

MACHINE LEARNING MODEL LICENSING AGREEMENT

PARTIES

This Machine Learning Model Licensing Agreement (the "Agreement") is entered into as of January 22, 2024 (the "Effective Date") by and between:

NEXUS INTELLIGENT SYSTEMS, INC., a Delaware corporation with principal offices at 1200 Technology Park Drive, San Jose, California 95134 ("Licensor")

AND

[LICENSEE NAME], a [STATE] corporation with principal offices at [ADDRESS] ("Licensee")

RECITALS

WHEREAS, Licensor has developed proprietary machine learning models for predictive maintenance and industrial diagnostics (the "Licensed Models");

WHEREAS, Licensee desires to obtain a license to utilize certain of Licensor's machine learning technologies for internal business purposes;

WHEREAS, the parties wish to establish the terms and conditions governing the licensing of such intellectual property;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. DEFINITIONS

1 "Confidential Information" shall mean all proprietary technical, business, and algorithmic information disclosed by Licensor, including but not limited to model architectures, training methodologies, and performance metrics.

2 "Licensed Models" shall mean the specific machine learning algorithms and predictive models more particularly described in Exhibit A, including all associated documentation, training datasets, and derivative works.

3 "Permitted Purpose" shall mean the internal use of Licensed Models for predictive maintenance and

operational diagnostics within Licensee's industrial infrastructure.

2. LICENSE GRANT

1 Limited License. Subject to the terms and conditions of this Agreement, Licensors hereby grants Licensee a non-exclusive, non-transferable license to utilize the Licensed Models solely for the Permitted Purpose.

2 Restrictions. Licensee shall not:

- a) Reverse engineer or attempt to deconstruct the Licensed Models
- b) Sublicense or transfer the Licensed Models to any third party
- c) Use the Licensed Models for competitive analysis or development
- d) Modify the core algorithmic structures without prior written consent

3. INTELLECTUAL PROPERTY RIGHTS

1 Ownership. All right, title, and interest in the Licensed Models, including all patents, copyrights, and trade secrets, shall remain exclusively with Licensors.

2 Improvements. Any modifications or derivative works created by Licensee shall be immediately assigned to Licensors, with Licensee receiving no additional compensation.

4. FEES AND PAYMENT

1 License Fee. Licensee shall pay Licensors an initial licensing fee of \$250,000, payable within 30 days of the Effective Date.

2 Ongoing Royalties. Licensee shall pay quarterly royalties of 3% of net revenue directly attributable to implementations of the Licensed Models.

3 Audit Rights. Licensors may conduct annual audits to verify royalty calculations, with reasonable notice.

5. CONFIDENTIALITY

1 Licensee shall maintain the strictest confidentiality regarding the Licensed Models, implementing at least the same level of protection used for its most sensitive proprietary information.

2 Confidentiality obligations shall survive the termination of this Agreement for a period of five (5)

years.

6. WARRANTY AND DISCLAIMER

1 Licensor warrants that it has the right to license the Licensed Models and that they will perform substantially in accordance with their documentation.

2 EXCEPT AS EXPLICITLY STATED HEREIN, THE LICENSED MODELS ARE PROVIDED "AS IS" WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES.

7. LIMITATION OF LIABILITY

1 Neither party shall be liable for indirect, consequential, or punitive damages under any circumstances.

2 Total aggregate liability shall not exceed the total fees paid by Licensee during the preceding twelve (12) month period.

8. TERM AND TERMINATION

1 Initial Term. This Agreement shall remain in effect for an initial period of three (3) years from the Effective Date.

2 Termination. Either party may terminate this Agreement for material breach with 30 days written notice and opportunity to cure.

9. MISCELLANEOUS

1 Governing Law. This Agreement shall be governed by the laws of the State of California.

2 Entire Agreement. This document constitutes the complete understanding between the parties.

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

NEXUS INTELLIGENT SYSTEMS, INC.

By:

Name: Dr. Elena Rodriguez

Title: Chief Executive Officer

[LICENSEE NAME]

By:

Name: [Authorized Signatory]

Title: [Title]