

EMPLOYMENT AND COMPENSATION AGREEMENT

THIS EMPLOYMENT AND COMPENSATION 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 (the "Company"), and DR. ALEXANDER PATEL, an individual residing at 127 Technology Lane, Cambridge, Massachusetts 02142 (the "Executive").

1.0 PREAMBLE AND RECITALS

WHEREAS, the Company is a leading provider of artificial intelligence and machine learning solutions for industrial process optimization, including its proprietary NexusCore™ Industrial AI Platform, with established operations across multiple jurisdictions and a demonstrated track record of technological innovation in the field of industrial automation;

WHEREAS, the Company desires to employ the Executive as Chief Machine Learning Officer, and the Executive desires to accept such employment with the Company, subject to the terms and conditions set forth herein;

WHEREAS, the Executive possesses unique skills, knowledge, and experience in the field of machine learning algorithms and industrial process optimization, including but not limited to deep learning architectures, neural network design, and predictive modeling systems;

WHEREAS, the Executive has demonstrated exceptional expertise in implementing artificial intelligence solutions in industrial settings, having previously led successful deployments of machine learning systems across various manufacturing environments;

WHEREAS, the Company acknowledges that the Executive's specialized expertise is essential to its continued growth and competitive position in the artificial intelligence and machine learning marketplace;

WHEREAS, this Agreement is made and entered into as of [DATE] (the "Effective Date"), under and pursuant to the laws of the State of Delaware;

WHEREAS, the parties desire to enter into this Agreement to define their respective rights and obligations with respect to the Executive's employment, including compensation, confidentiality, intellectual property rights, and other material terms;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

2.0 DEFINITIONS

2.1 "Affiliate" means any person or entity controlling, controlled by, or under common control with the Company, where "control" refers to: (a) Ownership of more than 50% of voting shares or interests; (b) Authority to direct management decisions; (c) Power to appoint or remove directors or equivalent positions.

2.2 "Confidential Information" means all non-public information, whether in oral, written, or electronic form, relating to: (a) The Company's proprietary algorithms, machine learning models, and artificial intelligence systems; (b) The NexusCore™ platform architecture, codebase, and technical specifications; (c) Customer data, usage patterns, and implementation requirements; (d) Research and development activities, including experimental results and methodologies; (e) Business strategies, pricing models, and financial information; (f) Training datasets, data preprocessing methods, and feature engineering techniques; (g) Neural network architectures, hyperparameter configurations, and optimization strategies; (h) System performance metrics, benchmarking results, and validation methodologies; (i) Any other information designated as confidential by the Company.

2.3 "Intellectual Property" means all: (a) Patents, patent applications, and patent rights; (b) Machine learning models, algorithms, and training methodologies; (c) Software, source code, and documentation; (d) Trade secrets and know-how; (e) Copyrights and copyrightable works; (f) Trademarks, service marks, and brand identifiers; (g) Data preprocessing pipelines and feature extraction methods; (h) Model deployment frameworks and inference optimization techniques; (i) Custom loss functions and optimization algorithms; (j) System architecture designs and integration protocols.

2.4 "Company Products" means the NexusCore™ Industrial AI Platform and all associated modules, including: (a) Predictive maintenance systems; (b) Quality inspection algorithms; (c) Process optimization tools; (d) Edge computing implementations; (e) Related services and deliverables; (f) Custom deployment configurations; (g) API interfaces and integration components.

2.5 "Technical Documentation" means all: (a) System architecture specifications; (b) API documentation and integration guides; (c) Model training procedures and protocols; (d) Deployment guidelines and best practices; (e) Performance optimization recommendations; (f) Troubleshooting and maintenance manuals.

2.6 "Implementation Services" means: (a) Model customization and fine-tuning; (b) System integration support; (c) Technical consulting services; (d) Training and knowledge transfer; (e) Deployment assistance and optimization; (f) Ongoing maintenance and updates.

2.7 "Performance Metrics" means quantifiable measurements including: (a) Model accuracy and precision rates; (b) System response times and latency; (c) Resource utilization efficiency;

(d) Prediction confidence scores; (e) False positive and negative rates; (f) Overall system reliability indicators.

2.8 "Authorized Users" means individuals who: (a) Have been granted access credentials; (b) Have completed required training; (c) Are bound by confidentiality obligations; (d) Comply with usage policies and procedures.

3.0 EMPLOYMENT TERMS AND DUTIES

3.1 Position and Reporting (a) The Company hereby employs the Executive as Chief Machine Learning Officer. (b) The Executive shall report directly to the Chief Executive Officer. (c) This is a full-time, exempt position located at the Company's headquarters. (d) The Executive shall serve as a member of the Company's senior leadership team and participate in executive-level decision-making processes. (e) The Executive shall have direct supervisory authority over the machine learning, data science, and artificial intelligence research departments. (f) Any material changes to reporting structure must be mutually agreed upon in writing.

3.2 Key Responsibilities (a) Lead the development and enhancement of core machine learning algorithms; (b) Direct the Company's artificial intelligence research initiatives; (c) Oversee the technical architecture of the NexusCore™ platform; (d) Manage the machine learning and data science teams; (e) Collaborate with customers on advanced implementations; (f) Contribute to the Company's intellectual property portfolio; (g) Establish and maintain technical standards and best practices for all AI/ML initiatives; (h) Develop and execute strategic plans for scaling AI capabilities; (i) Ensure compliance with applicable AI regulations and ethical guidelines; (j) Represent the Company at industry conferences and technical forums; (k) Foster relationships with academic institutions and research partners; (l) Guide the selection and implementation of machine learning tools and infrastructure; (m) Oversee the technical due diligence for AI-related acquisitions or partnerships.

3.3 Work Location and Schedule (a) Primary workplace shall be the Company's headquarters; (b) Remote work permitted up to two days per week; (c) Travel required up to 25% of time for customer and conference visits; (d) Flexible hours with core collaboration time 10:00 AM - 4:00 PM EST; (e) Remote work arrangements subject to the following conditions: (i) Maintenance of secure and reliable internet connection; (ii) Availability during core business hours; (iii) Physical presence for critical meetings and events; (iv) Compliance with Company's remote work security protocols; (f) Travel responsibilities shall include: (i) Customer site visits for strategic implementations; (ii) Industry conference presentations; (iii) Research partner collaborations; (iv) Team off-sites and training sessions.

3.4 Performance Expectations (a) Meet quarterly objectives as established by the CEO; (b) Maintain research and development roadmap; (c) Achieve specified algorithm performance metrics; (d) Publish technical papers and secure patents; (e) Contribute to product strategy and vision; (f) Performance will be evaluated based on: (i) Achievement of quantifiable technical

milestones; (ii) Team development and retention metrics; (iii) Customer satisfaction scores; (iv) Research output and innovation metrics; (v) Revenue impact of AI/ML initiatives.

3.5 Additional Terms and Conditions (a) The Executive shall devote full business time and attention to the Company; (b) Any external advisory roles or board positions require prior written approval; (c) The Executive shall maintain all necessary certifications and credentials; (d) Compliance with all Company policies, including: (i) Code of Conduct; (ii) Intellectual Property Protection; (iii) Data Privacy and Security; (iv) Ethical AI Development Guidelines; (e) Regular reporting requirements: (i) Monthly progress reports to CEO; (ii) Quarterly presentations to Board of Directors; (iii) Annual strategic planning documentation; (f) Participation in Company leadership development programs; (g) Mentorship of junior technical staff; (h) Maintenance of professional network and industry relationships; (i) Regular review and updating of team structure and resources; (j) Development of succession planning for key technical roles.

3.6 Modification of Duties (a) The Company reserves the right to modify job duties and responsibilities; (b) Material changes shall be discussed with Executive in advance; (c) Changes will be documented through written amendments; (d) Executive may propose modifications to better achieve Company objectives; (e) Annual review of position scope and responsibilities.

4.0 COMPENSATION AND BENEFITS

4.1 Base Salary (a) Annual base salary of \$375,000, paid bi-weekly in accordance with the Company's standard payroll schedule; (b) Annual review with potential increases based on performance, market conditions, and Company financial performance; (c) Subject to standard payroll deductions and withholdings as required by applicable federal, state, and local laws; (d) Salary adjustments shall be determined by the Board of Directors or its designated Compensation Committee; (e) Retroactive adjustments may be applied at the Company's discretion for exceptional performance; (f) Additional compensation reviews may be conducted off-cycle in response to significant changes in responsibilities or market conditions.

4.2 Equity Compensation (a) Initial grant of 200,000 restricted stock units (RSUs), subject to Board approval; (b) Four-year vesting schedule with one-year cliff, commencing on the Grant Date; (c) Quarterly vesting thereafter at a rate of 12.5% per year; (d) Accelerated vesting upon change in control, as defined in the Company's Equity Incentive Plan; (e) Subject to standard equity agreement terms and conditions; (f) Additional equity grants may be awarded annually based on performance and market competitiveness; (g) All equity grants subject to the terms and conditions of the Company's then-current equity plan; (h) Tax implications of equity compensation to be borne by the Employee; (i) Employee shall have the right to participate in any Employee Stock Purchase Plan (ESPP) implemented by the Company.

4.3 Performance Bonus (a) Annual target bonus of 50% of base salary, with potential for overachievement up to 200% of target; (b) Based on company and individual performance metrics as follows: (i) Company financial performance (40% weighting) (ii) Product development milestones (20% weighting) (iii) Customer satisfaction metrics (20% weighting) (iv) Individual objectives (20% weighting) (c) Payable annually following board approval, typically within 60 days of fiscal year end; (d) Must be employed at time of payment to receive bonus; (e) Pro-rated bonus eligibility for partial year service; (f) Performance metrics to be established within first 30 days of fiscal year; (g) Quarterly progress reviews against established metrics; (h) Company reserves right to modify bonus structure with 30 days notice.

4.4 Benefits Package (a) Health, dental, and vision insurance: (i) Premium coverage at 90% for employee and 75% for dependents (ii) Coverage effective first day of employment (iii) Annual open enrollment period (iv) Qualifying life events permit mid-year changes (b) Life and disability insurance: (i) Company-paid basic life insurance at 2x annual salary (ii) Optional supplemental life insurance available (iii) Short-term disability coverage at 66.67% of salary (iv) Long-term disability coverage at 60% of salary (c) 401(k) retirement plan: (i) 4% company match on employee contributions (ii) Immediate vesting of employee contributions (iii) Company match vests over three years (iv) Multiple investment options available (v) Annual contribution limits per IRS guidelines (d) Twenty days paid vacation annually: (i) Accrual rate of 1.67 days per month (ii) Maximum accrual cap of 30 days (iii) Carryover of up to 10 days annually (iv) Cash-out option for up to 5 days annually (e) Professional development allowance: (i) Annual budget of \$5,000 (ii) Eligible expenses include conferences, training, certifications (iii) Unused allowance does not carry forward (iv) Subject to manager approval (f) Additional benefits: (i) Standard company holidays per annual calendar (ii) Five days paid sick leave annually (iii) Flexible spending accounts (FSA/HSA) (iv) Employee assistance program (v) Commuter benefits program (vi) Wellness program participation (vii) Mobile phone allowance (viii) Home office setup allowance

4.5 Benefit Administration (a) All benefits subject to the terms and conditions of the applicable plan documents; (b) Company reserves the right to modify, amend, or terminate any benefit program; (c) Changes to benefit programs require 30 days advance notice where practicable; (d) Employee responsible for timely enrollment and election of benefits; (e) COBRA continuation coverage available upon termination; (f) Benefits subject to applicable waiting periods and eligibility requirements; (g) Coordination of benefits required for dual coverage situations; (h) Annual benefits guide provided during open enrollment period.

4.6 Reimbursement and Expenses (a) Business expenses reimbursed according to Company policy; (b) Monthly expense reports required within 30 days; (c) Receipts required for all expenses over \$25; (d) Travel expenses subject to Company travel policy; (e) Relocation expenses as applicable per separate agreement; (f) Professional membership dues covered as approved; (g) Required continuing education expenses covered.

5.0 INTELLECTUAL PROPERTY AND CONFIDENTIALITY

5.1 Assignment of Inventions (a) Executive hereby irrevocably assigns, transfers, and conveys to Company all right, title, and interest in and to any and all Intellectual Property conceived, developed, reduced to practice, or otherwise created, whether solely or jointly with others, during the term of Executive's employment; (b) "Intellectual Property" encompasses, without limitation, all inventions, discoveries, improvements, innovations, technical information, systems, software designs, databases, works of authorship, trade secrets, know-how, ideas (whether or not patentable), methodologies, processes, protocols, and all other intellectual assets; (c) This assignment applies to work performed during business hours, outside business hours, on Company premises, at remote locations, or using Company resources or information; (d) Executive shall promptly disclose all Intellectual Property to Company in writing; (e) Executive will execute all necessary documentation and provide assistance, during and after employment, to secure and perfect Company's ownership rights.

5.2 AI/ML Algorithm Ownership (a) All artificial intelligence and machine learning algorithms, models, frameworks, and systems developed or modified by Executive are Company's exclusive property; (b) Ownership extends to: (i) Training data, datasets, and data preprocessing methodologies; (ii) Model architectures, parameters, and hyperparameters; (iii) Feature engineering techniques and selection criteria; (iv) Optimization algorithms and performance metrics; (c) Improvements to existing systems, including incremental enhancements, optimizations, and adaptations; (d) All derivative works, modifications, and implementations of algorithms; (e) Documentation, source code, and technical specifications related to AI/ML development.

5.3 Trade Secret Protection (a) Executive shall maintain strict confidentiality of Company's trade secrets, including but not limited to: (i) Technical specifications and architectural designs; (ii) Research and development initiatives; (iii) Customer lists and preferences; (iv) Financial projections and business strategies; (b) Implementation of reasonable security measures including: (i) Password protection and encryption of sensitive data; (ii) Secure storage of physical documents; (iii) Limited access protocols; (iv) Regular security audits and updates; (c) Immediate reporting of suspected or actual breaches, including: (i) Unauthorized access attempts; (ii) Data loss or theft; (iii) System vulnerabilities; (d) Upon termination, Executive shall: (i) Return all physical materials and documents; (ii) Delete electronic copies from personal devices; (iii) Certify compliance in writing.

5.4 Non-Disclosure Obligations (a) Executive shall not disclose, use, or permit access to Confidential Information without prior written authorization, where "Confidential Information" includes: (i) Technical information: software code, algorithms, system architecture; (ii) Business information: strategies, plans, financial data; (iii) Customer information: identities, preferences, agreements; (iv) Employee information: compensation, skills, performance; (b) Internal distribution of Confidential Information shall be: (i) Limited to employees with

legitimate need-to-know; (ii) Tracked and documented appropriately; (iii) Subject to internal security protocols; (c) Third party disclosure requires: (i) Written approval from authorized Company representative; (ii) Execution of appropriate non-disclosure agreements; (iii) Implementation of security measures; (d) Non-disclosure obligations: (i) Survive termination indefinitely; (ii) Apply to all forms of communication; (iii) Include prevention of indirect disclosure.

5.5 Exceptions and Limitations (a) Nothing in this Agreement shall prevent Executive from: (i) Reporting violations of law to appropriate authorities; (ii) Responding to valid court orders or legal processes; (iii) Using general knowledge and experience gained during employment; (b) Executive may disclose Confidential Information if: (i) Required by law, regulation, or court order; (ii) Company provides prior written authorization; (iii) Information becomes publicly available through no fault of Executive.

5.6 Remedies (a) Executive acknowledges that: (i) Breach of these provisions may cause irreparable harm; (ii) Monetary damages alone may be inadequate; (iii) Company entitled to injunctive relief; (b) Company reserves right to: (i) Pursue all available legal remedies; (ii) Recover damages and legal costs; (iii) Seek specific performance of obligations.