

INTELLECTUAL PROPERTY RIGHTS AND PROTECTION AGREEMENT

THIS INTELLECTUAL PROPERTY RIGHTS 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, Wilmington, Delaware 19801 ("Company").

1.0 RECITALS

WHEREAS, the Company has developed proprietary artificial intelligence and machine learning technologies, including computer vision systems, predictive analytics algorithms, and industrial process optimization solutions (collectively, the "Technology");

WHEREAS, the Company desires to establish and document the ownership, protection, and maintenance procedures for its intellectual property rights relating to the Technology;

WHEREAS, the Company's intellectual property portfolio includes the NexusCore™ Industrial AI Platform and associated proprietary technologies; and

WHEREAS, the Company seeks to implement comprehensive measures to protect its intellectual property rights and maintain its competitive advantage in the industrial technology sector.

NOW, THEREFORE, the Company hereby establishes the following terms and conditions regarding 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) "AI Technology Stack" means the Company's proprietary artificial intelligence and machine learning architecture, including all algorithms, models, neural networks, and associated computational frameworks, together with all improvements, modifications, updates, and derivative works thereof, whether existing now or developed in the future.

(b) "Intellectual Property Rights" means all patents, patent applications, copyrights, trade secrets, trademarks, service marks, trade names, domain names, mask works, know-how, and

other intellectual property or proprietary rights, including all rights in and to: (i) inventions, discoveries, improvements, ideas, methods, processes, and techniques; (ii) databases, data compilations, and collections of data; (iii) works of authorship and expression, including computer software and documentation; (iv) trade secrets and confidential business information; and (v) all similar or equivalent rights throughout the world.

(c) "Machine Learning Models" means the Company's trained algorithmic models, including but not limited to computer vision systems, predictive maintenance algorithms, process optimization models, neural network architectures, deep learning systems, reinforcement learning algorithms, and any associated training data, parameters, weights, and hyperparameters used in the development or operation thereof.

(d) "NexusCore™ Platform" means the Company's flagship software platform that enables industrial process optimization through artificial intelligence, including all modules, components, and associated documentation, comprising: (i) the core processing engine; (ii) user interface components; (iii) data ingestion and preprocessing modules; (iv) analytics and reporting tools; (v) API interfaces and integration frameworks; and (vi) all related software libraries, tools, and utilities.

(e) "Proprietary Information" means all non-public information relating to the Technology, including source code, training data, model architectures, technical specifications, research and development information, engineering designs, manufacturing processes, product plans, business strategies, customer data, financial information, and any other confidential or proprietary information of the Company.

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 term "including" means "including without limitation" (e) References to any gender include all genders (f) References to "written" or "in writing" include email and other electronic communications (g) The words "hereof," "herein," and "hereunder" refer to this Agreement as a whole (h) Time periods shall be calculated in calendar days, unless otherwise specified (i) Any obligation not to do something includes an obligation not to permit or suffer that thing to be done (j) References to laws include all amendments, modifications, and replacements thereof (k) Technical terms shall be interpreted in accordance with their generally accepted meaning within the artificial intelligence and machine learning industry (l) Ambiguities shall not be interpreted against the drafting party

3.0 INTELLECTUAL PROPERTY OWNERSHIP

3.1 Ownership Declaration. The Company hereby declares and affirms its exclusive ownership of:

(a) All Intellectual Property Rights in the Technology, including: (i) The NexusCore™ Platform and all constituent components (ii) All Machine Learning Models and associated training data (iii) The AI Technology Stack and related innovations (iv) All proprietary algorithms and computational methods (v) Any derivative systems, methodologies, or implementations (vi) All associated documentation, specifications, and technical materials

3.2 Pre-existing Intellectual Property. The Company maintains exclusive ownership of all pre-existing intellectual property developed prior to the Effective Date, including:

(a) Core artificial intelligence and machine learning technologies, encompassing: (i) Neural network architectures and implementations (ii) Deep learning frameworks and methodologies (iii) Training pipelines and optimization techniques (iv) Model validation and verification systems

(b) Computer vision systems and algorithms, including: (i) Image recognition and classification systems (ii) Object detection and tracking mechanisms (iii) Visual data processing frameworks (iv) Spatial analysis algorithms

(c) Industrial process optimization methodologies, comprising: (i) Workflow automation systems (ii) Resource allocation algorithms (iii) Performance optimization frameworks (iv) Quality control mechanisms

(d) Software architectures and implementations, including: (i) System design specifications (ii) Code repositories and associated documentation (iii) API definitions and implementations (iv) Database schemas and data structures

3.3 Newly Developed Intellectual Property. All intellectual property developed by the Company's employees, contractors, or agents in connection with the Technology shall be owned exclusively by the Company, including:

(a) Improvements to existing technologies, encompassing: (i) Performance enhancements (ii) Functionality extensions (iii) Security improvements (iv) Optimization refinements

(b) New algorithms and models, including: (i) Novel computational approaches (ii) Enhanced prediction models (iii) Innovative processing methods (iv) Advanced analytical frameworks

(c) Enhanced features and capabilities, comprising: (i) User interface improvements (ii) System integration enhancements (iii) Platform extensions (iv) Additional functionality modules

(d) Derivative works and modifications, including: (i) Adaptations of existing systems (ii) Customized implementations (iii) Modified algorithms (iv) Enhanced methodologies

3.4 Third-Party Technology. The Company acknowledges:

(a) Limited use of open source components as documented in Exhibit A, subject to: (i) Compliance with all applicable open source licenses (ii) Proper attribution and notice

requirements (iii) Code segregation and tracking procedures (iv) Regular audit and compliance reviews

(b) Third-party licenses as enumerated in Exhibit B, including: (i) Commercial software licenses (ii) Development tool licenses (iii) Framework and library licenses (iv) API and service licenses

(c) Compliance with all applicable license terms and conditions, ensuring: (i) Proper usage within specified limitations (ii) Regular compliance monitoring (iii) Documentation of all dependencies (iv) Maintenance of license records

3.5 Intellectual Property Protection. The Company shall maintain appropriate measures to protect its intellectual property, including:

(a) Implementation of security protocols and access controls (b) Regular intellectual property audits and assessments (c) Maintenance of confidentiality agreements (d) Registration of patents, trademarks, and copyrights (e) Monitoring for potential infringement (f) Enforcement of intellectual property rights

3.6 Assignment and Transfer. All employees, contractors, and agents shall:

(a) Execute necessary documentation to assign intellectual property rights to the Company (b) Cooperate in intellectual property protection efforts (c) Maintain confidentiality of proprietary information (d) Assist in intellectual property registration processes

4.0 CONFIDENTIALITY AND TRADE SECRETS

4.1 Trade Secret Designation. The Company designates as trade secrets:

(a) Machine learning model architectures, including neural network topologies, layer configurations, and proprietary algorithmic implementations (b) Training methodologies and datasets, encompassing data preprocessing techniques, feature engineering approaches, and annotated training sets (c) Optimization algorithms, including proprietary hyperparameter tuning methods, convergence techniques, and performance enhancement protocols (d) Customer-specific implementations, including customized model deployments, integration specifications, and client-specific optimizations (e) Performance metrics and benchmarks, including comparative analyses, efficiency measurements, and optimization results

4.2 Protection Measures. The Company shall implement:

(a) Access controls and authentication systems, including: (i) Multi-factor authentication for all system access (ii) Role-based access control (RBAC) frameworks (iii) Biometric verification where applicable (iv) Automated access logging and monitoring (b) Encryption of sensitive data, utilizing: (i) Industry-standard encryption protocols (ii) Secure key management systems (iii) End-to-end encryption for data transmission (c) Secure development environments, incorporating: (i) Isolated development networks (ii) Version control systems with access

restrictions (iii) Secure code repositories (d) Regular security audits, including: (i) Quarterly internal security reviews (ii) Annual third-party security assessments (iii) Penetration testing and vulnerability scanning (e) Employee training programs, comprising: (i) Initial security awareness training (ii) Quarterly security updates (iii) Role-specific security protocols

4.3 Employee Obligations. All employees shall:

(a) Execute confidentiality agreements prior to accessing any proprietary information (b) Comply with security protocols, including: (i) Clean desk policies (ii) Secure communication practices (iii) Device security requirements (c) Report security incidents within: (i) One hour for critical incidents (ii) Four hours for significant incidents (iii) Twenty-four hours for minor incidents (d) Return all materials upon termination, including: (i) Physical documents and storage devices (ii) Access credentials and authentication tokens (iii) Company-issued equipment containing proprietary information

4.4 Third-Party Disclosures. Disclosure of Proprietary Information to third parties shall:

(a) Require written authorization from: (i) Department head or higher (ii) Legal department review (iii) Information security officer approval (b) Be subject to non-disclosure agreements that: (i) Define scope of disclosed information (ii) Specify permitted uses (iii) Include enforcement provisions (c) Be limited to necessary information only, as determined by: (i) Need-to-know basis (ii) Project-specific requirements (iii) Contractual obligations (d) Be tracked and monitored through: (i) Disclosure logging systems (ii) Regular audit reviews (iii) Access monitoring protocols

4.5 Breach Response. In the event of a confidentiality breach:

(a) Immediate containment measures shall be implemented (b) Incident response team shall be activated (c) Legal counsel shall be notified (d) Affected parties shall be informed as required by law (e) Remediation measures shall be documented and executed

4.6 Duration of Obligations. Confidentiality obligations shall:

(a) Commence upon initial access to proprietary information (b) Continue throughout employment or engagement (c) Survive termination for a period of five (5) years (d) Remain perpetual for designated trade secrets

5.0 IP REGISTRATION AND MAINTENANCE

5.1 Patent Protection. The Company shall:

(a) Regularly evaluate innovations for patentability through systematic invention disclosure reviews conducted quarterly (b) File patent applications for eligible technologies, including provisional and non-provisional applications, within prescribed statutory deadlines (c) Maintain and defend existing patents through timely payment of maintenance fees and active monitoring of potential challenges (d) Monitor for potential infringement through market

surveillance and competitor analysis (e) Conduct freedom-to-operate analyses prior to new product launches (f) Maintain detailed records of invention dates, development processes, and inventor contributions

5.2 Trademark Protection. The Company shall:

(a) Register and maintain all trademarks domestically and in key international markets (b) Monitor for unauthorized use through regular marketplace surveillance (c) Enforce trademark rights through appropriate legal channels, including cease-and-desist notices and litigation when necessary (d) Maintain proper usage guidelines and brand standards documentation (e) Conduct trademark clearance searches before adopting new marks (f) File declarations of use and renewals within statutory deadlines (g) Document trademark usage in commerce to maintain rights

5.3 Copyright Registration. The Company shall:

(a) Register copyrights for software, documentation, and creative works within 90 days of publication (b) Maintain copyright notices on all protected works according to statutory requirements (c) Document ownership of works through written assignments and work-for-hire agreements (d) Enforce copyright protection through monitoring and legal action when necessary (e) Implement digital rights management systems where appropriate (f) Maintain records of copyright deposits and registration certificates (g) Review and update copyright notices annually

5.4 Trade Secret Protocols. The Company shall:

(a) Maintain confidentiality procedures through documented policies and employee training (b) Document security measures including physical, technical, and administrative controls (c) Control information access through classification systems and need-to-know basis (d) Update protection strategies annually or upon significant business changes (e) Implement visitor control procedures and confidentiality agreements (f) Conduct regular audits of trade secret protection measures (g) Maintain inventory of trade secrets and their protection status (h) Establish incident response procedures for potential trade secret breaches

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

NEXUS INDUSTRIAL INTELLIGENCE, INC.

By: _____ Name: Dr. Sarah Chen Title: Chief Executive Officer

EXHIBITS: Exhibit A: Open Source Component Usage Exhibit B: Third-Party License Inventory Exhibit C: IP Registration Schedule