

# **Audit Committee Charter**

## **Nexus Intelligent Systems, Inc.**

### **1. PURPOSE AND AUTHORITY**

#### **1 Establishment**

The Board of Directors (the "Board") of Nexus Intelligent Systems, Inc. (the "Company") hereby establishes the Audit Committee (the "Committee") as a standing committee of the Board to assist the Board in its oversight of:

- a) The integrity of the Company's financial statements
- b) The Company's compliance with legal and regulatory requirements
- c) The independent auditor's qualifications and independence
- d) The performance of the Company's internal audit function and independent auditors

#### **2 Committee Authority**

The Committee shall have the following specific authorities:

- a) Direct access to the Company's independent auditors
- b) Authority to investigate any matter within its scope of responsibility
- c) Power to retain independent counsel, accountants, or other advisors as necessary
- d) Authority to request any officer or employee of the Company to meet with the Committee

### **2. COMPOSITION AND QUALIFICATIONS**

#### **1 Committee Membership**

The Committee shall consist of no fewer than three (3) and no more than five (5) directors, each of whom shall be:

- a) Independent of management
- b) Free from any relationship that would interfere with the exercise of independent judgment
- c) Financially literate, with at least one member possessing advanced financial expertise

#### **2 Independence Requirements**

Committee members must:

- a) Not be current or former employees of the Company
- b) Not receive consulting, advisory, or compensatory fees from the Company other than standard Board compensation
- c) Not be affiliated with the Company's current or recent independent auditors

### **3. RESPONSIBILITIES AND DUTIES**

#### **1 Financial Reporting Oversight**

The Committee shall:

- a) Review quarterly and annual financial statements with management and independent auditors
- b) Discuss significant financial reporting issues and judgments
- c) Review management's approach to financial risk assessment
- d) Understand the Company's internal control over financial reporting

#### **2 Independent Auditor Oversight**

The Committee shall:

- a) Directly responsible for the appointment, compensation, and oversight of the independent auditor
- b) Evaluate the independent auditor's qualifications, performance, and independence annually
- c) Approve all audit engagement terms and related professional services
- d) Establish policies for hiring employees or former employees of the independent auditor

#### **3 Internal Audit Function**

The Committee shall:

- a) Review the scope and performance of internal audit activities
- b) Ensure internal audit has appropriate resources and organizational standing
- c) Review significant findings and management's response to internal audit recommendations
- d) Assess the effectiveness of internal audit processes

### **4. MEETINGS AND PROCEDURES**

#### **1 Meeting Frequency**

The Committee shall meet at least quarterly, with additional meetings as circumstances require. The Committee may meet in executive session without management present.

## 2 Reporting

The Committee shall:

- a) Provide regular reports to the full Board
- b) Maintain minutes of all meetings
- c) Conduct an annual self-evaluation of Committee performance
- d) Review and reassess the adequacy of this Charter annually

## 5. COMPLIANCE AND ETHICS

### 1 Whistleblower Procedures

The Committee shall:

- a) Establish procedures for confidential, anonymous submission of concerns about accounting, internal controls, or auditing matters
- b) Investigate and address all reported concerns
- c) Protect employees from retaliation for good faith reporting

### 2 Legal Compliance

The Committee shall:

- a) Review legal and regulatory compliance matters
- b) Discuss significant legal risks with management and counsel
- c) Ensure appropriate disclosure of material legal proceedings

## 6. LIMITATIONS

### 1 Scope of Responsibility

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate.

## 7. EXECUTION

### 1 Approval and Amendment

This Charter was approved by the Board of Directors on [DATE] and may be amended only by a majority vote of the full Board.

Executed this [DAY] of [MONTH], [YEAR]

Dr. Elena Rodriguez

Chief Executive Officer

Michael Chen

Chief Technology Officer

Chair, Audit Committee