

TECHNOLOGY LICENSING ROYALTY AGREEMENT

PARTIES

This Technology Licensing Royalty Agreement (the "Agreement") is entered into as of January 22, 2024, by and between:

LICENSOR: Quantum Dynamics Technologies, Inc., a Delaware corporation with principal offices at 1200 Innovation Park Drive, San Jose, California 95134 ("Quantum Dynamics")

and

LICENSEE: Nexus Intelligent Systems, Inc., a Delaware corporation with principal offices at 500 Technology Boulevard, Austin, Texas 78758 ("Nexus")

RECITALS

WHEREAS, Quantum Dynamics is the owner of certain proprietary artificial intelligence and machine learning technologies related to predictive maintenance algorithms (the "Licensed Technology");

WHEREAS, Nexus desires to obtain a non-exclusive license to utilize certain components of the Licensed Technology for enterprise digital transformation solutions;

WHEREAS, Quantum Dynamics is willing to grant such license under the terms and conditions set forth herein;

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

1. DEFINITIONS

1 "Licensed Technology" shall mean the specific machine learning diagnostic tools and predictive maintenance algorithms owned by Quantum Dynamics, as more particularly described in Exhibit A attached hereto.

2 "Royalty Period" shall mean the continuous period beginning on the Effective Date and continuing for a term of five (5) years.

3 "Gross Revenue" shall mean all revenue generated by Nexus directly attributable to implementations of the Licensed Technology, excluding taxes, shipping, and other pass-through expenses.

2. LICENSE GRANT

1 Subject to the terms and conditions of this Agreement, Quantum Dynamics hereby grants to Nexus a non-exclusive, worldwide, non-transferable license to utilize the Licensed Technology solely for enterprise digital transformation solutions within the manufacturing, energy, transportation, and infrastructure sectors.

2 Nexus shall have the right to:

- (a) Install and implement the Licensed Technology
- (b) Create derivative works limited to integration with existing Nexus platforms
- (c) Provide services to end-users utilizing the Licensed Technology

3 Nexus expressly acknowledges that no ownership rights in the Licensed Technology are transferred under this Agreement.

3. ROYALTY PAYMENTS

1 In consideration of the license granted herein, Nexus shall pay Quantum Dynamics a royalty calculated as follows:

- (a) 7% of Gross Revenue generated from implementations of the Licensed Technology
- (b) Minimum annual royalty of \$250,000, payable quarterly

2 Royalty payments shall be:

- (i) Calculated on a quarterly basis
- (ii) Paid within thirty (30) days following each calendar quarter
- (iii) Accompanied by a detailed royalty report

4. REPRESENTATIONS AND WARRANTIES

1 Quantum Dynamics represents and warrants that:

- (a) It possesses full legal right to license the Licensed Technology
- (b) The Licensed Technology does not infringe any third-party intellectual property rights

(c) The Licensed Technology performs substantially in accordance with its documentation

2 Nexus represents and warrants that it shall:

(a) Use the Licensed Technology only for permitted purposes

(b) Maintain appropriate confidentiality protections

(c) Not reverse engineer or attempt to deconstruct the Licensed Technology

5. CONFIDENTIALITY

1 Each party shall maintain strict confidentiality regarding the other party's proprietary information.

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

6. TERMINATION

1 This Agreement may be terminated:

(a) By either party for material breach with thirty (30) days written notice

(b) Immediately upon bankruptcy or insolvency of either party

(c) By Quantum Dynamics if Nexus fails to make required royalty payments

2 Upon termination, Nexus shall:

(i) Cease all use of the Licensed Technology

(ii) Provide certification of technology destruction

(iii) Pay all outstanding royalties

7. GOVERNING LAW

1 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

2 Any disputes arising from this Agreement shall be resolved through binding arbitration in Santa Clara County, California.

8. MISCELLANEOUS

1 This Agreement constitutes the entire understanding between the parties.

2 No modification shall be effective unless in writing and signed by authorized representatives of both parties.

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

QUANTUM DYNAMICS TECHNOLOGIES, INC.

By:

Name: Dr. Jonathan Reynolds

Title: Chief Executive Officer

NEXUS INTELLIGENT SYSTEMS, INC.

By:

Name: Dr. Elena Rodriguez

Title: Chief Executive Officer