

# **Equipment and Software R&D Investment Log**

**Confidential Document - Nexus Intelligent Systems, Inc.**

## **1. PRELIMINARY DEFINITIONS**

1 "Company" shall mean Nexus Intelligent Systems, Inc., a Delaware corporation with principal offices located at 1200 Technology Park Drive, San Jose, California 95134.

2 "Qualified R&D Investment" means capital expenditures directly related to research and development of enterprise AI technologies, predictive analytics platforms, and machine learning diagnostic tools, as further defined in Section 3 herein.

3 "Fiscal Period" refers to the twelve-month accounting period ending December 31st of each calendar year.

## **2. PURPOSE OF DOCUMENTATION**

This Equipment and Software R&D Investment Log ("Log") serves as an official record of research and development capital investments made by Nexus Intelligent Systems, Inc. for tax documentation, financial reporting, and potential intellectual property valuation purposes.

## **3. INVESTMENT CLASSIFICATION CRITERIA**

### **1 Eligible Investment Categories**

- Hardware Infrastructure
- Software Development Tools
- Computational Resources
- Specialized Research Equipment
- Cloud Computing and AI Training Platforms

### **2 Minimum Capitalization Threshold**

Investments exceeding \$25,000 per individual asset or project shall be documented in this Log and subject to capitalization and depreciation protocols.

## **4. DETAILED INVESTMENT RECORDS**

### **4.1 Hardware Investments**

Asset Description	Purchase Date	Total Cost	Depreciation Schedule	Useful Life
-----	-----	-----	-----	-----
High-Performance GPU Cluster	2023-03-15	\$412,500	3-year accelerated	36 months
Quantum Computing Research Server	2023-07-22	\$675,000	4-year linear	48 months
Advanced Thermal Imaging Systems	2023-11-05	\$89,750	5-year straight-line	60 months

**4.2 Software Investments**

Software Platform	License Type	Annual Cost	Implementation Date	Renewal Date
-----	-----	-----	-----	-----
DataBridge AI Analytics Suite	Enterprise License	\$225,000	2023-02-01	2024-02-01
CloudScale Machine Learning Framework	Perpetual License	\$350,000	2023-05-17	Perpetual
Predictive Maintenance Modeling Toolkit	Subscription	\$175,000	2023-09-30	2024-09-30

**5. TAX COMPLIANCE DECLARATIONS**

- 1 The Company affirms that all investments documented herein:
- Comply with IRS Section 174 Research Expenditure Guidelines
  - Meet capitalization requirements under GAAP standards
  - Are directly attributable to core technological development initiatives
- 2 Total R&D Investment for Fiscal Year 2023: \$2,927,250

**6. INTELLECTUAL PROPERTY CONSIDERATIONS**

All equipment and software investments potentially contributing to novel technological developments shall be evaluated for potential patent or trade secret protection by the Company's legal and innovation teams.

**7. CONFIDENTIALITY AND RESTRICTIONS**

- 1 This document contains proprietary and confidential information.
- 2 Unauthorized reproduction or distribution is strictly prohibited.

**8. EXECUTION**

Executed this 22nd day of January, 2024.

---

**Authorized Signatures:**

—

Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.

—

Michael Chen

Chief Technology Officer

Nexus Intelligent Systems, Inc.