

# RESEARCH TAX CREDIT SUPPORTING DOCUMENTATION

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NaviFloor Robotics, Inc.

Fiscal Year 2023

Document Reference: RTC-2023-001

### 1. OVERVIEW AND PURPOSE

This document provides supporting documentation for NaviFloor Robotics, Inc. ("Company") claim of the Research Tax Credit under Internal Revenue Code Section 41 for qualified research activities conducted during fiscal year 2023. The

documentation herein demonstrates the Company's compliance with the four-part test for qualified research expenses (QREs) as defined by Treasury Regulations under Section 1.41-4(a).

## **2. QUALIFIED RESEARCH PROJECTS**

### **2.1 Multi-Surface Navigation System (Project Code: MSN-2023)**

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Development of proprietary terrain-mapping algorithms

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Enhancement of LiDAR-based surface detection capabilities

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Integration of depth-sensing technology with existing AMR platforms

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Testing and validation of cross-surface transition protocols

**2.2 Fleet Management Intelligence Platform (Project Code: FMIP)**

- Development of distributed computing architecture for real-time fleet coordination
- Implementation of machine learning algorithms for traffic optimization
- Enhancement of collision avoidance systems
- Integration of predictive maintenance protocols

**3. DOCUMENTATION OF FOUR-PART TEST COMPONENTS**

**3.1 Business Component Test**

The research activities documented herein were undertaken to develop new components

improved business components, specifically:

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Autonomous navigation software systems

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Hardware configurations for terrain sensing

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Fleet management coordination protocols

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System integration architectures

### **3.2 Elimination of Uncertainty**

Technical uncertainty was addressed in the following areas:

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Capability uncertainty regarding real-time surface characteristic detection

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Methodology uncertainty in multi-robot coordination algorithms

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Design uncertainty in sensor fusion implementation

### **3.3 Process of Experimentation**

Systematic evaluation was conducted through:

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147 documented testing iterations of navigation algorithms

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83 prototype configurations for sensor arrays

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291 simulation scenarios for fleet coordination

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52 physical validation tests in controlled environments

### **3.4 Technological in Nature**

All research relied on principles of:

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Computer Science

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Robotics Engineering

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Advanced Mathematics

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Physics

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Control Systems Engineering

## **4. QUALIFIED RESEARCH EXPENSES (QRES)**

#### **4.1 Wage QREs**

Total Qualified Wages: \$4,875,000

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Research Engineers: \$2,750,000

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Software Developers: \$1,425,000

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Technical Project Managers: \$700,000

#### **4.2 Supply QREs**

Total Qualified Supplies: \$875,000

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Prototype Components: \$425,000

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Test Equipment: \$290,000

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Development Hardware: \$160,000

#### **4.3 Contract Research**

Total Qualified Contract Research: \$625,000

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University Research Partnerships: \$375,000

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Third-Party Testing Services: \$250,000

### **5. DOCUMENTATION AND RECORD RETENTION**

#### **5.1 Supporting Documentation Maintained**



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Project planning documents

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Technical specifications

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Test protocols and results

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Research staff time tracking

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Expense allocation records

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Contract research agreements

## **5.2 Record Retention Policy**

All supporting documentation will be maintained for a minimum of seven (7

from the filing date of the tax return claiming the credit.

## **6. CERTIFICATION**

The undersigned hereby certifies that:

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The information contained herein is true and accurate to the best of our knowledge.

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All claimed expenses meet the requirements of IRC Section 41

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Adequate documentation exists to support all claimed amounts

## **7. EXECUTION**

EXECUTED this 15th day of January, 2024

NaviFlogg Robotics, Inc.

**By: \_**

James Wilson

Chief Financial Officer

**By: \_**

Dr. Elena Kovacs

Chief Research Officer

## **8. DISCLAIMER**

This documentation has been prepared solely for the purpose of supporting the Company's Research Tax Credit claim. It should not be relied upon for any other purpose. The Company reserves the right to supplement or modify this

documentation as additional information becomes available.

