

SERIES C FUNDING ROUND TERM SHEET

SERIES C PREFERRED STOCK FINANCING

TERM SHEET

NaviFloor Robotics, Inc.

Delaware Corporation

Date: January 11, 2024

This Term Sheet summarizes the principal terms of the Series C Preferred Stock Financing of NaviFloor Robotics, Inc. (the "Company").

1. OFFERING TERMS

Amount of Financing: Up to \$75,000,000

Price Per Share: \$12.50 (the "Original Purchase Price"), representing a

Investors: Led by Automation Ventures VI, L.P., with participation from

2. SECURITY

Series C Preferred Stock (the "Series C Preferred")

3. TERMS OF PREFERRED STOCK

3.1 Dividend Rights

8% non-cumulative dividends payable when and if declared by the Board of Directors, prior and in preference to dividends declared on Common Stock

3.2 Liquidation Preference

1x Original Purchase Price plus declared but unpaid dividends, with participation rights up to 3x return

3.3 Conversion Rights

Each share of Series C Preferred convertible at holder's option into Common Stock at initial conversion ratio of 1:1, subject to standard anti-dilution adjustments

3.4 Anti-dilution Protection

Broad-based weighted average anti-dilution protection for issuances below Original Purchase Price

4. VOTING RIGHTS AND PROTECTIVE PROVISION

4.1 Voting Rights

Series C Preferred votes with Common Stock on as-converted basis

4.2 Protective Provisions

Series C approval required for:

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Changes to certificate of incorporation adversely affecting Series C

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Authorization of senior or pari passu securities

-

Any merger, acquisition, or sale of the Company

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Increase in size of Board of Directors

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Payment of dividends

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Incurrence of debt exceeding \$10,000,000

5. BOARD COMPOSITION

Board to consist of seven (7) members:

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2 Series C Directors

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2 Series B Directors

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CEO

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2 Independent Directors

6. INVESTOR RIGHTS

6.1 Registration Rights

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Demand registration rights

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Piggyback registration rights

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S-3 registration rights

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Registration expenses paid by Company

6.2 Information Rights

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Quarterly and annual financial statements

-

Annual operating plan

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Inspection rights

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Board observer rights

6.3 Right of First Refusal

Pro rata right to participate in future financings

6.4 Pre-emptive Rights

Right to maintain percentage ownership in future rounds

7. EMPLOYEE MATTERS

7.1 Employee Pool

15% post-closing option pool reserved for employees

7.2 Vesting

4-year vesting with 1-year cliff for all new hires

8. CLOSING CONDITIONS

8.1 Due Diligence

Satisfactory completion of legal, financial, and technical due diligence

8.2 Documentation

Execution of definitive agreements including:

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Stock Purchase Agreement

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Investors' Rights Agreement

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Right of First Refusal Agreement

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Voting Agreement

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Amended Certificate of Incorporation

8.3 Corporate Approvals

Board and stockholder approval

9. EXCLUSIVITY

30-day exclusive negotiating period

10. EXPENSES

Company to pay reasonable legal fees of lead investor (up to \$75,000)

11. CONFIDENTIALITY

Terms of this Term Sheet to remain confidential

12. NON-BINDING

This Term Sheet is non-binding except for Exclusivity and Confidentiality provisions

SIGNATURE PAGE

NAVIFLOOR ROBOTICS, INC.

By:

Name: Dr. Sarah Chen

Title: Chief Executive Officer

Date: _

AUTOMATION VENTURES VI, L.P.

By:

Name: [Lead Investor Representative]

Title: Managing Partner

Date: _

