

# Shareholder Equity Breakdown

## Confidential Legal Document

Nexus Intelligent Systems, Inc.

### PRELIMINARY STATEMENT

This Shareholder Equity Breakdown ("Document") is prepared as of January 22, 2024, by and for Nexus Intelligent Systems, Inc., a Delaware corporation (the "Company"), detailing the comprehensive equity capitalization as of the date hereof.

### 1. AUTHORIZED CAPITAL STRUCTURE

#### 1 Total Authorized Shares

- Common Stock: 10,000,000 shares
- Preferred Stock: 5,000,000 shares

#### 2 Authorized Preferred Stock Classes

- a) Series A Preferred: 2,000,000 shares
- b) Series B Preferred: 1,500,000 shares
- c) Undesignated Preferred: 1,500,000 shares

### 2. ISSUED AND OUTSTANDING EQUITY

#### 1 Common Stock Breakdown

- Total Common Shares Issued: 6,750,000
- Founder Shares: 2,250,000 (33.33%)
- Employee Stock Option Pool: 675,000 (10%)
- Investor-Held Common Shares: 3,825,000 (56.67%)

#### 2 Preferred Stock Allocation

- Series A Preferred Shares: 1,250,000
- Held by Venture Capital Investors
- Liquidation Preference: 1x
- Series B Preferred Shares: 750,000
- Held by Growth Equity Partners

- Liquidation Preference: 1.5x

### **3. EQUITY OWNERSHIP DETAILS**

#### **1 Founder Equity Ownership**

##### **a) Dr. Elena Rodriguez (CEO)**

- Common Shares: 825,000 (12.22%)
- Stock Options: 150,000

##### **b) Michael Chen (CTO)**

- Common Shares: 675,000 (10%)
- Stock Options: 125,000

##### **c) Sarah Williamson (Chief Strategy Officer)**

- Common Shares: 450,000 (6.67%)
- Stock Options: 75,000

#### **2 Institutional Investor Ownership**

##### **a) Sequoia Capital**

- Series A Preferred: 750,000 shares
- Common Equivalent: 500,000 shares

##### **b) Andreessen Horowitz**

- Series B Preferred: 450,000 shares
- Common Equivalent: 300,000 shares

### **4. OUTSTANDING EQUITY INSTRUMENTS**

#### **1 Stock Option Details**

- Total Options Authorized: 750,000
- Currently Granted: 675,000
- Remaining Available: 75,000
- Weighted Average Exercise Price: \$12.50 per share

#### **2 Convertible Securities**

- Convertible Notes: \$2,500,000

- Conversion Price: \$10.00 per share
- Potential Dilution: Approximately 250,000 shares

## **5. DILUTION AND ANTI-DILUTION PROVISIONS**

### **1 Weighted Average Anti-Dilution Protection**

- Series A Preferred: Full Ratchet
- Series B Preferred: Broad-Based Weighted Average

### **2 Preemptive Rights**

All existing preferred shareholders maintain pro-rata investment rights for future financing rounds.

## **6. LEGAL DISCLAIMERS**

1 This document is provided for informational purposes and does not constitute a binding agreement.

2 All equity positions are subject to adjustment based on future financing events, stock splits, or corporate actions.

## **CERTIFICATION**

The undersigned hereby certifies that the foregoing Shareholder Equity Breakdown is true, complete, and accurate as of the date first written above.

Executed on: January 22, 2024

Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.