

EMPLOYMENT AND COMPENSATION AGREEMENT

THIS EMPLOYMENT AND COMPENSATION AGREEMENT (this "Agreement") is made and entered into as of January 15, 2024 (the "Effective Date"), by and between NEXUS INDUSTRIAL INTELLIGENCE, INC., a Delaware corporation with its principal place of business at 2500 Innovation Drive, Suite 400, Wilmington, Delaware 19801 (the "Company"), and JENNIFER MARTINEZ, an individual residing at 127 Technology Circle, Cambridge, Massachusetts 02142 (the "Executive").

WHEREAS, the Company is engaged in the business of developing and commercializing proprietary machine learning and computer vision solutions for industrial process optimization and predictive maintenance (the "Business");

WHEREAS, the Company desires to employ the Executive as Chief Product Officer, and the Executive desires to accept such employment with the Company, subject to the terms and conditions set forth herein; and

WHEREAS, the parties desire to enter into this Agreement to define their respective rights and obligations with respect to the Executive's employment by the Company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1.0 DEFINITIONS AND INTERPRETATION

1.1 Defined Terms. For purposes of this Agreement, the following terms shall have the meanings set forth below:

"Affiliate" means any person or entity controlling, controlled by, or under common control with the Company, where "control" means ownership of fifty percent (50%) or more of the voting securities or equivalent ownership interests.

"Confidential Information" means all non-public information, whether in oral, written, or electronic form, concerning the Company's Business, including but not limited to the NexusCore™ Platform, machine learning algorithms, computer vision systems, artificial intelligence models, source code, technical specifications, customer lists, pricing, business strategies, trade secrets, research and development activities, experimental results, training data, model architectures, neural network configurations, and any other proprietary technical or business information.

"Intellectual Property" means all patents, copyrights, trademarks, trade secrets, and other intellectual property rights owned by or licensed to the Company, including all improvements, modifications, and derivative works thereof, encompassing both registered and unregistered rights, pending applications, and future filings worldwide.

"NexusCore™ Platform" means the Company's proprietary industrial AI platform and all associated modules, including predictive maintenance, quality inspection, process optimization capabilities, machine learning models, data processing pipelines, user interfaces, APIs, documentation, and related technological components.

"Authorized Users" means employees, contractors, or agents of the Company who have been granted explicit permission to access and use the NexusCore™ Platform and related systems.

"Derivative Works" means any modification, adaptation, enhancement, improvement, or creation based upon the Company's Intellectual Property or Confidential Information.

"Training Data" means any data, datasets, or information used to train, validate, or test the Company's artificial intelligence models or machine learning systems.

"System Output" means any results, recommendations, predictions, or analyses generated by the NexusCore™ Platform or related AI systems.

1.2 Interpretation. In this Agreement: (a) headings are for convenience only and do not affect interpretation; (b) words importing the singular include the plural and vice versa; (c) "including" means "including without limitation"; (d) references to sections are to sections of this Agreement; (e) all exhibits and schedules attached hereto are incorporated herein by reference; (f) references to any gender include all genders; (g) references to "written" or "in writing" include electronic communications; (h) references to any party include their permitted successors and assigns; (i) technical terms shall be interpreted according to their generally accepted meaning within the artificial intelligence and machine learning industry; (j) ambiguities shall not be interpreted against the drafting party; (k) time periods shall be calculated in calendar days unless otherwise specified; (l) references to laws include all amendments, modifications, and replacements thereof; (m) monetary amounts are expressed in United States dollars unless otherwise specified; and (n) if any provision is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

1.3 Precedence. In the event of any conflict between the terms of this Agreement and any attached schedules or exhibits, the terms of this Agreement shall prevail unless explicitly stated otherwise.

2.0 EMPLOYMENT TERMS AND DUTIES

2.1 Position. The Company hereby employs the Executive, and the Executive hereby accepts employment, as Chief Product Officer of the Company, reporting directly to the Chief Executive Officer. The Executive acknowledges that this position constitutes a key executive

role with significant influence over Company operations, strategy, and intellectual property development.

2.2 Duties and Responsibilities. The Executive shall: (a) devote full business time and attention to the performance of duties, maintaining undivided loyalty to the Company during the term of employment; (b) oversee product strategy and development of the NexusCore™ Platform, including strategic planning, feature prioritization, and product lifecycle management; (c) lead the product management and user experience teams, including recruitment, development, and retention of key personnel; (d) collaborate with engineering and AI teams on technology roadmap, ensuring alignment with business objectives and market demands; (e) develop and execute go-to-market strategies, including pricing, positioning, and competitive analysis; (f) establish and maintain key performance indicators (KPIs) for product success; (g) represent the Company at industry events, conferences, and customer meetings; (h) protect and maintain Company confidential information and intellectual property; (i) participate in Board of Directors meetings as requested; and (j) perform such other duties as reasonably assigned by the CEO.

2.3 Work Location and Schedule. (a) Primary work location shall be the Company's Cambridge, Massachusetts office, with Executive maintaining a dedicated workspace therein. (b) Executive may work remotely up to two days per week, subject to Company policies, provided that: (i) remote work does not interfere with team collaboration or meeting attendance; (ii) Executive maintains secure and reliable communication capabilities; (iii) Executive remains available during core business hours (9:00 AM - 5:00 PM EST); (iv) remote work schedule is communicated in advance to relevant stakeholders. (c) Travel to customer sites and other Company locations as reasonably required, including: (i) domestic and international travel up to 25% of work time; (ii) attendance at quarterly business reviews at regional offices; (iii) participation in annual strategic planning sessions; (iv) customer site visits for major accounts and partnerships.

2.4 Performance Standards. Executive shall: (a) perform duties in a professional, ethical manner, adhering to highest standards of corporate governance; (b) comply with all Company policies and procedures, including but not limited to: (i) Code of Business Conduct and Ethics; (ii) Insider Trading Policy; (iii) Information Security Policy; (iv) Travel and Expense Policy; (v) Anti-Harassment and Non-Discrimination Policy. (c) maintain all required licenses and certifications, including: (i) professional certifications relevant to product management; (ii) industry-specific credentials as required; (iii) continuing education requirements. (d) meet or exceed performance objectives established by the CEO, including: (i) quarterly product development milestones; (ii) annual revenue and growth targets; (iii) customer satisfaction metrics; (iv) team performance indicators.

2.5 Authority and Limitations. (a) Executive shall have authority to: (i) make product-related decisions within approved budget parameters; (ii) hire and manage product team members; (iii) enter into non-disclosure agreements with potential partners; (iv) approve product-related

expenses up to \$50,000. (b) Executive shall obtain CEO approval for: (i) strategic partnerships or agreements exceeding \$50,000; (ii) material changes to product roadmap; (iii) organizational structure changes; (iv) unbudgeted expenditures.

2.6 Compliance and Reporting. (a) Executive shall maintain accurate records of: (i) product development progress and metrics; (ii) team performance and objectives; (iii) budget utilization and forecasts; (iv) customer feedback and market analysis. (b) Executive shall provide regular reports to CEO regarding: (i) product strategy implementation; (ii) team performance and development; (iii) market conditions and competitive landscape; (iv) risks and opportunities affecting product success.

3.0 COMPENSATION AND BENEFITS

3.1 Base Salary. The Company shall pay Executive an annual base salary of \$375,000, payable in accordance with Company's normal payroll practices. Base salary shall be subject to annual review and potential adjustment by the Board of Directors based on Executive's performance, market conditions, and Company financial performance. Any increase in base salary shall become the new base salary for purposes of this Agreement. Salary payments shall be subject to all applicable federal, state, and local withholding requirements.

3.2 Equity Compensation. (a) Initial Grant. Executive shall receive an option to purchase 150,000 shares of Company common stock (the "Option") under the Company's 2023 Equity Incentive Plan (the "Plan"). The Option grant shall be evidenced by and subject to the terms of the Company's standard form of Stock Option Agreement.

(b) Vesting Schedule. The Option shall vest over four years with 25% vesting on first anniversary of the Effective Date and remaining 75% vesting in equal monthly installments thereafter. Vesting shall accelerate upon a Change in Control as defined in Section 7.3, subject to Executive's continued employment through such date.

(c) Exercise Price. The Option exercise price shall be fair market value as determined by the Board of Directors in compliance with Section 409A of the Internal Revenue Code and applicable regulations.

(d) Exercise Period. Once vested, the Option shall be exercisable for a period of ten (10) years from the grant date, subject to earlier termination as provided in the Plan and Stock Option Agreement.

(e) Additional Grants. Executive shall be eligible for additional equity grants at the Board's discretion based on performance and market conditions. Such grants may include restricted stock units, performance shares, or additional stock options.

3.3 Annual Bonus. (a) Target bonus of 50% of base salary based on Company and individual performance metrics. The actual bonus amount may range from 0% to 150% of target based on achievement of objectives.

(b) Performance Metrics. Annual bonus criteria shall include: (i) Company financial performance (40% weighting) (ii) Product development milestones (25% weighting) (iii) Customer acquisition and retention (20% weighting) (iv) Individual objectives (15% weighting)

(c) Bonus criteria and payment terms subject to annual review and adjustment by the Board. Performance metrics shall be established within 90 days of the start of each fiscal year.

(d) Payment Terms. Bonus payments, if earned, shall be made annually within 75 days following the close of the fiscal year. Executive must be employed on payment date to receive bonus, except as provided in Section 6.4 regarding severance benefits.

(e) Pro-ration. Bonus shall be pro-rated for partial year service based on days employed during the fiscal year.

3.4 Benefits Package. (a) Health Insurance: Medical, dental, and vision coverage for Executive and eligible dependents with premium coverage at 90% for Executive and 75% for dependents. Coverage begins first day of month following start date.

(b) Life and Disability Insurance: (i) Company-paid basic life insurance coverage of 2x annual salary (ii) Long-term disability coverage at 60% of salary up to \$15,000 monthly (iii) Optional supplemental life and AD&D insurance available at Executive's expense (iv) Short-term disability coverage providing 66.67% of salary for up to 12 weeks

(c) 401(k) Plan: (i) Eligible for participation immediately upon employment (ii) Company match of 4% of eligible compensation (iii) Immediate vesting of Executive contributions (iv) Company match vests 25% annually over 4 years (v) Annual IRS contribution limits apply

(d) Paid Time Off: (i) 20 days vacation annually, accruing monthly (ii) 10 paid holidays per Company schedule (iii) 5 sick days annually (iv) 2 personal days annually (v) Vacation carryover limited to 10 days annually (vi) No payment for unused sick or personal days

(e) Professional Development: (i) \$10,000 annual allowance for conferences, training, and education (ii) Membership dues for relevant professional associations (iii) Certification and licensing fee reimbursement (iv) Executive coaching allowance of \$5,000 annually

3.5 Additional Benefits. (a) Monthly cell phone allowance of \$100

(b) Home office setup allowance of \$2,500

(c) Annual executive health screening

(d) Airport club membership

(e) Parking or transit allowance of \$200 monthly

3.6 Benefits Administration. (a) All benefits subject to the terms and conditions of applicable plan documents and policies

(b) Company reserves right to modify, amend, or terminate benefit plans at its discretion

- (c) Executive responsible for tax implications of taxable benefits
 - (d) COBRA continuation rights apply as provided by law
 - (e) Benefits coordination and enrollment managed through Human Resources department
- 3.7 Expense Reimbursement. (a) Reasonable business expenses reimbursed per Company policy
- (b) Travel expenses per Company travel policy
 - (c) Monthly expense reports required within 30 days
 - (d) Receipts required for expenses over \$25
 - (e) Reimbursement subject to applicable IRS regulations

4.0 INTELLECTUAL PROPERTY AND CONFIDENTIALITY

4.1 Assignment of Intellectual Property. (a) Executive hereby irrevocably assigns, transfers, and conveys to Company all right, title, and interest in any Intellectual Property created, conceived, developed, or reduced to practice during employment, whether individually or jointly with others, and whether during or outside regular business hours. (b) "Intellectual Property" includes, without limitation: (i) patents, patent applications, and patent rights; (ii) trademarks, service marks, trade names, and brand names; (iii) copyrights, registrations, and applications; (iv) trade secrets and confidential information; (v) algorithms, software, source code, and machine learning models; (vi) databases and data collections; (vii) processes, methodologies, and techniques; and (viii) all other intellectual property rights and assets. (c) Executive shall promptly and fully disclose all Intellectual Property to Company in writing. (d) Executive shall execute all documents, provide all information, and render all assistance necessary to protect, register, and maintain Company's Intellectual Property rights worldwide. (e) Executive acknowledges that all works created during employment are "works made for hire" under copyright law.

4.2 Confidentiality Obligations. (a) Executive shall maintain strict confidentiality of all Confidential Information and exercise utmost care in its protection. (b) "Confidential Information" encompasses: (i) trade secrets; (ii) proprietary technology and know-how; (iii) customer data and relationships; (iv) business strategies and plans; (v) financial information; (vi) employee information; (vii) research and development; (viii) artificial intelligence and machine learning models; (ix) algorithms and software architecture; and (x) any information marked confidential or reasonably understood to be confidential. (c) Executive shall not use, disclose, copy, or transmit Confidential Information except as required for Company business purposes. (d) Executive shall implement appropriate safeguards to prevent unauthorized access or disclosure. (e) These obligations survive indefinitely after employment termination.

4.3 Restrictive Covenants. (a) Non-Competition. During employment and for twelve (12) months thereafter, Executive shall not: (i) Engage in any business that competes with Company; (ii) Provide services to any competitor; (iii) Hold any ownership interest in competing entities; (iv) Develop competing products or services. (b) Non-Solicitation. During employment and for twelve (12) months thereafter, Executive shall not: (i) Solicit or attempt to solicit Company's employees; (ii) Hire or attempt to hire Company's employees; (iii) Solicit or attempt to solicit Company's customers; (iv) Interfere with Company's business relationships. (c) Geographic Scope. These restrictions apply throughout North America and Europe, where Company conducts or plans to conduct business. (d) Reasonable Scope. Executive acknowledges these restrictions are reasonable and necessary to protect Company's legitimate interests.

4.4 Return of Property. (a) Upon termination or Company request, Executive shall immediately return: (i) All Confidential Information in any form; (ii) All Company devices and equipment; (iii) All access credentials and passwords; (iv) All documents and materials; (v) All intellectual property and related documentation. (b) Executive shall permanently delete all Company information from personal devices. (c) Executive shall certify in writing compliance with these requirements.

4.5 Enforcement and Remedies. (a) Executive acknowledges that breach would cause irreparable harm to Company. (b) Company shall be entitled to injunctive relief without proving actual damages. (c) Company may pursue all available legal and equitable remedies. (d) Executive shall pay Company's enforcement costs, including attorney fees. (e) These provisions are severable; invalidity of one does not affect others.

4.6 Third-Party Information. (a) Executive shall not bring to Company or use any confidential information from prior employers. (b) Executive warrants no agreements prevent compliance with these obligations. (c) Executive shall respect third-party intellectual property rights.

4.7 Survival and Assignment. (a) These obligations survive employment termination. (b) These rights and obligations are assignable by Company. (c) These obligations bind Executive's heirs and representatives. (d) No time limitation applies to confidentiality obligations.

4.8 Exceptions and Permitted Disclosures. (a) These restrictions do not prohibit: (i) Disclosures required by law; (ii) Reports to government agencies; (iii) Communications with legal counsel; (iv) Testimony under oath. (b) Executive shall notify Company of required disclosures when permitted. (c) Executive retains rights under whistleblower protection laws.

5.0 GENERAL PROVISIONS

5.1 At-Will Employment. Employment is at-will and may be terminated by either party at any time.

5.2 Governing Law. This Agreement shall be governed by Delaware law.

5.3 Dispute Resolution. All disputes shall be resolved by binding arbitration in Wilmington, Delaware.

5.4 Entire Agreement. This Agreement constitutes the entire agreement between the parties.

5.5 Amendments. This Agreement may only be amended in writing signed by both parties.

5.6 Severability. If any provision is invalid, remaining provisions shall continue in effect.

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

NEXUS INDUSTRIAL INTELLIGENCE, INC.

By: _____ Name: Dr. Sarah Chen Title: Chief Executive Officer

EXECUTIVE:

Jennifer Martinez

[EXHIBITS AND SCHEDULES TO FOLLOW]