TAX MATTERS CERTIFICATE AND COMPLIANCE DOCUMENTATION

THIS TAX MATTERS CERTIFICATE AND COMPLIANCE DOCUMENTATION (this "Certificate") is made and entered into as of January 15, 2024 (the "Effective Date"), by Nexus Industrial Intelligence, Inc., a Delaware corporation with its principal place of business at 2500 Innovation Drive, Wilmington, Delaware 19801 (the "Company").

WHEREAS, the Company is engaged in the development and commercialization of artificial intelligence software solutions for industrial applications;

WHEREAS, the Company desires to certify certain tax matters and establish compliance procedures in connection with its operations; and

WHEREAS, this Certificate shall serve as an authoritative record of the Company's tax status, obligations, and compliance procedures.

NOW, THEREFORE, the Company hereby certifies, represents, and agrees as follows:

1.0 TAX MATTERS CERTIFICATE

1.1 Entity Classification

The Company hereby certifies that it (a) is duly incorporated under the laws of the State of Delaware, (b) has elected to be treated as a C-corporation for U.S. federal income tax purposes, and (c) has not made any entity classification elections under Treasury Regulations Section 301.7701-3. The Company maintains this classification continuously since its incorporation date and has filed all required Forms 1120 with the Internal Revenue Service in accordance with applicable deadlines and extensions.

1.2 Tax Residency

The Company certifies that it is a U.S. person for federal tax purposes and maintains its principal place of business in Delaware. The Company is subject to tax reporting obligations in multiple jurisdictions based on its business activities and nexus determinations. The Company files state income tax returns in all jurisdictions where it maintains physical presence or economic nexus under applicable state laws and regulations.

1.3 FATCA Status

The Company represents that it is a U.S. entity exempt from FATCA reporting and withholding requirements pursuant to Internal Revenue Code Section 1471. The Company maintains appropriate documentation to support this exemption and complies with all applicable reporting requirements under FATCA and related intergovernmental agreements.

1.4 Sales Tax Nexus

The Company maintains sales tax nexus in the following jurisdictions based on its software-as-a-service offerings and physical presence: (a) Delaware (incorporation and headquarters) (b) California (sales office and technical personnel) (c) Massachusetts (research and development facility) (d) Texas (customer support operations)

The Company's software-as-a-service offerings are characterized as taxable services in certain jurisdictions and non-taxable services in others, in accordance with state-specific regulations. The Company maintains detailed records of all nexus-creating activities and implements appropriate sales tax collection and remittance procedures in each jurisdiction where required. The Company conducts periodic nexus reviews to ensure compliance with evolving state tax laws and maintains documentation supporting its nexus determinations and tax treatment of its services in each jurisdiction.

1.5 Tax Compliance Procedures

The Company maintains comprehensive internal procedures for tax compliance, including regular reviews of state tax obligations, maintenance of supporting documentation, and timely filing of all required returns and information reports. These procedures are reviewed annually and updated as necessary to reflect changes in applicable tax laws and regulations.

2.0 TAX REPRESENTATIONS AND WARRANTIES

2.1 Federal Income Tax Compliance

The Company represents and warrants that: (a) It has timely filed all required federal income tax returns and information returns, including Form 1120 and all applicable schedules (b) All taxes shown as due have been paid in full, including estimated tax payments, penalties, and interest (c) No federal tax audits or examinations are pending or threatened, and no notices of deficiency have been received (d) All required estimated tax payments have been made in accordance with IRC Section 6655 (e) The Company maintains appropriate documentation supporting its R&D tax credit claims related to artificial intelligence development activities, including contemporaneous records of qualified research expenses (f) All employee classifications for tax purposes are properly documented and defensible (g) The Company maintains adequate internal controls for tax compliance and reporting

2.2 State and Local Tax Compliance

The Company represents and warrants compliance with all state and local tax obligations, including: (a) Sales and use tax collection and remittance across all jurisdictions where nexus exists (b) State income tax filings and payments, including proper apportionment calculations (c) Property tax assessments and payments on all tangible and intangible assets (d) Employment tax withholding and reporting for all classifications of workers (e) Business license and franchise tax obligations in all operating jurisdictions (f) Documentation of state-specific tax incentives and credits claimed (g) Compliance with economic nexus thresholds for digital goods and services

2.3 International Tax Obligations

With respect to international operations, the Company represents that: (a) It maintains transfer pricing documentation for all intercompany transactions in accordance with OECD guidelines (b) It complies with all cross-border tax reporting requirements, including FATCA and CRS obligations (c) It has no permanent establishments in foreign jurisdictions that would trigger additional tax obligations (d) All international software licenses are properly documented for tax purposes and withholding requirements (e) VAT/GST obligations are properly managed in all applicable jurisdictions (f) All intellectual property transfers and cost-sharing arrangements are properly structured (g) Country-by-country reporting requirements are met where applicable

2.4 R&D Tax Credit Qualification

The Company warrants that its R&D activities related to: (a) Machine learning algorithm development and optimization (b) Computer vision systems and neural network architectures (c) Edge computing optimization and distributed processing (d) Industrial process automation and systems integration (e) Natural language processing and semantic analysis (f) Cloud infrastructure and scalability improvements qualify for federal and state R&D tax credits under applicable regulations and guidance, including: (1) Meeting the four-part test under IRC Section 41 (2) Maintaining contemporaneous documentation of all qualified research expenses (3) Properly allocating and tracking qualified research expenses (4) Documenting the process of experimentation (5) Identifying specific technological uncertainties addressed (6) Supporting the innovative nature of development activities

2.5 SaaS Revenue Recognition

The Company represents that its SaaS revenue recognition practices: (a) Comply with ASC 606 requirements (b) Properly account for multi-element arrangements (c) Accurately reflect the timing of service delivery (d) Include appropriate tax treatment of subscription revenues

3.0 TAX COVENANTS

3.1 Tax Return Filing Obligations

The Company covenants to: (a) File all required tax returns timely, including federal, state, local, and international tax filings (b) Maintain appropriate documentation supporting all tax positions, including contemporaneous records (c) Engage qualified tax professionals for return preparation with relevant jurisdiction-specific expertise (d) Review all returns for accuracy and compliance prior to submission (e) Implement internal controls to ensure accurate reporting of revenue, expenses, and tax positions (f) Monitor and comply with changing tax regulations across all applicable jurisdictions

3.2 Record Retention Requirements

The Company shall maintain all tax-related records for a minimum of seven (7) years, including: (a) Tax returns and supporting documentation, including worksheets and calculations (b) Sales tax exemption certificates and related correspondence (c) R&D tax credit substantiation, including project documentation and time tracking (d) Transfer pricing studies and documentation (e) Electronic records in accordance with jurisdictional requirements (f) Documentation of tax elections, methods, and positions taken (g) Correspondence with tax authorities and advisors (h) Supporting documentation for cross-border transactions

3.3 Tax Audit Cooperation

In the event of any tax audit, the Company shall: (a) Promptly notify appropriate personnel, including senior management and board members (b) Cooperate fully with taxing authorities in all jurisdictions (c) Provide requested documentation timely and in the prescribed format (d) Engage appropriate tax counsel as needed for representation (e) Maintain detailed records of all audit-related communications (f) Implement recommended changes resulting from audit findings (g) Establish procedures for managing multiple concurrent audits (h) Preserve all relevant electronic and physical records

3.4 Transfer Pricing Compliance

The Company commits to: (a) Annual transfer pricing studies conducted by qualified professionals (b) Documentation of all intercompany transactions, including service agreements (c) Arm's length pricing methodologies supported by economic analysis (d) Regular review of transfer pricing policies and procedures (e) Contemporaneous documentation of pricing decisions (f) Monitoring of international transfer pricing developments (g) Implementation of transfer pricing agreements with tax authorities (h) Regular updates to intercompany agreements (i) Maintenance of profit level indicators for comparable companies (j) Documentation of any transfer pricing adjustments

3.5 Compliance Monitoring

The Company shall establish: (a) Quarterly tax compliance reviews (b) Regular updates to tax risk assessment procedures (c) Annual review of tax planning strategies (d) Documentation of material tax positions

4.0 SPECIAL TAX CONSIDERATIONS

4.1 IP Development Tax Treatment

The Company shall: (a) Capitalize appropriate software development costs in accordance with IRC Section 174 (b) Document qualifying R&D expenses through detailed time tracking and project documentation (c) Track IP development activities by jurisdiction, maintaining separate cost centers (d) Maintain contemporaneous documentation including technical specifications, development milestones, and resource allocation records (e) Implement procedures to identify and segregate experimental development activities (f) Review classification of development activities quarterly for tax optimization

4.2 Software Capitalization Policies

For tax purposes, the Company will: (a) Capitalize qualifying software development costs per ASC 350-40 guidelines (b) Amortize capitalized costs appropriately over the greater of 36 months or economic life (c) Document basis for expensing decisions through detailed technical assessments (d) Review capitalization policies annually with external tax advisors (e) Maintain separate tracking for internal-use and external-use software development (f) Document technological feasibility determinations for each development project

4.3 Cloud Computing Tax Implications

The Company acknowledges: (a) SaaS revenue recognition requirements under ASC 606 (b) State tax treatment of cloud services, including sales and use tax obligations (c) International implications of cloud delivery, including permanent establishment risks (d) Nexus considerations for cloud operations across jurisdictions (e) Data center location tax implications (f) Transfer pricing considerations for cross-border cloud services (g) Virtual presence nexus requirements in applicable states

4.4 State Technology Incentives

The Company shall monitor and maintain compliance with: (a) State R&D tax credits, including contemporaneous documentation requirements (b) Technology investment incentives, maintaining eligibility documentation (c) Employment tax credits for technical positions (d) Property tax abatements for data centers and technical facilities (e) State-specific

software development incentives (f) Digital services tax provisions (g) Enterprise zone benefits for technology operations

4.5 Artificial Intelligence Tax Treatment

The Company shall address: (a) Classification of AI development costs between routine and experimental (b) Treatment of machine learning training costs (c) Allocation of computational resources for tax purposes (d) Documentation of AI model development phases (e) International tax implications of distributed AI processing (f) Transfer pricing for AI-enabled services

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the Effective Date.

NEXUS INDUSTRIAL INTELLIGENCE, INC.

By: _____ Name: David Kumar Title: Chief Financial Officer

EXHIBITS: A: State Tax Nexus Analysis B: R&D Tax Credit Documentation Requirements C: Transfer Pricing Methodology D: Record Retention Schedule

[IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. federal tax advice contained in this document is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.]