

ORGANIZATIONAL AND CORPORATE DOCUMENT 2

PREAMBLE AND RECITALS

WHEREAS, Nexus Industrial Intelligence, Inc., a Delaware corporation (hereinafter referred to as the "Corporation"), was duly incorporated under the Delaware General Corporation Law on March 15, 2018, with its principal place of business at 2500 Innovation Drive, Wilmington, Delaware 19801, pursuant to Delaware General Corporation Law §102;

WHEREAS, the Corporation develops and deploys proprietary artificial intelligence and machine learning solutions for industrial process optimization, including its flagship NexusCore™ Industrial AI Platform, serving clients across manufacturing, energy, and chemical processing sectors;

WHEREAS, the Corporation has completed multiple rounds of venture capital financing, most recently its Series C funding of \$175 million, and seeks to establish comprehensive corporate governance and operational frameworks in accordance with Delaware corporate law and industry best practices;

WHEREAS, the Corporation maintains substantial intellectual property assets, including patents, trademarks, and trade secrets related to its artificial intelligence technologies, which require proper governance and protection mechanisms;

WHEREAS, the Corporation operates in multiple jurisdictions and must ensure compliance with various regulatory frameworks, including but not limited to data protection laws, industrial safety standards, and artificial intelligence governance requirements; and

WHEREAS, the Board of Directors of the Corporation, acting pursuant to its authority under Delaware General Corporation Law and the Corporation's Certificate of Incorporation, has determined it to be in the best interests of the Corporation and its stockholders to adopt this Organizational and Corporate Document to govern certain aspects of its operations, technology deployment, and corporate governance structure.

NOW, THEREFORE, the Corporation hereby adopts the following provisions:

DEFINITIONS AND INTERPRETATIONS

1.1 Defined Terms. For purposes of this Document, the following terms shall have the meanings specified below:

"Artificial Intelligence" or "AI" means the Corporation's proprietary computer systems capable of performing tasks that normally require human intelligence, including visual perception,

pattern recognition, and decision-making. This includes, but is not limited to, neural networks, deep learning architectures, and autonomous decision support systems deployed within industrial environments.

"Board" means the Board of Directors of the Corporation, including any duly appointed committees thereof acting within their designated authority.

"Confidential Information" means all non-public information relating to the Corporation's technology, products, business plans, financial status, and operations, including trade secrets, technical specifications, customer data, pricing strategies, market analyses, and research and development initiatives, whether in written, electronic, or verbal form.

"Industrial Control Systems" means the integration points between the NexusCore™ Platform and customer manufacturing equipment, including programmable logic controllers (PLCs), distributed control systems (DCS), supervisory control and data acquisition (SCADA) systems, and associated industrial protocols.

"Machine Learning" or "ML" means the Corporation's proprietary algorithms that enable computer systems to improve automatically through experience, including supervised, unsupervised, and reinforcement learning methodologies, feature extraction techniques, and model optimization frameworks.

"NexusCore™ Platform" means the Corporation's enterprise-grade software suite that combines computer vision, machine learning-driven predictive analytics, and process optimization algorithms, including all associated modules, interfaces, APIs, and documentation.

"Proprietary Technology" means all technology owned or licensed by the Corporation, including the NexusCore™ Platform, associated algorithms, software code, and implementation methodologies, whether currently existing or developed in the future.

"Intellectual Property Rights" means all rights in patents, copyrights, trade secrets, trademarks, industrial designs, database rights, and any other intellectual property rights, whether registered or unregistered, including applications for registration thereof.

"Technical Documentation" means all manuals, specifications, protocols, guidelines, and other materials describing the functionality, operation, and maintenance of the Corporation's systems.

"User Interface" means any graphical, command-line, or application programming interface through which users interact with the Corporation's systems.

"Data Processing Pipeline" means the complete sequence of operations performed on data, including collection, cleaning, transformation, analysis, and storage.

"Security Protocols" means the comprehensive set of policies, procedures, and technical measures implemented to protect the Corporation's systems and data.

"Quality Assurance Standards" means the systematic processes and criteria established to ensure the reliability, accuracy, and performance of the Corporation's technology.

"System Architecture" means the fundamental organization of the Corporation's software and hardware components, their relationships to each other, and the principles governing their design and evolution.

1.2 Interpretation. In this Document, unless the context otherwise requires: (a) words importing the singular include the plural and vice versa; (b) references to sections, exhibits, and schedules are to those contained in this Document; (c) headings are inserted for convenience only and do not affect the interpretation of this Document; and (d) any reference to any statute, regulation, or other legislation shall be a reference to that statute, regulation, or legislation as amended, extended, or re-enacted from time to time.

CORPORATE STRUCTURE AND GOVERNANCE

3.1 Board of Directors

(a) Composition. The Board shall consist of seven (7) directors, including: (i) Two (2) Founder Directors, who shall be nominated by the Corporation's founders and must maintain minimum ownership of 5% of outstanding shares (ii) Three (3) Venture Capital Directors, appointed by Series A, B, and C investors respectively, each holding minimum investment of \$10M (iii) Two (2) Independent Directors, who shall meet NYSE independence criteria and possess relevant industry expertise

(b) Term and Removal (i) Directors shall serve staggered three-year terms (ii) Any director may be removed with cause by vote of 75% of shareholders (iii) Vacancy appointments shall serve remainder of vacant term

(c) Committees. The Board shall maintain the following standing committees: (i) Audit Committee, comprising at least three Independent Directors, responsible for financial oversight, internal controls, and compliance (ii) Compensation Committee, comprising Independent Directors and one VC Director, overseeing executive compensation and incentive programs (iii) Technology and Innovation Committee, including both Founder Directors and technical experts, guiding product strategy (iv) Nominating and Governance Committee, comprising Independent Directors, managing board composition and succession planning

3.2 Officers

(a) Required Officers. The Corporation shall have the following officers: (i) Chief Executive Officer, responsible for overall strategic direction and operational execution (ii) Chief Technology Officer, overseeing technical infrastructure and product development (iii) Chief Financial Officer, managing financial operations, reporting, and investor relations (iv) Chief AI Officer, directing artificial intelligence strategy and implementation (v) Secretary, maintaining corporate records and ensuring regulatory compliance

(b) Appointment and Removal (i) Officers shall be appointed by majority Board vote (ii) Initial term of two years with unlimited renewal eligibility (iii) Removal requires two-thirds Board approval (iv) Interim appointments permitted for unexpected vacancies

(c) Duties and Responsibilities (i) Officers shall execute duties in good faith with reasonable care (ii) Regular reporting to Board on respective functional areas (iii) Compliance with corporate policies and regulatory requirements (iv) Maintenance of confidentiality and intellectual property protection

3.3 Voting Rights

(a) Series C Preferred Stock (i) Holders entitled to votes equal to common stock conversion ratio (ii) Protective provisions requiring separate class approval (iii) Anti-dilution protection maintaining ownership percentage (iv) Board representation rights as specified in Section 3.1(a)

(b) Major Corporate Actions (i) Following actions require 66⅔% Preferred Stock approval: - Sale or merger of Corporation - Asset dispositions exceeding \$50M - New equity issuance above \$25M - Amendment of corporate charter - Changes to Board composition (ii) Voting procedures must follow Delaware corporate law

3.4 Corporate Governance Standards

(a) Meetings and Communications (i) Quarterly Board meetings with minimum 14-day notice (ii) Monthly executive committee meetings (iii) Annual shareholder meeting in Q1 (iv) Electronic participation permitted per Bylaws

(b) Transparency and Reporting (i) Monthly financial statements to Board (ii) Quarterly investor updates (iii) Annual strategic plan review (iv) Regular compliance assessments

(c) Conflict Resolution (i) Mediation required before litigation (ii) Delaware jurisdiction for disputes (iii) Confidential arbitration option (iv) Cost allocation procedures

3.5 Amendment and Interpretation

(a) Amendments require: (i) 75% Board approval (ii) 66⅔% Preferred Stock consent (iii) Compliance with SEC regulations (iv) Written notice to all shareholders

(b) Interpretation Guidelines (i) Delaware corporate law governs (ii) Severability of provisions (iii) Good faith interpretation standard (iv) Consistency with Certificate of Incorporation

INTELLECTUAL PROPERTY PROTECTION

4.1 Ownership of Technology

(a) The Corporation shall retain exclusive ownership of all Proprietary Technology, including:
(i) All AI and ML algorithms, including but not limited to neural network architectures, training methodologies, model parameters, and inference systems (ii) Computer vision

systems, encompassing image processing algorithms, object detection frameworks, and pattern recognition technologies (iii) Process optimization methodologies, including adaptive control systems, predictive maintenance algorithms, and operational efficiency frameworks (iv) Software code and implementations, covering source code, object code, APIs, and all associated documentation

(b) Derivative Works and Improvements: (i) Any modifications, enhancements, or derivatives of Proprietary Technology created during the course of employment or engagement shall vest immediately with the Corporation (ii) Employee contributions to Proprietary Technology shall be deemed "work made for hire" under applicable copyright laws (iii) Independent contractors shall execute technology assignment agreements prior to engagement

4.2 Patent Protection

(a) The Corporation shall maintain an active patent prosecution program for all novel technological innovations, including: (i) Regular invention disclosure reviews (ii) Systematic patent landscape analysis (iii) Strategic filing decisions based on commercial value (iv) International patent portfolio management

(b) All employees and contractors shall be required to assign invention rights to the Corporation, specifically: (i) Execute invention assignment agreements upon hiring (ii) Promptly disclose all inventions related to Corporation business (iii) Cooperate in patent prosecution processes (iv) Maintain detailed invention records and documentation

(c) Patent Defense and Enforcement: (i) Regular monitoring of potential infringement (ii) Establishment of patent enforcement protocols (iii) Maintenance of patent challenge response procedures (iv) Strategic patent licensing programs

4.3 Trade Secrets

(a) The Corporation shall implement and maintain comprehensive trade secret protection measures, including: (i) Physical security controls, including restricted access areas, visitor protocols, and secure document destruction (ii) Digital access restrictions, incorporating multi-factor authentication, encryption, and access logging (iii) Employee confidentiality agreements with specific identification of trade secret categories (iv) Vendor non-disclosure agreements with defined scope and duration

(b) Trade Secret Management Program: (i) Regular trade secret audits and inventory maintenance (ii) Classification system for varying levels of confidentiality (iii) Employee training on trade secret handling procedures (iv) Incident response protocols for potential breaches

(c) Information Security Requirements: (i) Secure data storage and transmission protocols (ii) Regular security assessments and penetration testing (iii) Mobile device management policies (iv) Remote access security controls

4.4 Technology Licensing

(a) The NexusCore™ Platform shall be licensed to customers pursuant to the Corporation's standard Enterprise License Agreement, which shall address: (i) Scope of licensed technology (ii) Permitted uses and restrictions (iii) Service level commitments (iv) Support and maintenance terms

(b) All technology licenses shall include: (i) Usage restrictions, including prohibited applications and territories (ii) IP ownership provisions, including improvements and derivative works (iii) Confidentiality requirements, including data handling protocols (iv) Term and termination rights, including post-termination obligations

(c) License Compliance and Monitoring: (i) Regular usage audits and reporting requirements (ii) Technical measures for license enforcement (iii) Breach notification procedures (iv) Remedy and cure provisions

4.5 Third-Party Technology

(a) Integration Requirements: (i) Due diligence review of third-party IP rights (ii) License compatibility assessment (iii) Integration security review (iv) Compliance documentation

(b) Risk Management: (i) IP infringement indemnification provisions (ii) Technology escrow arrangements (iii) Alternative technology contingency plans (iv) Regular compliance audits

4.6 IP Portfolio Management

(a) Regular Assessment: (i) Annual IP portfolio review (ii) Value and risk assessment (iii) Protection strategy updates (iv) Budget allocation review

(b) Documentation Requirements: (i) Maintenance of IP asset register (ii) Chain of title documentation (iii) License agreement database (iv) Invention disclosure records

4.7 Enforcement and Remedies

(a) IP Infringement Response: (i) Investigation protocols (ii) Cease and desist procedures (iii) Litigation strategy guidelines (iv) Settlement parameters

(b) Internal Compliance: (i) Regular IP compliance audits (ii) Employee exit procedures (iii) Contractor termination protocols (iv) Ongoing monitoring systems

4.8 Technology Transfer

(a) Internal Transfer Procedures: (i) Documentation requirements (ii) Training protocols (iii) Access control updates (iv) Security clearance procedures

(b) External Transfer Requirements: (i) Due diligence protocols (ii) Transfer agreement terms (iii) Post-transfer support (iv) Compliance monitoring

OPERATIONAL FRAMEWORK

5.1 Quality Control

(a) The Corporation shall maintain ISO 9001:2015 certification for its software development processes and shall: (i) Conduct quarterly internal audits of quality management systems (ii) Document all quality control procedures and maintain records for seven (7) years (iii) Appoint a Quality Control Officer responsible for certification maintenance (iv) Report any certification status changes to Customers within 48 hours

(b) All software releases shall undergo: (i) Automated testing, including unit tests, integration tests, and end-to-end testing (ii) Security scanning using industry-standard vulnerability assessment tools (iii) Performance validation under simulated peak load conditions (iv) Customer acceptance testing according to agreed-upon criteria (v) Code review by at least two (2) qualified developers (vi) Documentation review and update verification

(c) Quality metrics shall be maintained and reported, including: (i) Defect density per thousand lines of code (ii) Test coverage percentage (minimum 85%) (iii) Time to resolution for identified issues (iv) Customer satisfaction scores

5.2 Data Security

(a) The Corporation shall maintain SOC 2 Type II compliance and: (i) Submit to annual third-party audits (ii) Maintain documentation of all control objectives (iii) Implement continuous monitoring systems (iv) Provide quarterly compliance reports to Customers

(b) Customer data shall be protected through: (i) Encryption at rest using AES-256 standards and in transit using TLS 1.3 (ii) Multi-factor authentication and role-based access controls (iii) Quarterly security audits and penetration testing (iv) Documented incident response procedures with 24/7 coverage (v) Data backup systems with 99.99% reliability (vi) Geographic redundancy across multiple data centers

(c) Security breach protocols shall include: (i) Customer notification within four (4) hours of discovery (ii) Detailed incident reports within 24 hours (iii) Root cause analysis within seven (7) days (iv) Remediation plan implementation within 14 days

5.3 Customer Deployment

(a) All customer implementations shall follow the Corporation's standard deployment methodology, including: (i) Project kickoff meeting with stakeholder identification (ii) Detailed project timeline with milestones (iii) Risk assessment and mitigation planning (iv) Change management procedures (v) Success criteria documentation

(b) Pre-deployment requirements include: (i) System compatibility assessment and infrastructure review (ii) Network security review and vulnerability scanning (iii) Data integration planning and testing (iv) User training program development and delivery (v) Backup and recovery procedure validation (vi) Performance baseline establishment

(c) Post-deployment procedures shall encompass: (i) 30-day stabilization period monitoring (ii) Performance metrics validation (iii) User adoption tracking (iv) System optimization recommendations

5.4 Maintenance and Support

(a) The Corporation shall provide ongoing maintenance including: (i) Monthly security patches and updates (ii) Quarterly feature releases (iii) Annual system-wide upgrades (iv) 24/7 technical support coverage

(b) Service Level Agreements shall specify: (i) 99.9% system availability (ii) Response times based on issue severity (iii) Resolution time commitments (iv) Escalation procedures

5.5 Compliance and Reporting

(a) The Corporation shall maintain: (i) Current industry certifications (ii) Regulatory compliance documentation (iii) Annual audit reports (iv) Customer compliance dashboards

(b) Regular reporting shall include: (i) Monthly performance metrics (ii) Quarterly security assessments (iii) Annual compliance reviews (iv) Ad-hoc incident reports as required

5.6 Continuous Improvement

(a) The Corporation shall implement: (i) Customer feedback collection systems (ii) Regular process reviews (iii) Technology stack evaluations (iv) Staff training programs

(b) Improvement metrics shall be tracked through: (i) Customer satisfaction surveys (ii) System performance trends (iii) Issue resolution statistics (iv) Innovation implementation rates

SIGNATURE BLOCK

IN WITNESS WHEREOF, the undersigned has executed this Document as of January 15, 2024.

NEXUS INDUSTRIAL INTELLIGENCE, INC.

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

EXHIBIT A

NexusCore™ Platform Technical Specifications

EXHIBIT B

Standard Enterprise License Agreement Terms

APPENDIX 1

Corporate Organization Chart

APPENDIX 2

Technology Protection Procedures

[Note: Exhibits and Appendices to be attached separately]