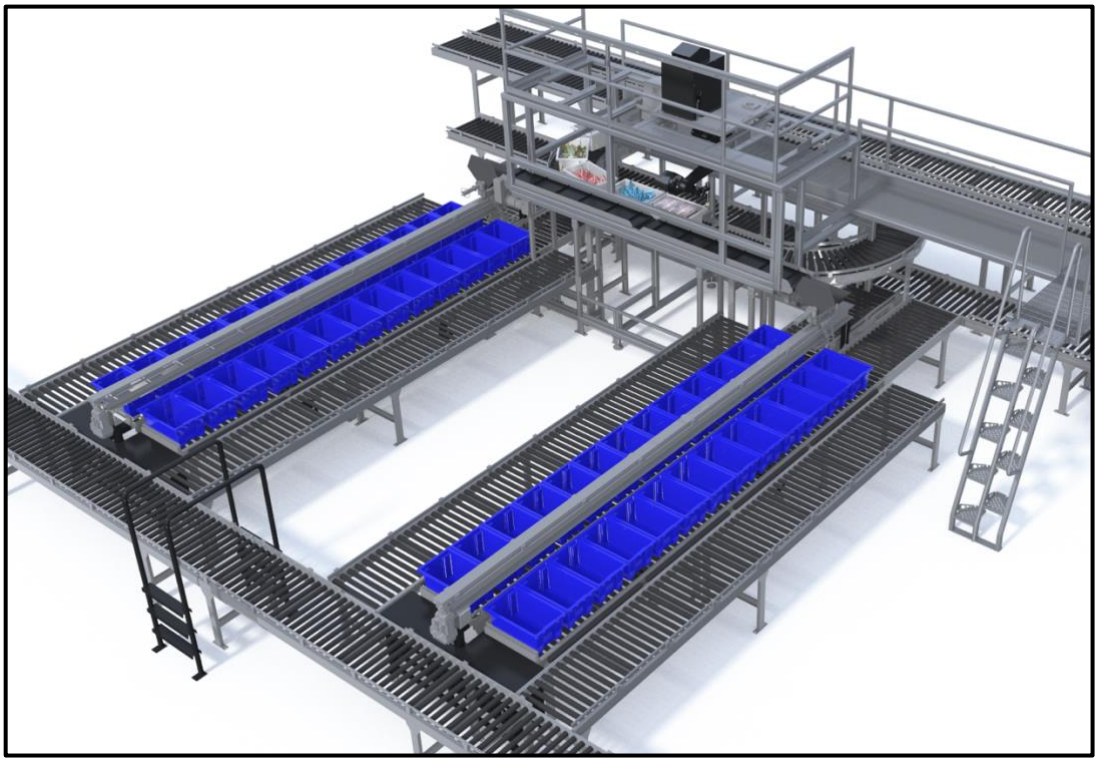
BERKSHIRE GREY

The TJX Companies, Inc.

Statement of Work
Berkshire Grey Robotic Store Replenishment System
Worcester, MA



Berkshire Grey Confidential Information
picture for illustration purposes only

1. General

This Statement of Work ("SOW" or "Project SOW") is issued under and pursuant to that certain MASTER SYSTEM PURCHASE AGREEMENT effective as of **[Date],** by and between Berkshire Grey, Inc., a Delaware corporation, with offices at 10 Maguire Road, Suite 190, Lexington, MA 02142 ("Seller" or "Supplier" or "Vendor" or "BG"), and The TJX Companies, Inc., with offices at 770 Cochituate Road, Framingham, MA 01701 ("Buyer" or "Customer" or "TJX") (such agreement, the "Agreement").

Under this SOW, Buyer shall purchase (i) five (5) Robotic Store Replenishment Supplier Systems ("RSR(s))"; RSRs are sometimes referred to as "Robotic Store Replenishment system(s)"). Wherever the Agreement refers to Supplier System(s), it would be deemed to refer to the RSRs or to any or all of the RSRs, in each case as the context requires. In addition, references to RSRs in this SOW shall be deemed as references to Supplier Systems as defined in the Agreement. Subject to the terms of this SOW and the Agreement, Supplier shall install the Supplier Systems at Buyer's facility located at 135 Goddard Memorial Dr, Worcester, MA 01603, which shall be deemed the "Site" with respect to this SOW as such term defined in the Agreement.

Upon Final Acceptance of each RSR as described herein, Buyer shall be able to use such systems, including, without limitation, the software components thereof, as contemplated in the Agreement and this SOW. Each RSR is designed to operate independently, but the RSRs to be purchased by Buyer pursuant to this SOW will be logically and physically connected promptly after Final Acceptance thereof such that a central software application that is part of the Supplier System Software shall be used to route single-item Totes (as defined below) between the RSRs (and then box workstations) that are operating at any given time so that the RSRs are operating as one system inside the Site.

For purposes of this SOW:

"Minimum Number of Systems" means the aggregate of five (5) RSRs.
"Project Manager" means Supplier's Director of Field Operations.

2. Reserved

3. Components of Supplier System

RSR

The RSR is a modular system that includes all the components necessary to singulate items from cluttered, single-item Totes and sort them into one of fifty-two (52) corrugate boxes in accordance with and subject to this SOW.

Each single RSR consists of the following subsystems and components:

Tote management system

- One (1) system level Tote conveyor

Sortation system

- Two (2) intermediary conveyors
- Two (2) linear shuttle systems

Box management system

- Four (4) box infeed conveyors, supporting the 2 shuttles
- Four (4) box outfeed lines, supporting the 2 shuttles

RSR tending and operation system

- One (1) Human Machine Interface ("HMI") screen
- One (1) status light stack

AutoPick (Singulator)

- One (1) AutoPick system

The AutoPick is a fully automated system that detects, picks, and singulates individual products from Totes on the presentation conveyor. Singulated items are transferred by the AutoPick onto one of the intermediate conveyors, which in turn transfers the products onto the shuttle for transfer into a store container.

The AutoPick system includes the following material subsystems:

- **BG's multi-modal perception unit**
  - Enables the AutoPick the perceive the contents of Totes on the presentation conveyor
- **GreyMatter AI AutoPick software**
  - Analyzes imagery and geometry to derive effective grasping strategies
- **Robotic arm, GreyGrip end effectors, and tactile grip sensing packages**
  - Grasps and transports a wide variety of product types
- **AutoSwap device**
  - Enables the robotic arm to perform "on-the-fly" end effector changes

Common Elements (elements included with each RSR)

Tote Conveyor

- One (1) Tote conveyor loop.

The Tote conveyor is a single connected length of powered roller conveyor with three separate zones serving unique purposes:

1. **Infeed conveyor**: Intake and buffering of manually loaded Totes into the RSR picking position. Infeed conveyor is a curved motor driven roller ("MDR") conveyor with 4 Tote buffer queue positions.

2. **Presentation conveyor**: Presentation of Totes for singulation of merchandise at the pick station and linkage between infeed and outfeed conveyors. Presentation conveyor consists a straight MDR section (suitable to fit a single Tote).

3. **Outfeed conveyor**: Ejection and buffering of completed (empty) Totes from the RSR; and 4 Tote buffer positions for entry onto shared Tote system conveyor.

Barcode Scanners

- Such number of barcode scanners as required for identification of Totes and boxes in the RSR.

Barcode scanners will be located on the intake portion of the Tote conveyor. These scanners will read barcodes on Totes as they pass on the system conveyor (described below). The Tote identity will be used to determine whether or not to divert the Tote into the specific RSR. The identity of the Tote and its contents will be gleaned via communications with the TJX Warehouse Management System ("WMS").

Other barcode scanners will be located on the box conveyor. Such scanners will read barcodes on box trays as they pass the RSR. As the RSR intakes a box into its queue, the box's unique identity will be ascertained via the tray barcode. This information will remain available as the box moves through the system to enabled accurate labeling and handling.

Barcode scanners are also present on the System Conveyors described below to manage Tote and box flow for the system.

Intermediate Transfer Conveyor (or "Intermediate Conveyor")

- One (1) system of intermediate transfer conveyors.

The conveyors are fixed segment conveyors, responsible for transporting (and maintaining the separation of) individual products away from the pick station. These conveyors move at fixed, regular timing intervals, bringing picked products to the linear shuttles. At the end of the cleated conveyor, individual products transition into the linear shuttle.

Linear Shuttle

- Two (2) linear shuttles.

The linear shuttles travel in a fixed plane and deliver goods into outbound store boxes. The linear shuttle travels from the end of the intermediate conveyor to the appropriate store box for the SKU allocation, then deposits the products into the outbound box, and returns to the intermediate conveyor position for the next item(s). When required, several items can be transferred into the linear shuttle prior to its travel to the appropriate store box, which creates system efficiencies.

When a store box is full, the shuttle's included box-handling features eject the box from any location in the RSR onto outbound conveyors. The remaining boxes advance on the conveyor to close the gap, and a new box enters the queue. Additionally, shuttle and box sensors detect overfull boxes, missing or out-of-place boxes, and loose items.

Human Machine Interface Screens

- One (1) Human Machine Interface ("HMI") screen.

The station provides information on system status and a control interface for the RSR.

Station Status Light Stack

- One (1) status light stack.

The light stack informs operators of RSR status including fault conditions or an absence of sufficient outbound boxes for fulfillment (indicating a need to add more outbound boxes at the workstations).

Additional Equipment (shared amongst all RSR units)

Box Workstations

The system will be delivered with a sufficient number of box workstations, currently estimated at a total of two (2) box workstations.

Box Collars and Trays

- 280 collars and 280 trays.

Additional collars and trays may be purchased by Customer at a current price of $175 for a pair of 1 collar and 1 tray. Collars and trays enable compatibility and performance of corrugate boxes within the system. Box trays have a unique barcode, which enables tracking of boxes throughout the system, in addition to ensuring sufficient spacing between boxes while in position under the linear sort wing. Box collars hold the box flaps down, in order to enable reliable handling of corrugate boxes within the system. Additionally, box collars expand the vertical space available for a box (allows for filling above the level of the corrugate box), enabling higher cubic utilization of the boxes being filled using the system.

System Conveyor

- One (1) Tote conveyor network

The Tote conveyor network is capable of transferring single-SKU supply Totes from a single infeed (from the warehouse) and routing then to any RSR. This conveyor network terminates at a handoff position to send Totes back to the warehouse for reuse with new SKUs / inventory.

- One (1) box conveyor network

The box conveyor network is capable of routing empty boxes from the box workstations to the individual RSR. Additionally, the box conveyor network conveys completed (i.e. full) outbound boxes for stores to the closing stations, and then to the warehouse (to route to shipping).

Computer Equipment

The RSRs include the computer hardware required to operate the Supplier System as set forth in this SOW at least up to the date of Final Acceptance and through the Warranty Period. Following expiration of the Warranty Period all computer hardware required to operate the Supplier Systems shall be the responsibility of TJX but currently, Supplier does not expect that TJX shall be required to acquire additional (or replace) computer hardware other than for standard servers to the extent the original servers malfunction, become defective or do not have appropriate computing power or other required specification over time. Some of the computer hardware is local to the RSR and contained within collocated industrial enclosures. Computer equipment not local to the RSR shall be installed at the Site's server room within a server cabinet provided by Supplier.

Disaster Recovery Computer Equipment

Additionally, the RSRs are provided with a redundant set of MDF computer hardware (i.e. a duplicate 'Disaster Recovery Server Rack') to be used in the event of a catastrophic failure of the servers sold as part of the Supplier System located within the Buyer's MDF. See Section 10 (subsection 10 under "Disaster recovery") for installation services in case of a Disaster.

GreyMatter AI System Software

GreyMatter AI Software is part of the Supplier System Software and it is designed to monitor, process and control all Software and Equipment functionality of the Supplier System.

4. Concept of Operations

System Interfaces

Prior to the Installation Commencement Date, Buyer and Supplier will each develop software integrations to enable communication between the Customer System and other information technology systems own or controlled by Buyer that are applicable to the use of the Supplier System and the Supplier System Software. Such integrations shall be detailed in the project plan developed hereunder and both parties shall collaborate in good faith to complete such development by each party so to allow Supplier to meet the Project Milestones and allow the RSR to achieve Preliminary and Final Acceptance. Such developments shall include:

- Communication protocols
- Data exchange, including but not limited to queries, messaging and events

Material Flow

The RSRs at the Site will operate based on the following concept of operations in all material respects:

Tote Introduction

- Prior to Tote arrival to the system, the WMS shall transmit all information required for the Supplier System to perform its operation pursuant to this SOW with respect to such Tote and the content thereof. Such information shall include at least:
    - Header ID
    - Appropriate tote contents identifier (i.e. SKU, Department/Style/Size, etc.)
    - Store allocations
    - Tote identity
        - Each Tote must have a unique license plate in a fixed position which can be scanned by fixed barcode readers
    - Eligibility for robotic picking
    - Any additional data as may be designated by Supplier in good faith prior to Final Acceptance. For the avoidance of doubt, Customer may propose additional data points for inclusion under this section to Supplier prior to Final Acceptance, which Supplier shall consider in good faith.
- When Totes arrive at the system Tote conveyor network, such Totes shall be scanned in order to be identified as a part of a known header based on the header information provided above. Supplier shall not be responsible in connection with any wrong/incomplete or untimely information (or lack of information) from the WMS, however both parties shall collaborate in good faith to determine and implement error handling procedures to help mitigate the impact of these occurrences.

Orchestration

- When Totes arrive at the system Tote conveyor network, they are scanned and identified
- Supplier System Software routes Totes according to their header information
- Supplier System Software routes Totes to RSR units with associated store allocations as delivered by the WMS

Robotic picking at RSR units

- Totes are conveyed to the presentation conveyor
- Robotic pick arm singulates individual units / inner pack from the supply Tote into an intermediate transfer conveyor (according to allocation requirements for that product / inner pack). The term “unit” means an individual or physically grouped set of retail products in their store distribution packaging.
- Intermediate transfer conveyor transports picked units / inner packs to linear shuttle
    - Once transfer conveyor next to robotic pick arm is cleared (advanced 1 unit), it is available for the next unit / inner pack to be placed by the robotic pick arm
- Linear shuttle is stationary until proper number of units / inner packs are loaded (multiple units from conveyor loading the shuttle, as determined by the store allocation)
    - The RSR will capture product size information prior to this point, and will use this information to enable multiple products to fit into the shuttle or into the outbound box, as applicable.
- Linear shuttle travels to store box, tips to deposit units / inner packs into store boxes
- Linear shuttle returns to intermediate conveyor position to receive the next allocation
- The supply tote leaves the presentation conveyor when either:
    - Applicable RSR has no additional allocations for applicable header
        - Tote is then routed to a different RSR with additional allocations for the header
    - System detects that the tote is empty
        - Tote exits the system for return to the warehouse

Box closing / preparation

- Once boxes are full, the shuttle’s box ejector pushes the outbound box onto the RSR unit’s box outfeed line.
    - Box fullness is determined in one of the following ways:
        - A sensor on the shuttle determines that a box is overfilled; or

        - Via aggregating the product size information during the earlier picking processes and evaluating against a configurable 'maximum fullness' parameter.
    - In case of an underfill (i.e., the number of units is under a 'minimum fullness' parameter, concurrently with an indication by the overfill sensor that the box is full), the system would flag this inconsistency to the operator for intervention.
    - Note that both the 'minimum fullness' and 'maximum fullness' parameters are configurable and are expected to be tuned / adjusted throughout the operation or as TJX business needs dictate.
    - Once boxes are ejected from the cell, completion messages for the store allocations in the box are transmitted to WMS.
- RSR unit takeaway conveyor merges via right-angle-transfer onto the box conveyor network and conveyed to the box closing stations
- At the box closing stations, an operator
    - Scans the unique barcode on the box tray when it arrives to the work position
    - Prints the label for the store box
    - Removes the box collar and places to staging position
    - Closes and tapes the box, and applies the store label
    - Removes labeled box and places to conveyor
    - Erects a new box and places into the tray (still in the work position)
    - Removes the collar from the staging position and places to the top of the box
    - Pushes the box downstream
- After the box closing station
    - Completed, labeled outbound boxes are routed to shipping
    - Empty, prepared outbound boxes are routed toward RSR units
- When an empty box travels to an RSR linear shuttle with open box buffer positions, the tray is scanned (to capture its identity and to associate it with a store order), and the box is transferred into the shuttle's box queue for allocation

Tote closing

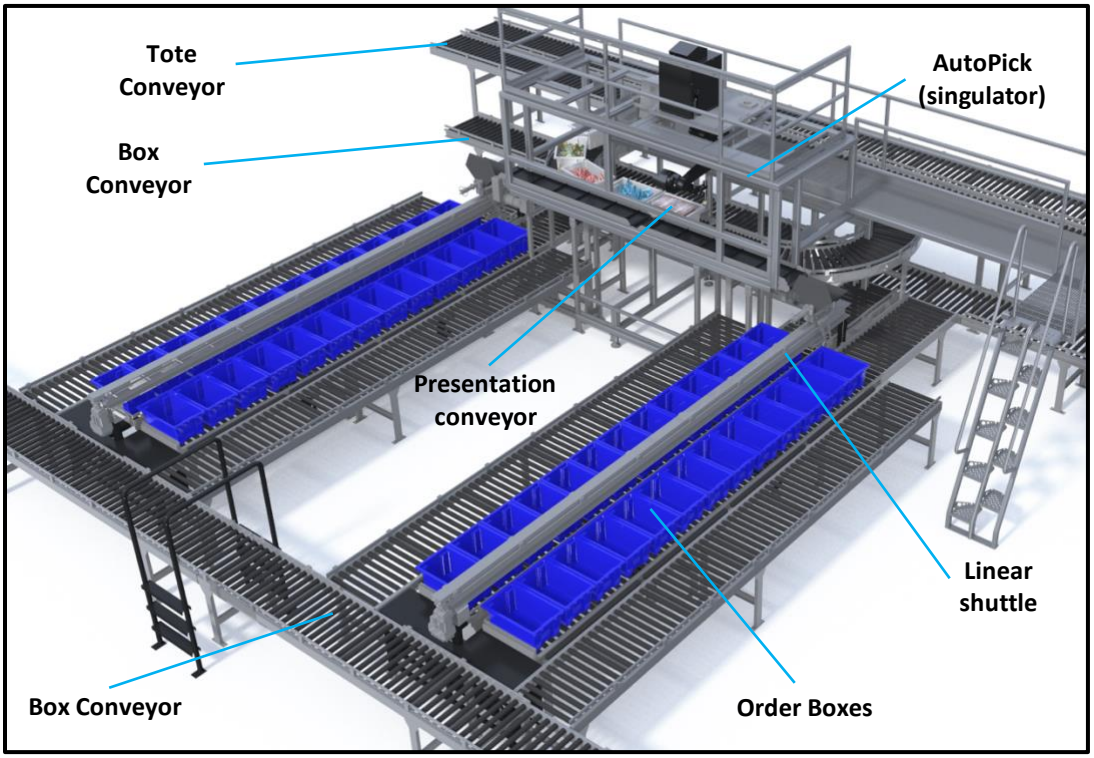
- Once Tote allocation is completed from a Tote, it is routed back to the warehouse for re-use
- Once the last Tote allocation is completed for the header, confirmations are transmitted to WMS

The above concept of operations is intended to depict normal operations and does not detail the process of handling exceptions or errors. The process of handling exceptions or errors shall be determined by the parties during the design phase hereunder.

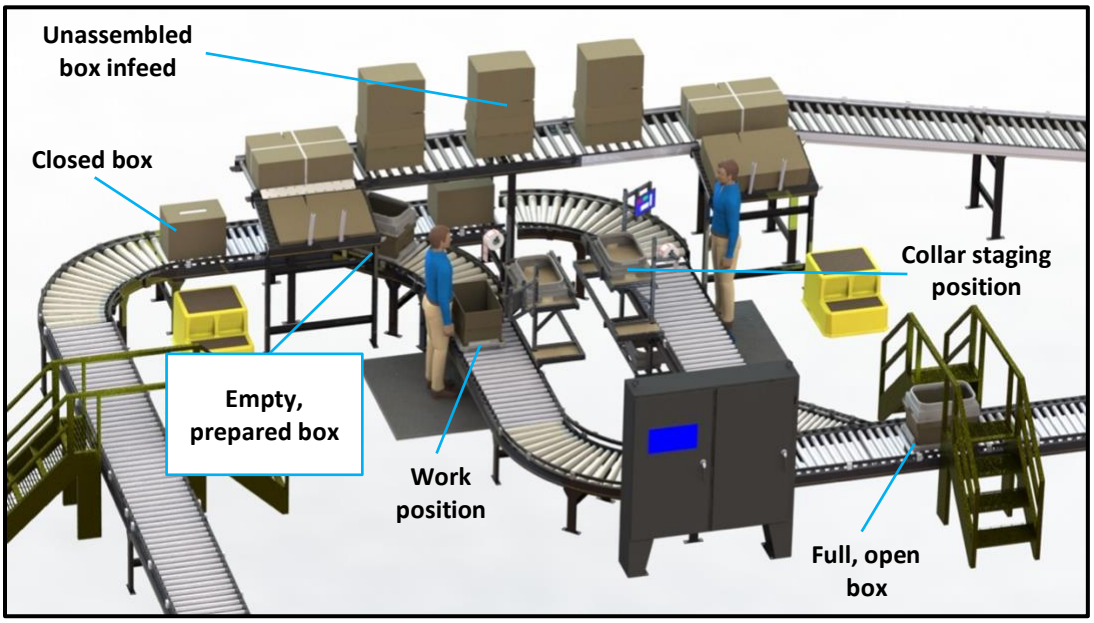
Visual Overview of Equipment

All figures below are (i) for illustration purposes only, (ii) may not be representative of the Equipment configuration or layout, (iii) exclude multiple components of the Supplier System, and (iv) will not be used to interpret the Agreement, this SOW or the rights of Buyer or Seller in connection herewith or therewith. Figures that are representative of the Equipment configuration and layout for the Site contemplated herein will be mutually developed by the parties hereunder.

Berkshire Grey Robotic Store Replenishment Unit



Berkshire Grey Box Closing Workstation



5. Equipment Specifications

Overall performance

The following table lists material Performance Standards for the RSR:

Performance metric	Description	Performance Range
Robotic singulated sorts per hour (SSPH)	Singulated sorts per hour is the number of distinct items sorted by the RSR each hour. Multiple items bagged together and sorted as one unit is considered a single induct. SSPH does not account for delays such as Tote / box availability, box / Tote line congestion, WMS or WCS response time, operator performance, starvation, small headers with fewer than 20 units, or excessive box kicking from systems due to sustained larger items and/or stringent 'fullness' parameter configuration (leading to less than 50 transfers per box on average over a 30-day period).	750 SSPH on average over a 30-day period

SKU Dimension and Weight Limits

RSR Acceptable Product Dimensions	The RSRs are designed to reliably handle products that meet certain criteria. Goods eligible for automation through RSR compose approximately 65% of Buyers induction volume. The foregoing estimate is based upon BG knowledge and analysis of department-level volume at the Worcester distribution center as provided by Buyer. Product criteria ranges may expand over time, at the discretion of Supplier (based on ongoing software development and updates). Products outside of the ranges set forth in this table can be inducted into the RSRs at the discretion of Buyer. These items may not be properly handled / sorted by the Supplier System Buyer shall be solely responsible for paying to repair any damage to the Supplier System caused thereby and such damage to the Supplier System shall not be covered by the warranty.	• Hypotenuse smaller than 14" • Volume less than 1350 inches^3 • Minimum dimension greater than .625" • Middle and largest dimensions greater than 1.75" • Weight between 0.2 lbs. and 4 lbs. • Products fully enclose by Packaging • Boxes to have 6 sides; bags must not have open ends • Packaging to be sealed, such that boxes must have interlocking tabs; bags are taped closed or head sealed. • Packaging must be nonporous, and able to withstand a minimum of 5 psi vacuum pressure over an area of 7 in^2.

SKU Compatibility

Suitable Items for RSR

Subject to being compliant with all specifications set forth in the table above, the following items are compatible for sorting and picking by the Supplier System (except as indicated below under the caption "Items Not Suitable for Automation"):

- Bagged items that are sealed or securely tied closed
- Bottles, e.g. cleaners
- Cardboard-backed blister packs
- Cardboard or other kinds of boxes that are taped closed, have interlocking tabs or otherwise have secured lids
- Cardboard packaging with exposed or plastic-covered contents
- Cans
- Cartons
- Cellophane-wrapped goods
- Clamshells
- Pill bottles
- Plastic envelopes
- Pouches
- Small unpackaged clothes, e.g. socks and baseball caps
- Shrink-wrapped items
- Tubes, e.g. toothpaste tubes
- Securely grouped multipacks of the above items

Non-Suitable Items

The following items are not compatible for sorting and picking by the Supplier System, and any inclusion of such items by Buyer as items for sorting and picking by the Supplier System shall be at the sole risk and liability of Buyer and is not and will not be covered by any Warranty or any maintenance and support obligation of Supplier:

- Fragile glass items, e.g. light bulbs (unless reasonably protected against damage with bubble wrap, cardboard, and/or other packaging)
- Unpackaged wires
- Unpackaged pencils
- Unsecured books or notebooks
- Boxes with unsecured lids, e.g. non-banded shoe boxes
- Large, unbagged clothes that unfold, e.g. jeans

Tote Requirements

Buyer acknowledges that for the Supplier System to perform, the totes in which the products will be presented to each RSR unit (each a "Tote", and collectively, the "Totes") need to meet the size specifications set forth in the table below, unless otherwise agreed by Supplier. Notwithstanding anything to the contrary (and aside from an initial set of Totes provided for installation and commissioning purposes), Totes are not and will not be supplied by Supplier and Supplier is not responsible for Tote availability, manufacturing or other attributes (except for the specifications which are agreed to and set forth below). Buyer acknowledges that Supplier assumes the Totes used with the Equipment will have dimensions equal to those set forth below and will be of sufficient material, color and thickness to maintain their form and properties through repeated use. Totes planned for purchase or use by the Buyer (including those outside of the below specifications) shall be subject to prior approval by Supplier, and may require additional analysis by Supplier at Buyer's expense (at standard rates outlined in section **Error! Reference source not found.**), provided, however, that no such analysis or expense shall be conducted or incurred without TJX's prior written consent (email acceptable). Supplier shall not be responsible for performance impacts arising from usage of Totes outside of these specifications unless otherwise agreed to in writing (email acceptable).

Tote outside top length	30.1 inches
Tote outside top width	24.0 inches
Tote height	15.1 inches
Tote color	Light grey
Reference product	Orbis SN3024-15 

Buyer acknowledges that Buyer's current Totes do not have barcodes or any other identifiers, and that Buyer shall cause all Totes to have such barcodes prior to Final Acceptance.

Box Requirements

Buyer acknowledges that for the Supplier System to perform, the boxes into which the products will be sorted by each RSR unit need to be of the size set forth in the table below, unless otherwise agreed by Supplier. Boxes are not and will not be supplied by Supplier and Supplier is not responsible for box availability, manufacturing or other attributes. Buyer acknowledges that Supplier assumes the boxes used with the Equipment would have the dimensions set forth below and will be of sufficient material and thickness to maintain their form and properties throughout usage in the Supplier System. Boxes planned for purchase or use by the Buyer (including those outside of the below specifications) shall be subject to prior approval by Supplier, and may require additional analysis by Supplier at Buyer's expense (at standard rates outlined in section **Error! Reference source not found.**), provided, however, that no such analysis or expense shall be conducted or incurred without TJX's prior written consent (email acceptable). Supplier shall not be responsible for performance impacts arising from usage of Boxes outside of these specifications unless otherwise agreed to in writing (email acceptable).

Box outside top length	24 inches
Box outside top width	20 inches
Box height	17.5 inches

In the event that Buyer cannot procure boxes that meet the required specifications, Buyer shall submit a request for professional services to Supplier to implement a workaround, and Supplier shall negotiate such engagement in good faith and base the rates for services on the rates set forth in Section 11 below (as may be changed after the end of 2022).

System Reporting

Berkshire Grey shall make raw operational data from the Supplier System available to TJX via system integration with a Buyer-provided reporting tool for purposes of report creation and generation. This data may include information related to singulation, sortation, and general system events (e.g. startup, shutdown, logged errors, logged failures). The parties shall work in good faith prior to Final Acceptance to finalize the type of reports that would be available to TJX.

6. Functional Safety

Emergency Stops and Lock-Out Zones

The RSRs will be deployed as independent cells that can be individually stopped and accessed for maintenance or issue resolution while other cells continue to run. This zone approach will include one zone for each RSR unit, a separate zone for the box infeed and outfeed conveyance, and a zone for the Tote supply conveyance.

The physical e-stops will be in the form of pushbuttons located on electrical cabinets, and pullcord e-stops with line-break detection located along the edges of conveyors.

Safety Compliance

The Equipment shall be designed and verified to comply with applicable OSHA, RIA, ANSI and NFPA safety standards that have been released and published by the installation date, including:

- OSHA (29 CFR 1910)
- ANSI/RIA 15.06
- ANSI B11.19
- ANSI B11.20
- ANSI/ASSE Z244.1
- ANSI/ASME B20.1
- NFPA 70
- NFPA 70E
- NFPA 79

7. Equipment Maintenance and Repair

ALL PREVENTATIVE MAINTENANCE SHALL BE PERFORMED SOLELY BY BUYER. SUPPLIER SHALL NOT PROVIDE ANY SUCH SERVICES UNLESS OTHERWISE AGREED IN WRITING BY THE PARTIES.

The Buyer has elected a self-maintenance model. The Buyer shall perform preventative maintenance in accordance with this SOW. The Buyer shall purchase spare parts from the Supplier as set forth below. Failure by Buyer to perform preventative maintenance shall not be deemed a breach by Buyer, but in the event that Buyer fails to comply with the preventive maintenance items described herein, the warranty described in the Agreement shall not apply to the extent any part of the Equipment becomes inoperable as a result thereof (for example, a failure to perform maintenance task would not void the warranty or any part thereof unless such failure caused the defect or Error and then only to the extent it caused such defect or Error).

The warranty services described in the Agreement and this SOW are based on a 24/7/365 model of services and the response times and resolution times set forth in the System Software Maintenance and Support provisions of Section 10 hereof shall apply to all warranty services hereunder (for equipment, software, etc.), mutatis mutandis.

Following expiration of the Warranty, for so long as Buyer receives the software maintenance support services and pays the System Software Maintenance Fees pursuant to Section 10 hereof, Supplier shall provide engineering and technical support to Buyer via telephone for Defects or other issues related to the Supplier Systems that are not software related (and thus not covered by the System Software Maintenance and Support provisions of Section 10). Such telephone support shall be provided in accordance with the response times set forth in Section 10 (excluding the hours of 8:00pm (EST) Saturday through 6:00am (EST) Sunday, and 8:00pm (EST) Sunday through 6:00am (EST) Monday). Buyer shall be obligated to pay for such telephone support in accordance with the rate card set forth in Section 11 hereof.

Non-Warranty Services

If any part of the Equipment becomes inoperable and is excluded from warranty pursuant to the Agreement or this SOW (and for all parts of the equipment after the expiration of the Warranty Period), the Buyer shall either repair such part or replace it at the Buyer's expense. The Buyer shall pay for parts ordered from Supplier at the prices per the categories set forth herein, as applicable, and where not listed below, at the then prevailing prices. For the fees set forth below, and at TJX's request with reasonable prior notice, Supplier shall provide non-warranty services (i.e. fixing or replacing parts of the Equipment although the warranty has either expired, or that the reason for the need for repair is not within the Supplier's responsibility, or is

excluded as set forth herein or in the Agreement). If Buyer shall elect to receive non-warranty service, the Supplier will provide a quote for the work requested. Based on the quote, the Buyer can determine if it elects to have the work performed. Certain repairs such as calibration are recommended to be performed by Supplier's personnel based on the professional services rate sheet.

Preventative Maintenance

Buyer shall perform and log the following preventative maintenance items. Failure to do so is not a breach by Buyer but may result in an adjustment to the cost and timing to fix any Error or defect or failure of, or damages to the applicable Supplier System to the extent caused by such failure to perform preventative maintenance (as contemplated in subsection 8 of Section 10 below):

General Preventive Maintenance Schedule:

Daily

- Clean the Equipment
- Inspect for wear on belts, shafts, and any moving parts
- Remove any foreign objects or packages from under and around the Equipment

Weekly

- Check conveyor tracking and tension; adjust as necessary to comply with documentation provided by the Supplier
- Slide and shuttle inspection, cleaning, and lubrication. Inspection of critical components and cables under LOTO.

Monthly

- Inspect:
    - Scanner alignment
    - AutoSwap
    - Valve assembly
    - Arm
- Check hose assembly; replace if worn or cracked
- Check gripper assembly; replace if worn, bent, or damaged
- Check wear on suction cup and replace if necessary
- Check calibration of primary perception assembly and call supplier if recalibration is required

Quarterly

- Inspect:
    - Robot Arm
        - Electrical connections
        - Mounting hardware
        - Gripper travel/assembly
        - Barcode scanner lenses/mounting
    - Pneumatic Control Module
        - Valve rotation and travel
        - Mesh screen (clean if necessary)
    - Conveyor
        - Barcode scanners alignment/mounting
        - Box queue sensors alignment/mounting
        - Rollers and belts
- Replace:
    - Appliance rack cooling fan filter
    - Electrical panel cooling fan filter

    - All vacuum cups greater than 6 months old
    - Blower inlet filter
    - PPM cooling fan filter
    - Hose assembly
- Check blower and valve assembly; replace if damaged or worn
- Clean and check primary perception assembly

Yearly

- Inspect
    - Safety systems
        - Trapped key interlocks
        - E-stops
    - Conveyor roller clips, finger guards, side covers/rails, transmission bands
- Replace
    - Flow control valve
    - Robot arm backup battery
    - Any necessary conveyor clips, guards, covers, rails, or bands
    -

For all preventative maintenance items above, the maintenance documentation to be provided by Supplier will set forth how to determine if adjustment, replacement, or recalibration is required. Maintenance documentation and training will be provided by Supplier upon completion of installation of the Equipment.

Spare Parts

Buyer shall purchase spare parts that will be held in inventory on Site. These items will be utilized for system repair and preventive maintenance operations. A recommended spare parts list shall be generated by Supplier and provided to Buyer with an aim to minimize potential Equipment down-time at the Buyer's Site in the event of an Equipment failure. If Buyer does not keep an adequate inventory of such items on-hand, the potential downtime will increase due to lead-times to procure and manufacture recommended spare parts.

Recommended parts

The below table details categories of spare parts currently expected by Supplier. A list of recommended spare parts shall be delivered by Supplier with estimated costs for such categories prior to Preliminary Acceptance.

Category	RSR Parts Estimated Cost
Gripping and robot spares (i.e. gripper, robot spares, passthrough cables)	$38,000
Perception and scanner spares (i.e. perception module, bar code scanners, distance sensors)	$53,000
Conveyor Spares (i.e. diverts, rollers, transmission bands, control cards)	$37,000
Shuttle and slide assembly spares (i.e. linear rail spares, shuttle bucket, motors)	$34,000
Compute and electrical hardware spares	$11,000

(i.e. drives, ethernet switches, electrical safety devices)	
Grand Total	**$173,000**

Spare parts pricing estimates above and actual spare part pricing shall be FCA Shipping Point – Prepaid and Added

Training

The following training programs will be provided by Supplier at mutually agreed upon times and locations, and Supplier will provide a detailed training plan to Buyer prior to the commencement of any training hereunder.

Role	Topics
Operator	• System Overview • Daily Operating Procedures • Operator Safety and System Safety • Troubleshooting • HMI - Reference/Operation
Maintenance Technician	• System Overview • Preventative Maintenance • Preventative Maintenance Cadence • Basic Repair Procedures • Troubleshooting • HMI Reference/Operation

8. Site Preparation

Project Plan

Supplier will provide a detailed project plan to Buyer for review and comment that shall outline Supplier System specifications and each parties' respective tasks associated with the design and installation of the system, and shall provide regular updates on progress via phone and email.

Delivery & Installation

The specific dates and times for delivery and installation shall be mutually agreed to by the parties, provided that Buyer shall not unreasonably withhold or delay its consent to requested dates and times by Supplier. On the agreed date and at the agreed time, Buyer will provide access to one or more dock bays at the Site reserved for Supplier use when receiving Supplier equipment. Such docks must accommodate standard height 53' semi-trailers and be equipped with dock plates. During equipment delivery, Site personnel will allow and direct deliveries to the appropriate dock. Buyer will provide the Supplier with access to bring equipment into the Site. During equipment delivery, Buyer will provide an un-occluded pathway at least 17' wide connecting one or more dock doors to the location of the equipment storage and installation. Buyer will limit traffic along this pathway during the delivery window to facilitate the movement of Supplier equipment.

Buyer will provide space at the Site for a construction trailer, if requested by Supplier. The Supplier will make arrangements for delivery and removal of construction trailer.

Server Requirements (Environmental, Power, and Network)

Each RSR requires Buyer to supply power drops and network cabling between MDF & IDF and IDF & RSR.

Main Distribution Frame ("MDF")

The following are the requirements for the MDF, which shall reside within the Site server room, all to be procured and maintained by Buyer at its expense:

- Physical Space:
  - 1 Physical Space (dimensions below are per server rack):
    - Height 78.39inches (1991mm, 199.1cm)
    - Width 23.62inches (600mm, 60.0cm)
    - Depth 42.13inches (1070mm, 107.0cm)
- Power:
  - Two (2) NEMA L6-30R 200/208VAC 30A receptacle for connection to PDUs in BG Server Cabinet, with at least 1 of these UPS-backed
- Network:
  - WAN Bandwidth (for software upgrades, remote support, monitoring, data replication and log backups): Buyer provided symmetric WAN circuit, either dedicated circuit or dedicated segment of larger circuit, min 100 Mbps
  - Physical Network:
    - Two (2) 1000BaseT uplinks to WAN router (data replication, log backup, remote access - dual connections required for connection to active/standby routers in BG Server Cabinet)
    - Two (2) 1000BaseT uplinks to customer's network (WMS and customer UI access - dual connections required for connection to active/standby routers in BG Server Cabinet)
    - Two (2) 12 strand OM4 fiber bundles (multi-mode) to each IDF cabinet that services a BG zone, dedicated for BG network traffic. MTP 12F female terminations on both ends.
  - Customer Provided IP addresses:
    - 1 external (internet facing) IP address that will NAT to 1 (Customer internal) IP address attached to the Berkshire Grey firewall for VPN
    - 2 (minimum) (Customer network) IP addresses
  - Access Control List ("ACL") - Open TCP and UDP ports required for network connections between system on the one hand and the Customer System and other information technology systems own or controlled by Buyer that are applicable to the use of the system on the other hand
    - Inbound (from Customer network): Customer UI, others as may be agreed based on WMS integration
    - Outbound (to Customer network): Customer NTP, others as may be agreed based on WMS integration
- Cooling: 20,000 BTU/hr

Note that if the system is expanded with additional RSR, the above requirements are subject to change.

Intermediate Distribution Frame ("IDF")

The following are the requirements for the BG Network Switches to be installed in Buyer-provided IDF cabinet(s), all such IDF cabinets to be procured and maintained by Buyer at its expense:

- Cable Distances:
  - The maximum cat6a cable distance between the network switch in the IDF cabinet and the network switch at the BG Station/Cell is 80 meters. Cable distances greater than 80m will require more than one IDF cabinet location, or the use of OM4 fiber cabling between the IDF and the BG Station(s)/Cell(s)
- Physical Space:
  - 2U in each IDF cabinet for BG provided network switches
- Power:
  - Four (4) IEC C-13 200/208V UPS backed outlets

- UPS uptime required: 20 minutes

- Network:
  - BG Dedicated Uplink to MDF: Two (2) 12 strand OM4 fiber bundles (multi-mode) to MDF, dedicated for BG network traffic (40Gbps). MTP 12F female terminations on both ends.
  - Per unit (80m max cable lengths):
    - Two (2) 10GBase-T copper (Cat6a) connections between IDF and the BG Station(s)/Cell(s)

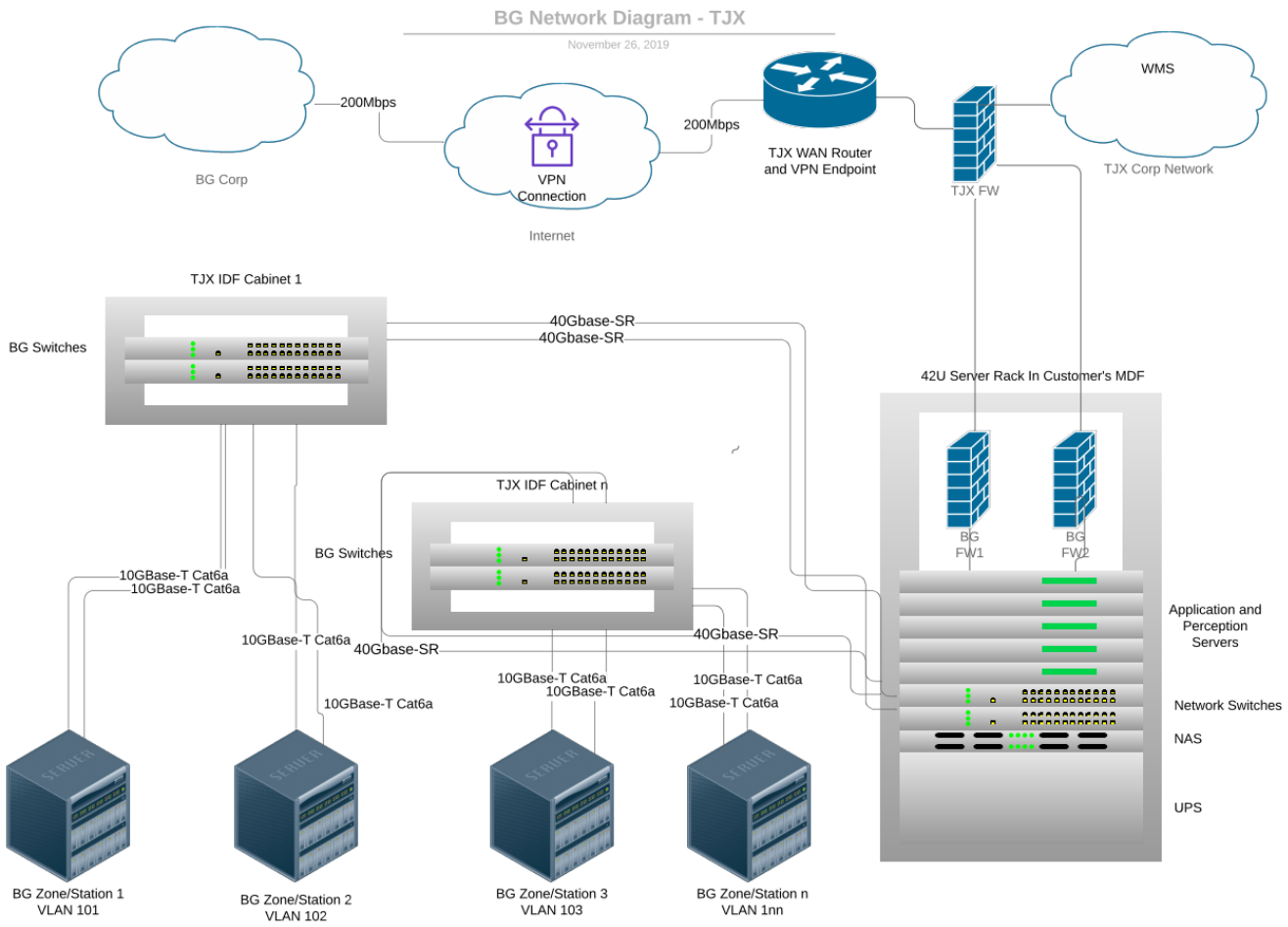
Per RSR Unit

The following are the requirements for the network infrastructure, which shall reside collocated with each RSR, all to be procured and maintained by Buyer at its expense:

- Power: One 208V single phase L6-20R receptacle on dedicated circuit.
- Network connection (80m max to nearest IDF):
  - Two (2) 10GBase-T copper (Cat6a) RJ45 drop
    - Longer distances will require fiber cabling

Network Architecture

The network architecture for the system shall be as shown below unless otherwise agreed in writing by Supplier and Buyer.



Non-Compute Power Requirements

For non-compute (non-server) equipment, Buyer shall provide power pursuant to the following requirements:

Item	Facility Terminating Connector	Details
UPS Power Requirement		UPS power only required for MDF as detailed in the section 'Server Requirements'
Supply Circuits (per cell)	NEMA L16-30 NEMA L6-20	1x 480VAC 3-phase, 30A (independent circuit) 1x 208-240VAC 1-phase, 20A (independent circuit & UPS)
Convenience Circuit (as required)	NEMA 5-20	1x 120VAC 1-phase, 20A (independent circuit) non-UPS

Site Preparation Requirements

The following are Customer Responsibilities:

Task	**Qty**	**Description of Work**
Electrical and data drops	As required	All required electrical and data drops in the deployment area shall be the responsibility of the buyer.
Permitting		All permitting for Site and installation will be the responsibility of Supplier except for those permits that may only be obtained by the tenant/owner of a building. Supplier shall provide guidance on required permits.
Bollards	As required	Equipment for protecting Supplier System from MHE, etc. (quantity to be determined based on system final layout)
Hardware for integrating Supplier Systems into Buyer's existing infrastructure		Includes materials, labor for the movement of ladders, catwalks, support infrastructure, per pre-agreed installation drawings, etc.
Moving existing equipment/Site infrastructure		Removal and repositioning of all existing items in and around installation area.

Site		• Access:
		  ○ Available doors for receipt of equipment
		  ○ Entry / exit for Supplier's personnel
		  ○ Installation area empty and cleaned
		• Disposal:
		  ○ Waste disposal (trash cans, removal of shipping materials)
		• Work Areas:
		  ○ Working area with desks
		  ○ Lavatories
		  ○ Internet and power for laptops

Testing support		• All reasonably required support, including personnel to support testing at Supplier's reasonable request and products to support acceptance testing and other testing that may be agreed upon

Supplier & Installation Scope of Work Summary

The Supplier and its licensed third-party installation partner shall perform the following Work at the Site:

- Transport of the Equipment components from receiving dock to installation area.
- Mechanical & electrical assembly of the Equipment components.
- Electrical and data wiring of the Equipment.
- Installation of compute stack.
- System functional test of all components.
- Installation and testing of safety systems.
- Integration with buyer's WMS and WCS systems (provided all integrations to be developed by Buyer have been developed and are compatible with the Supplier System).
- Equipment acceptance testing as set forth in this SOW.

Responsibility Matrix

In addition to other obligations of each party as set forth in the Agreement and this SOW, the following allocation of responsibilities shall apply:

Pre-Installation

Supplier	Buyer
• Equipment component sourcing • Equipment assembly • Equipment functional validation at Supplier designated site • Review of site preparation with Buyer personnel • Conduct regular project status calls with Buyer • Obtain all necessary permits for the Project (except for those that may only be obtained by the tenant/owner of the Site).	• Participation in regular project status calls • WMS/WCS integration specification review • WMS/WCS integration development • WMS/WCS integration support and documentation • Site preparation needs as set forth in the 'Site Preparation Requirements' section of this document • Obtain permits necessary for the Project which can only be obtained by the tenant/owner of the Site.

Installation & Acceptance

Supplier	Buyer
• Creation of training materials • Conduct operational & safety training for Buyer personnel • Conduct maintenance training for Buyer personnel	• Provide facility access to Supplier employees & contractors • Participation in training • Supporting acceptance testing

9. Commercial Information

Payment Milestones

The Supplier will invoice the Buyer and Buyer shall pay Supplier the Total System Order Amount set forth in the table under the caption "Pricing" below per the schedule in the table immediately below and the terms of the Agreement.

Payment Milestone #	Payment Amount (% of Total System Order Amount)	Time of Invoice
1	50%	Invoiced upon Execution of this Project SOW
2	20%	Invoiced upon Installation Commencement Date

3	15%	Invoiced upon Preliminary Acceptance
4	15%	Invoiced upon Final Acceptance

Milestone Definitions and Criteria

Preliminary Acceptance Criteria: Preliminary Acceptance Criteria for the Supplier System means the successful sortation of products into store boxes at the Site by each RSR unit, while such unit is connected to power at the Site and to the Site's WMS and WCS. Successful sortation means that totes and boxes with products would be processed through all applicable stages of sortation by the RSR unit without a non-operator-recoverable error or exception (unless the test is for recognizing an exception), demonstrating the end-to-end functionality of all RSRs at the Site working as one group. Preliminary Acceptance Criteria does not require and does not include achievement of any specific rate of sortation by the Supplier System.

Final Acceptance Criteria: Without limiting Section 2.10(c) of the Agreement, Final Acceptance Criteria means that all RSRs at the Site working collectively and tested as one group, perform on average throughout the testing period set forth below to the following Specifications of Availability (Uptime) and Performance (Throughput):

Metric	Percentage
Availability (Uptime)	95%
RSR Performance (Throughput)	98% / 735 SSPH

The test for Final Acceptance will take place over a 4-hour period unless Supplier agrees otherwise, such agreement not to be unreasonably withheld. During testing for Final Acceptance, Buyer shall make available to Supplier Totes and order boxes as shall be reasonably requested by Supplier so as not to impede full operation of the applicable tested RSR. Products used as part of the test for Final Acceptance shall (i) be proposed by Customer, (ii) reflect a mix of different product sizes and types, and (iii) be subject to the prior agreement of Supplier, such agreement not to be unreasonably withheld.

Metric definitions

- *Scheduled time* is the total time the system was scheduled to be working in a given day. This will be the full length of an evaluation test or the sum of the shifts worked in a given day.
- *Unscheduled time* is the remaining time in the day when the system was planned to be off or idle. This will typically be the length of the off-shift time during the day and may include associate break times.

Scheduled time is further comprised of four separate classifications:

- *Active time* is the time when the station has inventory Totes available for picking.
- *Starvation* is the time when the system is waiting for inventory Totes, but none are available in the queue. Additionally, Starvation includes time when the system is waiting due to congestion on the sorter itself.
- *Buyer downtime* is the time when the system is waiting idle because of some delay caused by the Buyer. An example includes waiting for a worker to respond to a system-issued intervention request beyond the pre-agreed response time.
- *Supplier downtime* is the time when the system should be capable of inducting inventory (inventory is available for induction and the sorter is functioning) but is stopped through some fault of the system itself (i.e. excluding starvation and Buyer downtime). An example includes waiting for a worker to respond to a system-issued intervention request within a pre-agreed response time.

Availability metric definition

Availability specification shall be calculated as follows:

$$Availability = \frac{Scheduled\ time - Supplier\ downtime}{Scheduled\ time} \times 100$$

For the purposes of the Final Acceptance test, *Scheduled time* equals 4 hours and *Supplier downtime* follows the definition provided in the section titled "Metric definitions".

Performance metric definition

Performance specification shall be calculated as follows:

$$Performance = \frac{Singulated\ sorts}{Specified\ System\ Performance * Active\ time} \times 100$$

Where *Active time* follows the definition set forth in the section titled "Metric definitions".

Project Time Schedule

Milestone	Target Date
Installation Commencement Date	6/14/21
All Systems have achieved Preliminary Acceptance	7/31/2021
All Systems have achieved Final Acceptance	8/31/2021

10. Software System Maintenance and Support

1. Subject to the terms of the Agreement and this SOW, including full and timely payment of the System Software and Maintenance Fees, Supplier shall provide the software maintenance and support services set forth below. The software maintenance and support services described in this SOW are based on a 24/7/365 model.

2. The System Software Maintenance Fee for the 12 months starting immediately after the end of the Warranty Period will be payable by Buyer on the last day of the Warranty Period, provided that Supplier has delivered an invoice to Buyer at least 30 days prior to the last day of the Warranty Period.

3. Buyer agrees that System Software and Maintenance Fees must be paid in full and in advance of each applicable 12-month period and are non-refundable.

4. Definitions:

    - "AR" means the request initiated by Buyer and communicated to Supplier's Contact Point to fix Errors. For an AR to be valid, Buyer must:

        - Initiate the AR by phone or email to the Contact Point;
        - Initiate the AR only with respect to a reproducible Error unless the Error is a Critical Error and cannot be reproduced by Buyer;

- Person initiating AR must be listed on the Authorized Support Persons List to be created at final acceptance and updated by the parties from time to time to include only personnel of Buyer certified by Supplier as eligible to be designated as Authorized Support Persons based on training they received;
- Provide all information available to Buyer as to the events leading up to the Error as well as the description of the Error and the resulting effect, if any, on the functionality of the Supplier System;
- Provide contact details for the specific Responsible Person for such AR (phone and email), which Responsible Person must be one of the Authorized Support Persons. Following such designation of a Responsible Person, any communication with such person shall be deemed communication with the Buyer and Supplier is hereby allowed to rely on any information and instruction provided by such Responsible Person in connection with the applicable AR; and
- Provide an initial designation of the Error as "Critical Error", or "Non-Critical Error"; provided that Buyer acknowledges that Supplier's designation of an Error after receiving the AR from Buyer shall be binding upon the parties.

- Reserved.

- "Contact Point" means a telephone number and email address provided to Buyer by Supplier from time to time and designated as Contact Point.

- "Critical Error" means an Error resulting in failure by the Supplier Systems at the Site to service one or more Buyer stores that cannot be overcome by restarting the System Software or by operators of the Supplier System.

- "Error" means a failure of the System Software causing one or more RSR to fail to meet either (i) the SIPH specification therefore as set forth in the Project SOW or (ii) System Software Availability of at least 99.5%. For the purpose of this definition of "Error", "System Software Availability" shall be calculated as follows:

$$System\ Software\ Availability = \frac{Uptime}{Scheduled\ Time} \times 100$$

  "Scheduled Time" means the aggregate time during any rolling 30-day period during which the applicable Supplier Systems were not turned off for any reason other than failure of the System Software. Scheduled Time shall also not include time during which the System Software is not available in order to perform scheduled maintenance hereunder (such as installing Releases, Upgrades of Updates) or maintenance performed during a period that Supplier knows Customer will not be operating the Supplier Systems.

  "Uptime" means the aggregate time during the same rolling 30-day period for which the Scheduled Time is measured during which the System Software was operating and functioning.

- "Non-Critical Error" means an Error resulting in complete shutdown of the applicable one or more RSR in shutdown of material portions of the applicable one or more RSR that can be overcome by restarting the System Software or by operators of the Supplier System, but requires multiple restarts of the System Software or repeated intervention by the operator in order to maintain the operation of the Supplier System.

- "Release" means a new version of the System Software containing several material new functionalities and designated by Supplier as a new version of the System Software. Software Releases are expected to be available on a quarterly cadence.

- "Required Line" means a dedicated internet access line allowing the Supplier System direct and exclusive access over such line to the internet with the specifications set forth in Section 8 "Site Preparation".

- "Response Time" means the time elapsed from the submission of a valid AR by Buyer to a Contact Point pursuant to the terms hereof, and the first response to such AR by Supplier or on its behalf.

- "Update" means an addition of a feature or group of features or bug fixes that do not add a material functionality to the System Software.

- "Upgrade" means addition of material new functionality to the System Software that does not amount to a Release and designated by Supplier as an Upgrade.

5. Software System Support and Maintenance services shall be made available to Buyer and shall be performed by Supplier, in each case subject to the terms hereof and the terms of the Agreement every day and as needed throughout the day (the "Service Time").

6. Response Times shall be as follows:

    - Critical Error: 15 minutes
    - Non-Critical Error: Same Day

7. Seller will perform Software System Support Maintenance services as follows, and such services shall be available and performed only during the Service Time:

    - Critical Error: Seller will work continuously during the Service Time to resolve the Error. Seller shall be deemed to have resolved a Critical Error if the Error is fixed or if it no longer constitutes a Critical Error. In the event that a Critical Error is not resolved within 4 hours, an executive of Supplier shall be made aware of the Error and continue to be reasonably updated with respect to the resolution efforts by Supplier.
    - Non-Critical Error: Seller will make reasonable efforts during the Service Time to resolve the Error expeditiously considering the effect of the Error and Seller reasonable priorities and available resources. Seller shall be deemed to have resolved a Non-Critical Error if the Error is fixed (i.e., it no longer constitutes an Error). In the event that a Non-Critical Error is not resolved within 2 days, an executive of Supplier shall be made aware of the Error and continue to be reasonably updates with respect to the resolution efforts by Supplier.

8. Buyer acknowledges that to the extent that Errors or ARs are caused by Buyer's failure to comply with the obligations listed below (i) Supplier is not obligated to comply with any Response Time obligations with respect to fixing or attending to such Errors or ARs (and shall, instead, be obligated only to fix or attend thereto as soon as reasonably practicable) and (ii) Supplier may charge Buyer for time spent by Supplier fixing such Errors or ARs in accordance with the rate card set forth in Section 11 hereto:

    - Buyer shall obtain, install and maintain the Required Line at all times at Buyer's sole expense;
    - Buyer shall make the Required Line available to Supplier at all times for its exclusive use in connection with monitoring the performance of the Supplier Systems and providing the Software System Maintenance and Support services;
    - Buyer shall, as reasonably needed to perform Supplier's obligations hereunder, and upon request, grant Supplier physical access to the computer servers on which any System Software is installed and to the Supplier Systems in connection with the Software System Maintenance and Support services;
    - Buyer shall, at the request of Supplier, perform maintenance on computer servers on which any System Software is installed and ensure their performance in accordance with specifications reasonably requested by Supplier;

- Buyer may need to upgrade or replace the computer servers on which any System Software is installed such that they meet the hardware requirements communicated by Supplier for the proper function of the System Software from time to time;
- Buyer shall perform all preventative maintenance services agreed to by the parties;
- Buyer shall cooperate with Supplier in the resolution and evaluation of Errors, including by making available operators of the Supplier System as reasonably needed for such activities, performing mock runs of use of the Supplier System, providing mock or actual orders through its warehouse management system, and providing parcels and packages as may be required by Supplier in connection with such activities; and
- Buyer shall allow Supplier to install on a quarterly basis, as applicable, all Updates, Upgrades and Releases as those become available from Supplier, provided that Buyer shall have the option to delay installation of any Updates, Upgrades and Releases for up to two quarters. The timing of the installation of all Updates, Upgrades and Releases shall be coordinated in good faith between Buyer and Supplier.

9. Buyer acknowledges that to the extent that Errors or ARs are caused by any of the items listed below, (i) Supplier is not obligated to comply with any Response Time obligations with respect to fixing or attending to such Errors or ARs (and shall, instead, be obligated only to fix or attend thereto as soon as reasonably practicable) and (ii) Supplier may charge Buyer for time spent by Supplier fixing such Errors or ARs in accordance with the rate card set forth in Section 11 hereto:
    - any software or hardware not provided or approved by Supplier;
    - actual or attempted alteration or repair of or additions to the Supplier System Software by Buyer that is conducted in violation of training materials and has not otherwise been approved by Supplier;
    - operation of the Supplier System or any part thereof other than in the operating environment set forth in the Documentation (logical and physical);
    - use by Buyer or a Customer Authorized Third Party of the Supplier System in violation of the Software Documentation or any Project SOW; or
    - neglect, theft or vandalism of the Supplier System by Buyer or a Customer Authorized Third Party.

10. Disaster recovery.
    - In the event that the server located in the MDF on which the Supplier System Software is installed become inoperable due to a disaster event such that in order to use the Supplier System such servers need to be replaced, Supplier will dispatch Supplier Personnel to install the Supplier System Software on replacement servers. Supplier and Customer shall communicate after Supplier becomes aware that such new software installation is required, so that Supplier is notified (possibly in advance) of when a replacement server would be available on Site (whether it is the backup server already located in one of the Customer's facilities or if it is a new server that was acquired in order to serve as the replacement server).

    - Supplier shall make commercially reasonable efforts and prioritize its activities such that its Personnel arrive at the Site concurrently with, or as soon as reasonably practicable after, the replacement server has been brought to the Site so as to minimize delays in start of installation of the Supplier System Software on such server and re-starting the operations of the applicable Supplier Systems. Customer acknowledges that replacement servers are required to meet the specifications as set forth by the Supplier. Supplier shall make reasonable commercial efforts, including by having its Personnel at the Site work overtime, in order to install the Supplier System Software on the replacement server, conduct required testing and adjustments, if required, and enable the applicable Supplier Systems that the server performance can support to start operating without Error, within 24 hours from arrival at the Site and the replacement server being made available to conduct the installation work.

    - The installation work and related efforts of Supplier referenced in this Section 10 will be billed by Supplier and paid for by Customer pursuant to the terms of the Agreement in accordance with rate sheet set forth in Section 11 below, as amended following the end of calendar year 2021. For the avoidance of doubt, any required Equipment (including replacement server(s)) will be at the sole expense of Customer.