

# MATERIAL REQUIREMENTS PLANNING (MRP) PROTOCOL

## MATERIAL REQUIREMENTS PLANNING (M

NaviFloor Robotics, Inc.

*Effective Date: January 15, 2024*

*Document Version: 2.0*

*Protocol Number: MRP-2024-001*

### 1. PURPOSE AND SCOPE

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1. This Material Requirements Planning Protocol ("Protocol") establishes the

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2. This Protocol applies to all Company facilities, employees, contractors, and

## **2. DEFINITIONS**

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1. "Bill of Materials" or "BOM" means the comprehensive list of raw materials

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2. "Lead Time" means the total time between the initiation of a procurement

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3. "Safety Stock" means the predetermined quantity of materials maintained

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4. "Critical Components" means those materials and components designated

### **3. MATERIAL PLANNING REQUIREMENTS**

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#### **1. Demand Forecasting**

- a) The Operations Department shall maintain rolling 12-month demand forecasts updated monthly.
- b) Forecasts shall incorporate historical data, customer commitments, and market projections.
- c) Forecast accuracy shall be reviewed quarterly by the Operations Committee.

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#### **2. Inventory Management**

- a) Safety stock levels shall be maintained for all Critical Components at 150% of average monthly usage.
- b) Non-critical components shall maintain minimum stock levels of 120% of average monthly usage.

average monthly usage.

c) Inventory turns shall be monitored monthly with a target of 6-8 turns annually.

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### 3. Supplier Management

a) Critical Components suppliers must maintain ISO 9001:2015 certification

b) Minimum of two qualified suppliers shall be maintained for each Critical Component.

c) Supplier performance metrics shall be reviewed quarterly.

## **4. PROCUREMENT PROCEDURES**

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### 1. Purchase Order Requirements

- a) All purchase orders must reference this Protocol number.
- b) Purchase orders exceeding \$100,000 require CFO approval.
- c) Emergency orders must be approved by the COO or designee.

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## 2. Quality Control

- a) Incoming materials shall undergo inspection per Quality Protocol QC-202
- b) Rejected materials must be documented and reported within 24 hours.
- c) Supplier corrective actions must be initiated within 48 hours of rejection.

## **5. COMPLIANCE AND REPORTING**

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- 1. The Operations Department shall maintain:
  - a) Daily inventory position reports

b) Weekly material requirements forecasts

c) Monthly supplier performance metrics

d) Quarterly compliance audits

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## 2. Non-Compliance

a) Protocol violations must be reported to the Compliance Officer.

b) Corrective actions must be implemented within 10 business days.

c) Repeated violations may result in disciplinary action.

# 6. RISK MANAGEMENT

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## 1. Supply Chain Risk

a) Quarterly risk assessments of critical suppliers

- b) Maintenance of alternative sourcing plans
- c) Regular monitoring of supplier financial stability

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## 2. Inventory Risk

- a) Monthly obsolescence review
- b) Quarterly write-off assessments
- c) Annual comprehensive risk analysis

## **7. PROTOCOL MAINTENANCE**

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1. This Protocol shall be reviewed annually by the Operations Committee.

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2. Amendments require approval from:

- a) Chief Operations Officer
- b) Chief Financial Officer
- c) General Counsel

## **8. GOVERNING LAW**

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1. This Protocol shall be governed by and construed in accordance with the law of the State of New York.

## **9. AUTHORIZATION**

IN WITNESS WHEREOF, the undersigned has executed this Protocol as of the date first above written.

Effective Date.



NAVIELQOR ROBOTICS, INC.

**By:**

Name: Richard Torres

Title: Chief Operations Officer

**Date:**

APPROVED:

**By:**

Name: James Wilson

Title: Chief Financial Officer

**Date:**

