

Consulting Services Engagement Letter - AI Strategy Implementation

1. PARTIES

This Consulting Services Engagement Letter ("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 ("Client")

and

Strategic AI Consulting Group, LLC, a California limited liability company with principal offices at 500 Innovation Way, Palo Alto, California 94304 ("Consultant")

2. RECITALS

WHEREAS, Client is an enterprise AI services firm specializing in predictive maintenance and digital transformation solutions for industrial sectors;

WHEREAS, Client seeks specialized consulting services to develop and implement a comprehensive AI strategy across its technology platforms;

WHEREAS, Consultant possesses specialized expertise in enterprise AI strategy, digital transformation, and technology implementation;

NOW, THEREFORE, the parties agree as follows:

3. SCOPE OF SERVICES

1 Strategic Consulting Engagement

Consultant shall provide comprehensive AI strategy consulting services, including:

- a) Comprehensive AI Capability Assessment
- b) Technology Architecture Evaluation
- c) Strategic Implementation Roadmap
- d) Organizational AI Readiness Analysis
- e) Machine Learning Platform Optimization

f) Enterprise Integration Recommendations

2 Deliverables

Consultant will produce the following specific deliverables:

- a) Detailed AI Strategy Report (60 pages)
- b) Technology Implementation Blueprint
- c) Organizational Transformation Recommendations
- d) Predictive Analytics Framework
- e) Executive Presentation Deck

4. ENGAGEMENT TERMS

1 Duration

The initial engagement period shall be six (6) months, commencing February 1, 2024, and concluding July 31, 2024.

2 Fees and Compensation

Total engagement value: \$375,000, structured as follows:

- Initial Retainer: \$75,000 (due upon execution)
- Milestone Payments: \$75,000 quarterly
- Final Completion Payment: \$75,000 upon project conclusion

3 Payment Terms

All invoices shall be payable within thirty (30) days of receipt. Late payments will accrue interest at 1.5% per month.

5. INTELLECTUAL PROPERTY

1 Ownership

All deliverables, strategic recommendations, and associated intellectual property developed during the engagement shall be exclusively owned by Client.

2 Pre-Existing IP

Consultant retains ownership of any methodologies, frameworks, or proprietary tools utilized during the engagement.

6. CONFIDENTIALITY

1 Confidential Information

Both parties acknowledge they will have access to sensitive proprietary information and agree to maintain strict confidentiality.

2 Non-Disclosure

Consultant shall not disclose any Client information to third parties without explicit written consent.

7. REPRESENTATIONS AND WARRANTIES

1 Professional Standards

Consultant represents that all services will be performed with professional care, utilizing industry-standard methodologies and best practices.

2 Compliance

Consultant warrants compliance with all applicable data protection and privacy regulations.

8. LIMITATION OF LIABILITY

1 Maximum Liability

Consultant's total liability shall not exceed the total engagement value of \$375,000.

2 Exclusions

Consultant shall not be liable for indirect, consequential, or punitive damages.

9. TERMINATION

1 Termination for Convenience

Client may terminate the engagement with 30 days written notice and payment for services rendered.

2 Termination for Cause

Either party may terminate immediately for material breach after providing written notice and opportunity to cure.

10. GOVERNING LAW

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

11. SIGNATURES

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

STRATEGIC AI CONSULTING GROUP, LLC

By:

Jonathan Reese

Managing Partner