

International Tax Compliance Documentation

Confidential Legal Instrument

Nexus Intelligent Systems, Inc.

PRELIMINARY STATEMENT

This International Tax Compliance Documentation ("Document") is executed on 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 (hereinafter "Company").

1. DEFINITIONS

1 "Applicable Tax Laws" shall mean all federal, state, local, and international tax regulations governing corporate taxation, including but not limited to:

- a) Internal Revenue Code
- b) Foreign Earnings Repatriation Statutes
- c) International Tax Treaties
- d) OECD Transfer Pricing Guidelines

2 "Taxable Jurisdictions" shall include, but are not limited to:

- United States
- United Kingdom
- Singapore
- Germany
- Canada

2. TAX COMPLIANCE FRAMEWORK

1 Corporate Tax Structure

The Company maintains a comprehensive tax compliance strategy designed to:

- a) Ensure full legal adherence to all applicable tax regulations
- b) Optimize legitimate tax efficiency
- c) Maintain transparent reporting mechanisms
- d) Mitigate potential international tax risks

2 Transfer Pricing Methodology

Nexus Intelligent Systems, Inc. employs arm's length transfer pricing principles consistent with international standards, specifically:

- Detailed transactional documentation
- Independent valuation of intercompany transactions
- Annual comprehensive transfer pricing studies
- Consistent application of OECD recommended methodologies

3. INTERNATIONAL REVENUE ALLOCATION

1 Revenue Segmentation

The Company's international revenue is categorized as follows:

- North American Operations: 62.4%
- European Market Segment: 22.7%
- Asia-Pacific Region: 14.9%

2 Jurisdictional Tax Rates

Effective tax rates are maintained within the following ranges:

- United States: 21.0% - 23.5%
- United Kingdom: 19.0% - 20.5%
- Singapore: 17.0% - 18.5%
- Germany: 30.0% - 32.0%
- Canada: 26.5% - 28.0%

4. COMPLIANCE ATTESTATIONS

1 Historical Compliance

The Company certifies:

- a) No outstanding tax assessments
- b) Full compliance with all filing requirements
- c) No pending tax litigation
- d) Timely submission of all required documentation

2 Documentation Retention

Comprehensive tax records are maintained for a minimum of seven (7) years, including:

- Annual tax returns
- Supporting financial statements
- Transfer pricing documentation
- Intercompany transaction records

5. RISK MITIGATION STRATEGIES

1 Audit Preparedness

The Company maintains:

- Comprehensive internal audit protocols
- Quarterly tax compliance reviews
- External independent tax advisory relationships

2 Potential Contingent Liabilities

Potential tax exposures are continuously monitored and assessed, with appropriate financial reserves established.

6. CONFIDENTIALITY AND LIMITATIONS

1 This document represents a summary of tax compliance strategies and should not be construed as definitive legal advice.

2 All information contained herein is strictly confidential and intended solely for authorized review.

7. EXECUTION

Executed by authorized representative:

Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.

Date: January 22, 2024

DISCLAIMER

This document is prepared in good faith and represents the Company's best understanding of its tax compliance obligations as of the execution date.