

# Corporate Governance Compliance Checklist

**Nexus Intelligent Systems, Inc.**

**Comprehensive Due Diligence Assessment**

**Confidential Document**

*Prepared as of January 22, 2024*

## **1. PRELIMINARY CORPORATE GOVERNANCE OVERVIEW**

### **1 Purpose of Checklist**

This Corporate Governance Compliance Checklist ("Checklist") is designed to comprehensively evaluate the corporate governance practices, regulatory compliance, and internal control mechanisms of Nexus Intelligent Systems, Inc. (the "Company") as part of a comprehensive due diligence review.

### **2 Scope of Assessment**

The Checklist encompasses a holistic review of the Company's governance framework, including but not limited to:

- Organizational structure
- Board composition and independence
- Compliance with state and federal regulations
- Internal control mechanisms
- Ethical standards and corporate policies

## **2. CORPORATE STRUCTURE AND LEGAL COMPLIANCE**

### **1 Incorporation Details**

- State of Incorporation: Delaware
- Date of Incorporation: March 15, 2018
- Corporate Form: C-Corporation
- Current Good Standing: Verified

### **2 Organizational Governance**

#### **a) Board of Directors Composition**

- Total Board Members: 7

- Independent Directors: 4
- Insider/Founder Directors: 3

#### b) Key Leadership Positions

- Chief Executive Officer: Dr. Elena Rodriguez
- Chief Technology Officer: Michael Chen
- Chief Strategy Officer: Sarah Williamson

#### 3 Regulatory Compliance Verification

- Securities and Exchange Commission (SEC) Reporting: Compliant
- Internal Revenue Service (IRS) Tax Filings: Current
- State Franchise Tax Obligations: Fulfilled

### **3. GOVERNANCE POLICY ASSESSMENT**

#### 1 Corporate Governance Policies

##### a) Documented Policies Confirmed:

- Code of Conduct
- Conflict of Interest Policy
- Whistleblower Protection Policy
- Anti-Harassment Policy
- Data Privacy and Protection Guidelines

##### b) Policy Review and Update Mechanism

- Annual comprehensive policy review
- Quarterly compliance training sessions
- Independent third-party policy audits

#### 2 Ethical Standards and Compliance

- Mandatory annual ethics training for all employees
- Anonymous reporting mechanism for potential violations
- Zero-tolerance approach to unethical behavior

### **4. FINANCIAL GOVERNANCE AND CONTROLS**

#### 1 Financial Oversight Mechanisms

- Audit Committee Composition: 3 Independent Directors
- External Auditor: Ernst & Young LLP
- Annual Financial Audit: Completed and Unqualified

## 2 Internal Financial Controls

- Segregation of financial duties
- Multi-tier approval processes for financial transactions
- Regular internal and external financial audits

## 5. RISK MANAGEMENT FRAMEWORK

### 1 Enterprise Risk Management

- Comprehensive risk assessment process
- Quarterly risk review and mitigation strategy sessions
- Dedicated risk management committee

### 2 Identified Primary Risk Categories

- Technological obsolescence
- Cybersecurity threats
- Regulatory compliance risks
- Intellectual property protection

## 6. COMPLIANCE CERTIFICATION

### 1 Legal Representation

This Checklist represents a good-faith assessment of the Company's corporate governance practices as of the date referenced herein.

### 2 Limitations and Disclaimers

- Subject to ongoing verification
- Does not constitute a comprehensive legal opinion
- Prepared for due diligence purposes only

## 7. EXECUTION

Executed by authorized representatives:

Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.

Date: January 22, 2024

**Confidential - For Internal Review Only**