

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, Cambridge, Massachusetts 02142 (the "Company"), and ALEXANDER THOMPSON, an individual residing at 145 Beacon Street, Unit 7, Boston, Massachusetts 02116 (the "Executive").

1.0 PREAMBLE AND RECITALS

WHEREAS, the Company is a leading provider of artificial intelligence and machine learning solutions for industrial process optimization and predictive maintenance, 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 Company desires to employ the Executive as Senior Vice President of Product Development, and the Executive desires to accept such employment with the Company, subject to the terms and conditions set forth herein;

WHEREAS, the Executive possesses unique skills, knowledge, and experience in artificial intelligence, machine learning, and industrial technology applications that are of substantial value to the Company, including but not limited to expertise in deep learning algorithms, neural network architecture, and industrial process optimization;

WHEREAS, the Executive has demonstrated exceptional leadership capabilities and strategic vision in previous roles, having successfully led the development and implementation of enterprise-scale artificial intelligence solutions;

WHEREAS, the Company recognizes the competitive nature of the artificial intelligence and machine learning industry and seeks to secure the Executive's services through appropriate compensation and benefits arrangements;

WHEREAS, both parties acknowledge the rapidly evolving nature of the industrial AI sector and the need for flexibility and adaptation in their professional relationship while maintaining proper governance and accountability; and

WHEREAS, the Company and the Executive desire to memorialize their mutual understanding and set forth the terms and conditions of the Executive's employment with the Company in a comprehensive and legally binding manner.

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

2.0 DEFINITIONS

2.1 "Cause" shall mean (a) Executive's willful misconduct or gross negligence in the performance of Executive's duties; (b) Executive's conviction of, or plea of guilty or nolo contendere to, a felony or any crime involving moral turpitude; (c) Executive's material breach of this Agreement or any other agreement with the Company; (d) Executive's unauthorized use or disclosure of Confidential Information; (e) Executive's willful failure to follow the lawful directives of the Board of Directors; or (f) Executive's repeated failure to meet established performance metrics as documented through formal performance reviews over a period of at least ninety (90) days.

2.2 "Change in Control" shall mean (a) the acquisition by any person or group of more than 50% of the Company's voting securities; (b) a merger, consolidation, or reorganization resulting in the Company's stockholders immediately prior to such transaction holding less than 50% of the voting securities of the surviving entity; (c) the sale of all or substantially all of the Company's assets; or (d) a change in the composition of the Board of Directors such that incumbent directors cease to constitute at least a majority of the Board within any 24-month period.

2.3 "Company Technology" shall mean all algorithms, software, code, systems, methodologies, tools, and other technology developed, licensed, or acquired by the Company, including without limitation (a) the NexusCore™ Industrial AI Platform and all associated machine learning models, computer vision systems, and predictive maintenance solutions; (b) all proprietary data processing and analytics frameworks; (c) custom-developed neural network architectures; (d) automated optimization algorithms; and (e) associated technical documentation, specifications, and implementation guides.

2.4 "Competitive Business" shall mean any business that develops, markets, or sells artificial intelligence or machine learning solutions for industrial process optimization, predictive maintenance, or quality control applications, including but not limited to: (a) industrial automation software providers; (b) predictive analytics platforms; (c) computer vision inspection systems; (d) IoT-enabled monitoring solutions; or (e) digital twin technology providers operating within the manufacturing, energy, or utilities sectors.

2.5 "Confidential Information" shall mean all non-public information, whether in oral, written, or electronic form, relating to the Company's business, technology, customers, products, services, research, development, trade secrets, know-how, financial information, business plans, market data, personnel information, and other proprietary information. This includes, without limitation: (a) technical specifications and architectural designs; (b) customer lists and

requirements; (c) pricing strategies and cost structures; (d) training materials and methodologies; (e) research protocols and findings; and (f) business development strategies and market analyses.

2.6 "Intellectual Property" shall mean all patents, patent applications, copyrights, trademarks, trade secrets, algorithms, software, data models, inventions, discoveries, improvements, developments, works of authorship, and other intellectual property rights, whether registered or unregistered, including but not limited to: (a) all derivatives and modifications thereof; (b) all applications, registrations, and renewals; (c) all associated goodwill; (d) all rights to sue for past, present, and future infringement; and (e) all rights to receive income, royalties, damages, and payments related to such Intellectual Property.

3.0 TERMS OF EMPLOYMENT

3.1 Position and Duties

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

(b) The Executive shall be responsible for leading the Company's product development organization, including: (i) Strategic direction and roadmap for the NexusCore™ platform (ii) Management of AI/ML engineering teams (iii) Architecture and development of new platform capabilities (iv) Technical oversight of customer implementations (v) Innovation and R&D initiatives

(c) The Executive's specific responsibilities shall encompass: (i) Developing and executing comprehensive product strategies aligned with market demands (ii) Establishing technical standards and best practices for AI/ML development (iii) Leading architectural decisions for platform scalability and performance (iv) Overseeing the integration of emerging technologies (v) Managing intellectual property development and protection (vi) Collaborating with cross-functional teams including sales, marketing, and customer success

(d) The Executive shall have authority to: (i) Build and restructure technical teams as necessary (ii) Allocate development resources within approved budgets (iii) Establish technical partnerships and vendor relationships (iv) Represent the Company at industry conferences and events (v) Approve technical specifications and architecture decisions

3.2 Work Location and Remote Work

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

(b) The Executive may work remotely up to two (2) days per week in accordance with the Company's Remote Work Policy, provided that the Executive maintains core working hours of 9:00 AM to 5:00 PM Eastern Time.

(c) Remote work arrangements shall be subject to: (i) Maintenance of secure and reliable internet connectivity (ii) Availability for in-person meetings with 24-hours notice (iii) Compliance with Company security and confidentiality protocols (iv) Regular presence at critical business meetings and events (v) Quarterly review and approval of remote work arrangement

3.3 Performance Standards

(a) The Executive shall: (i) Devote full business time and attention to the Company (ii) Perform duties faithfully, diligently, and to the best of Executive's ability (iii) Comply with all Company policies, procedures, and standards (iv) Act in the Company's best interests at all times (v) Meet or exceed quarterly and annual performance objectives

(b) Performance metrics shall include: (i) Product development milestone achievement (ii) Team productivity and retention metrics (iii) Customer satisfaction scores (iv) Innovation metrics including patents and technical publications (v) Budget management and resource utilization (vi) Platform stability and performance metrics

3.4 Reporting and Communication

(a) The Executive shall: (i) Provide weekly status reports to the Chief Technology Officer (ii) Conduct monthly presentations to the executive team (iii) Participate in quarterly board meetings as requested (iv) Maintain regular communication with stakeholders (v) Document strategic decisions and technical direction

(b) The Executive shall establish and maintain: (i) Regular team meetings and communication channels (ii) Documentation of technical decisions and architecture (iii) Progress tracking systems for development initiatives (iv) Risk management and mitigation plans (v) Knowledge transfer and succession planning

3.5 Professional Development

(a) The Executive shall: (i) Maintain current knowledge of relevant technologies (ii) Participate in professional development activities (iii) Attend industry conferences and technical forums (iv) Pursue relevant certifications and training (v) Build and maintain professional networks

(b) The Company shall support the Executive's professional development through: (i) Annual professional development budget (ii) Conference attendance allowance (iii) Technical training programs (iv) Industry association memberships (v) Speaking and publication opportunities

3.6 Compliance and Ethics

(a) The Executive shall ensure: (i) Compliance with all applicable laws and regulations (ii) Adherence to ethical AI development principles (iii) Protection of intellectual property rights (iv) Maintenance of data privacy standards (v) Implementation of security best practices

(b) The Executive shall establish and oversee: (i) Code review and quality assurance processes (ii) Security and compliance protocols (iii) Ethics review procedures for AI applications (iv) Documentation and audit trails (v) Training programs for technical staff

4.0 COMPENSATION AND BENEFITS

4.1 Base Salary

(a) The Company shall pay the Executive an annual base salary of Three Hundred Fifty Thousand Dollars (\$350,000), payable in accordance with the Company's standard payroll practices, with payments distributed in equal bi-weekly installments.

(b) The Executive's base salary shall be reviewed annually and may be increased (but not decreased) at the Company's discretion, taking into consideration: (i) Market conditions and competitive compensation data (ii) The Executive's performance and contributions (iii) The Company's financial position and growth (iv) Industry standards for comparable positions

(c) Any increase in base salary shall become the new base salary for purposes of this Agreement and shall not be reduced during the Term without the Executive's written consent.

4.2 Annual Bonus

(a) The Executive shall be eligible for an annual performance bonus with a target amount of fifty percent (50%) of base salary.

(b) Bonus payment shall be based on: (i) Achievement of Company financial targets (40%), including revenue growth, EBITDA, and other key performance indicators as determined by the Board (ii) Product development milestones (40%), including product launches, technical achievements, and innovation metrics (iii) Individual performance objectives (20%), as established jointly by the Executive and the Board at the beginning of each fiscal year

(c) The annual bonus shall be paid no later than March 15 of the year following the year in which it was earned, provided the Executive remains employed through the payment date.

(d) In the event of exceptional performance, the Board may authorize a bonus payment exceeding the target amount, not to exceed 200% of the target bonus.

4.3 Equity Compensation

(a) Initial Grant: The Executive shall receive an initial grant of 100,000 Restricted Stock Units (RSUs), subject to the following vesting schedule: (i) 25% on the first anniversary of the Effective Date (ii) The remaining 75% in equal quarterly installments over the following three years

(b) Annual Refresh Grants: The Executive shall be eligible for annual equity refresh grants based on: (i) Individual performance metrics (ii) Market competitiveness analysis (iii) Company valuation and growth (iv) Retention considerations

(c) Change in Control Provisions: (i) All unvested equity shall accelerate and become fully vested upon a Change in Control event (ii) Double-trigger acceleration shall apply to refresh grants (iii) The Executive shall have the right to exercise vested options for up to twelve (12) months following termination

4.4 Benefits

(a) Healthcare Coverage: (i) Premium medical, dental, and vision insurance for Executive and eligible dependents (ii) Company to cover 95% of premium costs (iii) Coverage effective first day of employment (iv) Annual healthcare flexible spending account allocation of \$2,500

(b) Retirement Benefits: (i) 401(k) plan participation with Company matching up to 4% of base salary (ii) Immediate vesting of Company matching contributions (iii) Additional discretionary profit-sharing contributions as determined annually (iv) Investment guidance and financial planning services

(c) Insurance Programs: (i) Life insurance coverage of 3x annual base salary (ii) Short-term disability coverage at 66.67% of base salary (iii) Long-term disability coverage at 60% of base salary (iv) Supplemental executive disability coverage (v) Business travel accident insurance

(d) Time Off and Leave: (i) Twenty-five (25) days of paid vacation annually (ii) Ten (10) paid holidays per calendar year (iii) Five (5) paid sick days annually (iv) Parental leave of twelve (12) weeks at full pay (v) Bereavement leave of up to five (5) days per occurrence

4.5 Additional Compensation Elements

(a) Transportation and Technology: (i) Monthly parking allowance or transit subsidy (ii) Annual technology refresh allowance of \$2,500 (iii) Company-provided mobile device and service plan

(b) Professional Development: (i) Annual professional development allowance of \$10,000 (ii) Membership dues for relevant professional organizations (iii) Conference attendance and speaking engagement support

(c) Relocation Assistance (if applicable): (i) Moving expenses up to \$25,000 (ii) Temporary housing for up to 60 days (iii) Home sale/purchase assistance (iv) Tax gross-up on taxable relocation benefits

4.6 Compensation Review and Adjustments

(a) The Company shall conduct annual compensation reviews to ensure: (i) Market competitiveness (ii) Internal equity (iii) Alignment with Company objectives (iv) Compliance with applicable laws and regulations

(b) Any modifications to compensation elements shall be: (i) Documented in writing (ii) Approved by the Board of Directors (iii) Communicated to the Executive with reasonable notice (iv) Implemented in compliance with applicable laws and regulations

5.0 INTELLECTUAL PROPERTY AND CONFIDENTIALITY

5.1 Assignment of Intellectual Property

(a) The Executive hereby irrevocably assigns, transfers, and conveys to the Company all right, title, and interest in and to any and all Intellectual Property conceived, developed, created, or reduced to practice, whether solely or jointly with others, during the period of employment with the Company, including but not limited to: (i) Inventions, discoveries, improvements, and innovations (ii) Software code, algorithms, and computational methods (iii) Technical documentation and specifications (iv) Research findings and methodologies (v) Patents, patent applications, and patent rights (vi) Copyrights and copyright registrations (vii) Trade secrets and proprietary information

(b) The Executive shall promptly and fully disclose all Intellectual Property to the Company and shall: (i) Execute all necessary documentation to perfect the Company's ownership (ii) Cooperate in filing patent applications and maintaining patents (iii) Assist in protecting such rights through legal proceedings (iv) Maintain detailed records of all development activities

5.2 AI/ML Developments

(a) All artificial intelligence and machine learning related developments, including but not limited to: (i) Training data and datasets (ii) Neural network architectures (iii) Model parameters and weights (iv) Feature engineering methodologies (v) Optimization algorithms (vi) Performance metrics and benchmarks (vii) Implementation techniques and deployment strategies shall be owned exclusively by the Company.

(b) The Executive shall: (i) Document all development work according to Company standards (ii) Maintain version control of all AI/ML code and models (iii) Preserve training data and experimental results (iv) Record model architecture decisions and rationale (v) Detail all hyperparameter configurations

5.3 Confidentiality Obligations

(a) The Executive shall maintain strict confidentiality of all Confidential Information, defined as: (i) Technical information and trade secrets (ii) Business strategies and plans (iii) Customer and supplier relationships (iv) Financial data and projections (v) Employee information (vi) Research and development activities (vii) Manufacturing processes (viii) Marketing strategies (ix) Proprietary software and algorithms (x) Any information marked as confidential

(b) The Executive's obligations include: (i) Using Confidential Information solely for Company business (ii) Implementing reasonable security measures (iii) Limiting access to authorized personnel (iv) Reporting any unauthorized disclosure immediately (v) Continuing confidentiality after employment termination

5.4 Protection of Company Assets

(a) The Executive shall: (i) Secure all physical and digital assets containing IP (ii) Use encryption for sensitive data transmission (iii) Follow cybersecurity best practices (iv) Report security incidents promptly

(b) Upon termination of employment, the Executive shall: (i) Return all Company materials and property (ii) Delete all Confidential Information from personal devices (iii) Certify compliance in writing (iv) Cooperate in security audits

5.5 Third-Party Information

(a) The Executive acknowledges that the Company may receive confidential information from third parties and shall: (i) Protect such information according to agreements (ii) Use only as authorized by the third party (iii) Return or destroy as required (iv) Report any unauthorized access

5.6 Survival of Obligations

(a) The obligations under this section shall: (i) Survive termination of employment (ii) Continue indefinitely for trade secrets (iii) Extend five years for other Confidential Information (iv) Bind successors and assigns

5.7 Remedies

(a) The Executive acknowledges that: (i) Breach may cause irreparable harm (ii) Monetary damages may be inadequate (iii) Company entitled to injunctive relief (iv) Company may recover legal costs

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

NEXUS INDUSTRIAL INTELLIGENCE, INC.

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

EXECUTIVE:

Alexander Thompson

[Exhibits and appendices to follow]