

INVESTOR RIGHTS AND REGISTRATION AGREEMENT

PREAMBLE

THIS INVESTOR RIGHTS AND REGISTRATION AGREEMENT (the "Agreement") is entered into as of January 22, 2024, by and among Nexus Intelligent Systems, Inc., a Delaware corporation (the "Company"), and the investors listed on Schedule A hereto (collectively, the "Investors").

RECITALS

WHEREAS, the Company is an enterprise AI services and predictive analytics firm specializing in advanced technological solutions for industrial and enterprise clients;

WHEREAS, the Investors have made or are making substantial investments in the Company through its Series B funding round;

WHEREAS, the parties desire to establish certain rights and obligations related to the Investors' equity interests;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. DEFINITIONS

1 "Registrable Securities" shall mean all shares of common stock of the Company held by the Investors, including any shares issued upon conversion of preferred stock or exercise of warrants.

2 "Demand Registration" means a registration of Registrable Securities initiated by Investors holding at least 35% of the total outstanding Registrable Securities.

3 "Pro Rata Participation Rights" means the right of Investors to participate in future financing rounds on a proportional basis to their current ownership.

2. REGISTRATION RIGHTS

1 Demand Registration Rights

(a) Investors holding at least 35% of Registrable Securities may demand up to two (2) registrations of their shares.

(b) The Company shall effect such registration within one hundred twenty (120) days of receiving a written request.

(c) The Company may postpone a demand registration for up to ninety (90) days if it would materially interfere with a pending material corporate transaction.

2 Piggyback Registration Rights

(a) If the Company proposes to register any of its securities, Investors shall have the right to include their Registrable Securities in such registration.

(b) The Company shall bear all registration expenses, excluding underwriting discounts and commissions.

3. INFORMATION RIGHTS

1 Financial Reporting

(a) The Company shall provide to Investors:

- Annual audited financial statements within ninety (90) days of fiscal year-end
- Quarterly unaudited financial statements within forty-five (45) days of quarter-end
- Annual budget and operating plan

2 Inspection Rights

(a) Investors may inspect the Company's books and records upon reasonable notice, not more than twice per calendar year.

(b) Such inspections shall be conducted during normal business hours and with minimal disruption to Company operations.

4. PARTICIPATION RIGHTS

1 Pro Rata Investment Rights

(a) In any future financing round, Investors shall have the right to purchase their pro rata share of new securities.

(b) The pro rata percentage shall be calculated based on the Investor's ownership immediately prior to the new financing.

2 Anti-Dilution Protection

(a) In the event of a down-round financing, Investors shall receive appropriate anti-dilution adjustments to their existing securities.

5. GOVERNANCE RIGHTS

1 Board Observer Rights

(a) Investors holding at least 10% of outstanding preferred shares shall be entitled to designate one (1) non-voting observer to the Company's Board of Directors.

2 Consent Rights

(a) Certain material corporate actions shall require approval from Investors holding a majority of preferred shares, including:

- Sale of the Company
- Liquidation or dissolution
- Material changes to capitalization
- Significant acquisitions or divestitures

6. CONFIDENTIALITY

1 Each party agrees to maintain strict confidentiality regarding non-public information exchanged pursuant to this Agreement.

7. MISCELLANEOUS

1 Governing Law: This Agreement shall be governed by the laws of the State of Delaware.

2 Entire Agreement: This document constitutes the entire understanding between the parties.

SIGNATURE BLOCK

IN WITNESS WHEREOF, the parties have executed this Investor Rights and Registration Agreement as of the date first above written.

NEXUS INTELLIGENT SYSTEMS, INC.

By:

Dr. Elena Rodriguez

Chief Executive Officer

INVESTORS:

[Signature Pages to Follow]