

CREDIT FACILITY AGREEMENT

THIS CREDIT FACILITY AGREEMENT (the "Agreement") is made and entered into as of January 15, 2024 (the "Effective Date"), by and between:

POLAR DYNAMICS ROBOTICS, INC., a Delaware corporation with its principal place of business at 2100 Innovation Drive, Cambridge, Massachusetts 02142 ("Borrower")

and

ATLANTIC VENTURE CAPITAL PARTNERS, LP, a Delaware limited partnership ("Lender")

RECITALS

WHEREAS, Borrower is engaged in the business of developing and manufacturing autonomous mobile robots for cold environment applications;

WHEREAS, Borrower has requested that Lender provide a revolving credit facility to fund working capital and other corporate purposes; and

WHEREAS, Lender has agreed to provide such credit facility on the terms and conditions set forth herein.

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

1. DEFINITIONS

1 "Advance" means any advance of funds by Lender to Borrower under this Agreement.

2 "Business Day" means any day other than a Saturday, Sunday, or other day on which commercial banks in New York are authorized to close.

3 "Commitment" means Lender's commitment to make Advances up to the Maximum Credit Amount.

4 "Default Rate" means the Interest Rate plus 4.00% per annum.

5 "Interest Rate" means a floating rate equal to SOFR plus 3.50% per annum.

6 "Maximum Credit Amount" means Thirty Million Dollars (\$30,000,000).

2. THE CREDIT FACILITY

1 ****Commitment****. Subject to the terms and conditions hereof, Lender agrees to make Advances to Borrower from time to time during the Term in an aggregate principal amount not to exceed the Maximum Credit Amount.

2 ****Purpose****. The proceeds of Advances shall be used solely for working capital, capital expenditures, and other general corporate purposes.

3 ****Advance Requests****. Borrower may request Advances by delivering a written request to Lender specifying the requested amount and date of funding, which shall be at least three (3) Business Days after the request date.

4 ****Repayment****. All outstanding principal, accrued interest, and other amounts due under this Agreement shall be repaid in full on or before the Maturity Date.

3. INTEREST AND FEES

1 ****Interest Rate****. Each Advance shall bear interest at the Interest Rate, calculated on the basis of actual days elapsed and a year of 360 days.

2 ****Default Interest****. During the continuance of an Event of Default, all outstanding amounts shall bear interest at the Default Rate.

3 ****Commitment Fee****. Borrower shall pay a commitment fee equal to 0.50% per annum on the unused portion of the Maximum Credit Amount, payable quarterly in arrears.

4. CONDITIONS PRECEDENT

1 ****Initial Conditions****. The obligation of Lender to make the initial Advance is subject to satisfaction of the following conditions:

- (a) Delivery of executed loan documents
- (b) Corporate authorization documents
- (c) Legal opinion from Borrower's counsel
- (d) Payment of all fees and expenses
- (e) No Default or Event of Default

(f) Accuracy of representations and warranties

5. REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Lender as follows:

- 1 **Organization**. Borrower is duly organized and validly existing under Delaware law.
- 2 **Authorization**. Borrower has all requisite power and authority to execute and deliver this Agreement.
- 3 **Financial Statements**. All financial statements delivered to Lender fairly present Borrower's financial condition.
- 4 **No Material Adverse Change**. No material adverse change in Borrower's business, operations, or financial condition has occurred since December 31, 2023.

6. COVENANTS

1 **Affirmative Covenants**. Borrower shall:

- (a) Maintain corporate existence
- (b) Comply with applicable laws
- (c) Maintain insurance
- (d) Pay taxes when due
- (e) Maintain books and records
- (f) Permit inspections by Lender

2 **Financial Covenants**. Borrower shall maintain:

- (a) Minimum Liquidity: \$5,000,000
- (b) Maximum Leverage Ratio: 3.0:1.0
- (c) Minimum Fixed Charge Coverage Ratio: 1.25:1.0

7. EVENTS OF DEFAULT

1 **Events of Default**. Each of the following shall constitute an Event of Default:

- (a) Payment default

- (b) Breach of representations or warranties
- (c) Covenant breach
- (d) Cross-default
- (e) Bankruptcy or insolvency
- (f) Material adverse change

8. MISCELLANEOUS

1 ****Governing Law****. This Agreement shall be governed by Delaware law.

2 ****Jurisdiction****. The parties submit to jurisdiction in Delaware courts.

3 ****Notices****. All notices shall be in writing and delivered to the addresses specified herein.

4 ****Assignment****. This Agreement may not be assigned without the other party's consent.

5 ****Amendment****. This Agreement may be amended only by written instrument signed by both parties.

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

POLAR DYNAMICS ROBOTICS, INC.

By:

Name: Katherine Wells

Title: Chief Financial Officer

ATLANTIC VENTURE CAPITAL PARTNERS, LP

By:

Name: [Authorized Signatory]

Title: Managing Partner