AI Algorithm Performance Optimization Patent

PATENT ASSIGNMENT AND INTELLECTUAL PROPERTY TRANSFER AGREEMENT

PARTIES

This Patent Assignment and Intellectual Property Transfer Agreement (the "Agreement") is entered into as of January 22, 2024, by and between:

NEXUS INTELLIGENT SYSTEMS, INC., a Delaware corporation with principal offices at 1200 Technology Park Drive, San Jose, California 95134 ("Assignor")

AND

NEXUS INTELLIGENT SYSTEMS, INC. (as assignee) ("Assignee")

RECITALS

WHEREAS, Assignor has developed certain proprietary artificial intelligence algorithms for performance optimization in predictive maintenance systems;

WHEREAS, these algorithms represent a critical technological innovation with significant commercial potential;

WHEREAS, Assignor desires to formally document and transfer all intellectual property rights associated with said algorithms;

1. DEFINITIONS

1 "Patent" shall mean United States Patent Application Serial No. 18/372,549, titled "Dynamic Machine Learning Performance Optimization Method and System" filed on December 15, 2023.

2 "Intellectual Property" shall include all patent rights, trade secrets, technical documentation, source code, and derivative works associated with the Patent.

2. PATENT ASSIGNMENT

1 Complete Transfer. Assignor hereby irrevocably assigns, transfers, and conveys to Assignee all right, title, and interest in and to the Patent, including:

a) All worldwide patent rights

b) All continuation, divisional, and continuation-in-part applications

c) All priority rights

d) All economic rights and benefits

2 Representations and Warranties. Assignor represents and warrants that:

a) It is the sole and exclusive owner of the Patent

b) The Patent is valid and enforceable

c) No third-party claims exist against the Patent

d) All inventive contributions have been properly documented

3. CONSIDERATION

1 In consideration of this assignment, Assignee shall:

a) Issue 25,000 restricted stock units to the named inventors

b) Provide ongoing royalty participation of 2% of net revenues derived from commercial implementations of the Patent

c) Maintain the inventors' names on all patent filings and documentation

4. CONFIDENTIALITY

1 Both parties agree to maintain strict confidentiality regarding the technical details of the Patent, including:

a) Algorithm specifications

b) Implementation methodologies

c) Performance optimization techniques

2 Unauthorized disclosure shall constitute a material breach of this Agreement.

5. REPRESENTATIONS AND WARRANTIES

1 Assignor represents that:

a) The Patent represents original work

b) No prior art conflicts exist

c) All inventive steps meet USPTO patentability requirements

d) All necessary research documentation is available for verification

6. INDEMNIFICATION

1 Assignor shall indemnify Assignee against any third-party claims related to the Patent's originality or potential infringement.

2 The indemnification shall cover legal expenses, damages, and settlement costs.

7. GOVERNING LAW

1 This Agreement shall be governed by the laws of the State of California.

2 Any disputes shall be resolved through binding arbitration in Santa Clara County, California.

8. MISCELLANEOUS

1 This Agreement constitutes the entire understanding between the parties.

2 Modifications must be made in writing and signed by authorized representatives.

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NEXUS INTELLIGENT SYSTEMS, INC.

By:

Dr. Elena Rodriguez

Chief Executive Officer

Witnessed By:

Michael Chen

Chief Technology Officer

Date: January 22, 2024