

INTELLECTUAL PROPERTY RIGHTS AND PROTECTION AGREEMENT

THIS INTELLECTUAL PROPERTY RIGHTS AND PROTECTION 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, Wilmington, Delaware 19801 ("Company").

1.0 RECITALS

WHEREAS, Company has developed proprietary artificial intelligence and machine learning technologies, including computer vision systems, predictive analytics algorithms, and industrial process optimization solutions (collectively, the "Core Technology");

WHEREAS, Company desires to establish and memorialize comprehensive intellectual property protection protocols for its Core Technology, particularly relating to its NexusCore™ Industrial AI Platform and associated technological implementations; and

WHEREAS, Company seeks to document and protect its intellectual property rights, trade secrets, and confidential information relating to industrial automation, edge computing systems, and Internet of Things ("IoT") integration capabilities.

NOW, THEREFORE, Company hereby establishes and adopts the following provisions regarding its intellectual property rights and protections:

2.0 DEFINITIONS AND INTERPRETATION

2.1 Defined Terms. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) "Artificial Intelligence Systems" means Company's proprietary machine learning models, neural networks, and algorithmic implementations that enable automated decision-making and process optimization, including but not limited to supervised learning algorithms, reinforcement learning systems, deep learning architectures, and predictive analytics engines deployed within the NexusCore™ Platform.

(b) "Computer Vision Technology" means Company's proprietary systems for visual data processing, pattern recognition, and automated inspection capabilities integrated into the

NexusCore™ Platform, encompassing image classification, object detection, semantic segmentation, and real-time video analytics components.

(c) "Confidential Information" means all non-public information relating to Company's technology, including but not limited to source code, training methodologies, model architectures, algorithmic implementations, customer data, trade secrets, technical specifications, performance metrics, optimization parameters, training datasets, model weights, hyperparameters, and any proprietary information disclosed during the course of this Agreement.

(d) "Derivative Works" means any modification, enhancement, improvement, or derivative work based upon or derived from the Core Technology or NexusCore™ Platform, including any adaptation, translation, transformation, arrangement, or any other alteration of the original work that would constitute a derivative work under applicable copyright law.

(e) "Edge Computing Implementation" means Company's proprietary systems for distributed processing and analytics at industrial facility edge locations, including edge servers, local processing units, distributed databases, and real-time analytics capabilities deployed at customer premises.

(f) "Industrial IoT Integration" means Company's proprietary protocols and systems for connecting with and processing data from industrial sensors and control systems, including communication protocols, data ingestion pipelines, sensor fusion algorithms, and real-time monitoring systems.

(g) "Intellectual Property Rights" means all patents, copyrights, trade secrets, trademarks, and other intellectual property rights owned or controlled by Company, including pending applications, continuations, divisionals, reissues, renewals, and extensions thereof, whether registered or unregistered, in all jurisdictions worldwide.

(h) "NexusCore™ Platform" means Company's flagship software platform combining artificial intelligence, computer vision, and process optimization capabilities for industrial applications, including all associated modules, components, APIs, and user interfaces.

(i) "Technical Documentation" means all manuals, specifications, protocols, guidelines, training materials, and other documentation related to the implementation, operation, and maintenance of the NexusCore™ Platform and associated technologies.

(j) "System Architecture" means the structural and organizational framework of the NexusCore™ Platform, including hardware specifications, software components, network topology, and integration requirements.

(k) "Performance Metrics" means quantitative and qualitative measurements of system functionality, including accuracy rates, processing speeds, reliability indicators, and efficiency benchmarks.

2.2 Interpretation. In this Agreement:

- (a) Section headings are for convenience only and shall not affect the interpretation of this Agreement
- (b) Words importing the singular include the plural and vice versa
- (c) References to Sections are to Sections of this Agreement
- (d) "Including" means "including without limitation"
- (e) References to any party include its successors and permitted assigns
- (f) Time periods shall be calculated in calendar days unless otherwise specified
- (g) Technical terms shall be interpreted according to their generally accepted meaning within the artificial intelligence and industrial automation industries
- (h) References to laws, regulations, or standards include all amendments, modifications, and replacements thereof
- (i) Any reference to written or in writing includes electronic communications that provide a durable record
- (j) The terms "hereof," "herein," "hereby," and similar terms refer to this Agreement as a whole
- (k) Ambiguities shall not be construed against the drafting party
- (l) References to third-party technologies, platforms, or standards shall be interpreted as they are generally understood in the relevant industry at the time of interpretation

2.3 Precedence. In the event of any conflict or inconsistency between the provisions of this Agreement, the following order of precedence shall apply:

- (a) The main body of this Agreement
- (b) The Schedules and Exhibits
- (c) Any amendments or addenda, with later dated documents taking precedence over earlier dated documents

3.0 INTELLECTUAL PROPERTY OWNERSHIP

3.1 Core Technology Ownership

- (a) Company exclusively owns all right, title, and interest in and to the Core Technology, including all Intellectual Property Rights therein, whether existing, pending, or future developments.
- (b) The Core Technology includes, without limitation: (i) All artificial intelligence and machine learning models, including training methodologies, model architectures, and inference systems (ii) Computer vision systems and implementations, including object detection, classification algorithms, and image processing techniques (iii) Predictive analytics algorithms, including statistical models, forecasting systems, and optimization frameworks (iv) Process optimization methodologies, including workflow automation, resource allocation systems, and efficiency enhancement protocols (v) Edge computing architectures, including distributed

processing systems and local computation frameworks (vi) IoT integration protocols, including device communication standards and data exchange mechanisms

3.2 NexusCore™ Platform Rights

(a) Company retains exclusive ownership of: (i) All software code and implementations, including source code, object code, and compiled applications (ii) User interfaces and experience designs, including graphical elements, interaction patterns, and workflow systems (iii) System architectures and frameworks, including database schemas and application structures (iv) APIs and integration protocols, including interface specifications and communication standards (v) Documentation and technical materials, including manuals, specifications, and training materials

3.3 Derivative Works

(a) All Derivative Works created by or for Company shall be owned exclusively by Company, including: (i) Modifications, improvements, or enhancements to existing technology (ii) New features or functionalities derived from Core Technology (iii) Custom implementations for specific use cases (iv) Adaptations or translations of existing systems (v) Integration components and connectors

(b) Any improvements or modifications to the Core Technology shall be assigned automatically to Company, including: (i) Performance optimizations (ii) Security enhancements (iii) Functionality extensions (iv) User experience improvements (v) Algorithm refinements

3.4 Third-Party Technology

(a) Company maintains appropriate licenses for all third-party technology incorporated into its systems, ensuring: (i) Compliance with license terms and conditions (ii) Proper attribution and notices (iii) Usage within permitted scope (iv) Regular license renewal and maintenance (v) Documentation of all third-party components

(b) Third-party technology usage shall not diminish Company's rights in its proprietary implementations.

3.5 Intellectual Property Protection

(a) Company shall maintain appropriate protections for all Intellectual Property, including: (i) Patent applications and maintenance (ii) Copyright registrations (iii) Trademark registrations and monitoring (iv) Trade secret protocols (v) Confidentiality agreements

(b) Company shall implement security measures to protect Intellectual Property, including: (i) Access controls and authentication systems (ii) Encryption of sensitive information (iii) Monitoring and audit systems (iv) Security incident response procedures (v) Regular security assessments

3.6 License Grants

(a) Company may grant licenses to its Intellectual Property, subject to: (i) Written agreement execution (ii) Specified scope and limitations (iii) Usage restrictions and conditions (iv) Confidentiality requirements (v) Payment terms and royalties

3.7 Employee and Contractor Rights

(a) All employees and contractors shall: (i) Assign all relevant Intellectual Property to Company (ii) Maintain confidentiality of proprietary information (iii) Comply with security protocols (iv) Report potential infringement (v) Assist in IP protection efforts

3.8 Data Rights

(a) Company owns all rights to: (i) Training data and datasets (ii) User-generated data (iii) System performance data (iv) Analytics and metrics (v) Derived insights and patterns

3.9 Enforcement

(a) Company reserves the right to enforce its Intellectual Property Rights through: (i) Legal proceedings (ii) Cease and desist notices (iii) License compliance audits (iv) Technical protection measures (v) Administrative actions

3.10 Technology Transfer

(a) Any transfer of Company's Intellectual Property shall require: (i) Written authorization from executive management (ii) Due diligence review (iii) Appropriate documentation (iv) Security clearance (v) Compliance verification

3.11 Intellectual Property Maintenance

(a) Company shall maintain its Intellectual Property through: (i) Regular portfolio reviews (ii) Renewal management (iii) Documentation updates (iv) Security assessments (v) Compliance monitoring

4.0 CONFIDENTIALITY AND TRADE SECRETS

4.1 Identification of Trade Secrets

The following shall be treated as trade secrets and afforded maximum protection under applicable law: (a) Machine learning model architectures, including but not limited to: (i) Neural network topologies (ii) Parameter optimization frameworks (iii) Model compression techniques (iv) Inference acceleration methods (v) Custom architecture modifications

(b) Training methodologies and datasets, encompassing: (i) Data preprocessing protocols (ii) Feature engineering techniques (iii) Augmentation strategies (iv) Validation methodologies (v) Performance metrics and benchmarks

(c) Algorithmic implementations, including: (i) Proprietary code libraries (ii) Custom optimization routines (iii) Hardware-specific adaptations (iv) Integration interfaces (v) Performance enhancement techniques

(d) Process optimization techniques, covering: (i) Industrial workflow improvements (ii) Resource allocation methods (iii) Efficiency enhancement protocols (iv) Quality control mechanisms (v) Cost reduction strategies

(e) System integration protocols, including: (i) Interface specifications (ii) Communication protocols (iii) Security implementations (iv) Performance monitoring systems (v) Maintenance procedures

4.2 Protection Measures

Company shall maintain and regularly update the following protective measures:

(a) Physical security controls, including: (i) Biometric access systems (ii) Surveillance systems (iii) Secure storage facilities (iv) Clean desk policies (v) Visitor management protocols

(b) Electronic access restrictions, encompassing: (i) Multi-factor authentication (ii) Role-based access control (iii) Encryption protocols (iv) Activity logging systems (v) Remote access security

(c) Employee confidentiality agreements, requiring: (i) Initial comprehensive training (ii) Annual renewal and updates (iii) Exit interviews and obligations (iv) Post-employment restrictions (v) Breach consequences

(d) Information classification systems, establishing: (i) Security levels and categories (ii) Handling requirements (iii) Storage protocols (iv) Distribution limitations (v) Disposal procedures

(e) Security monitoring protocols, including: (i) Regular security audits (ii) Penetration testing (iii) Incident response procedures (iv) Compliance verification (v) Risk assessment updates

4.3 Disclosure Restrictions

(a) Trade secrets shall be disclosed only: (i) To authorized personnel who have: - Completed security training - Signed confidentiality agreements - Demonstrated business need - Received management approval - Been properly documented

(ii) Under appropriate confidentiality obligations:

- Written agreements in place
- Specific use limitations
- Time restrictions
- Return requirements
- Monitoring provisions

(iii) On a need-to-know basis, determined by:

- Project requirements
- Role responsibilities
- Security clearance
- Management authorization
- Documentation requirements

(b) All disclosures shall be: (i) Tracked in secure systems (ii) Documented with specific details (iii) Regularly reviewed and audited (iv) Subject to revocation (v) Reported to management

4.4 Return of Materials

All confidential materials shall be:

(a) Properly secured during use through: (i) Physical security measures (ii) Electronic safeguards (iii) Access logging (iv) Regular inventories (v) Chain of custody documentation

(b) Returned upon request: (i) Within specified timeframes (ii) Through secure channels (iii) With verification procedures (iv) Including all copies (v) With certification of return

(c) Destroyed if no longer needed: (i) Using approved methods (ii) With verification (iii) Under supervision (iv) With documentation (v) Following security protocols

(d) Subject to periodic audits: (i) Scheduled reviews (ii) Random inspections (iii) Compliance verification (iv) Documentation checks (v) Report generation

4.5 Enforcement and Penalties

(a) Violations shall result in: (i) Immediate investigation (ii) Disciplinary action (iii) Potential legal action (iv) Financial penalties (v) Remediation requirements

(b) Company reserves all rights to: (i) Pursue legal remedies (ii) Seek injunctive relief (iii) Recover damages (iv) Enforce agreements (v) Protect its interests

5.0 IP REGISTRATION AND MAINTENANCE

5.1 Patent Protection

(a) Company shall maintain an active patent program for: (i) Core AI technologies, including machine learning algorithms, neural network architectures, and inference engines (ii) Computer vision systems, encompassing object detection, image recognition, and spatial analysis methods (iii) Process optimization methods, including adaptive control systems and predictive maintenance algorithms (iv) Edge computing implementations and distributed processing frameworks

(b) Patent Registration Requirements: (i) Invention disclosures must be submitted within 30 days of conception (ii) Prior art searches shall be conducted before filing (iii) Provisional

applications must be converted within 12 months (iv) International filings shall be initiated within priority periods

(c) Maintenance Obligations: (i) Annual patent portfolio review (ii) Timely payment of maintenance fees (iii) Regular assessment of commercial relevance (iv) Monitoring of potential infringement

5.2 Trademark Protection

(a) Company shall maintain registrations for: (i) NexusCore™ brand and associated marks (ii) Product names and sub-brands (iii) Logo designs and visual identifiers (iv) Marketing slogans and taglines

(b) Registration Requirements: (i) Conduct clearance searches prior to use (ii) File applications in primary markets within 6 months (iii) Maintain proof of commercial use (iv) Monitor unauthorized usage

(c) Renewal Procedures: (i) Calendar all renewal deadlines (ii) Review usage requirements (iii) Update specimen submissions (iv) Maintain chain of title documentation

5.3 Copyright Registration

Company shall register copyrights for: (a) Software implementations, including: (i) Source code repositories (ii) User interfaces (iii) APIs and integration modules (iv) Database structures

(b) Technical documentation: (i) System architecture documents (ii) Technical specifications (iii) Implementation guides (iv) Maintenance manuals

(c) Training materials: (i) User guides (ii) Educational content (iii) Certification programs (iv) Interactive tutorials

(d) Marketing content: (i) Digital assets (ii) Promotional materials (iii) Website content (iv) Sales collateral

5.4 Trade Secret Protocols

Company shall maintain protocols for: (a) Trade secret identification: (i) Classification system (ii) Value assessment (iii) Competitive advantage analysis (iv) Documentation requirements

(b) Protection measures: (i) Physical security controls (ii) Digital safeguards (iii) Employee training programs (iv) Confidentiality agreements

(c) Access controls: (i) Authorization levels (ii) Authentication procedures (iii) Activity monitoring (iv) Revocation processes

(d) Security audits: (i) Quarterly internal reviews (ii) Annual external assessments (iii) Incident response procedures (iv) Compliance verification

5.5 Maintenance Requirements

(a) Regular Reviews: (i) Quarterly IP portfolio assessment (ii) Gap analysis and protection strategy (iii) Budget allocation review (iv) Risk assessment updates

(b) Documentation: (i) Maintain invention records (ii) Update IP asset register (iii) Track licensing agreements (iv) Document enforcement actions

(c) Compliance: (i) Monitor regulatory changes (ii) Update protection strategies (iii) Maintain required filings (iv) Review contractual obligations

IN WITNESS WHEREOF, Company has executed this Agreement as of the Effective Date.