

INTELLECTUAL PROPERTY OWNERSHIP AND PROTECTION AGREEMENT

THIS INTELLECTUAL PROPERTY OWNERSHIP AND PROTECTION 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 ("Company").

1.0 RECITALS

WHEREAS, Company has developed proprietary artificial intelligence and machine learning technologies, including computer vision systems, predictive analytics algorithms, and edge computing solutions for industrial process optimization and automation (collectively, the "Technology");

WHEREAS, Company desires to establish and memorialize the ownership rights, protection measures, and usage terms relating to its intellectual property portfolio, including the NexusCore™ Industrial AI Platform and related technological assets;

WHEREAS, Company seeks to protect its substantial investment in research and development while ensuring proper deployment of its industrial automation solutions; and

NOW, THEREFORE, Company hereby establishes the following terms and conditions regarding its intellectual property:

2.0 DEFINITIONS AND INTERPRETATION

2.1 Defined Terms. The following terms shall have the meanings set forth below:

(a) "AI Technology Stack" means Company's proprietary artificial intelligence architecture, including machine learning algorithms, neural networks, computer vision systems, and related computational frameworks developed by Company, encompassing both edge computing components and cloud-based processing infrastructure.

(b) "Intellectual Property Rights" means all patents, copyrights, trade secrets, trademarks, mask works, and other intellectual property rights, whether registered or unregistered, including all applications and registrations thereof, as well as all improvements, modifications, derivative works, and associated documentation.

(c) "Machine Learning Models" means Company's trained algorithmic models, including but not limited to predictive maintenance models, quality control classifiers, process optimization engines, anomaly detection systems, and real-time performance monitoring algorithms, together with associated training data and model parameters.

(d) "NexusCore™ Platform" means Company's enterprise software platform that integrates the AI Technology Stack with industrial control systems and IoT sensors to enable automated decision support and operational optimization, including all updates, modifications, and enhancements thereto.

(e) "Proprietary Information" means all non-public technical and business information of Company, including source code, training data, customer implementations, industrial process specifications, system architectures, and deployment methodologies.

(f) "Edge Computing Components" means hardware and software elements designed for local data processing and AI model execution at industrial facilities, including embedded systems, industrial gateways, and on-premise computing infrastructure.

(g) "Computer Vision System" means Company's visual recognition and processing technology, including image classification algorithms, object detection models, and visual quality inspection capabilities.

(h) "Industrial IoT Network" means the interconnected system of sensors, actuators, and control devices deployed within customer facilities, including all associated communication protocols and security measures.

2.2 Interpretation. In this Agreement:

(a) Section headings are for convenience only and shall not affect interpretation

(b) Words importing the singular include the plural and vice versa

(c) References to Sections are to Sections of this Agreement

(d) "Including" means including without limitation

(e) Technical terms shall be interpreted according to their generally accepted meaning within the artificial intelligence and industrial automation industries

(f) References to software, algorithms, or computational systems include all associated documentation, configuration files, and deployment instructions

(g) Time periods shall be calculated in calendar days unless explicitly stated otherwise

(h) References to laws or regulations include all amendments, modifications, and replacements thereof

(i) Any reference to a specific technology, standard, or protocol includes subsequent versions or replacements thereof

(j) Terms defined herein shall have their defined meanings regardless of whether capitalized or not when used in this Agreement

2.3 Precedence. In the event of any conflict or inconsistency between the provisions of this Agreement, the following order of precedence shall apply:

(a) The main body of the Agreement (b) The Schedules and Exhibits (c) Any amendments or addenda, with later dated documents taking precedence over earlier dated documents

3.0 INTELLECTUAL PROPERTY OWNERSHIP

3.1 Pre-existing Intellectual Property

(a) Company is the sole and exclusive owner of all Intellectual Property Rights in and to the Technology existing as of the Effective Date, including: (i) The AI Technology Stack and all component algorithms, including but not limited to machine learning architectures, neural network designs, and algorithmic optimization methods (ii) The NexusCore™ Platform and related software implementations, encompassing all source code, object code, APIs, and technical documentation (iii) All Machine Learning Models and training methodologies, including training data pipelines, model architectures, and hyperparameter configurations (iv) Computer vision systems and edge computing architectures, including image processing algorithms, sensor fusion systems, and distributed computing frameworks (v) Industrial process optimization techniques and methods, including all proprietary algorithms for resource allocation, scheduling, and efficiency improvements

(b) Company retains all rights to any patents, patent applications, trade secrets, copyrights, trademarks, and other intellectual property protections related to the Pre-existing Intellectual Property, including: (i) All registered and unregistered intellectual property rights worldwide (ii) Any pending applications or registrations for intellectual property protection (iii) All associated documentation, designs, and technical specifications (iv) Any improvements or modifications made to Pre-existing Intellectual Property prior to the Effective Date

3.2 Newly Developed Intellectual Property

(a) Company shall own all right, title, and interest in any improvements, modifications, or derivatives of the Technology developed after the Effective Date, including: (i) Enhanced machine learning algorithms and models, including transfer learning implementations, model optimization techniques, and deployment frameworks (ii) Updated software features and functionality, including user interface improvements, backend optimizations, and security enhancements (iii) New industrial process optimization methods, including advanced scheduling algorithms and resource allocation systems (iv) Additional integration capabilities and APIs, including third-party system connectors and data exchange protocols

(b) All Newly Developed Intellectual Property shall automatically vest in Company upon creation, including: (i) Any improvements developed independently by Company personnel (ii)

Modifications resulting from customer feedback or market requirements (iii) Enhancements developed through research and development activities (iv) Derivative works based on Pre-existing Intellectual Property

3.3 Third-Party Components

(a) Company acknowledges the incorporation of certain third-party components, including: (i) Open source software subject to applicable licenses, with full compliance documentation maintained (ii) Licensed third-party libraries and frameworks, operating under valid commercial licenses (iii) Standard industrial communication protocols and specifications (iv) Third-party tools and utilities necessary for system operation

(b) Company maintains detailed records of all third-party components, including: (i) License terms and conditions for each component (ii) Usage restrictions and obligations (iii) Attribution requirements (iv) Modification and distribution rights

3.4 Open Source Declarations

(a) Company maintains compliance with all open source license obligations through: (i) Regular audits of open source components (ii) Documentation of all open source usage (iii) License compliance verification procedures (iv) Risk assessment of open source incorporation

(b) Open source components do not compromise proprietary elements through: (i) Careful separation of open source and proprietary code (ii) License compatibility analysis (iii) Code architecture designed to maintain separation (iv) Regular review of integration points

(c) Usage is documented in Company's software bill of materials, including: (i) Complete inventory of all open source components (ii) Version information and source repositories (iii) Associated license terms and obligations (iv) Usage context and implementation details

3.5 Intellectual Property Protection

(a) Company implements comprehensive measures to protect all Intellectual Property, including: (i) Regular patent filings for novel innovations (ii) Trade secret protection protocols (iii) Copyright registrations for software and documentation (iv) Trademark protection for brands and products

(b) Company maintains security measures to protect Intellectual Property, including: (i) Access control systems (ii) Confidentiality agreements (iii) Employee training programs (iv) Regular security audits

4.0 IP PROTECTION AND CONFIDENTIALITY

4.1 Trade Secret Protection

(a) Company shall maintain strict confidentiality of: (i) AI/ML algorithms and architectures, including but not limited to neural network designs, training parameters, and optimization

methodologies (ii) Training data and methodologies, encompassing data preprocessing techniques, feature engineering approaches, and validation procedures (iii) Industrial process optimization techniques, including proprietary efficiency algorithms and control systems (iv) Customer implementation details, including customizations, configurations, and deployment specifications

(b) Protection measures shall include: (i) Documented classification of trade secrets (ii) Employee confidentiality agreements with specific reference to AI/ML assets (iii) Vendor and contractor non-disclosure provisions (iv) Physical and digital access restrictions (v) Regular trade secret inventory and audit procedures

4.2 Patent Rights

(a) Company actively pursues patent protection for: (i) Novel AI/ML implementations, including unique algorithmic approaches and system architectures (ii) Industrial automation methods, specifically those relating to process control and optimization (iii) Edge computing architectures designed for industrial applications (iv) System integration techniques for legacy system compatibility

(b) Patent management procedures shall include: (i) Regular invention disclosure reviews (ii) Priority assessment and filing strategies (iii) International patent portfolio management (iv) Competitive patent landscape monitoring (v) License agreement administration

4.3 Copyright Protection

(a) All software code and documentation is protected by copyright, including: (i) Source code for all proprietary software components (ii) User interfaces and graphical elements (iii) Technical documentation and manuals (iv) Training materials and guides

(b) Registration shall be maintained for: (i) Core software modules (ii) Critical documentation sets (iii) Significant updates and new versions (iv) Custom implementations

(c) Copyright notices shall be: (i) Prominently displayed in all materials (ii) Updated annually or upon significant revisions (iii) Included in all electronic and printed formats (iv) Accompanied by appropriate use restrictions

4.4 Data Security Requirements

(a) Implementation of industry-standard security measures including: (i) Multi-factor authentication systems (ii) Role-based access control (iii) Network segmentation (iv) Intrusion detection and prevention systems (v) Regular security patch management

(b) Security audit requirements: (i) Quarterly internal security assessments (ii) Annual third-party penetration testing (iii) Continuous vulnerability scanning (iv) Compliance verification with industry standards (v) Documentation of all findings and remediation actions

(c) Encryption protocols for: (i) Data at rest using AES-256 or equivalent (ii) Data in transit using TLS 1.3 or higher (iii) Backup and archive systems (iv) Mobile device communications (v) Cloud storage systems

(d) Access control implementation: (i) Centralized identity management (ii) Regular access rights review (iii) Privileged account monitoring (iv) Session timeout requirements (v) Audit logging of all access attempts

4.5 Compliance and Enforcement

(a) Regular monitoring and enforcement procedures: (i) Quarterly compliance reviews (ii) Incident response protocols (iii) Violation reporting mechanisms (iv) Disciplinary procedures for non-compliance

(b) Documentation requirements: (i) Maintenance of all security incidents (ii) Regular policy updates and distributions (iii) Training completion records (iv) Audit trail preservation

5.0 LICENSE GRANTS AND RESTRICTIONS

5.1 Software License Terms

(a) NexusCore™ Platform is licensed exclusively on a subscription basis, with terms contingent upon the subscription tier selected and specified in the Order Form. (b) Enterprise deployment rights are customized per customer agreement and limited to the specified number of concurrent users, processing nodes, and data throughput volumes defined therein. (c) Usage is strictly limited to authorized facilities and users within Customer's organization, including permitted contractors and consultants who have executed appropriate confidentiality agreements. (d) No reverse engineering, decompilation, disassembly, modification, or derivative works are permitted, except as expressly allowed by applicable law. (e) Customer shall implement appropriate access controls and authentication measures to prevent unauthorized access to the Platform.

5.2 API Access Rights

(a) API access is granted pursuant to current documentation and technical specifications, subject to version compatibility requirements. (b) Rate limiting and security requirements apply as specified in Exhibit D, including but not limited to: (i) Maximum API calls per minute, hour, and day (ii) Authentication token requirements and rotation schedules (iii) SSL/TLS encryption standards (iv) IP address whitelisting procedures (c) No unauthorized API access, distribution, or sharing of API credentials is permitted under any circumstances. (d) Company maintains comprehensive monitoring of API usage patterns and reserves the right to suspend access for suspicious activities or violation of terms. (e) Customer must implement appropriate error handling and retry logic in accordance with API best practices.

5.3 Usage Limitations

(a) Customer shall not conduct competitive analysis, benchmarking, or performance testing without prior written authorization from Company. (b) No unauthorized copies, distributions, or transfers of the Platform or associated materials are permitted, including: (i) Documentation and training materials (ii) System architecture diagrams (iii) Configuration files and templates (iv) Sample code and integrations (c) All proprietary notices, trademarks, and copyright information must remain intact and unmodified. (d) Customer shall not attempt to circumvent or disable any security measures, including: (i) License key validation mechanisms (ii) User authentication systems (iii) Access control frameworks (iv) Usage monitoring tools (e) Regular security audits and compliance checks may be conducted by Company with reasonable notice.

5.4 Sublicensing Restrictions

(a) No sublicensing of Platform or components is permitted without express written authorization from Company, which may be granted or withheld at Company's sole discretion. (b) License rights are non-transferable and non-assignable, except in connection with a permitted assignment of this Agreement. (c) White-labeling, rebranding, or representation of the Platform as Customer's own product is strictly prohibited. (d) Third-party hosting or operation of the Platform is prohibited unless specifically authorized in writing, subject to: (i) Additional security requirements (ii) Hosting facility certifications (iii) Data residency compliance (iv) Regular auditing and reporting (e) Authorized sublicensing, if granted, requires: (i) Separate written agreement (ii) Additional license fees (iii) Compliance monitoring (iv) End-user restrictions

5.5 Compliance and Enforcement

(a) Customer shall maintain accurate records of Platform usage and make such records available for Company review upon request. (b) Company reserves the right to conduct periodic compliance audits with reasonable notice. (c) Violation of license terms may result in: (i) Immediate suspension of access (ii) Termination of license rights (iii) Legal remedies and damages (iv) Mandatory compliance reporting (d) Customer shall cooperate with Company's reasonable investigation of suspected violations. (e) Customer shall promptly report any known or suspected unauthorized use or access to Company.

5.6 License Modifications

(a) Company reserves the right to modify license terms upon renewal with advance notice. (b) Changes to API specifications or access methods may be made with reasonable notice. (c) Security requirements may be updated as needed to address emerging threats. (d) Customer must implement required changes within specified compliance periods.