

Document C: Legal & Regulatory Compliance Brief

Focus: Patent Litigation, Labor Law, and Safety Standards Company: Zenith Robotics Solutions Date: February 10, 2026 To: Executive Board

I. Pending Litigation: "The Titan Module"

Our Legal team has received a Cease and Desist from *Global Lift Corp.* They claim our "Titan" heavy-lift motor design infringes on their 2022 patent (US Pat #8,992,11).

- **Current Status:** Our initial internal audit shows a 65% similarity in the core propulsion algorithm.
- **Legal Directive:** Do not pre-sell or market the Titan module until a formal "Freedom to Operate" (FTO) analysis is completed (Estimated: August 2026). Continued marketing exposes the company to triple damages for "Willful Infringement."

II. Labor Compliance & Safety

A recent inspection of our primary manufacturing facility revealed that operating at 95%+ capacity has led to several safety bypasses by floor staff.

- **Regulatory Risk:** The Occupational Safety and Health Administration (OSHA) has flagged Zenith for "excessive equipment strain."
- **Mandatory Action:** We are legally required to schedule a 14-day maintenance shutdown in Q2. Failure to do so will result in a suspension of our operating license.

III. Data Privacy (EU Market)

The upcoming "EU AI Governance Act" requires that all autonomous bots operating in public spaces have a "Human-in-the-Loop" override.

- **Gap Analysis:** Our current V5 model is fully autonomous with no remote override.
- **Impact:** 25% of our current European contracts will be void by December 2026 unless a retro-fit hardware patch is developed and installed.