Equipment Investment Tax Credit Documentation

1. PRELIMINARY STATEMENT

This Equipment Investment Tax Credit Documentation (the "Document") is executed by Nexus Intelligent Systems, Inc., a Delaware corporation with principal offices at 1200 Technology Park Drive, San Jose, California 95134 (the "Company"), in connection with the Company's qualifying capital equipment investments for tax year 2024.

2. DEFINITIONS

1 "Qualifying Equipment" shall mean capital assets purchased and placed into service during the tax year that meet the specific technological and operational criteria outlined in Section 4 of this document.

2 "Investment Period" refers to the fiscal period from January 1, 2024 to December 31, 2024, during which equipment investments are eligible for tax credit consideration.

3 "Eligible Technology" includes advanced computing systems, machine learning infrastructure, predictive analytics platforms, and enterprise-grade AI computational resources specifically utilized for industrial diagnostic and maintenance applications.

3. INVESTMENT OVERVIEW

The Company hereby certifies that during the Investment Period, Nexus Intelligent Systems, Inc. has made substantial capital investments in technological infrastructure designed to enhance its AI-driven predictive maintenance capabilities, with total qualifying equipment investments estimated at $3,750,000.

3.1 Investment Composition

- High-performance computing clusters: $1,250,000

- Machine learning training infrastructure: $1,100,000

- Enterprise data processing systems: $750,000

- Specialized diagnostic hardware: $650,000

4. QUALIFICATION CRITERIA

1 The Company affirms that all equipment investments meet the following specific criteria:

a) Directly support the Company's core enterprise AI services

b) Represent technological advancements beyond standard business equipment

c) Demonstrate measurable performance improvements in predictive analytics capabilities

d) Comply with all applicable federal and state tax regulations regarding capital equipment investments

2 Each qualifying asset has been:

- Purchased new and unused

- Placed into productive service within the 2024 tax year

- Utilized primarily for enterprise AI and predictive analytics research and development

- Depreciated according to standard accounting principles

5. TAX CREDIT CALCULATION

1 The Company calculates its potential tax credit based on the following methodology:

- Total Qualifying Investment: $3,750,000

- Applicable Tax Credit Rate: 21.5%

- Estimated Tax Credit: $806,250

2 The Company acknowledges that the final tax credit is subject to review and verification by appropriate tax authorities.

6. DOCUMENTATION AND RECORDKEEPING

1 The Company commits to maintaining comprehensive documentation supporting these equipment investments, including:

- Original purchase invoices

- Asset registration records

- Detailed deployment and utilization logs

- Depreciation schedules

- Technical specifications demonstrating qualifying criteria

7. REPRESENTATIONS AND WARRANTIES

1 The undersigned hereby represents and warrants that:

a) All statements contained herein are true and accurate

b) The equipment investments comply with all applicable tax regulations

c) No false or misleading information has been presented

d) The Company is authorized to make these representations

8. LIMITATIONS AND DISCLAIMERS

1 This document serves as a preliminary tax credit documentation and does not constitute a binding determination of tax liability.

2 The Company acknowledges that final tax credit determination remains subject to comprehensive review by relevant tax authorities.

9. EXECUTION

IN WITNESS WHEREOF, the undersigned authorized representative executes this document on this 22nd day of January, 2024.

Authorized Signature:

Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.