

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

WHEREAS, Company desires to establish and document comprehensive intellectual property ownership, protection, and enforcement protocols for its Technology, including the NexusCore™ Industrial AI Platform and related innovations;

WHEREAS, Company seeks to protect its substantial investment in research and development while ensuring compliance with applicable intellectual property laws and regulations;

NOW, THEREFORE, Company hereby establishes the following terms and conditions regarding the ownership, protection, and enforcement of its intellectual property rights:

2.0 DEFINITIONS AND INTERPRETATION

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

(a) "Artificial Intelligence Components" means any and all machine learning models, neural networks, deep learning systems, and related artificial intelligence technologies developed by or for Company, including but not limited to supervised learning algorithms, reinforcement learning systems, natural language processing modules, computer vision components, predictive analytics engines, and any associated training methodologies or deployment frameworks.

(b) "Confidential Information" means all non-public information relating to the Technology, including but not limited to source code, algorithms, training data, model architectures,

technical specifications, trade secrets, business processes, customer data, performance metrics, optimization parameters, system configurations, deployment strategies, research findings, experimental results, validation methodologies, and any proprietary information disclosed between the parties.

(c) "Derivative Works" means any modification, enhancement, improvement, or derivative work based upon or derived from the Technology or any component thereof, including adaptations, translations, abridgments, condensations, expansions, modifications, or any other form in which the Technology may be recast, transformed, or adapted.

(d) "Industrial Process Optimization Solutions" means Company's proprietary methods and systems for optimizing manufacturing operations through artificial intelligence and machine learning, including real-time process control, predictive maintenance systems, quality control automation, resource allocation optimization, production scheduling algorithms, and related operational enhancement technologies.

(e) "Intellectual Property Rights" means all rights in patents, copyrights, trade secrets, trademarks, service marks, trade names, industrial designs, mask works, moral rights, rights in data, database rights, know-how, proprietary information and processes, and all other intellectual property rights, whether registered or unregistered, and including all applications and rights to apply for and be granted renewals or extensions of such rights.

(f) "NexusCore™ Platform" means Company's flagship software platform that integrates computer vision, machine learning, and edge computing capabilities for industrial automation and operational excellence, including all associated modules, components, APIs, user interfaces, analytics dashboards, monitoring systems, and control interfaces.

(g) "Technical Documentation" means all documentation, specifications, designs, flowcharts, technical materials, user manuals, installation guides, configuration instructions, maintenance procedures, troubleshooting guides, security protocols, and integration specifications relating to the Technology.

(h) "Edge Computing Infrastructure" means all hardware devices, sensors, processors, and related components deployed at operational endpoints for local data processing and real-time analysis.

(i) "Model Training Data" means any data sets, annotations, labels, or other information used to train, validate, or test artificial intelligence models within the Technology.

(j) "System Integration Components" means all software modules, APIs, protocols, and interfaces designed to enable integration with third-party systems, databases, or platforms.

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) The word "including" means "including without limitation."
- (e) References to any party include its successors and permitted assigns.
- (f) Time periods stated in days refer to calendar days unless explicitly specified as business days.
- (g) Technical terms shall be interpreted according to their generally accepted meaning within the artificial intelligence and industrial automation industries.
- (h) References to laws, regulations, or standards include all amendments, modifications, and replacements as of the effective date.
- (i) Any reference to "written" or "in writing" includes electronic communications that provide durable records.
- (j) Mathematical and scientific symbols shall be interpreted according to their standard technical meanings.
- (k) References to currency are in United States dollars unless explicitly stated otherwise.
- (l) The terms "hereof," "herein," "hereby," and similar terms refer to this Agreement as a whole.

2.3 Order of 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 this Agreement
- (b) Any attached schedules or exhibits
- (c) The Technical Documentation
- (d) Any referenced external documents or standards

3.0 INTELLECTUAL PROPERTY OWNERSHIP

3.1 Pre-existing Intellectual Property

- (a) Company owns all right, title, and interest in and to all Intellectual Property Rights in the Technology existing as of the Effective Date, including: (i) All Artificial Intelligence Components, including but not limited to machine learning algorithms, neural network architectures, training methodologies, model parameters, and inference engines (ii) The NexusCore™ Platform and all associated subsystems, modules, interfaces, and operational components (iii) All Industrial Process Optimization Solutions, including optimization algorithms, process models, and control systems (iv) All associated Technical Documentation, including design specifications, architecture documents, user manuals, and implementation guides
- (b) Nothing in this Agreement shall be construed to transfer or assign any pre-existing Intellectual Property Rights to any third party. This includes: (i) Patent rights, whether

registered or unregistered (ii) Trade secrets and confidential information (iii) Copyrights in software code, documentation, and creative works (iv) Trademark rights in product names, logos, and brand identifiers

3.2 Newly Developed Intellectual Property

(a) Company shall own all right, title, and interest in and to all Intellectual Property Rights in any Derivative Works or improvements to the Technology developed after the Effective Date, whether developed by Company employees, contractors, or third parties, including: (i) Enhancements to existing algorithms and models (ii) New features and functionality (iii) Performance optimizations and technical improvements (iv) Integration components and interfaces (v) Custom implementations for specific use cases

(b) All employees and contractors shall be required to: (i) Execute appropriate intellectual property assignment agreements prior to commencing work (ii) Promptly disclose any innovations or improvements through established reporting channels (iii) Cooperate in protecting Company's Intellectual Property Rights, including patent applications (iv) Maintain detailed documentation of all development activities (v) Participate in intellectual property audits as requested

3.3 Third-Party Components

(a) Company shall maintain detailed records of all third-party software components incorporated into the Technology, including: (i) Open source software, including version numbers and license types (ii) Licensed commercial components and associated license terms (iii) Third-party APIs and integrations, including service level agreements (iv) Development tools and frameworks (v) Runtime dependencies and libraries

(b) Company shall comply with all applicable license terms and attribution requirements for third-party components, including: (i) Maintaining current licenses and subscriptions (ii) Displaying required notices and attributions (iii) Adhering to usage limitations and restrictions (iv) Conducting regular compliance audits (v) Maintaining documentation of compliance measures

3.4 Open Source Compliance

(a) Company shall maintain an open source compliance program that includes: (i) Review and approval processes for open source usage (ii) License compliance monitoring and enforcement (iii) Risk assessment procedures for new components (iv) Documentation of all open source components (v) Regular audits of open source usage

(b) The open source compliance program shall specifically address: (i) License compatibility analysis (ii) Code mixing and linking considerations (iii) Attribution and notice requirements (iv) Source code availability obligations (v) Export compliance requirements

3.5 Intellectual Property Protection

(a) Company shall implement appropriate measures to protect its Intellectual Property Rights, including: (i) Regular patent portfolio reviews and filings (ii) Trade secret protection protocols (iii) Copyright registrations where appropriate (iv) Trademark monitoring and enforcement (v) Confidentiality agreements with all parties

(b) Protection measures shall include: (i) Access controls and security protocols (ii) Regular security audits and assessments (iii) Employee training on IP protection (iv) Incident response procedures (v) Documentation of protection measures

3.6 License Grants and Restrictions

(a) Any licenses granted to third parties shall be: (i) Limited in scope and duration (ii) Non-exclusive unless explicitly stated (iii) Non-transferable without Company approval (iv) Subject to appropriate restrictions (v) Properly documented and tracked

(b) License restrictions shall include: (i) Prohibition on reverse engineering (ii) Limitations on modification and distribution (iii) Confidentiality requirements (iv) Usage limitations and boundaries (v) Termination conditions

3.7 Intellectual Property Audits

(a) Company shall conduct regular intellectual property audits to: (i) Verify compliance with this Agreement (ii) Identify potential infringement risks (iii) Ensure proper documentation (iv) Maintain accurate IP inventories (v) Assess protection measures

(b) Audit findings shall be: (i) Documented in formal reports (ii) Reviewed by appropriate personnel (iii) Used to update protection measures (iv) Maintained in secure records (v) Addressed through corrective actions

4.0 IP PROTECTION AND ENFORCEMENT

4.1 Trade Secret Protection

(a) Company shall implement reasonable measures to maintain the confidentiality of trade secrets, including: (i) Access controls and security protocols (ii) Confidentiality agreements (iii) Employee training programs (iv) Information classification systems

(b) Company shall establish and maintain a comprehensive trade secret protection program that includes: (i) Physical security measures, including restricted access areas and visitor protocols (ii) Digital security infrastructure with encryption, multi-factor authentication, and access logging (iii) Regular security audits and vulnerability assessments (iv) Document marking and handling procedures (v) Employee exit protocols and return of confidential materials

(c) Company shall maintain detailed records of: (i) All individuals with access to trade secrets (ii) Signed confidentiality agreements (iii) Security breach incidents and responses (iv) Trade secret inventory and classification levels

4.2 Patent Rights

- (a) Company shall actively pursue patent protection for patentable aspects of the Technology, including: (i) Novel artificial intelligence algorithms (ii) Industrial process optimization methods (iii) Computer vision innovations (iv) Edge computing architectures
- (b) Company shall implement a patent management system that includes: (i) Regular invention disclosure reviews (ii) Patent landscape analysis (iii) Strategic filing decisions (iv) Maintenance fee schedules (v) License tracking and royalty management
- (c) Company shall maintain a patent committee responsible for: (i) Evaluating invention disclosures (ii) Prioritizing patent applications (iii) Reviewing prosecution strategies (iv) Monitoring competitor patent activity

4.3 Copyright Protection

- (a) Company shall affix appropriate copyright notices to all copyrightable materials.
- (b) Company shall register copyrights for key software components and documentation.
- (c) Company shall implement software protection measures including: (i) Source code escrow arrangements (ii) Code signing and authentication (iii) Anti-tampering mechanisms (iv) License management systems
- (d) Company shall maintain records of: (i) Copyright registrations and renewals (ii) Software version control (iii) Third-party software licenses (iv) Open source compliance documentation

4.4 Trademark Usage

- (a) Company shall maintain and enforce trademark usage guidelines for all marks, including "NexusCore™."
- (b) All trademark usage shall include appropriate designation symbols (™, ®).
- (c) Company shall implement a trademark management program including: (i) Regular trademark searches and monitoring (ii) Registration renewal tracking (iii) Usage guidelines enforcement (iv) Quality control procedures (v) License agreement management
- (d) Company shall maintain documentation of: (i) Trademark registrations and renewals (ii) Authorized licensees (iii) Quality control inspections (iv) Marketing material approvals

4.5 Infringement Procedures

- (a) Company shall monitor for potential infringement of its Intellectual Property Rights.
- (b) Company shall promptly investigate and respond to suspected infringement.
- (c) Company may pursue all available legal remedies against infringers.
- (d) Company shall establish an infringement response protocol including: (i) Initial investigation procedures (ii) Evidence preservation requirements (iii) Cease and desist letter templates (iv) Litigation preparation guidelines (v) Settlement evaluation criteria

(e) Company shall maintain records of: (i) Suspected infringement incidents (ii) Investigation findings (iii) Enforcement actions taken (iv) Settlement agreements (v) Litigation outcomes

4.6 Cybersecurity Requirements

(a) Company shall implement comprehensive cybersecurity measures to protect IP assets: (i) Network security protocols (ii) Data encryption standards (iii) Access control systems (iv) Incident response procedures (v) Regular security testing

(b) Company shall conduct regular cybersecurity training for all employees.

(c) Company shall maintain incident response plans for: (i) Data breaches (ii) Unauthorized access (iii) System compromises (iv) Social engineering attacks

4.7 Third-Party Relationships

(a) Company shall require appropriate IP protection measures in all third-party agreements: (i) Confidentiality provisions (ii) IP ownership clauses (iii) Usage restrictions (iv) Return of materials provisions

(b) Company shall maintain oversight of third-party compliance through: (i) Regular audits (ii) Performance reviews (iii) Security assessments (iv) Compliance reporting

5.0 MISCELLANEOUS PROVISIONS

5.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of law principles. The parties hereby consent to the exclusive jurisdiction of the state and federal courts located in Delaware for resolution of any disputes arising under or relating to this Agreement. Each party waives any objection based on forum non conveniens and waives any objection to venue of any action instituted hereunder.

5.2 Assignment. This Agreement may not be assigned without Company's prior written consent. Any attempted assignment in violation of this provision shall be null and void. Notwithstanding the foregoing, Company may assign this Agreement to any successor in interest, whether by merger, acquisition, or sale of substantially all assets, without obtaining consent. Upon any permitted assignment, the assignee shall assume all obligations and liabilities hereunder.

5.3 Severability. If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall remain in full force and effect. The parties agree to negotiate in good faith to replace any invalid or unenforceable provision with a valid and enforceable provision that most closely approximates the intent and economic effect of the invalid provision.

5.4 Amendment. This Agreement may be amended only by a written instrument executed by Company. All amendments must specifically reference this Agreement and be signed by an authorized representative of Company. No oral modifications shall be binding or effective.

5.5 Notices. All notices shall be in writing and delivered to Company's principal office address. Notices must be delivered by: (a) certified mail, return receipt requested; (b) nationally recognized overnight courier service; (c) hand delivery with written confirmation; or (d) electronic mail with confirmation of receipt. Notices shall be effective upon receipt or refusal of delivery. Each party may change its notice address by written notice to the other party.

5.6 Entire Agreement. This Agreement constitutes the entire agreement regarding the subject matter hereof and supersedes all prior or contemporaneous agreements, proposals, understandings, representations, and communications, whether oral or written. No terms in any purchase order, acknowledgment, or other business form shall modify this Agreement.

5.7 Waiver. No waiver of any breach of this Agreement shall constitute a waiver of any other breach of the same or other provision. No waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

5.8 Force Majeure. Neither party shall be liable for any failure or delay in performance due to circumstances beyond its reasonable control, including acts of God, war, terrorism, pandemic, natural disasters, or governmental actions. The affected party shall promptly notify the other party and resume performance as soon as practicable.

5.9 Interpretation. This Agreement shall be construed without regard to any presumption or rule requiring construction against the drafting party. The section headings are for convenience only and shall not affect interpretation.

5.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed original signatures.

IN WITNESS WHEREOF, Company has caused this Agreement to be executed as of the Effective Date.

[Remainder of section unchanged]