

GENERATIVE AI MODEL LICENSING AGREEMENT

PARTIES

This Generative AI Model Licensing Agreement (the "Agreement") is entered into as of January 22, 2024 (the "Effective Date") by and between:

NEXUS INTELLIGENT SYSTEMS, INC., a Delaware corporation with principal offices at 1200 Technology Park Drive, San Jose, California 95134 ("Licensor")

AND

[LICENSEE NAME], a [STATE] corporation with principal offices at [ADDRESS] ("Licensee")

RECITALS

WHEREAS, Licensor has developed proprietary generative AI models with advanced predictive maintenance and diagnostic capabilities (the "Licensed Technology");

WHEREAS, Licensee desires to obtain a limited license to utilize the Licensed Technology for specific enterprise applications;

WHEREAS, the parties wish to establish the terms and conditions governing the use of such Licensed Technology;

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 Licensor's proprietary generative AI models, including source code, algorithms, training datasets, and associated documentation, specifically designed for predictive maintenance and industrial diagnostic applications.

2 "Permitted Purpose" shall mean the utilization of Licensed Technology solely for internal enterprise diagnostic and predictive maintenance workflows within Licensee's industrial operations.

3 "Confidential Information" shall include all technical, financial, and operational information disclosed by Licensor, whether in written, electronic, or oral form.

2. LICENSE GRANT

1 Limited License. Subject to the terms and conditions of this Agreement, Licensor hereby grants Licensee a non-exclusive, non-transferable license to use the Licensed Technology.

2 Scope of Use. Licensee may:

- a) Install and implement Licensed Technology within its enterprise infrastructure
- b) Modify Licensed Technology for internal compatibility purposes
- c) Create derivative works limited to specific industrial use cases

3 Restrictions. Licensee shall not:

- a) Reverse engineer or decompile Licensed Technology
- b) Sublicense or transfer Licensed Technology to third parties
- c) Use Licensed Technology for competitive analysis or product development

3. INTELLECTUAL PROPERTY RIGHTS

1 Ownership. All intellectual property rights in Licensed Technology shall remain exclusively with Licensor.

2 Improvements. Any modifications or derivative works created by Licensee shall be assigned to Licensor, with Licensee receiving a perpetual, royalty-free license to such improvements.

4. FEES AND PAYMENT

1 License Fee. Licensee shall pay Licensor an initial licensing fee of \$250,000, payable within 30 days of the Effective Date.

2 Annual Maintenance Fee. An annual maintenance and support fee of \$75,000 shall be paid by Licensee, subject to annual adjustment based on Consumer Price Index.

5. CONFIDENTIALITY

1 Confidentiality Obligations. Each party shall maintain strict confidentiality regarding the other party's Confidential Information, using no less than reasonable commercial standards of protection.

2 Exclusions. Confidentiality obligations shall not apply to information:

- a) Already publicly available

- b) Independently developed without use of Confidential Information
- c) Received from a third party without breach of confidentiality

6. WARRANTY AND DISCLAIMER

1 Limited Warranty. Licensor warrants that Licensed Technology will perform substantially in accordance with its documentation for a period of 12 months from delivery.

2 Disclaimer. EXCEPT AS EXPLICITLY STATED HEREIN, LICENSED TECHNOLOGY IS PROVIDED "AS IS" WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES.

7. LIMITATION OF LIABILITY

1 Maximum Liability. Neither party's aggregate liability shall exceed the total fees paid under this Agreement.

2 Consequential Damages. Neither party shall be liable for indirect, special, or consequential damages.

8. TERM AND TERMINATION

1 Initial Term. This Agreement shall remain in effect for an initial period of 36 months from the Effective Date.

2 Termination. Either party may terminate this Agreement upon material breach, providing 30 days written notice and opportunity to cure.

9. MISCELLANEOUS

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

2 Dispute Resolution. Any disputes shall be resolved through binding arbitration in Santa Clara County, California.

3 Entire Agreement. This document constitutes the complete understanding between the parties.

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

NEXUS INTELLIGENT SYSTEMS, INC.

By:

Name: Dr. Elena Rodriguez

Title: Chief Executive Officer

[LICENSEE NAME]

By:

Name: [Authorized Signatory]

Title: [Title]