

**EQUIPMENT TRANSFER AGREEMENT - HARBOR FREIGHT**

**EQUIPMENT TRANSFER AGREEMENT**

THIS EQUIPMENT TRANSFER AGREEMENT (the "Agreement") is made of February 15, 2024 (the "Effective Date"), by and between NaviFloor Robotics Inc., a Delaware corporation with its principal place of business at 2500 Innovation Drive, Wilmington, Delaware 19801 ("Transferor"), and Harbor Freight Tools USA, Inc., a Delaware corporation with its principal place of business at 26541 Agoura Road, Calabasas, California 91302 ("Transferee").

**RECITALS**

WHEREAS, Transferor owns certain automated material handling equipment, including but not limited to autonomous mobile robots (collectively, the "Equipment") as specified in Exhibit A attached hereto;

WHEREAS, Transferee desires to acquire the Equipment from Transferor, and Transferor desires to transfer the Equipment to Transferee, pursuant to the terms and conditions set forth herein; and

WHEREAS, the parties wish to memorialize the terms and conditions of such transfer.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

## **1. TRANSFER OF EQUIPMENT**

- - 2 -

1 **\*\*Transfer\*\***. Subject to the terms and conditions of this Agreement, Transf

-

2 **\*\*Delivery\*\***. Transferor shall deliver the Equipment to Transferee's design

-

3 **\*\*Acceptance\*\***. Transferee shall have five (5) business days following de

## **2. PURCHASE PRICE AND PAYMENT**

-

1 **\*\*Purchase Price\*\***. The total purchase price for the Equipment shall be T

-

2 **\*\*Payment Terms\*\***. The Purchase Price shall be paid as follows:

- (a) \$500,000 upon execution of this Agreement;
- (b) \$1,500,000 upon delivery and acceptance of the Equipment;
- (c) \$500,000 within 30 days after successful installation and commissioning.

### **3. REPRESENTATIONS AND WARRANTIES**

-

1 **\*\*Transferor's Representations\*\***. Transferor represents and warrants that:

- (a) It has good and marketable title to the Equipment, free and clear of all liens and encumbrances;
- (b) The Equipment is in good operating condition and has been maintained in accordance with manufacturer specifications;
- (c) All software licenses associated with the Equipment are transferable to Transferee.

- - 4 -

2 **\*\*Warranty Period\*\***. Transferor warrants the Equipment against defects in

## **4. INSTALLATION AND TRAINING**

-

1 **\*\*Installation Services\*\***. Transferor shall provide installation services for

(a) Physical installation and setup

(b) Software configuration and integration

(c) Initial calibration and testing

(d) System validation

-

2 **\*\*Training\*\***. Transferor shall provide up to forty (40) hours of on-site tra

## 5. INTELLECTUAL PROPERTY

-

1 **\*\*License Grant\*\***. Transferor grants Transferee a perpetual, non-exclusive

-

2 **\*\*Restrictions\*\***. Transferee shall not reverse engineer, decompile, or modify

## 6. INDEMNIFICATION

-

1 **\*\*Transferor Indemnification\*\***. Transferor shall indemnify and hold harmless

(a) Breach of Transferor's representations and warranties

(b) Intellectual property infringement claims

(c) Personal injury or property damage caused by Equipment defects

## 7. LIMITATION OF LIABILITY

-

1 **\*\*Limitation\*\***. Neither party shall be liable for any indirect, special, incidental, or consequential damages, including lost profits, arising out of or in connection with this Agreement.

-

2 **\*\*Cap\*\***. Transferor's total liability under this Agreement shall not exceed the amount of the fee payable by the transferee under this Agreement.

## 8. CONFIDENTIALITY

-

1 **\*\*Confidential Information\*\***. Each party shall maintain the confidentiality of all confidential information disclosed by the other party in connection with this Agreement.

-

2 **\*\*Survival\*\***. The confidentiality obligations shall survive for five (5) years after the termination or expiration of this Agreement.

## 9. GENERAL PROVISIONS

-

1 **\*\*Governing Law\*\***. This Agreement shall be governed by the laws of the

-

2 **\*\*Assignment\*\***. Neither party may assign this Agreement without the prior

-

3 **\*\*Force Majeure\*\***. Neither party shall be liable for delays caused by even

-

4 **\*\*Entire Agreement\*\***. This Agreement constitutes the entire agreement be

-

5 **\*\*Amendments\*\***. This Agreement may only be amended by written instru



## **10. NOTICES**

All notices shall be in writing and sent to:

For Transferor:

NaviFloor Robotics, Inc.

Attn: Legal Department

2500 Innovation Drive

Wilmington, DE 19801

For Transferee:

Harbor Freight Tools USA, Inc.

Attn: Director of Operations

26541 Agoura Road

Calabasas, CA 91302

IN WITNESS WHEREOF, the parties have executed this Agreement as of the  
Date.

NAVIFLOOR ROBOTICS, INC.

**By:**

Name: James Wilson

Title: Chief Financial Officer

**Date:**

HARBOR FREIGHT TOOLS USA, INC.

**By:**

**Name:**

**Title:** - 10 -

**Date:**

[EXHIBIT A - Equipment Schedule to follow]

