

**SYSTEM UPGRADE CONTRACT - SHOPRITE**

**SYSTEM UPGRADE CONTRACT**

THIS SYSTEM UPGRADE CONTRACT (the "Agreement") is made and entered into on this 15th day of February, 2024 (the "Effective Date"), by and between:

NaviFloor Robotics, Inc., a Delaware corporation with its principal place of business at 2500 Innovation Drive, Wilmington, DE 19801 ("Contractor")

and

ShopRite Operations, Inc., a New Jersey corporation with its principal place of business at 5000 Retail Plaza, Elizabeth, NJ 07201 ("Client")

## **RECITALS**

WHEREAS, Contractor is in the business of providing autonomous mobile robots ("AMR") systems and related services for warehouse and distribution center operations;

WHEREAS, Client desires to upgrade its existing warehouse automation systems at its Elizabeth Distribution Center located at 5000 Retail Plaza, Elizabeth, NJ 07201 (the "Facility"); and

WHEREAS, Contractor has agreed to provide certain system upgrades and related services according to the terms and conditions set forth herein.

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

## 1. DEFINITIONS

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1 "Acceptance Criteria" means the criteria specified in Exhibit A that must be

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2 "Documentation" means all user manuals, technical specifications, and other

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3 "System Upgrade" means the hardware and software upgrades to Client's e

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4 "Services" means installation, configuration, testing, and training services r

## 2. SCOPE OF WORK

- - 3 -

1 Contractor shall provide and install the System Upgrade at the Facility according to the project timeline.

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2 The System Upgrade shall include:

- (a) Installation of 12 NaviFloor NT-450 AMR units
- (b) Implementation of NaviFloor Fleet Management System v4.2
- (c) Integration with Client's existing WMS
- (d) LiDAR-based terrain mapping system installation
- (e) Safety system upgrades
- (f) Employee training program

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3 Contractor shall complete the System Upgrade according to the project timeline.

### **3. PAYMENT TERMS**

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1 The total contract price for the System Upgrade shall be Three Million Five

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2 Payment Schedule:

(a) 30% upon contract execution

(b) 40% upon delivery of hardware components

(c) 20% upon successful installation

(d) 10% upon final acceptance

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3 All invoices shall be paid within thirty (30) days of receipt.

#### **4. ACCEPTANCE TESTING**

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1 Upon completion of installation, Contractor shall conduct acceptance testing

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2 Client shall have fifteen (15) business days to evaluate the System Upgrade

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3 If the System Upgrade fails to meet the Acceptance Criteria, Contractor shall

#### **5. WARRANTIES**

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1 Contractor warrants that:

(a) The System Upgrade will conform to the specifications in Exhibit B

(b) Services will be performed in a professional manner

(c) The System Upgrade will be free from defects in materials and workmanship for 12 months

(d) All components will be new and unused

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2 The warranty period shall commence upon final acceptance by Client.

## **6. INTELLECTUAL PROPERTY**

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1 Contractor retains all intellectual property rights in the System Upgrade.

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2 Client receives a non-exclusive, perpetual license to use the System Upgrade

## **7. CONFIDENTIALITY**

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1 Each party shall maintain the confidentiality of all proprietary information

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2 This obligation shall survive for five (5) years following termination of this

## **8. LIMITATION OF LIABILITY**

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1 Neither party shall be liable for any indirect, special, or consequential dam

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2 Contractor's total liability shall not exceed the Contract Price.



## **9. TERM AND TERMINATION**

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

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2 Either party may terminate for material breach upon thirty (30) days' writte

## **10. GENERAL PROVISIONS**

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1 This Agreement shall be governed by Delaware law.

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2 Any disputes shall be resolved through binding arbitration in Wilmington,

- 9 -

3 This Agreement constitutes the entire agreement between the parties.

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

NAVIFLOOR ROBOTICS, INC.

**By:** \_

Name: Dr. Sarah Chen

Title: Chief Executive Officer

**Date:** \_

SHOPRITE OPERATIONS, INC.

**By:** \_

**Name:** 10 -

**Title:** \_

**Date:** \_

[Note: Exhibits A, B, and C to be attached]

