensation
- Employers' Liability:
 - \$1,000,000 per accident
 - \$1,000,000 disease - each employee
 - \$2,000,000 disease - policy limit

3. SPECIAL REQUIREMENTS FOR COLD ENVIRONMENT OPERATIONS

1. ****Environmental Liability Coverage****

- Minimum Coverage: \$5,000,000 per occurrence
- Must specifically address:
 - Temperature Control Failures
 - Refrigeration System Malfunctions
 - Product Spoilage
 - Environmental Control Systems

2. ****Specialized Robot Operation Coverage****

- Minimum Coverage: \$7,500,000 per occurrence
- Must include:
 - IceNav(TM) System Failures
 - Cold-Resistant Actuator Malfunctions
 - Thermal Management System Failures
 - Navigation System Errors

4. POLICY REQUIREMENTS

1. **Insurance Carrier Qualifications**

- Minimum A.M. Best Rating: A-VII
- Licensed to conduct business in operational jurisdictions
- Experience in robotics/automation insurance

2. **Additional Insured Requirements**

- Company must be named as additional insured
- Coverage must be primary and non-contributory
- Waiver of subrogation in Company's favor

3. **Notice Requirements**

- 30 days written notice of cancellation
- 10 days notice for non-payment of premium
- Immediate notification of claims

5. CERTIFICATES AND DOCUMENTATION

1. **Certificate Requirements**

- Certificates of Insurance must be provided annually
- Must evidence all required coverages
- Must show compliance with all limits
- Must reference PolarBot operations

2. **Documentation Maintenance**

- Current certificates maintained in Company database
- Quarterly compliance review
- Annual insurance audit

6. CLAIMS MANAGEMENT

1. **Claims Reporting**

- All incidents reported within 24 hours
- Written documentation within 48 hours

- Cooperation with claims investigation
- Maintenance of claims records

2. ****Claims Review Process****

- Quarterly claims review meetings
- Risk management assessment
- Loss prevention recommendations
- Coverage adequacy evaluation

7. COMPLIANCE AND UPDATES

1. ****Compliance Monitoring****

- Monthly insurance compliance review
- Documentation verification
- Coverage gap analysis
- Regulatory compliance check

2. ****Updates and Revisions****

- Annual review of requirements
- Market condition adjustments
- Technology advancement considerations
- Regulatory requirement updates

8. EXECUTION

These Insurance Requirements are hereby adopted and implemented by Polar Dynamics Robotics, Inc.

APPROVED BY:

Katherine Wells

Chief Financial Officer

Polar Dynamics Robotics, Inc.

Date: _

Corporate Risk Manager

Polar Dynamics Robotics, Inc.

Date: _