

SOFTWARE DEVELOPMENT AND IMPLEMENTATION CONTRACT

PARTIES

This Software Development and Implementation Contract ("Agreement") is entered into as of January 22, 2024, by and between:

Nexus Intelligent Systems, Inc., a Delaware corporation with principal offices at 1200 Technology Park Drive, San Jose, CA 95134 ("Client")

AND

TechNova Solutions LLC, a California limited liability company with principal offices at 500 Innovation Way, Palo Alto, CA 94304 ("Developer")

RECITALS

WHEREAS, Client seeks to develop a comprehensive AI-powered predictive maintenance platform for enterprise industrial applications;

WHEREAS, Developer possesses specialized expertise in enterprise software development and machine learning integration;

WHEREAS, the parties desire to establish the terms and conditions governing the development and implementation of the software solution;

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

1. DEFINITIONS

1 "Deliverables" shall mean all software, documentation, source code, and related intellectual property developed pursuant to this Agreement.

2 "Milestone" shall mean specific development stages with associated technical and functional requirements as outlined in Exhibit A.

3 "Acceptance Criteria" shall mean the technical and performance specifications detailed in Section 4

of this Agreement.

2. SCOPE OF WORK

1 **Project Overview**

Developer shall design, develop, and implement a comprehensive AI-driven predictive maintenance platform with the following core capabilities:

- Machine learning diagnostic tools
- Real-time industrial equipment monitoring
- Predictive failure analysis
- Enterprise integration modules

2 **Development Phases**

The project shall be completed in four (4) distinct phases:

- a) Requirements Definition
- b) Architectural Design
- c) Development and Testing
- d) Deployment and Integration

3 **Deliverables**

Developer shall provide:

- Fully functional software platform
- Comprehensive technical documentation
- Source code repository
- User and administrator manuals
- Integration support documentation

3. COMPENSATION

1 **Total Contract Value**

The total contract value shall be \$1,250,000, structured as follows:

- Initial Design Phase: \$250,000
- Development Milestones: \$750,000
- Final Deployment and Integration: \$250,000

2 ****Payment Schedule****

Payments shall be made upon successful completion and Client acceptance of each defined milestone.

3 ****Payment Terms****

All payments shall be made within thirty (30) days of milestone completion and formal acceptance.

4. ACCEPTANCE TESTING

1 ****Acceptance Criteria****

Deliverables must meet the following minimum requirements:

- 99.5% system uptime
- Machine learning prediction accuracy of 92% or higher
- Scalability to support 500+ concurrent enterprise users
- Compliance with NIST cybersecurity standards

2 ****Testing Procedure****

Client shall have thirty (30) days from delivery to conduct comprehensive acceptance testing.

5. INTELLECTUAL PROPERTY

1 ****Ownership****

All Deliverables shall be considered "works made for hire" and shall be the exclusive property of Client.

2 ****License****

Developer grants Client a perpetual, worldwide, non-exclusive license to use all developed technologies.

6. WARRANTY AND MAINTENANCE

1 ****Warranty Period****

Developer provides twelve (12) months of warranty coverage from final acceptance date.

2 ****Maintenance Support****

Includes:

- Critical security patch updates
- Software bug fixes
- Technical support during business hours

7. CONFIDENTIALITY

1 Both parties agree to maintain strict confidentiality regarding all proprietary information exchanged during the project.

2 Confidentiality obligations shall survive contract termination for a period of five (5) years.

8. TERMINATION

1 Either party may terminate this Agreement with sixty (60) days written notice.

2 In the event of termination, Client shall compensate Developer for completed Deliverables.

9. GOVERNING LAW

This Agreement shall be governed by the laws of the State of California.

10. SIGNATURES

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

Nexus Intelligent Systems, Inc.

By:

Dr. Elena Rodriguez, CEO

Date: January 22, 2024

TechNova Solutions LLC

By:

Alexander Reyes, Managing Partner

Date: January 22, 2024