INTELLECTUAL PROPERTY RIGHTS AND PROTECTION AGREEMENT

THIS INTELLECTUAL PROPERTY RIGHTS 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").

WHEREAS, Company has developed proprietary artificial intelligence and machine learning technologies, including computer vision systems, edge computing solutions, and industrial process optimization algorithms (collectively, the "Core Technology");

WHEREAS, Company desires to establish and memorialize certain intellectual property rights, protections, and obligations with respect to its Core Technology and related innovations;

WHEREAS, Company seeks to protect its substantial investment in research and development while ensuring appropriate deployment of its technologies in industrial applications; and

WHEREAS, this Agreement shall serve as the controlling document for intellectual property matters relating to Company's technology assets.

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

1.0 PREAMBLE AND RECITALS

1.1 The above recitals are incorporated herein by reference and made a part of this Agreement.

1.2 This Agreement shall govern all intellectual property matters relating to Company's NexusCore™ Industrial AI Platform and related technologies, including all current and future developments, improvements, and derivative works.

1.3 Company, Nexus Industrial Intelligence, Inc., a Delaware corporation registered under file number 7749321, duly organized and existing under the laws of the State of Delaware, maintains its principal research and development facilities at 2500 Innovation Drive, Suite 400, Wilmington, Delaware 19801, with additional technical operations at such locations as Company may establish from time to time.

1.4 This Agreement shall be binding upon Company and its successors and assigns, and shall inure to the benefit of Company's shareholders, directors, officers, employees, and authorized representatives.

1.5 Company's NexusCore™ Industrial AI Platform encompasses proprietary machine learning algorithms, neural network architectures, data processing methodologies, and software implementations thereof, as more fully described in Schedule A attached hereto.

1.6 The Parties acknowledge that this Agreement is entered into as of the Effective Date set forth above, in consideration of the mutual promises, covenants, and obligations contained herein.

1.7 Company has invested substantial resources in developing its artificial intelligence technologies and seeks to protect its intellectual property rights while facilitating authorized implementation and deployment of its solutions.

1.8 This Agreement supersedes all prior agreements, whether written or oral, between the Parties with respect to its subject matter and constitutes a complete and exclusive statement of the terms of agreement between the Parties.

1.9 The headings and captions contained herein are for convenience only and shall not affect the meaning or interpretation of this Agreement.

2.0 DEFINITIONS AND INTERPRETATION

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

(a) "Artificial Intelligence Components" means all machine learning models, neural networks, deep learning systems, and related algorithmic elements developed by Company, including but not limited to supervised learning algorithms, reinforcement learning systems, predictive models, classification systems, and any associated training methodologies or optimization techniques.

(b) "Computer Vision System" means Company's proprietary visual recognition and processing technology, including all associated algorithms, models, and implementation methods, encompassing image classification, object detection, semantic segmentation, pose estimation, and real-time video analytics capabilities.

(c) "Confidential Information" means all non-public information relating to the Core Technology, including but not limited to source code, algorithms, training data, model architectures, technical specifications, trade secrets, business processes, customer information, pricing strategies, research and development materials, and any information marked as confidential or that would reasonably be understood to be confidential.

(d) "Core Technology" has the meaning set forth in the recitals above and includes all fundamental technological components, methodologies, and innovations that form the basis of Company's proprietary systems.

(e) "Derivative Works" means any modification, enhancement, improvement, or adaptation of the Core Technology or any component thereof, including translations, adaptations,

arrangements, transformations, or modifications of the original work, whether in source code, object code, or other forms.

(f) "Edge Computing Elements" means all software and systems designed for local processing and deployment of Company's AI technologies in industrial environments, including embedded systems, distributed computing architectures, local data processing units, and related optimization frameworks.

(g) "Industrial Control Integration" means all interfaces, protocols, and methods for connecting the NexusCore™ Platform with third-party industrial control systems, including programmable logic controllers (PLCs), supervisory control and data acquisition (SCADA) systems, distributed control systems (DCS), and manufacturing execution systems (MES).

(h) "Intellectual Property Rights" means all patents, copyrights, trade secrets, trademarks, and other intellectual property rights owned or controlled by Company, including pending applications, renewals, extensions, continuations, divisions, reissues, and reexaminations thereof.

(i) "NexusCore™ Platform" means Company's flagship software platform combining artificial intelligence, computer vision, and edge computing capabilities for industrial applications, including all modules, components, interfaces, and associated technologies that comprise the complete system.

(j) "Technical Documentation" means all specifications, manuals, documentation, and other materials describing the Core Technology, including API documentation, integration guides, deployment instructions, and maintenance procedures.

(k) "System Architecture" means the fundamental organization of the NexusCore™ Platform, including its components, their relationships to each other and to the environment, and the principles governing its design and evolution.

(l) "Training Data" means any data sets, annotations, labels, or other information used to train, validate, or test the Artificial Intelligence Components.

2.2 Interpretation. In this Agreement:

(a) Section headings are for convenience only and shall not affect interpretation.

(b) Words importing the singular include the plural and vice versa.

(c) References to sections are to sections of this Agreement.

(d) The word "including" means "including without limitation."

(e) References to any party include its successors and permitted assigns.

(f) Time periods stated in days refer to calendar days unless explicitly specified as business days.

(g) Technical terms shall be interpreted according to their generally accepted meaning within the artificial intelligence and industrial automation industries.

(h) References to standards, specifications, or industry practices refer to the most current version as of the Effective Date.

(i) Any reference to laws, regulations, or standards includes amendments, modifications, and replacements thereof.

(j) In the event of any conflict between defined terms, the more specific definition shall prevail over the more general.

(k) References to written or in writing include email and other electronic communications that create a permanent record.

(l) Mathematical and scientific expressions shall be interpreted according to their generally accepted technical meaning.

3.0 INTELLECTUAL PROPERTY OWNERSHIP

3.1 Pre-existing Intellectual Property

(a) Company owns all right, title, and interest in and to the Core Technology and all Intellectual Property Rights therein, including all components existing as of the Effective Date.

(b) Company's ownership includes all source code, object code, algorithms, models, data structures, and technical implementations comprising the Core Technology.

(c) Pre-existing Intellectual Property encompasses: (i) All proprietary software frameworks and libraries (ii) System architectures and technical documentation (iii) Development tools and methodologies (iv) Internal knowledge bases and technical specifications (v) Proprietary algorithms and computational methods

3.2 Newly Developed Intellectual Property

(a) All improvements, enhancements, and Derivative Works of the Core Technology developed by or for Company shall be owned exclusively by Company.

(b) Company shall own all rights to any new artificial intelligence models, algorithms, or technological improvements developed through the operation and deployment of the NexusCore™ Platform.

(c) All customer-specific implementations and customizations shall be owned by Company, subject to any express written agreement to the contrary.

(d) Newly developed intellectual property includes, without limitation: (i) Software modifications and enhancements (ii) Feature additions and functional improvements (iii)

Integration components and interfaces (iv) Documentation and technical specifications (v) Performance optimizations and efficiency improvements

(e) Development methodology improvements, including: (i) Deployment procedures and protocols (ii) Testing frameworks and validation methods (iii) Quality assurance processes (iv) Security implementations and enhancements

3.3 Third-Party Components

(a) Company maintains records of all third-party software components incorporated into the Core Technology.

(b) Use of third-party components is subject to applicable license terms, with preference given to components that do not require source code disclosure.

(c) Third-party component management includes: (i) Regular license compliance audits (ii) Version control and update tracking (iii) Security vulnerability monitoring (iv) Usage restriction documentation (v) Dependency mapping and impact analysis

(d) Integration requirements for third-party components: (i) Prior legal review and approval (ii) Documentation of business justification (iii) Risk assessment and mitigation planning (iv) License compatibility verification (v) Support and maintenance considerations

3.4 Open Source Software

(a) Company shall maintain an inventory of all open source components used in the Core Technology.

(b) Open source usage shall be restricted to components licensed under terms that do not require disclosure of Company's proprietary source code.

(c) Open source compliance procedures include: (i) License obligation tracking (ii) Attribution requirements (iii) Distribution restrictions (iv) Modification documentation (v) Notice requirements

(d) Open source risk management: (i) Regular compliance audits (ii) License obligation monitoring (iii) Usage restriction enforcement (iv) Component replacement planning (v) Legal review procedures

3.5 Algorithm and Model Ownership

(a) Company shall own all rights to machine learning models, including: (i) Model architectures and parameters (ii) Training methodologies and procedures (iii) Model outputs and predictions (iv) Improvements derived from deployment

(b) Customer data used for model training shall be subject to separate data rights agreements.

(c) Algorithm ownership encompasses: (i) Mathematical formulations (ii) Implementation methods (iii) Optimization techniques (iv) Performance metrics (v) Validation procedures

3.6 Derivative Works and Improvements

(a) Company retains ownership of all derivative works, including: (i) Modified versions of Core Technology (ii) Enhanced functionality (iii) Performance optimizations (iv) Interface adaptations (v) Custom implementations

(b) Improvement documentation requirements: (i) Technical specifications (ii) Development procedures (iii) Testing protocols (iv) Implementation guidelines (v) Maintenance procedures

3.7 Intellectual Property Protection

(a) Company shall maintain appropriate measures to protect intellectual property: (i) Patent applications where applicable (ii) Copyright registrations (iii) Trade secret protection protocols (iv) Confidentiality agreements (v) Access control procedures

(b) Protection measures include: (i) Source code security (ii) Development environment controls (iii) Employee training programs (iv) Audit procedures (v) Incident response protocols

3.8 Assignment and Transfer

(a) All employees, contractors, and third parties shall: (i) Execute appropriate assignment agreements (ii) Acknowledge Company ownership (iii) Maintain confidentiality obligations (iv) Comply with security procedures (v) Report potential violations

(b) Transfer restrictions apply to: (i) Source code access (ii) Algorithm implementations (iii) Model architectures (iv) Training procedures (v) Technical documentation

4.0 IP PROTECTION AND ENFORCEMENT

4.1 Trade Secret Protection

(a) Company shall maintain appropriate security measures to protect Confidential Information, including: (i) Access controls and authentication systems utilizing industry-standard encryption protocols (ii) Multi-factor authentication for critical systems and databases (iii) Comprehensive confidentiality agreements with employees, contractors, and third parties (iv) Documented security policies and procedures with regular updates (v) Mandatory employee training programs conducted quarterly (vi) System monitoring and audit trails (vii) Physical security measures for on-premises facilities

(b) Critical algorithms and technical implementations shall be maintained as trade secrets with: (i) Restricted access on a need-to-know basis (ii) Segmented storage systems (iii) Encryption at rest and in transit (iv) Regular security audits (v) Version control and access logging

(c) AI Model Protection Requirements: (i) Model architecture specifications shall be classified as trade secrets (ii) Training data shall be segregated and protected (iii) Model weights and parameters shall be encrypted (iv) Access to model deployment systems shall be strictly controlled (v) Testing environments shall be isolated from production systems

4.2 Patent Rights

(a) Company shall pursue patent protection for eligible innovations at its discretion, considering: (i) Commercial value and market potential (ii) Competitive landscape analysis (iii) Cost-benefit assessment (iv) International filing strategies (v) Portfolio management objectives

(b) Employees shall: (i) Promptly disclose potentially patentable innovations (ii) Maintain detailed documentation of inventions (iii) Cooperate in patent prosecution processes (iv) Execute necessary documentation and assignments (v) Participate in inventor interviews as required

(c) Patent Monitoring and Enforcement: (i) Regular competitor patent monitoring (ii) Freedom-to-operate analyses (iii) Strategic response planning (iv) Documentation of potential infringement (v) Engagement with patent counsel

4.3 Copyright Protection

(a) Software Code Protection: (i) Mandatory copyright notices in all source code files (ii) Digital watermarking where applicable (iii) Source code access controls (iv) Code repository security measures (v) Regular code audits

(b) Documentation Requirements: (i) Copyright notices on all technical documentation (ii) Version control systems (iii) Access tracking and logging (iv) Distribution controls (v) Confidentiality markings

(c) Registration Procedures: (i) Regular copyright registration of key components (ii) Documentation of authorship and ownership (iii) Maintenance of registration records (iv) Renewal monitoring (v) Portfolio management

4.4 Trademark Usage

(a) Mark Requirements: (i) Proper trademark designation (®, ™, ℠) (ii) Consistent visual presentation (iii) Quality control standards (iv) Licensed usage monitoring (v) Regular mark audits

(b) Usage Guidelines: (i) Brand style guide compliance (ii) Marketing material review procedures (iii) Third-party usage restrictions (iv) Social media guidelines (v) Internal compliance monitoring

(c) Registration and Maintenance: (i) Strategic registration planning (ii) International protection strategy (iii) Renewal monitoring (iv) Usage evidence documentation (v) Portfolio management

4.5 Infringement Procedures

(a) Monitoring Program: (i) Regular market surveillance (ii) Online monitoring systems (iii) Competitor activity tracking (iv) Customer and partner reporting channels (v) Documentation procedures

(b) Response Protocol: (i) Initial assessment procedures (ii) Evidence preservation requirements (iii) Legal consultation timeline (iv) Cease and desist procedures (v) Settlement evaluation criteria

(c) Enforcement Actions: (i) Litigation preparation procedures (ii) Alternative dispute resolution options (iii) Remedies assessment (iv) Cost-benefit analysis requirements (v) Settlement authority parameters

4.6 Compliance and Review

(a) Regular Audits: (i) Annual IP portfolio review (ii) Security measure effectiveness assessment (iii) Compliance verification (iv) Risk assessment updates (v) Policy and procedure updates

(b) Documentation Requirements: (i) Audit records maintenance (ii) Incident response documentation (iii) Training records (iv) Compliance reports (v) Corrective action tracking

(c) Reporting Obligations: (i) Executive management updates (ii) Board reporting requirements (iii) Stakeholder communications (iv) Regulatory compliance reporting (v) Incident notification procedures

5.0 LICENSE GRANTS AND RESTRICTIONS

5.1 Software License Terms

(a) The NexusCore™ Platform shall be licensed pursuant to Company's standard license agreement, which encompasses: (i) A non-exclusive, non-transferable right to use the software (ii) Deployment across authorized computing environments (iii) Implementation within designated geographical territories (iv) Usage within specified concurrent user limitations

(b) Licenses shall be limited to object code only unless otherwise specified in writing, wherein: (i) Any source code access requires separate written authorization (ii) Compiled binaries must remain in their original form (iii) Runtime environments must comply with Company specifications (iv) Version control and update procedures must be followed

(c) License duration and renewal terms shall be governed by: (i) Initial term specifications in the license agreement (ii) Automatic renewal provisions, if applicable (iii) Termination rights and procedures (iv) Post-termination obligations and data handling requirements

5.2 API Access Rights

(a) API access shall be granted pursuant to Company's API terms of use, including: (i) Authentication protocols and security requirements (ii) Rate limiting and bandwidth restrictions (iii) Data handling and storage requirements (iv) Integration specifications and permitted protocols

(b) API keys shall be required for all programmatic access to the Core Technology, whereby: (i) Keys must be securely stored and managed (ii) Regular key rotation protocols must be followed (iii) Access levels shall be determined by license tier (iv) Usage monitoring and reporting requirements apply

(c) API Implementation Requirements: (i) Adherence to documented integration procedures (ii) Maintenance of specified security standards (iii) Compliance with data protection regulations (iv) Regular security audits and vulnerability assessments

5.3 Usage Restrictions

(a) Licensees shall not: (i) Reverse engineer the Core Technology or attempt to derive source code (ii) Access or modify source code without explicit authorization (iii) Create competitive products or services (iv) Remove proprietary notices or branding elements (v) Exceed authorized user or deployment limits (vi) Share access credentials or authentication tokens (vii) Bypass security measures or monitoring systems (viii) Integrate unauthorized third-party components

(b) Additional restrictions may be imposed in specific license agreements, including: (i) Industry-specific limitations (ii) Geographic restrictions (iii) Use case constraints (iv) Integration requirements

(c) Compliance Requirements: (i) Regular audit and reporting obligations (ii) Security assessment procedures (iii) Documentation maintenance (iv) Incident reporting protocols

5.4 Sublicensing Terms

(a) Sublicensing of the Core Technology is prohibited without Company's express written consent, wherein: (i) Requests must be submitted in writing (ii) Evaluation periods may be required (iii) Additional fees may apply (iv) Compliance verification is mandatory

(b) Authorized sublicensing shall be subject to Company's standard terms and conditions, including: (i) Maintenance of security standards (ii) Regular compliance reporting (iii) End-user agreement requirements (iv) Support and maintenance obligations

5.5 Industrial Implementation Requirements

(a) Edge Computing Deployment: (i) Adherence to specified hardware requirements (ii) Compliance with safety protocols (iii) Maintenance of redundancy systems (iv) Regular performance monitoring

(b) Industrial Control System Integration: (i) Safety protocol compliance (ii) Backup system requirements (iii) Emergency shutdown procedures (iv) Monitoring and alerting systems

5.6 AI Model Deployment

(a) Model Implementation Requirements: (i) Training data handling procedures (ii) Model validation protocols (iii) Performance monitoring requirements (iv) Update and maintenance procedures

(b) Operational Constraints: (i) Processing limitations (ii) Data retention requirements (iii) Privacy compliance measures (iv) Security protocol adherence

5.7 Compliance and Reporting

(a) Regular Compliance Requirements: (i) Monthly usage reports (ii) Security audit documentation (iii) Incident response records (iv) Performance metrics

(b) Documentation Requirements: (i) Implementation records (ii) Security measures (iii) User access logs (iv) Maintenance records

IN WITNESS WHEREOF, Company has caused this Agreement to be executed as of the Effective Date.

NEXUS INDUSTRIAL INTELLIGENCE, INC.

By: _____ Name: Dr. Sarah Chen Title: Chief Executive Officer