INTELLECTUAL PROPERTY OWNERSHIP AND PROTECTION AGREEMENT

THIS INTELLECTUAL PROPERTY OWNERSHIP AND PROTECTION 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 algorithms, and edge computing solutions for industrial process optimization (collectively, the "Technology");

WHEREAS, Company desires to establish and memorialize the ownership, protection, and permitted uses of its intellectual property rights in and to the Technology, including the NexusCore™ Industrial AI Platform and related solutions;

WHEREAS, Company seeks to protect its substantial investment in research and development while enabling appropriate commercial deployment of the Technology; and

WHEREAS, this Agreement sets forth the terms and conditions governing the ownership, protection, and exploitation of Company's intellectual property rights.

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

2.0 DEFINITIONS AND INTERPRETATION

2.1 Defined Terms. The following terms shall have the meanings set forth below:

(a) "AI Technology Stack" means Company's proprietary artificial intelligence and machine learning technology infrastructure, including all algorithms, models, neural networks, and associated software components that enable industrial process optimization and automated decision support, together with all updates, modifications, improvements, and derivative works thereof.

(b) "Computer Vision System" means Company's proprietary computer vision technology that processes and analyzes visual data from industrial environments using artificial intelligence

techniques, including but not limited to object detection, pattern recognition, defect identification, and real-time monitoring capabilities.

(c) "Edge Computing Components" means the distributed computing architecture and associated hardware devices that process data at or near the source of data generation, including industrial sensors, local processing units, and gateway devices that enable real-time analysis and decision-making.

(d) "Industrial IoT Framework" means the interconnected network of sensors, devices, and systems that collect, transmit, and process industrial data, including all associated communication protocols, security measures, and data management systems.

(e) "Intellectual Property Rights" means all worldwide intellectual property rights, including without limitation: (i) patents, patent applications, and patent rights; (ii) copyrights, copyright registrations and applications, and works of authorship; (iii) trade secrets and proprietary know-how; (iv) trademarks, service marks, and trade dress; (v) database rights; (vi) mask works and industrial design rights; and (vii) all other intellectual and industrial property rights, whether registered or unregistered.

(f) "Machine Learning Models" means Company's proprietary trained artificial intelligence models, including all weights, parameters, architectures, training methodologies, and associated optimization techniques, together with all improvements and iterations thereof.

(g) "NexusCore™ Platform" means Company's flagship software platform that integrates the AI Technology Stack, Computer Vision System, and Machine Learning Models to deliver industrial process optimization capabilities, including all modules, interfaces, and administrative tools.

(h) "Proprietary Information" means all non-public technical and business information relating to the Technology, including source code, algorithms, training data, customer data, trade secrets, manufacturing processes, system architectures, performance metrics, and optimization strategies.

(i) "System Documentation" means all technical specifications, user manuals, training materials, implementation guides, and other documentation related to the Technology.

2.2 Interpretation. In this Agreement: (a) headings are for convenience only and shall not affect interpretation; (b) "including" and similar words mean "including without limitation"; (c) defined terms apply to both singular and plural forms; (d) references to sections mean sections of this Agreement unless otherwise specified; (e) any reference to a statute, regulation, or standard includes any modification or re-enactment thereof; (f) technical terms shall have their generally accepted industry meanings; (g) ambiguities shall not be interpreted against the drafting party; and (h) references to time periods shall be calculated in calendar days unless otherwise specified.

2.3 Order of Precedence. In the event of any conflict or inconsistency between the provisions of this Agreement, the order of precedence shall be: (a) the main body of the Agreement; (b) the Schedules and Exhibits; and (c) any other documents incorporated by reference.

3.0 INTELLECTUAL PROPERTY OWNERSHIP

3.1 Pre-existing Intellectual Property

(a) Company is the sole and exclusive owner of all Intellectual Property Rights in and to the Technology existing as of the Effective Date, including without limitation: (i) The AI Technology Stack and all component technologies, including but not limited to algorithmic implementations, data processing pipelines, and computational frameworks (ii) The Computer Vision System and associated algorithms, including object detection, image classification, semantic segmentation, and all related methodologies (iii) All Machine Learning Models and training methodologies, including supervised, unsupervised, and reinforcement learning approaches (iv) The NexusCore™ Platform and all modules thereof, including APIs, interfaces, and integration components (v) All associated documentation, specifications, materials, and technical implementations

(b) No rights, licenses, or ownership interests in any pre-existing Intellectual Property Rights are transferred, assigned, or licensed except as expressly set forth herein. This includes all derivative works, modifications, and improvements based on the pre-existing Intellectual Property.

(c) Company retains all rights to any training data, datasets, and data annotations used in the development of its Machine Learning Models, including: (i) Proprietary datasets and collections (ii) Annotated training examples (iii) Validation and testing datasets (iv) Data preprocessing methodologies and tools

3.2 Newly Developed Intellectual Property

(a) Company shall own all right, title, and interest in any improvements, modifications, or enhancements to the Technology developed after the Effective Date, including: (i) New or improved Machine Learning Models, including architectural improvements, optimization techniques, and performance enhancements (ii) Enhanced computer vision capabilities, including advanced feature detection, tracking systems, and real-time processing improvements (iii) Additional AI algorithms and methodologies, including novel approaches to data processing and analysis (iv) Platform upgrades and new features, including user interface improvements and system optimizations

(b) All Intellectual Property Rights in work product created by employees or contractors shall be deemed "works made for hire" and owned exclusively by Company. This includes: (i) Source code and software implementations (ii) Technical documentation and specifications (iii)

Research findings and experimental results (iv) Design documents and architectural plans (v) Testing protocols and validation methodologies

(c) Any inventions, discoveries, or improvements made during the course of work performed for Company shall be promptly disclosed and assigned to Company, including: (i) Patent-eligible innovations (ii) Novel technical solutions (iii) Process improvements (iv) Implementation optimizations

3.3 Third-Party Components

(a) Company acknowledges that the Technology may incorporate certain third-party components, including open source software, subject to separate license terms. Company shall: (i) Maintain detailed records of all third-party components (ii) Comply with all applicable license requirements (iii) Regularly review and update third-party component usage (iv) Implement appropriate controls to manage third-party dependencies

(b) A complete list of third-party components and applicable licenses is maintained in Exhibit A, which shall be updated as necessary to reflect: (i) New third-party components (ii) Version updates and changes (iii) License modifications (iv) Deprecated or removed components

3.4 Open Source Declarations

(a) Company represents that its use of open source software complies with all applicable license requirements and does not compromise the proprietary nature of the Technology. Company shall: (i) Maintain a comprehensive open source compliance program (ii) Review all open source usage for license compatibility (iii) Document all open source components and their licenses (iv) Ensure proper attribution and notice requirements are met

(b) Company shall implement appropriate measures to protect proprietary code and maintain clear boundaries between open source and proprietary components, including: (i) Code segregation protocols (ii) License compliance checks (iii) Regular audits of open source usage (iv) Documentation of integration methods

3.5 Intellectual Property Protection

(a) Company shall take reasonable measures to protect all Intellectual Property Rights, including: (i) Implementation of security measures (ii) Confidentiality agreements (iii) Patent and trademark registrations (iv) Regular IP audits and reviews

(b) Company shall maintain appropriate records and documentation to support and defend its Intellectual Property Rights, including: (i) Development history and technical documentation (ii) Invention disclosures and patent applications (iii) Copyright registrations (iv) Trade secret protection protocols

4.0 IP PROTECTION AND CONFIDENTIALITY

4.1 Trade Secret Protection

(a) Company shall maintain strict confidentiality of all trade secrets within the Technology, including: (i) AI algorithms and architectures (ii) Machine learning training methodologies (iii) Proprietary optimization techniques (iv) Customer-specific model implementations (v) Neural network configurations and weights (vi) Feature engineering methodologies (vii) Performance optimization parameters

(b) Access to trade secrets shall be limited to authorized personnel with a need to know, subject to: (i) Written authorization from designated Company officers (ii) Documented access tracking and periodic review (iii) Mandatory security clearance procedures (iv) Regular trade secret inventory audits

(c) Company shall implement a comprehensive trade secret management program including: (i) Clear marking and classification of trade secret materials (ii) Secure physical and digital storage systems (iii) Regular training on trade secret handling (iv) Incident response procedures for potential breaches

4.2 Source Code Security

(a) Company shall implement and maintain security measures to protect source code, including: (i) Secure source code repositories with multi-factor authentication (ii) Access controls and authentication mechanisms (iii) Code signing and verification protocols (iv) Regular security audits and penetration testing (v) Version control and change tracking systems (vi) Automated vulnerability scanning (vii) Secure code review processes

(b) Source code handling procedures shall include: (i) Prohibition of unauthorized code copying or transfer (ii) Secure development environment requirements (iii) Code deployment verification protocols (iv) Regular backup and recovery testing

4.3 Data Protection Measures

(a) Company shall protect all data used in the Technology through: (i) Encryption at rest and in transit using industry-standard protocols (ii) Secure data storage and transmission methods (iii) Access logging and continuous monitoring (iv) Regular security assessments and compliance audits (v) Data classification and handling procedures (vi) Secure data disposal protocols

(b) Data protection implementation shall include: (i) Regular penetration testing of data systems (ii) Incident response and breach notification procedures (iii) Data recovery and business continuity plans (iv) Third-party data handling requirements

4.4 Employee and Contractor Obligations

(a) All employees and contractors shall: (i) Execute comprehensive confidentiality agreements (ii) Assign all Intellectual Property Rights to Company (iii) Comply with security policies and procedures (iv) Return all materials upon termination (v) Participate in regular security awareness training (vi) Report potential security incidents promptly

(b) Additional personnel requirements include: (i) Background checks prior to access authorization (ii) Regular compliance certification (iii) Non-compete agreements where applicable (iv) Exit interviews and access termination procedures

4.5 Compliance and Enforcement

(a) Company shall maintain: (i) Regular compliance monitoring programs (ii) Documentation of all security measures (iii) Incident response procedures (iv) Regular policy review and updates

(b) Enforcement measures shall include: (i) Regular audits of security compliance (ii) Investigation of potential violations (iii) Disciplinary procedures for non-compliance (iv) Legal remedies for unauthorized disclosure (v) Cooperation with law enforcement when required

5.0 IP USAGE RIGHTS AND RESTRICTIONS

5.1 License Grants

(a) Company may grant limited licenses to use the Technology subject to: (i) Written license agreements executed by authorized representatives (ii) Usage restrictions and limitations as specified herein (iii) Confidentiality obligations and data protection requirements (iv) Payment of applicable fees, royalties, and maintenance charges (v) Compliance with all applicable laws and regulations

(b) License types shall be categorized as follows: (i) Standard Production License for manufacturing implementation (ii) Integration Partner License for authorized system integrators (iii) Development License for internal testing and customization (iv) Evaluation License for temporary assessment purposes

5.2 Usage Restrictions

(a) Licensees shall not: (i) Modify, adapt, or create derivative works without express written authorization (ii) Reverse engineer, decompile, or disassemble the Technology (iii) Remove, alter, or obscure any proprietary notices or markings (iv) Transfer, sublicense, or assign any rights granted hereunder (v) Use the Technology beyond the scope of the granted license (vi) Combine the Technology with open-source software in a manner that would require disclosure of proprietary code (vii) Benchmark or analyze the Technology for competitive purposes

(b) Additional operational restrictions: (i) Implementation limited to authorized facilities and locations (ii) Access restricted to named authorized users (iii) Usage monitoring and reporting requirements (iv) Regular compliance audits and verification

5.3 Territory Limitations

(a) Geographic restrictions: (i) Licenses valid only in specifically designated territories (ii) Multi-territory usage requires separate authorization (iii) Export compliance requirements must be satisfied (iv) Local regulations and standards must be observed

(b) Territory expansion subject to: (i) Written amendment to the original license agreement (ii) Additional fee structure for expanded territories (iii) Compliance with international trade regulations (iv) Local representation requirements where applicable

5.4 Implementation Requirements

(a) Licensees must maintain: (i) Adequate security measures to protect the Technology (ii) Current version compatibility and updates (iii) Accurate records of authorized users and installations (iv) Regular backup and disaster recovery procedures

(b) Technical implementation requirements: (i) Adherence to Company's integration guidelines (ii) Regular system health monitoring and reporting (iii) Maintenance of specified minimum infrastructure (iv) Compliance with security protocols and standards

5.5 Compliance and Reporting

(a) Licensees shall: (i) Submit quarterly usage reports as specified (ii) Maintain accurate records of all Technology implementations (iii) Cooperate with compliance audits and inspections (iv) Report security incidents or unauthorized access attempts (v) Document all authorized modifications and customizations

(b) Company reserves the right to: (i) Conduct periodic compliance reviews (ii) Request documentation of usage and implementation (iii) Require remediation of any non-compliant usage (iv) Terminate licenses for material non-compliance