

# **EMPLOYMENT AND COMPENSATION AGREEMENT**

THIS EMPLOYMENT AND COMPENSATION 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, Suite 400, Cambridge, Massachusetts 02142 (the "Company"), and [EMPLOYEE NAME], an individual residing at [ADDRESS] (the "Executive").

WHEREAS, the Company desires to employ the Executive, and the Executive desires to be employed by the Company, on the terms and conditions set forth herein; and

WHEREAS, the Company develops proprietary artificial intelligence and machine learning solutions for industrial applications, including the NexusCore™ Industrial AI Platform and related technologies (collectively, the "Company Technology"); and

WHEREAS, the Executive acknowledges the competitive and confidential nature of the Company's business and agrees to the provisions herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

## **1.0 EMPLOYMENT TERMS AND CONDITIONS**

### **1.1 Position and Duties**

The Company hereby employs the Executive as [TITLE], reporting to the [SUPERVISOR TITLE]. The Executive shall have such duties and responsibilities as are customarily associated with such position and as may be assigned from time to time by the Company. The Executive shall devote Executive's full business time and attention to the performance of Executive's duties hereunder and shall not engage in any other business, profession, or occupation without the prior written consent of the Company's Chief Executive Officer. The Executive acknowledges that occasional travel may be required in connection with Executive's duties, including but not limited to client meetings, industry conferences, and Company events.

### **1.2 Employment Term**

The term of Executive's employment under this Agreement shall commence on the Effective Date and continue until terminated pursuant to Section 5.0 hereof (the "Term"). The initial Term shall be subject to automatic one-year renewal periods unless either party provides

written notice of non-renewal at least ninety (90) days prior to the end of the then-current Term. Nothing in this Agreement shall be construed as guaranteeing employment for any specific duration.

### **1.3 Work Location and Schedule**

(a) Primary work location shall be the Company's headquarters in Cambridge, Massachusetts, with flexibility for remote work as approved by Executive's supervisor and in accordance with Company policies. The Company reserves the right to modify work location requirements based on business needs with reasonable notice to Executive.

(b) Executive shall work such hours as necessary to perform Executive's duties, including evenings and weekends as required. While general business hours are 9:00 AM to 5:00 PM Eastern Time, Executive acknowledges that the position may require flexibility in scheduling and additional hours as necessary to meet business objectives.

(c) Remote work arrangements, when approved, must maintain equivalent productivity, accessibility, and collaboration standards as in-office work. Executive shall ensure appropriate home office setup and security measures for remote work.

### **1.4 Performance Standards**

Executive shall: (a) Perform all duties in a professional, competent, and timely manner (b) Comply with all Company policies, procedures, and standards (c) Meet or exceed performance objectives established by the Company (d) Act in the best interests of the Company at all times (e) Maintain current knowledge of industry trends and technological developments (f) Participate in required training and professional development activities (g) Contribute to maintaining a positive work environment and company culture

### **1.5 Compliance and Reporting**

(a) Executive shall comply with all applicable laws, regulations, and professional standards in performing duties.

(b) Executive shall promptly report any suspected violations of law, Company policies, or ethical standards to appropriate Company personnel.

(c) Executive shall maintain accurate records of work activities, expenses, and other business-related documentation as required by Company policies.

### **1.6 Performance Review**

(a) Executive's performance shall be formally reviewed at least annually, with additional informal feedback provided periodically.

(b) Performance metrics shall include both quantitative and qualitative measures, including but not limited to achievement of assigned objectives, leadership effectiveness, and adherence to Company values.

(c) Compensation adjustments, if any, shall be determined based on performance review outcomes and Company policies.

## **2.0 COMPENSATION AND BENEFITS**

### **2.1 Base Salary**

The Company shall pay Executive an annual base salary of [AMOUNT] (the "Base Salary"), payable in accordance with the Company's normal payroll practices. The Base Salary shall be subject to annual review by the Board of Directors and may be increased (but not decreased) at their discretion. All payments shall be subject to applicable withholdings and deductions required by law or authorized by Executive.

### **2.2 Annual Bonus**

Executive shall be eligible for an annual performance bonus targeted at [PERCENTAGE] of Base Salary (the "Annual Bonus"), based on achievement of Company and individual performance objectives established by the Board of Directors. The specific performance metrics shall be determined within the first sixty (60) days of each fiscal year and communicated to Executive in writing. Payment of the Annual Bonus, if any, shall be made no later than March 15 of the year following the year in which it was earned. Executive must remain actively employed through the payment date to be eligible for the Annual Bonus, except as otherwise provided in Section 4.0 (Termination).

### **2.3 Equity Compensation**

(a) Initial Grant: Executive shall receive an initial grant of [NUMBER] restricted stock units ("RSUs") under the Company's 2023 Equity Incentive Plan (the "Plan"), subject to the terms and conditions of the Plan and applicable award agreement. The grant date fair market value shall be determined by the Board of Directors in accordance with the Plan.

(b) Vesting Schedule: The RSUs shall vest over four years, with 25% vesting on the first anniversary of the grant date and the remainder vesting in equal quarterly installments thereafter, subject to Executive's continued employment through each vesting date.

(c) Additional Grants: Executive shall be eligible for additional equity awards at the discretion of the Board of Directors, taking into account Company performance, individual contribution, and market conditions. Such awards may include RSUs, stock options, or other equity instruments available under the Plan.

(d) Change in Control: In the event of a Change in Control (as defined in the Plan), any unvested equity awards shall be treated in accordance with Section 5.0 (Change in Control) of this Agreement.

## **2.4 Benefits Package**

Executive shall be eligible to participate in all employee benefit plans, programs, and arrangements maintained by the Company and made available to similarly situated employees, including:

- (a) Health Benefits: Medical, dental, and vision insurance for Executive and eligible dependents, with premiums paid at the same rate as other senior executives.
- (b) Life and Disability Insurance: Company-paid basic life insurance and long-term disability coverage, with optional supplemental coverage available at Executive's expense.
- (c) Retirement Benefits: Participation in the Company's 401(k) plan, including any matching contributions as determined by the Company.
- (d) Paid Time Off: [NUMBER] days of paid vacation annually, plus designated Company holidays and sick leave in accordance with Company policy.

## **2.5 Expense Reimbursement**

- (a) Business Expenses: The Company shall reimburse Executive for all reasonable and necessary business expenses incurred in performing duties hereunder, subject to compliance with the Company's expense reimbursement policies and procedures.
- (b) Documentation: Executive shall submit appropriate documentation for each expense within thirty (30) days of incurrence. Reimbursement shall be made within thirty (30) days following submission of proper documentation.

## **2.6 Additional Compensation Terms**

- (a) Tax Matters: All compensation under this Agreement shall be subject to applicable tax withholding and reporting requirements. The Company makes no representations regarding tax treatment of any compensation.
- (b) Section 409A: All payments under this Agreement are intended to comply with or be exempt from Section 409A of the Internal Revenue Code. Any ambiguities shall be interpreted accordingly.
- (c) Clawback: All compensation shall be subject to any clawback or recoupment policy adopted by the Company or required by applicable law.

## **2.7 Review and Adjustment**

- (a) Annual Review: The Compensation Committee shall review all elements of Executive's compensation package annually, considering Company performance, market conditions, and peer benchmarking.
- (b) Modifications: Any modifications to compensation terms shall be documented in writing and signed by both parties, except for increases to Base Salary or benefits generally applicable to all senior executives.

## **2.8 Severance and Benefits Continuation**

Executive's rights regarding compensation and benefits upon termination of employment shall be governed by Section 4.0 (Termination) of this Agreement. Any post-termination compensation or benefits continuation shall be subject to Executive's execution of a release of claims in favor of the Company.