

EMPLOYMENT AND COMPENSATION AGREEMENT

THIS EMPLOYMENT AND COMPENSATION 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 (the "Company"), and DR. ALEXANDER PATEL, an individual residing at 127 Technology Circle, Cambridge, Massachusetts 02142 (the "Executive").

1.0 PREAMBLE AND RECITALS

WHEREAS, the Company is a leading developer of artificial intelligence and machine learning solutions for industrial process optimization, including its proprietary NexusCore™ Industrial AI Platform, with established operations across multiple jurisdictions and a demonstrated track record of technological innovation in the field of industrial automation;

WHEREAS, the Executive possesses specialized expertise in machine learning algorithms and computer vision systems for industrial applications, having developed numerous patented technologies and published works in the field of artificial intelligence, and maintains professional certifications and credentials relevant to the position;

WHEREAS, the Company desires to employ the Executive as Senior Vice President of Artificial Intelligence, and the Executive desires to accept such employment with the Company, effective as of the Commencement Date defined herein;

WHEREAS, the parties acknowledge that the Executive will have access to proprietary information, trade secrets, and confidential business strategies in the course of employment;

WHEREAS, this Agreement is governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of law principles;

WHEREAS, the parties have independently reviewed and sought counsel regarding the terms and conditions contained herein;

WHEREAS, the parties desire to enter into this Agreement to set forth the terms and conditions of the Executive's employment with the Company, including compensation, benefits, duties, responsibilities, and obligations of confidentiality and non-competition;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

2.0 DEFINITIONS

2.1 "Confidential Information" means all non-public information, whether in oral, written, or electronic form, relating to the Company's technology, products, business, and operations, including but not limited to: (a) machine learning algorithms, neural network architectures, and training methodologies; (b) computer vision systems and edge computing implementations; (c) source code and technical documentation; (d) customer data and usage patterns; (e) research and development activities; (f) business strategies and financial information; (g) model optimization techniques and hyperparameter configurations; (h) data preprocessing methodologies and feature engineering approaches; and (i) system integration specifications and deployment protocols.

2.2 "Intellectual Property" means all patents, patent applications, copyrights, trademarks, trade secrets, and other intellectual property rights relating to the Company's technology and products, including: (a) all improvements, modifications, and derivative works; (b) all training data sets and model weights; (c) all algorithmic implementations and optimizations; (d) all technical specifications and architecture designs; and (e) all associated documentation and know-how, whether registered or unregistered, and all applications for registration thereof.

2.3 "NexusCore™ Platform" means the Company's proprietary industrial AI platform, including: (a) all modules, components, algorithms, and associated documentation; (b) the distributed computing infrastructure and microservices architecture; (c) all user interfaces and APIs; (d) the data ingestion and processing pipeline; (e) the model training and deployment framework; (f) all monitoring and logging systems; and (g) all security and authentication mechanisms.

2.4 "Competitive Business" means any business engaged in: (a) developing or commercializing artificial intelligence or machine learning solutions for industrial process optimization, predictive maintenance, or quality control applications; (b) creating competing platforms or services that utilize similar AI/ML technologies; (c) offering consulting or implementation services for industrial AI systems; or (d) developing edge computing solutions for industrial automation.

2.5 "Technical Materials" means all documentation, specifications, designs, flowcharts, code, and other materials relating to the Company's technology, including: (a) architecture diagrams; (b) API documentation; (c) training manuals; (d) deployment guides; (e) testing protocols; and (f) maintenance procedures.

2.6 "Derivative Works" means any modification, enhancement, improvement, or creation based upon the Company's Confidential Information or Intellectual Property, including: (a) model optimizations; (b) feature engineering improvements; (c) algorithm modifications; and (d) interface enhancements.

2.7 "Company Data" means all data collected, processed, or generated through the use of the Company's technology, including: (a) raw sensor data; (b) processed features; (c) model outputs; (d) performance metrics; and (e) usage statistics.

2.8 "Cause" shall have the meaning set forth in Section 3.4 of this Agreement.

2.9 "Proprietary Rights" means all rights, title, and interest in and to: (a) the NexusCore™ Platform; (b) all Intellectual Property; (c) all Confidential Information; (d) all Technical Materials; (e) all Derivative Works; and (f) all Company Data.

3.0 EMPLOYMENT TERMS AND DUTIES

3.1 Position and Duties

(a) The Company hereby employs the Executive as Senior Vice President of Artificial Intelligence, reporting directly to the Chief Technology Officer.

(b) The Executive shall be responsible for: (i) Leading the development and enhancement of the NexusCore™ Platform's AI capabilities (ii) Managing the AI/ML research and development team (iii) Developing novel machine learning algorithms for industrial applications (iv) Collaborating with customers on AI implementation strategies (v) Contributing to the Company's intellectual property portfolio

(c) The Executive's responsibilities shall further include: (i) Establishing and maintaining strategic roadmaps for AI/ML initiatives (ii) Developing and implementing AI governance frameworks (iii) Ensuring compliance with emerging AI regulations and standards (iv) Representing the Company at industry conferences and technical forums (v) Participating in customer-facing presentations and technical discussions (vi) Contributing to the Company's technical documentation and white papers

3.2 Work Location and Schedule

(a) The Executive's primary work location shall be the Company's Cambridge, Massachusetts office.

(b) The Executive may work remotely up to two days per week, subject to the Company's remote work policies.

(c) Remote work arrangements shall be contingent upon: (i) Maintaining secure access to Company systems (ii) Ensuring availability during core business hours (9:00 AM to 5:00 PM EST) (iii) Attending all scheduled meetings and collaborative sessions (iv) Maintaining appropriate data security measures (v) Compliance with all Company cybersecurity protocols

3.3 Performance Standards

(a) The Executive shall perform all duties and responsibilities: (i) In accordance with industry best practices for AI/ML development (ii) In compliance with all Company policies and procedures (iii) With the highest standards of professional and ethical conduct

(b) Performance metrics shall include: (i) Achievement of quarterly AI development milestones (ii) Team productivity and retention metrics (iii) Customer satisfaction ratings (iv) Innovation metrics, including patent filings and publications (v) Code quality and deployment efficiency measures

3.4 Technical Leadership Obligations

(a) The Executive shall maintain and enhance technical leadership through: (i) Regular review and evaluation of emerging AI technologies (ii) Assessment of competitive landscape and market opportunities (iii) Participation in technical steering committees (iv) Mentorship of junior AI/ML engineers (v) Contribution to technical architecture decisions

3.5 Resource Management

(a) The Executive shall be responsible for: (i) Managing allocated budgets for AI/ML initiatives (ii) Recruiting and retaining top AI/ML talent (iii) Optimizing resource allocation across projects (iv) Maintaining development infrastructure and tools (v) Coordinating with other department heads on resource sharing

3.6 Intellectual Property and Confidentiality

(a) The Executive shall: (i) Ensure proper documentation of all AI/ML innovations (ii) Participate in patent application processes (iii) Maintain confidentiality of proprietary algorithms (iv) Oversee proper licensing of third-party AI components (v) Protect Company's intellectual property rights

3.7 Compliance and Risk Management

(a) The Executive shall ensure: (i) Compliance with AI ethics guidelines and frameworks (ii) Proper data privacy and protection measures (iii) Regular security audits of AI systems (iv) Documentation of model training and validation procedures (v) Adherence to regulatory requirements in all jurisdictions

3.8 Reporting and Communication

(a) The Executive shall provide: (i) Weekly status updates to the Chief Technology Officer (ii) Monthly progress reports to the executive team (iii) Quarterly presentations to the Board of Directors (iv) Regular updates to stakeholders on AI initiatives (v) Documentation of technical decisions and rationale

3.9 Professional Development

(a) The Executive shall: (i) Maintain current knowledge of AI/ML developments (ii) Participate in relevant professional organizations (iii) Attend industry conferences and

technical workshops (iv) Pursue appropriate certifications and training (v) Share knowledge through internal training programs

4.0 COMPENSATION AND BENEFITS

4.1 Base Salary

The Executive shall receive an annual base salary of \$275,000, payable in accordance with the Company's standard payroll practices. The base salary shall be reviewed annually by the Board of Directors and may be adjusted upward based on performance, market conditions, and Company financial status. Any decrease in base salary shall require written consent from the Executive. Salary payments shall be subject to all applicable withholding taxes, required deductions, and tax reporting requirements.

4.2 Equity Compensation

(a) Initial Grant: The Executive shall receive an option to purchase 150,000 shares of the Company's common stock (the "Initial Option") under the Company's 2023 Stock Option Plan. The exercise price shall be equal to the fair market value of the Company's common stock as determined by the Board of Directors on the grant date.

(b) Vesting Schedule: (i) 25% of the Initial Option shall vest on the first anniversary of the Effective Date (ii) The remaining 75% shall vest in equal monthly installments over the following 36 months (iii) Vesting shall accelerate upon a Change of Control as defined in the Stock Option Plan

(c) Additional Equity Grants: (i) The Executive shall be eligible for additional annual equity grants based on performance and market competitiveness (ii) Such grants shall be determined by the Board of Directors at their sole discretion (iii) Additional grants may include restricted stock units, performance shares, or stock options

(d) Exercise Terms: (i) Vested options shall be exercisable for a period of ten (10) years from the grant date (ii) Post-termination exercise periods shall be governed by the Stock Option Plan (iii) Early exercise provisions may be available subject to Board approval

4.3 Performance Bonus

The Executive shall be eligible for an annual performance bonus of up to 40% of base salary, based on:

(a) Achievement of specified AI development milestones: (i) Successful deployment of new algorithm versions (ii) Achievement of specified accuracy and performance metrics (iii) Integration of new AI capabilities into existing systems

(b) NexusCore™ Platform performance metrics: (i) System uptime and reliability standards (ii) Processing efficiency improvements (iii) User adoption and engagement metrics (iv) Platform scalability achievements

(c) Customer implementation success rates: (i) Customer satisfaction scores (ii) Implementation timeline adherence (iii) Post-deployment performance metrics (iv) Customer retention rates

(d) Bonus Terms: (i) Bonus payments shall be made annually following the completion of the fiscal year (ii) The Executive must be employed on the payment date to receive the bonus (iii) The Board maintains discretion to adjust bonus criteria and payments based on business conditions (iv) Pro-rata bonus payments may be considered for partial year service

4.4 Benefits Package

The Executive shall be entitled to participate in all employee benefit plans, including:

(a) Health, dental, and vision insurance: (i) Premium coverage for Executive and eligible dependents (ii) Option to select from available coverage tiers (iii) Annual enrollment and modification rights (iv) Coverage effective from employment start date

(b) 401(k) plan with Company matching: (i) Company match of 100% on first 4% of contributions (ii) Immediate vesting of personal contributions (iii) Three-year graded vesting of Company matching contributions (iv) Investment options as specified in plan documents

(c) Life and disability insurance: (i) Term life insurance at 2x annual salary (ii) Short-term disability coverage at 66.67% of salary (iii) Long-term disability coverage at 60% of salary (iv) Optional supplemental coverage available

(d) Paid time off per Company policy: (i) Twenty (20) days of paid vacation annually (ii) Ten (10) paid holidays per year (iii) Five (5) sick days annually (iv) Carryover provisions as specified in Employee Handbook

4.5 Additional Compensation Provisions

(a) Expense Reimbursement: (i) Business travel and entertainment expenses (ii) Professional development and training costs (iii) Technology and home office allowance (iv) Professional membership dues

(b) Relocation Assistance: (i) Moving expense reimbursement up to \$25,000 (ii) Temporary housing allowance for up to 60 days (iii) Home sale/purchase assistance program (iv) Tax gross-up on taxable relocation benefits

(c) Severance Compensation: (i) Six (6) months base salary continuation (ii) Prorated bonus payment based on achievement (iii) Benefits continuation per COBRA (iv) Accelerated vesting provisions as specified

(d) Review and Adjustment: (i) Annual compensation review by Board (ii) Market competitiveness assessments (iii) Performance-based adjustments (iv) Documentation of all compensation changes

5.0 INTELLECTUAL PROPERTY AND INVENTIONS

5.1 Assignment of Inventions

(a) The Executive hereby irrevocably assigns, transfers, and conveys to the Company all right, title, and interest in and to: (i) All inventions, discoveries, improvements, innovations, and technological developments (ii) All algorithms, models, software, source code, and related documentation (iii) All patent applications, patents, and intellectual property rights obtained (iv) All trade secrets, proprietary information, and know-how (v) All copyrightable works created during the course of employment

(b) The assignment under Section 5.1(a) includes: (i) The right to file and prosecute patent applications (ii) The right to claim priority under applicable treaties (iii) The right to sue for past, present, and future infringement (iv) All rights to collect royalties and other forms of compensation (v) All foreign counterparts and extensions thereof

5.2 Pre-Existing IP

(a) The Executive represents and warrants that Exhibit A contains a complete and accurate list of all pre-existing intellectual property that: (i) Was created prior to employment with the Company (ii) Is owned solely or jointly by the Executive (iii) May be relevant to the Company's business operations

(b) The Executive shall: (i) Update Exhibit A within 30 days of the Effective Date (ii) Maintain documentation supporting ownership claims (iii) Promptly disclose any conflicts that may arise

5.3 Development Rights

The Company shall exclusively own all rights, title, and interest in:

(a) AI/ML Technologies: (i) All algorithms developed using Company resources (ii) Machine learning models and training data (iii) Neural network architectures and weights (iv) Feature engineering methodologies (v) Model optimization techniques

(b) Platform Developments: (i) All improvements to the NexusCore™ Platform (ii) Extensions and modifications to existing features (iii) Integration components and APIs (iv) Performance optimizations (v) Security enhancements

(c) Customer Implementations: (i) Custom solutions developed for specific clients (ii) Configuration templates and parameters (iii) Domain-specific adaptations (iv) Implementation methodologies

5.4 Disclosure Obligations

(a) The Executive shall promptly disclose to the Company: (i) All inventions and developments created during employment (ii) Potential patentable subject matter (iii) Improvements to existing technologies (iv) Novel algorithmic approaches

(b) Documentation requirements: (i) Written descriptions of inventions (ii) Technical specifications and drawings (iii) Source code and documentation (iv) Test results and validation data

5.5 Cooperation and Assistance

(a) The Executive agrees to: (i) Execute all necessary documents (ii) Provide testimony in legal proceedings (iii) Assist in patent prosecution (iv) Support technology transfer activities

(b) Post-employment obligations: (i) Continue assistance for pending applications (ii) Maintain confidentiality of trade secrets (iii) Participate in enforcement actions (iv) Transfer relevant knowledge and documentation

5.6 Third-Party Rights

(a) The Executive warrants that all assigned works: (i) Are original creations (ii) Do not infringe third-party rights (iii) Are free from encumbrances (iv) Comply with applicable laws and regulations

5.7 Compensation and Recognition

(a) The Executive acknowledges that: (i) Regular compensation includes invention rights (ii) No additional payment is required (iii) Recognition will follow Company policies (iv) Inventors may be named on patents

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

NEXUS INDUSTRIAL INTELLIGENCE, INC.

By: _____ Name: Michael Roberts Title: Chief Technology Officer

EXECUTIVE:

Dr. Alexander Patel

EXHIBIT A Schedule of Pre-Existing Intellectual Property [List to be provided by Executive]