

PERFORMANCE BOND AGREEMENT - COLD STORAGE SYSTEMS

PERFORMANCE BOND AGREEMENT

COLD STORAGE SYSTEMS IMPLEMENTATION PR

THIS PERFORMANCE BOND AGREEMENT (the "Agreement") is made
February 15, 2024 (the "Effective Date"), by and between:

POLAR DYNAMICS ROBOTICS, INC., a Delaware corporation with its pr
of business at 2100 Arctic Way, Suite 400, Boston, Massachusetts 02210
("Principal")

and

ATLANTIC SURETY CORPORATION, a New York corporation with its principal place of business at 555 Liberty Avenue, New York, NY 10055 ("Surety")

for the benefit of:

FROZEN FOODS LOGISTICS, LLC, a California limited liability company with its principal place of business at 1800 Cold Storage Drive, Ontario, CA 91761 ("Obligee")

RECITALS

WHEREAS, Principal has entered into a contract dated January 10, 2024 (the "Primary Contract") with Obligee for the implementation of autonomous mobile robot systems in Obligee's cold storage facilities located at multiple sites in California (the "Project");

WHEREAS, the Primary Contract requires Principal to furnish a performance bond to guarantee the faithful performance of the Project;

WHEREAS, Surety is authorized to conduct surety business in the State of California; and

WHEREAS, Principal and Surety desire to establish the terms and conditions under which such performance guarantee shall be provided.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. DEFINITIONS

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1. "Bond Amount" means the penal sum of Fifteen Million United States Dollars.

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2. "Default" means any failure by Principal to perform its obligations under t

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3. "Project Completion" means the date when all deliverables under the Prim

2. BOND OBLIGATIONS

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1. Principal and Surety, jointly and severally, bind themselves to Obligee for

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2. If Principal performs all obligations under the Primary Contract, Surety's o

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3. If Principal defaults in the performance of the Primary Contract, Surety's o

- (a) Completing the Project in accordance with the terms of the Primary Contract;
- (b) Obtaining bids from qualified contractors for completing the Project;
- (c) Arranging for a contract between such contractor and Obligee; or
- (d) Paying Obligee the amount of damages resulting from Principal's default, not exceeding the Bond Amount.

3. SURETY'S INVESTIGATION RIGHTS

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1. Upon notification of potential Default, Surety shall have the right to:
 - (a) Investigate any alleged Default;
 - (b) Access all relevant Project documentation;
 - (c) Interview Principal's employees and subcontractors;
 - (d) Inspect all Project sites and facilities.

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2. Principal shall cooperate fully with Surety's investigation and provide all r

4. CLAIMS AND NOTICES

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1. Obligee shall notify Surety and Principal in writing of any potential claim

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2. All notices shall be delivered by certified mail, return receipt requested, to

For Principal:

Polar Dynamics Robotics, Inc.

Attn: General Counsel

2100 Arctic Way, Suite 400

Boston, MA 02210

For Surety:

Atlantic Surety Corporation

Attn: Claims Department

555 Liberty Avenue

New York, NY 10055

5. TERM AND TERMINATION

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1. This Agreement shall commence on the Effective Date and continue until

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2. This Agreement shall automatically terminate upon:

- (a) Project Completion and acceptance by Oblige;
- (b) Payment of the full Bond Amount by Surety; or
- (c) Mutual written agreement of all parties.

6. REPRESENTATIONS AND WARRANTIES

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1. Principal represents and warrants that:

- (a) It is duly organized and validly existing under Delaware law;
- (b) It has full power and authority to execute this Agreement;
- (c) The Primary Contract is valid and enforceable.

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2. Surety represents and warrants that:

- (a) It is duly licensed to provide surety bonds in California;

(b) It maintains a minimum A.M. Best rating of "A-" (Excellent).

7. MISCELLANEOUS

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1. Assignment. This Agreement may not be assigned without prior written consent.

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2. Governing Law. This Agreement shall be governed by California law.

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3. Amendments. This Agreement may only be modified by written instrument.

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4. Severability. If any provision is held invalid, the remaining provisions shall survive.

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5. Entire Agreement. This Agreement constitutes the entire understanding between the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and at the place set forth below.

POLAR DYNAMICS ROBOTICS, INC.

By:

Name: Victoria Wells

Title: Chief Financial Officer

Date: February 15, 2024

ATLANTIC SURETY CORPORATION

By:

Name: Robert Thompson

Title: Senior Vice President, Surety Operations

Date: February 15, 2024

ACKNOWLEDGMENT

State of Massachusetts

County of Suffolk

On February 15, 2024, before me, __, Notary Public, personally appeared

I certify under PENALTY OF PERJURY that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)

[NOTARY ACKNOWLEDGMENT FOR SURETY FOLLOWS]

