

SHAREHOLDER AGREEMENT AND EQUITY DISTRIBUTION

PREAMBLE

THIS SHAREHOLDER AGREEMENT (the "Agreement") is executed on January 22, 2024, by and among the shareholders of Nexus Intelligent Systems, Inc., a Delaware corporation (the "Company").

1. DEFINITIONS

- 1 "Shares" shall mean the issued and outstanding common stock of the Company.
- 2 "Founder Shares" means the initial equity issued to the original founders: Dr. Elena Rodriguez, Michael Chen, and Sarah Williamson.
- 3 "Qualified Transferee" means an accredited investor approved by the Board of Directors.

2. EQUITY DISTRIBUTION

1 Initial Capitalization

The current equity distribution of the Company is as follows:

- Dr. Elena Rodriguez: 32.5% (Founder Shares)
- Michael Chen: 27.3% (Founder Shares)
- Sarah Williamson: 15.2% (Founder Shares)
- Venture Capital Investors: 22.5%
- Employee Option Pool: 2.5%

2 Transfer Restrictions

- (a) No shareholder may transfer shares without first offering a right of first refusal to existing shareholders.
- (b) Any proposed transfer must be approved in writing by the Board of Directors, which approval shall not be unreasonably withheld.

3. GOVERNANCE PROVISIONS

1 Board Composition

- (a) The Board of Directors shall consist of five (5) members:

- Three (3) founder-nominated directors
- Two (2) investor-nominated directors

2 Voting Rights

(a) Each share shall be entitled to one (1) vote on all matters submitted to shareholders.

(b) Certain fundamental actions shall require supermajority approval, including:

- Sale of the Company
- Significant corporate restructuring
- Issuance of new equity
- Amendment of corporate bylaws

4. LIQUIDITY AND EXIT PROVISIONS

1 Drag-Along Rights

In the event of a proposed sale of the Company where shareholders representing at least 65% of outstanding shares approve, all shareholders shall be obligated to participate in such transaction.

2 Tag-Along Rights

If a proposed sale involves more than 50% of the Company's shares, minority shareholders shall have the right to participate on a pro-rata basis.

5. VESTING AND STOCK OPTIONS

1 Founder Vesting

Founder shares shall be subject to a four-year vesting schedule with a one-year cliff:

- 25% of shares vest after the first year
- Remaining shares vest monthly over subsequent three years

2 Employee Option Pool

(a) The Company maintains a 2.5% employee stock option pool.

(b) Options shall vest over a four-year period with a one-year cliff.

6. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

1 IP Assignment

All shareholders acknowledge that all intellectual property developed during their association with the Company shall be exclusively owned by Nexus Intelligent Systems, Inc.

2 Confidentiality Obligations

Shareholders agree to maintain strict confidentiality regarding the Company's proprietary information, both during and after their involvement with the Company.

7. DISPUTE RESOLUTION

1 Arbitration

Any disputes arising from this Agreement shall be resolved through binding arbitration in Delaware, conducted by a single arbitrator with expertise in corporate law.

8. MISCELLANEOUS PROVISIONS

1 Entire Agreement

This document constitutes the entire understanding between parties and supersedes all prior agreements.

2 Amendments

Any modifications must be made in writing and signed by shareholders representing at least 75% of outstanding shares.

SIGNATURE BLOCK

IN WITNESS WHEREOF, the undersigned have executed this Shareholder Agreement as of the date first above written.

SHAREHOLDERS:

Dr. Elena Rodriguez

Date: January 22, 2024

Michael Chen

Date: January 22, 2024

Sarah Williamson

Date: January 22, 2024

[Authorized Representative Signatures for Venture Capital Investors]

CORPORATE SEAL: Nexus Intelligent Systems, Inc.