

# **Corporate Credit and Financial Policy**

**Nexus Intelligent Systems, Inc.**

## **1. PURPOSE AND SCOPE**

1 This Corporate Credit and Financial Policy ("Policy") establishes the comprehensive framework for financial management, credit extension, and fiscal governance for Nexus Intelligent Systems, Inc. (the "Company") and its subsidiaries.

2 The Policy is designed to:

- a) Establish clear guidelines for financial risk management
- b) Define credit extension protocols
- c) Ensure compliance with regulatory requirements
- d) Protect the Company's financial integrity

## **2. DEFINITIONS**

1 "Credit Facility" shall mean any line of credit, loan, or financial instrument extended by or to the Company.

2 "Material Financial Commitment" shall be defined as any financial obligation exceeding \$250,000 or 5% of the Company's current annual revenue, whichever is lower.

3 "Authorized Financial Officer" shall include the Chief Financial Officer, Chief Executive Officer, and designated senior financial executives explicitly authorized by board resolution.

## **3. CREDIT EXTENSION GUIDELINES**

1 Internal Credit Protocols

- a) All credit extensions must be approved by at least two Authorized Financial Officers
- b) Credit requests exceeding \$500,000 require additional board committee review
- c) Comprehensive credit risk assessments must be conducted for all potential credit arrangements

2 External Credit Evaluation

- a) Third-party credit extensions to the Company must undergo rigorous due diligence
- b) Minimum credit rating requirements of BBB- (Standard & Poor's) or equivalent
- c) Comprehensive financial covenant analysis required for all credit facilities

## **4. FINANCIAL RISK MANAGEMENT**

### **1 Risk Assessment Protocols**

- a) Quarterly comprehensive financial risk assessments
- b) Annual independent financial risk audit
- c) Continuous monitoring of key financial performance indicators

### **2 Hedging and Financial Instrument Guidelines**

- a) Derivative transactions limited to risk mitigation purposes
- b) Prohibited speculative financial instrument trading
- c) Mandatory documentation and board reporting for all hedging activities

## **5. COMPLIANCE AND REPORTING**

### **1 Regulatory Compliance**

- a) Full compliance with Sarbanes-Oxley Act requirements
- b) Adherence to SEC financial reporting standards
- c) Quarterly internal financial control certifications

### **2 Reporting Requirements**

- a) Monthly financial performance reports to executive leadership
- b) Quarterly comprehensive financial statements
- c) Annual detailed financial risk assessment report

## **6. AUTHORIZATION AND EXECUTION**

1 This Policy is effective as of January 22, 2024, superseding all prior financial policies.

2 The Policy requires annual review and may be modified by majority board resolution.

## **7. LIMITATION OF LIABILITY**

1 This Policy represents internal guidelines and does not constitute a legally binding contract.

2 The Company reserves the right to modify, suspend, or terminate any financial arrangement at its sole discretion.

## **8. SIGNATURES**

Dr. Elena Rodriguez  
Chief Executive Officer  
Nexus Intelligent Systems, Inc.

Michael Chen  
Chief Technology Officer  
Date: January 22, 2024

## **9. CONFIDENTIALITY NOTICE**

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