

Corporate Credit Facility Terms

CONFIDENTIAL CREDIT AGREEMENT

PARTIES

This Credit Facility Agreement ("Agreement") is entered into as of January 22, 2024, by and between:

LENDER: Silicon Valley Bank, a California state-chartered bank ("Lender")

BORROWER: Nexus Intelligent Systems, Inc., a Delaware corporation ("Borrower")

RECITALS

WHEREAS, Borrower is an enterprise AI services company seeking strategic financial resources to support continued growth and operational expansion;

WHEREAS, Lender is willing to provide a committed credit facility to support Borrower's strategic objectives;

NOW, THEREFORE, the parties agree to the following terms:

1. CREDIT FACILITY TERMS

1.1 Facility Description

The Lender hereby establishes a revolving credit facility (the "Credit Facility") with the following specifications:

- a) Total Committed Amount: \$5,000,000
- b) Facility Type: Revolving Line of Credit
- c) Initial Term: 36 months from execution date
- d) Purpose: Working capital, growth investments, and general corporate purposes

1.2 Interest Rates

The Credit Facility shall bear interest as follows:

- a) Base Rate: Wall Street Journal Prime Rate + 2.75%
- b) LIBOR Rate Option: 30-day LIBOR + 3.50%

c) Default Interest Rate: 5% above applicable base rate

1.3 Borrowing Conditions

1.3.1 Drawdown Requirements

Borrower may draw funds subject to the following conditions:

- Minimum draw amount: \$100,000
- Maximum outstanding balance not to exceed committed amount
- Compliance with financial covenants outlined in Section 2

1.3.2 Repayment Terms

- Principal repayments due monthly
- Interest calculated and paid quarterly
- No prepayment penalties for partial or full facility redemption

2. FINANCIAL COVENANTS

2.1 Reporting Requirements

Borrower shall provide the following financial documentation:

- Quarterly unaudited financial statements within 45 days of quarter-end
- Annual audited financial statements within 90 days of fiscal year-end
- Monthly revenue and cash flow projections

2.2 Financial Ratios

Borrower must maintain the following financial metrics:

- a) Minimum Debt Service Coverage Ratio: 1.25x
- b) Maximum Leverage Ratio: 2.50x
- c) Minimum Liquidity: \$2,000,000 in unrestricted cash

3. SECURITY AND COLLATERAL

3.1 Collateral Provisions

As security for the Credit Facility, Borrower grants Lender:

- First priority security interest in all accounts receivable
- Blanket lien on corporate assets

- Personal guarantee from CEO Dr. Elena Rodriguez

4. EVENT OF DEFAULT

4.1 Default Triggers

Events of default include, but are not limited to:

- Failure to meet financial covenants
- Material adverse change in business condition
- Bankruptcy or insolvency proceedings
- Breach of representations and warranties

4.2 Remedies

Upon default, Lender may:

- Accelerate entire facility balance
- Suspend further credit advances
- Initiate legal proceedings

5. MISCELLANEOUS PROVISIONS

5.1 Governing Law

This Agreement shall be governed by the laws of the State of California.

5.2 Confidentiality

Both parties agree to maintain strict confidentiality regarding the terms of this Agreement.

EXECUTION

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

SIGNATURES

NEXUS INTELLIGENT SYSTEMS, INC.

By:

Dr. Elena Rodriguez, CEO

Date: January 22, 2024

SILICON VALLEY BANK

By:

[Authorized Representative]

Date: January 22, 2024