

Technology Development Budget Allocation Agreement

CONFIDENTIAL DOCUMENT

Nexus Intelligent Systems, Inc.

PREAMBLE

THIS TECHNOLOGY DEVELOPMENT BUDGET ALLOCATION AGREEMENT (the "Agreement") is executed on January 22, 2024, by and between the Board of Directors of Nexus Intelligent Systems, Inc., a Delaware corporation (hereinafter "NIS" or the "Company").

1. DEFINITIONS

1 "Technology Development Budget" shall mean the annual financial allocation specifically designated for research, development, and innovation initiatives within the Company's technological infrastructure.

2 "Fiscal Period" shall refer to the calendar year commencing January 1, 2024, and concluding December 31, 2024.

3 "Strategic Technology Initiatives" shall include, but not be limited to, artificial intelligence platform development, machine learning diagnostic tool enhancement, and enterprise digital transformation research.

2. BUDGET ALLOCATION FRAMEWORK

1 Total Technology Development Budget

The total budgetary allocation for fiscal year 2024 is established at \$3,750,000 (Three Million, Seven Hundred Fifty Thousand Dollars), representing 30% of the Company's projected annual revenue.

2 Budget Segmentation

The Technology Development Budget shall be distributed as follows:

a) AI Platform Research and Development: \$1,875,000 (50%)

- Machine Learning Algorithm Enhancement
- Predictive Maintenance Platform Refinement
- Advanced Neural Network Modeling

b) Infrastructure and Technical Capabilities: \$937,500 (25%)

- Cloud Computing Resources
- High-Performance Computing Infrastructure
- Cybersecurity and Data Protection Systems

c) Talent Acquisition and Training: \$562,500 (15%)

- Technical Recruitment
- Professional Development Programs
- Advanced Technical Certification Initiatives

d) Contingency and Exploratory Research: \$375,000 (10%)

- Emerging Technology Exploration
- Experimental Research Grants
- Innovation Prototype Development

3. GOVERNANCE AND OVERSIGHT

1 Budget Management

The Chief Technology Officer (CTO), Michael Chen, shall have primary responsibility for budget allocation and expenditure tracking.

2 Quarterly Review

Comprehensive budget utilization reports shall be presented to the Board of Directors on a quarterly basis, detailing:

- Expenditure against allocated budgets
- Progress on strategic technology initiatives
- Projected outcomes and potential adjustments

3 Modification Protocols

Any proposed modifications exceeding 10% of the allocated budget must receive explicit written approval from the CEO and Board of Directors.

4. COMPLIANCE AND REPORTING

1 Financial Transparency

All expenditures must be meticulously documented and align with established accounting principles

and Company financial protocols.

2 Audit Requirements

The Technology Development Budget shall be subject to annual independent financial audit, with results reported to the Board of Directors and relevant stakeholders.

5. INTELLECTUAL PROPERTY CONSIDERATIONS

1 Ownership

All research, developments, and innovations resulting from this budget allocation shall remain the exclusive intellectual property of Nexus Intelligent Systems, Inc.

2 Documentation

Comprehensive documentation of all research outcomes, prototypes, and technological advancements must be maintained and archived.

6. CONFIDENTIALITY

This document and all associated budget details are considered strictly confidential and subject to the Company's non-disclosure protocols.

7. EXECUTION

APPROVED AND EXECUTED by the authorized representatives of Nexus Intelligent Systems, Inc.

Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.

Michael Chen

Chief Technology Officer

Nexus Intelligent Systems, Inc.

Date: January 22, 2024

8. DISCLAIMER

This document represents an internal allocation strategy and does not constitute a legally binding contract beyond its specified terms.