

# **PREDICTIVE MODELING FRAMEWORK LICENSE AGREEMENT**

## **PARTIES**

This Predictive Modeling Framework License 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 a proprietary predictive modeling framework utilizing advanced machine learning algorithms for industrial diagnostic and maintenance prediction (the "Licensed Technology");

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

WHEREAS, Licensor 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 Licensor's proprietary predictive maintenance algorithm suite, including source code, documentation, and associated machine learning models, as more particularly described in Exhibit A.

2 "Confidential Information" shall mean all technical, financial, and operational information disclosed by Licensor, whether in written, electronic, or other tangible form.

3 "Permitted Purpose" shall mean the internal use of Licensed Technology for predictive maintenance and diagnostic analysis within Licensee's industrial operations.

## **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 solely for the Permitted Purpose.

2 Restrictions. Licensee shall not:

- a) Reverse engineer or attempt to derive source code from the Licensed Technology
- b) Sublicense, sell, or distribute the Licensed Technology
- c) Use the Licensed Technology for competitive analysis or development
- d) Remove or alter any copyright, trademark, or proprietary notices

## **3. INTELLECTUAL PROPERTY RIGHTS**

1 Ownership. All right, title, and interest in the Licensed Technology, including all patents, copyrights, and trade secrets, shall remain exclusively with Licensor.

2 Improvements. Any modifications or derivative works created by Licensee shall be owned by Licensor, with all associated intellectual property rights transferred automatically upon creation.

## **4. FEES AND PAYMENT**

1 License Fee. Licensee shall pay Licensor an initial license 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, due on the anniversary of the Effective Date.

3 Usage-Based Royalties. Licensee shall pay additional royalties of 3% of incremental cost savings achieved through implementation of the Licensed Technology, calculated and reported annually.

## **5. CONFIDENTIALITY**

1 Confidentiality Obligations. Licensee shall maintain the strictest confidentiality with respect to the Licensed Technology, using at least the same degree of care used to protect its own confidential information.

2 Permitted Disclosure. Disclosure may only occur to employees and contractors with a legitimate

need to know, subject to confidentiality agreements at least as restrictive as those contained herein.

## **6. WARRANTY AND DISCLAIMER**

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

2 Disclaimer. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE LICENSED TECHNOLOGY IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND.

## **7. LIMITATION OF LIABILITY**

1 Consequential Damages. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES.

2 Maximum Liability. The total liability of Licensor shall not exceed the total fees paid by Licensee under this Agreement.

## **8. TERM AND TERMINATION**

1 Initial Term. This Agreement shall remain in effect for an initial period of three (3) years from the Effective Date.

2 Termination. Licensor may terminate this Agreement immediately upon written notice for material breach not cured within 30 days.

## **9. MISCELLANEOUS**

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

2 Entire Agreement. This document constitutes the entire agreement 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]