

# **RETENTION BONUS STRUCTURE - CRITICAL ROLES**

**Polar Dynamics Robotics, Inc.**

Effective Date: January 15, 2024

## **1. PURPOSE AND SCOPE**

1. This Retention Bonus Structure ("Program") establishes the terms and conditions under which Polar Dynamics Robotics, Inc. (the "Company") shall provide retention bonuses to employees in designated Critical Roles.

2. The Program is designed to ensure business continuity and retain key talent essential to the Company's proprietary technology development, particularly in the areas of cold-resistant actuator systems, thermal management technology, and the IceNav(TM) artificial intelligence platform.

## **2. DEFINITIONS**

1. "Critical Role" means a position designated by the Executive Leadership Team as essential to the Company's core technology development, operational continuity, or strategic initiatives.

2. "Retention Period" means the duration of twenty-four (24) months from the date of execution of individual Retention Agreements.

3. "Retention Bonus" means the monetary incentive offered to Eligible Employees pursuant to this Program.

## **3. ELIGIBLE POSITIONS**

1. The following positions are designated as Critical Roles:

- a) Senior Robotics Engineers (Level 4 and above)
- b) Lead Thermal Systems Architects
- c) Principal AI/ML Engineers
- d) Senior Software Developers (IceNav Platform)
- e) Key Account Technical Directors
- f) Advanced Manufacturing Engineers
- g) Critical IP Development Leaders

## **4. RETENTION BONUS STRUCTURE**

### **1. Bonus Tiers:**

#### **Tier 1 (Executive Technical Leaders):**

- 100% of base salary
- 50% vested at 12 months
- 50% vested at 24 months

#### **Tier 2 (Senior Technical Specialists):**

- 75% of base salary
- 40% vested at 12 months
- 60% vested at 24 months

#### **Tier 3 (Critical Technical Contributors):**

- 50% of base salary
- 40% vested at 12 months
- 60% vested at 24 months

### **2. Payment Schedule:**

- First installment paid within 30 days of respective vesting date
- Second installment paid within 30 days of final vesting date
- All payments subject to applicable tax withholdings

## **5. ELIGIBILITY REQUIREMENTS**

### **1. Employees must:**

- a) Be actively employed in a designated Critical Role
- b) Maintain satisfactory performance ratings
- c) Execute the Retention Agreement
- d) Not be subject to any performance improvement plan
- e) Comply with all confidentiality and IP agreements

### **2. Exclusions:**

- Employees who have submitted resignations

- Contractors or temporary workers
- Employees on extended leave exceeding 90 days

## **6. TERMS AND CONDITIONS**

### **1. Continued Employment Requirement:**

Participants must remain actively employed through each vesting date to receive the corresponding bonus payment.

### **2. Termination Provisions:**

- a) Voluntary Resignation: Forfeit unvested amounts
- b) Termination for Cause: Forfeit all amounts
- c) Death/Disability: Pro-rated payment based on service
- d) Involuntary Termination (not for cause): Accelerated vesting

### **3. Non-Competition and Non-Solicitation:**

Participation requires compliance with existing non-compete and non-solicitation agreements.

## **7. ADMINISTRATION**

### **1. Program Oversight:**

The Chief Human Resources Officer, in consultation with the CEO and Compensation Committee, shall administer this Program.

### **2. Modifications:**

The Company reserves the right to modify or terminate this Program, provided that earned/vested benefits shall not be affected.

## **8. CONFIDENTIALITY**

- 1. Participants shall maintain strict confidentiality regarding all aspects of this Program, including individual bonus amounts.

## **9. GOVERNING LAW**

- 1. This Program shall be governed by and construed in accordance with the laws of the State of Delaware.

## **10. ACKNOWLEDGMENT**

The undersigned acknowledges and agrees to the terms and conditions set forth above.

POLAR DYNAMICS ROBOTICS, INC.

**By:**

Katherine Wells

Chief Financial Officer

**Date:**

**By:**

[PARTICIPANT NAME]

[TITLE]

**Date:**