

# CORPORATE CREDIT FACILITY AGREEMENT

## PREAMBLE

This Corporate Credit Facility Agreement (the "Agreement") is entered into as of January 22, 2024, by and between:

LENDER: First Capital Bank, N.A., a national banking association with its principal place of business at 1200 Corporate Plaza, New York, NY 10001 ("Lender")

BORROWER: Nexus Intelligent Systems, Inc., a Delaware corporation with its principal place of business at 550 Technology Park Drive, Austin, TX 78746 ("Borrower")

## RECITALS

WHEREAS, Borrower is an enterprise AI services company specializing in predictive analytics and digital transformation solutions;

WHEREAS, Borrower seeks to obtain a revolving credit facility to support ongoing working capital and growth initiatives;

WHEREAS, Lender is willing to extend credit to Borrower subject to the terms and conditions set forth herein;

NOW, THEREFORE, the parties agree as follows:

## 1. DEFINITIONS

1 "Advance" means a borrowing under this Credit Facility.

2 "Borrowing Base" means the maximum amount available for borrowing, calculated as 80% of eligible accounts receivable.

3 "Credit Facility" means the revolving line of credit established pursuant to this Agreement.

4 "Maturity Date" means the date five (5) years from the execution of this Agreement.

## 2. CREDIT FACILITY TERMS

1 Credit Limit

The Lender hereby establishes a revolving credit facility for the Borrower with a maximum principal amount of FIVE MILLION DOLLARS (\$5,000,000).

## 2 Interest Rate

The interest rate shall be calculated as the Wall Street Journal Prime Rate plus 2.5% per annum, adjusted quarterly. The initial interest rate is 7.25% as of the execution date.

## 3 Borrowing Conditions

Borrower may request Advances subject to the following conditions:

- (a) No Event of Default has occurred
- (b) Borrower's financial statements demonstrate continued financial stability
- (c) Total outstanding balance does not exceed the Credit Limit
- (d) Borrower maintains a minimum debt service coverage ratio of 1.25:1

# 3. SECURITY AND COLLATERAL

## 1 Collateral

As security for the Credit Facility, Borrower grants Lender a first priority security interest in:

- (a) All accounts receivable
- (b) Intellectual property related to current product lines
- (c) Equipment with a net book value exceeding \$50,000
- (d) Cash and cash equivalents

## 2 Collateral Monitoring

Borrower shall provide monthly reports detailing:

- (a) Accounts receivable aging
- (b) Inventory status
- (c) Financial performance metrics

# 4. REPRESENTATIONS AND WARRANTIES

## 1 Corporate Authority

Borrower represents and warrants that:

- (a) It is duly organized and validly existing
- (b) It has full corporate power to enter this Agreement

(c) Execution of this Agreement has been authorized by its Board of Directors

## 2 Financial Statements

Borrower represents that its most recent audited financial statements:

- (a) Were prepared in accordance with GAAP
- (b) Fairly represent its financial condition
- (c) Show no material adverse changes since preparation

## 5. COVENANTS

### 1 Affirmative Covenants

Borrower shall:

- (a) Maintain proper accounting records
- (b) Provide quarterly financial statements
- (c) Maintain insurance coverage
- (d) Comply with all applicable laws and regulations

### 2 Negative Covenants

Borrower shall not, without Lender's prior written consent:

- (a) Incur additional indebtedness beyond \$500,000
- (b) Sell or transfer substantial assets
- (c) Change fundamental business operations
- (d) Make material acquisitions

## 6. DEFAULT AND REMEDIES

### 1 Events of Default

Events of Default include:

- (a) Failure to make scheduled payments
- (b) Breach of financial covenants
- (c) Bankruptcy or insolvency
- (d) Material misrepresentation

### 2 Remedies

Upon default, Lender may:

- (a) Accelerate all outstanding obligations
- (b) Suspend further Advances
- (c) Exercise rights against collateral
- (d) Pursue legal remedies

## **7. MISCELLANEOUS**

### **1 Governing Law**

This Agreement shall be governed by the laws of the State of New York.

### **2 Entire Agreement**

This document constitutes the entire agreement between parties.

## **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

FIRST CAPITAL BANK, N.A.

**By:**

Robert Thompson

Senior Vice President