

Independent Director Selection Criteria

Nexus Intelligent Systems, Inc.

Corporate Governance Policy

1. PURPOSE AND SCOPE

1 This document establishes the comprehensive criteria and selection framework for independent directors of Nexus Intelligent Systems, Inc. (the "Company"), designed to ensure the highest standards of corporate governance, strategic oversight, and fiduciary responsibility.

2 These criteria are intended to comply with applicable Delaware corporate law, Securities and Exchange Commission (SEC) regulations, and best practices in corporate governance for technology and enterprise services organizations.

2. DEFINITION OF INDEPENDENT DIRECTOR

1 An "Independent Director" shall be defined as a board member who:

- a) Is not an employee of the Company
- b) Has no material financial relationship with the Company beyond standard director compensation
- c) Is not a current executive or controlling shareholder
- d) Has no immediate family members serving in executive roles within the Company

2 Independence shall be evaluated holistically, considering both direct and indirect relationships that could potentially compromise objective decision-making.

3. QUALIFICATION CRITERIA

1 Professional Qualifications

- a) Minimum of fifteen (15) years senior executive or board-level experience
- b) Demonstrated expertise in one or more of the following domains:
 - Enterprise technology
 - Artificial intelligence and machine learning
 - Digital transformation
 - Risk management
 - Corporate strategy

- Financial oversight

2 Educational Requirements

- a) Advanced degree (MBA, Ph.D., or equivalent terminal degree) from an accredited institution
- b) Ongoing commitment to professional development and continuing education

3 Technical Competency

- a) Demonstrated understanding of enterprise AI technologies
- b) Ability to comprehend complex technological and strategic business models
- c) Experience with digital transformation initiatives in industrial sectors

4. INDEPENDENCE ASSESSMENT CRITERIA

1 Financial Independence

- a) No direct financial compensation from the Company beyond standard board retainer and meeting fees
- b) No material business transactions with the Company exceeding \$120,000 annually
- c) No ownership interest greater than 0.5% of outstanding shares

2 Relationship Independence

- a) No familial relationships with current executives or board members
- b) No current consulting or advisory roles that could create conflicts of interest
- c) Minimum three-year separation from any prior executive role within the Company

5. SELECTION PROCESS

1 Nomination Procedure

- a) Candidates shall be identified through:
 - Professional networks
 - Executive search firms
 - Board recommendations
 - Comprehensive external candidate assessments

2 Evaluation Framework

- a) Comprehensive background investigation
- b) Multiple interview stages with:

- Governance Committee
- Current independent board members
- Executive leadership team

3 Final Selection Criteria

- a) Unanimous recommendation from Governance Committee
- b) Majority approval from existing independent board members
- c) Final confirmation by Board of Directors

6. ONGOING COMPLIANCE

1 Annual Independence Verification

Directors must complete a comprehensive annual disclosure statement affirming continued independence.

2 Immediate Disqualification Triggers

Automatic removal shall occur upon:

- a) Accepting employment with the Company
- b) Engaging in material business transactions
- c) Developing conflicts of interest

7. DISCLAIMER

1 These criteria represent guidelines and do not constitute a contractual obligation. The Board of Directors retains absolute discretion in director selection and qualification determinations.

8. EFFECTIVE DATE

1 These criteria shall be effective immediately upon board approval and may be modified at the Board's discretion.

Approved by the Board of Directors

Nexus Intelligent Systems, Inc.

Date: January 22, 2024