INTELLECTUAL PROPERTY RIGHTS AND OWNERSHIP AGREEMENT

THIS INTELLECTUAL PROPERTY RIGHTS AND OWNERSHIP 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 engines, and edge computing solutions, collectively comprising the NexusCore™ Industrial AI Platform;

WHEREAS, Company desires to establish and memorialize the ownership rights, protection mechanisms, and governance framework for its intellectual property assets;

WHEREAS, Company's technology stack includes proprietary algorithms, software implementations, training methodologies, and industrial process optimization techniques; and

WHEREAS, Company seeks to protect its intellectual property rights while enabling continued innovation and technological advancement in industrial automation and operational excellence solutions.

NOW, THEREFORE, Company hereby establishes and declares the following:

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 Components" means any and all machine learning models, neural networks, decision trees, statistical models, and related algorithmic implementations developed by Company, including but not limited to supervised learning systems, reinforcement learning frameworks, deep learning architectures, and predictive analytics engines, whether deployed independently or as integrated components of the NexusCore™ Platform.

(b) "Computer Vision System" means Company's proprietary visual recognition and processing technology, including image analysis algorithms, object detection systems, and visual quality

control implementations, encompassing real-time video processing, multi-spectral imaging analysis, 3D reconstruction capabilities, and automated inspection protocols.

(c) "Confidential Information" means all non-public information relating to Company's technology, including but not limited to source code, training data, model architectures, algorithmic implementations, technical documentation, trade secrets, research methodologies, development roadmaps, customer implementations, performance metrics, optimization strategies, and any information marked as confidential or that should reasonably be understood to be confidential given the nature of the information and circumstances of disclosure.

(d) "Derivative Works" means any modification, enhancement, improvement, or adaptation of Company's technology, including model refinements, algorithm optimizations, customer-specific implementations, custom interfaces, modified architectures, enhanced functionalities, performance improvements, integration protocols, and any other works based upon or derived from the original technology.

(e) "Edge Computing Solutions" means Company's distributed processing architecture and related software components designed for local data processing and real-time analytics, including edge nodes, local processing units, distributed computing frameworks, mesh networks, and associated middleware components that enable decentralized computation and data handling.

(f) "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, as well as all associated know-how, technical innovations, and proprietary methodologies.

(g) "NexusCore™ Platform" means Company's flagship software suite combining artificial intelligence, computer vision, and edge computing capabilities for industrial process optimization, including all core modules, plugins, APIs, user interfaces, backend services, and associated tools and utilities that comprise the complete platform ecosystem.

(h) "Technical Documentation" means all specifications, documentation, manuals, and materials describing the technical aspects of Company's technology, including architecture diagrams, API documentation, deployment guides, configuration manuals, troubleshooting guides, and best practices documentation.

(i) "System Integration Components" means any software, hardware, or firmware components designed to facilitate integration between the NexusCore™ Platform and third-party systems, including APIs, connectors, adapters, and protocol converters.

(j) "Training Materials" means all educational content, tutorials, workshops, and instructional resources provided by Company for the purpose of enabling effective use of its technology.

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 stated in days refer to calendar days unless explicitly specified as business days

(g) Technical terms shall be interpreted according to their generally accepted meaning within the artificial intelligence and computer vision industry

(h) References to laws, regulations, or standards include all amendments, modifications, and replacements thereof

(i) The terms "hereof," "herein," and "hereunder" refer to this Agreement as a whole

(j) Any reference to writing or written includes electronic communications and digital documents

(k) The rule of construction that ambiguities are to be resolved against the drafting party shall not be applied in interpreting this Agreement

(l) Terms defined in this Agreement shall have their defined meanings regardless of whether they appear in capital letters, initial caps, or lowercase letters

3.0 INTELLECTUAL PROPERTY OWNERSHIP

3.1 Pre-existing Intellectual Property

(a) Company owns all right, title, and interest in and to all pre-existing Intellectual Property Rights relating to the NexusCore™ Platform, including: (i) All Artificial Intelligence Components (ii) The Computer Vision System (iii) Edge Computing Solutions (iv) Associated Technical Documentation (v) All underlying software architectures, frameworks, and implementations (vi) System integration methodologies and deployment protocols (vii) Proprietary algorithms, including but not limited to machine learning models, neural networks, and decision trees (viii) Data preprocessing and feature extraction methodologies

(b) Company's ownership extends to all training data, model architectures, and algorithmic implementations developed prior to customer deployments, encompassing: (i) Raw and processed training datasets (ii) Data annotation and labeling schemas (iii) Model hyperparameters and optimization techniques (iv) Training methodologies and validation protocols (v) Performance metrics and evaluation frameworks

3.2 Newly Developed Intellectual Property

(a) Company shall own all Intellectual Property Rights in: (i) Improvements to the NexusCore™ Platform (ii) New machine learning models and algorithms (iii) Enhanced computer vision capabilities (iv) Optimized edge computing implementations (v) All Derivative Works (vi) System architecture improvements (vii) Performance optimization techniques (viii) Integration protocols and interfaces

(b) Model Training and Evolution (i) Company retains ownership of all model improvements resulting from additional training (ii) Customer-specific optimizations remain Company property (iii) Performance enhancements derived from deployment feedback belong to Company (iv) Incremental improvements in accuracy, efficiency, or functionality (v) Adaptations to new use cases or environments (vi) Transfer learning applications and outcomes

(c) Derivative Technologies (i) Any modifications, adaptations, or improvements to the core technology (ii) Extensions of existing functionality (iii) Custom implementations for specific use cases (iv) Integration solutions and middleware (v) API developments and extensions

3.3 Third-Party Components

(a) Company maintains an inventory of all third-party components incorporated into its technology, including: (i) Detailed documentation of all third-party software (ii) Version control and update management (iii) License compliance tracking (iv) Usage restrictions and limitations (v) Integration documentation and dependencies

(b) All third-party usage complies with applicable license terms through: (i) Regular audit and compliance reviews (ii) Documentation of permitted uses (iii) Tracking of attribution requirements (iv) Monitoring of usage limitations (v) Management of commercial terms

(c) Company has obtained necessary rights and permissions for all third-party components, ensuring: (i) Written agreements where required (ii) Payment of applicable fees (iii) Compliance with usage restrictions (iv) Proper attribution and notices (v) Maintenance of required records

3.4 Open Source Software

(a) Company maintains compliance with all open source license obligations through: (i) Regular code audits (ii) License compatibility analysis (iii) Attribution management (iv) Source code availability where required (v) Contribution tracking and management

(b) Open source components are segregated from proprietary code by: (i) Clear architectural boundaries (ii) Documented interfaces (iii) Version control separation (iv) Build process isolation (v) Deployment segregation

(c) Usage does not trigger copyleft or similar obligations through: (i) Careful license selection (ii) Code architecture design (iii) Integration methodology (iv) Distribution planning (v) Compliance verification

3.5 Intellectual Property Protection

(a) Company implements comprehensive measures to protect intellectual property: (i) Regular patent filings for novel innovations (ii) Trade secret protection protocols (iii) Confidentiality agreements (iv) Access control systems (v) Security audits and monitoring

(b) Documentation and Record-Keeping (i) Maintenance of invention records (ii) Development documentation (iii) Chain of title documentation (iv) License and agreement archives (v) Compliance records

3.6 Customer Rights and Limitations

(a) Customers receive limited license rights to: (i) Use the technology as deployed (ii) Access specific features and functions (iii) Obtain support and updates (iv) Generate and use outputs (v) Interface with authorized systems

(b) Customers are explicitly prohibited from: (i) Reverse engineering the technology (ii) Accessing or modifying source code (iii) Creating derivative works (iv) Transferring license rights (v) Circumventing security measures

4.0 IP PROTECTION AND ENFORCEMENT

4.1 Patent Protection

(a) Company shall maintain and enforce its patent portfolio covering: (i) Core AI technologies and implementations, including but not limited to: - Neural network architectures and topologies - Machine learning model optimization methods - Training data preprocessing techniques - Model deployment frameworks (ii) Computer vision processing methods, encompassing: - Image recognition algorithms - Object detection systems - Real-time video analysis - Spatial mapping technologies (iii) Edge computing architectures, including: - Distributed processing frameworks - Resource optimization protocols - Network communication methods - Hardware acceleration implementations (iv) Industrial process optimization techniques, covering: - Automated control systems - Predictive maintenance algorithms - Quality control methodologies - Process efficiency frameworks

(b) Company shall pursue additional patent protection for new innovations by: (i) Conducting regular invention disclosure reviews (ii) Maintaining detailed documentation of innovative developments (iii) Performing comprehensive prior art searches (iv) Filing provisional and non-provisional applications as appropriate (v) Pursuing international patent protection in key markets

4.2 Trade Secret Protection

(a) Company shall maintain reasonable measures to protect trade secrets, including: (i) Access controls and security protocols: - Multi-factor authentication systems - Role-based access control - Activity logging and monitoring - Regular security audits (ii) Employee

confidentiality agreements: - Comprehensive NDAs for all personnel - Specific provisions for AI/ML technologies - Post-employment restrictions - Assignment of invention provisions (iii) Information classification systems: - Clearly defined security levels - Data handling procedures - Storage requirements - Transmission protocols (iv) Secure development environments: - Isolated development networks - Version control systems - Code review procedures - Change management protocols

4.3 Infringement Procedures

(a) Company shall monitor for potential infringement through: (i) Regular market surveillance (ii) Competitor product analysis (iii) Patent landscape monitoring (iv) Industry publication review

(b) Company shall promptly investigate suspected violations by: (i) Conducting technical analysis of potentially infringing products (ii) Documenting evidence of infringement (iii) Engaging external experts as needed (iv) Preparing detailed violation reports

(c) Company shall enforce its rights through appropriate legal action: (i) Issuing cease and desist notices (ii) Pursuing negotiated settlements (iii) Filing litigation when necessary (iv) Seeking injunctive relief (v) Pursuing monetary damages

(d) Company shall maintain documentation of enforcement activities including: (i) Investigation reports (ii) Correspondence with alleged infringers (iii) Settlement agreements (iv) Litigation records (v) Resolution outcomes

4.4 Cooperation Requirements

(a) All employees shall cooperate in IP protection efforts by: (i) Promptly reporting potential innovations (ii) Maintaining detailed laboratory notebooks (iii) Participating in invention disclosure meetings (iv) Assisting in prior art searches

(b) Technical staff shall assist in patent prosecution through: (i) Providing technical descriptions and drawings (ii) Responding to technical questions (iii) Reviewing draft patent applications (iv) Supporting patent office actions

(c) Documentation of innovations shall be maintained including: (i) Technical specifications (ii) Development history (iii) Test results and validation data (iv) Implementation details (v) Source code and algorithms

(d) Security protocols shall be strictly followed, including: (i) Regular security training (ii) Compliance with access controls (iii) Proper handling of confidential information (iv) Incident reporting procedures (v) Visitor management protocols

4.5 Compliance and Reporting

(a) Regular audits shall be conducted to ensure: (i) Compliance with IP protection procedures (ii) Effectiveness of security measures (iii) Documentation completeness (iv) Training adequacy

(b) Quarterly reports shall be prepared summarizing: (i) Patent portfolio status (ii) Enforcement activities (iii) Security incidents (iv) Compliance metrics (v) Recommended improvements

5.0 REPRESENTATIONS AND WARRANTIES

5.1 Title Warranties

Company represents and warrants that: (a) It owns all Intellectual Property Rights claimed, including but not limited to patents, copyrights, trade secrets, and proprietary algorithms (b) Its technology is free from encumbrances, liens, security interests, and other adverse claims (c) It has authority to make this Agreement and has secured all necessary corporate approvals (d) No third party has superior rights claims to any component of the technology (e) All inventors and contributors have properly assigned their rights to Company (f) All registration and maintenance fees for intellectual property have been timely paid

5.2 Non-infringement Warranties

Company represents and warrants that: (a) Its technology does not infringe third-party rights, whether patent, copyright, trademark, or trade secret (b) It has conducted reasonable clearance investigations, including comprehensive patent searches and code audits (c) It has obtained necessary licenses and permissions for all third-party components (d) No infringement claims are pending or threatened against any aspect of the technology (e) It maintains documentation of all clearance investigations and search results (f) It will promptly notify Licensee of any infringement claims that arise (g) It has implemented appropriate safeguards against inadvertent infringement

5.3 Compliance Warranties

Company represents and warrants that: (a) It complies with applicable laws and regulations, including data protection and privacy laws (b) Its technology meets industry standards for security, reliability, and performance (c) It maintains required certifications, including ISO/IEC standards where applicable (d) Its practices follow ethical AI principles and responsible innovation guidelines (e) It conducts regular compliance audits and maintains audit records (f) It implements appropriate data governance frameworks (g) It adheres to relevant international standards for AI development (h) It maintains documentation of compliance measures and certifications

5.4 Technology Capabilities

Company represents and warrants that: (a) Its AI models perform as documented in all material respects (b) Its computer vision systems meet specifications with accuracy rates of at least 95% (c) Its edge computing solutions are reliable and maintain 99.9% uptime (d) Its platform delivers stated functionality under normal operating conditions (e) Its systems can process data at the specified throughput rates (f) Its algorithms maintain consistency across different

hardware configurations (g) Its models demonstrate reproducible results within stated confidence intervals

5.5 Performance Standards

Company represents and warrants that: (a) System response times meet documented specifications (b) Error rates remain within acceptable thresholds (c) Data processing accuracy meets industry benchmarks (d) System scalability matches documented capabilities (e) Fault tolerance mechanisms function as designed (f) Recovery procedures restore functionality within specified timeframes

5.6 Support and Maintenance

Company represents and warrants that: (a) It maintains sufficient technical staff to support the technology (b) It provides timely updates and security patches (c) It maintains comprehensive documentation and training materials (d) It implements version control and change management procedures (e) It provides technical support within agreed service levels (f) It maintains backup and disaster recovery capabilities

5.7 Disclaimer

Except as expressly stated in this Agreement, Company makes no other warranties, express or implied, including warranties of merchantability or fitness for a particular purpose. Company does not warrant that the technology will be error-free or operate without interruption.

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