

# **Conflict of Interest Policy Statement**

**Nexus Intelligent Systems, Inc.**

## **1. PURPOSE AND SCOPE**

1 This Conflict of Interest Policy Statement ("Policy") establishes the standards and procedures for identifying, disclosing, and managing potential conflicts of interest for Nexus Intelligent Systems, Inc. (the "Company") and its employees, officers, directors, and key stakeholders.

2 The purpose of this Policy is to:

- a) Protect the integrity of the Company's decision-making processes
- b) Ensure transparency in business relationships
- c) Prevent improper personal or financial interests from influencing corporate actions
- d) Maintain the highest standards of ethical conduct

## **2. DEFINITIONS**

1 "Conflict of Interest" shall mean any situation where an individual's personal interests, financial interests, or external activities potentially compromise or appear to compromise their ability to:

- a) Act in the best interests of the Company
- b) Make objective and impartial business decisions
- c) Perform their professional responsibilities without undue influence

2 Key terms include:

- "Immediate Family": Spouse, domestic partner, parents, siblings, children, and in-laws
- "Financial Interest": Any direct or indirect ownership, investment, or financial benefit
- "Related Party": Any entity or individual with a material connection to the Company

## **3. PROHIBITED ACTIVITIES**

1 Employees are prohibited from:

- a) Engaging in activities that create an actual or potential conflict of interest
- b) Using their corporate position for personal financial gain
- c) Accepting gifts, entertainment, or benefits that could compromise professional judgment
- d) Participating in decisions involving personal or family financial interests

2 Specific prohibited conduct includes:

- Competing directly with the Company's business interests
- Using Company resources for personal projects
- Maintaining undisclosed external business relationships
- Exploiting corporate opportunities for personal benefit

#### **4. DISCLOSURE REQUIREMENTS**

1 Mandatory Disclosure Obligations:

- a) All employees must annually complete a Conflict of Interest Disclosure Form
- b) Immediate disclosure is required when a potential conflict arises
- c) Disclosure must be made to the Chief Compliance Officer or immediate supervisor

2 Disclosure Form shall include:

- Current and potential external business interests
- Financial investments in competitor or partner organizations
- Family member employment in related industries
- Potential material relationships that could create conflicts

#### **5. REVIEW AND MANAGEMENT PROCESS**

1 Conflict of Interest Review:

- a) The Compliance Committee will review all disclosed potential conflicts
- b) Assessment will determine the materiality and potential risk to the Company
- c) Mitigation strategies will be developed for identified conflicts

2 Potential Mitigation Strategies:

- Recusal from specific decisions
- Divestment of conflicting interests
- Restructuring of responsibilities
- Termination of conflicting relationships

#### **6. CONSEQUENCES OF NON-COMPLIANCE**

1 Failure to comply with this Policy may result in:

- a) Disciplinary action up to and including termination

- b) Potential legal action
- c) Financial penalties
- d) Reputational damage

2 The Company reserves the right to:

- Investigate potential conflicts of interest
- Take appropriate corrective action
- Seek legal remedies for material breaches

## **7. ACKNOWLEDGMENT AND ACCEPTANCE**

1 All employees must:

- a) Read and understand this Policy
- b) Sign an acknowledgment form
- c) Comply with its provisions continuously

## **8. POLICY ADMINISTRATION**

1 This Policy will be:

- Reviewed annually by the Compliance Committee
- Updated to reflect changing business conditions
- Communicated to all employees

## **9. CONTACT INFORMATION**

1 Questions or concerns regarding this Policy should be directed to:

Compliance Department

Nexus Intelligent Systems, Inc.

compliance@nexusai.com

(415) 555-7890

## **10. EFFECTIVE DATE**

1 This Policy is effective as of January 22, 2024, superseding all prior conflict of interest policies.

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Approved by: Dr. Elena Rodriguez, Chief Executive Officer

Date: January 22, 2024