

INTELLECTUAL PROPERTY RIGHTS AND PROTECTION AGREEMENT

1.0 PREAMBLE AND RECITALS

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, registered under Delaware Corporate File Number DC-847392 ("Company").

WHEREAS, Company has developed and owns certain proprietary artificial intelligence and machine learning technologies, software solutions, and related intellectual property, including without limitation the NexusCore™ Industrial AI Platform, associated algorithmic frameworks, proprietary datasets, and computational methodologies;

WHEREAS, Company has invested substantial resources in research, development, and implementation of its technology stack, which combines advanced computer vision systems, proprietary machine learning algorithms, distributed edge computing solutions, and industrial process optimization methodologies developed over a period exceeding five years;

WHEREAS, Company maintains valuable trade secrets, confidential information, and intellectual property rights in connection with its industrial technology solutions, including all associated software code, mathematical models, training algorithms, system architectures, technical documentation, and implementation methodologies; and

WHEREAS, Company seeks to establish comprehensive protection measures for its intellectual property portfolio, encompassing both registered and unregistered intellectual property rights, including patents, trademarks, copyrights, trade secrets, and proprietary know-how related to its industrial automation and artificial intelligence technologies.

NOW, THEREFORE, Company hereby establishes and declares the following terms and conditions regarding its intellectual property rights and protection measures, which shall be binding and enforceable to the fullest extent permitted by law:

2.0 DEFINITIONS AND INTERPRETATION

2.1 Defined Terms. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) "Artificial Intelligence Components" means any and all machine learning models, neural networks, deep learning systems, and related artificial intelligence technologies developed by Company, including but not limited to training methodologies, model architectures, inference engines, algorithmic decision systems, automated reasoning frameworks, and computational learning structures, whether implemented in software, hardware, or hybrid configurations.

(b) "Company IP" means all Intellectual Property Rights owned by or licensed to Company, including without limitation the NexusCore™ Platform, Technical Documentation, Derivative Works, algorithmic implementations, proprietary datasets, model weights, training configurations, and associated technological innovations.

(c) "Confidential Information" means any and all non-public information relating to Company's technology, products, services, processes, data, customers, business plans, and intellectual property, whether in written, electronic, oral, or other form, including without limitation: technical specifications, source code, algorithmic implementations, training methodologies, customer data, pricing strategies, market analyses, and development roadmaps.

(d) "Derivative Works" means any modification, enhancement, improvement, or derivative work based upon or derived from the Company IP, including adaptations of algorithms, model refinements, feature engineering improvements, deployment optimizations, and interface customizations.

(e) "Edge Computing Solutions" means Company's proprietary technologies for deploying and executing software and AI models on distributed industrial computing devices and IoT gateways, including edge-optimized inference engines, distributed processing frameworks, and local data management systems.

(f) "Industrial Process Optimization Technology" means Company's proprietary methodologies, algorithms, and software for optimizing manufacturing operations, quality control, and predictive maintenance, including real-time monitoring systems, statistical process control frameworks, and adaptive control mechanisms.

(g) "Intellectual Property Rights" means all patents, copyrights, trade secrets, trademarks, mask works, and other intellectual property rights, whether registered or unregistered, including all applications and registrations thereof, as well as all associated know-how, technical innovations, and implementation methodologies.

(h) "Machine Learning Infrastructure" means the complete ecosystem of tools, frameworks, and systems supporting the development, training, deployment, and monitoring of machine learning models, including data pipelines, training environments, and model management systems.

(i) "NexusCore™ Platform" means Company's enterprise-grade software suite that combines computer vision, machine learning-driven predictive analytics, and process optimization algorithms, including all modules, components, updates, and associated services, comprising both cloud-based and edge-deployed components.

(j) "Performance Metrics" means quantitative and qualitative measurements of system effectiveness, including but not limited to accuracy rates, processing speeds, resource utilization, reliability indices, and operational efficiency indicators.

(k) "System Integration Protocols" means standardized methods and specifications for incorporating Company's technologies into existing industrial systems, including API specifications, data exchange formats, and communication protocols.

(l) "Technical Documentation" means all documentation, specifications, designs, flowcharts, manuals, and other technical materials relating to Company IP, including implementation guides, architecture diagrams, and operational procedures.

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 terms "including" and "includes" mean "including without limitation."

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

(f) References to any law, regulation, or standard include references to such authorities as amended, supplemented, or replaced from time to time.

(g) Time periods specified in this Agreement shall be computed according to calendar days unless otherwise specified.

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

(i) References to written or electronic forms of communication include email, secure digital transmission, and other verifiable electronic means.

(j) Any reference to a party's consent shall mean prior written consent unless explicitly stated otherwise.

3.0 INTELLECTUAL PROPERTY OWNERSHIP

3.1 Ownership of Pre-Existing IP

(a) Company is and shall remain the sole and exclusive owner of all right, title, and interest in and to all Company IP existing as of the Effective Date, including without limitation: (i) The NexusCore™ Platform and all components thereof; (ii) All Artificial Intelligence Components; (iii) All Edge Computing Solutions; (iv) All Industrial Process Optimization Technology; (v) All Technical Documentation; and (vi) All associated Intellectual Property Rights.

(b) Pre-existing IP shall encompass: (i) All patents, patent applications, and patent rights; (ii) All registered and unregistered trademarks, service marks, trade names, and brand identifiers; (iii) All copyrights, including rights in software code, user interfaces, and documentation; (iv) All trade secrets, proprietary information, and confidential know-how; (v) All database rights and data structures; and (vi) All other intellectual property rights in any jurisdiction worldwide.

3.2 Ownership of Newly Developed IP

(a) Company shall own all right, title, and interest in and to any and all: (i) Improvements or enhancements to Company IP; (ii) New features or functionality added to the NexusCore™ Platform; (iii) Derivative Works; (iv) New artificial intelligence models or algorithms; (v) Data analytics methodologies and insights; and (vi) Technical innovations relating to industrial process optimization.

(b) Newly developed IP shall specifically include: (i) All training data and datasets generated through platform usage; (ii) Machine learning model improvements and iterations; (iii) Algorithm refinements and optimizations; (iv) User interface enhancements and customizations; (v) Integration protocols and APIs developed for the platform; and (vi) Performance optimization techniques and methodologies.

3.3 Third-Party Technology Rights

(a) Company acknowledges that certain components of the NexusCore™ Platform may incorporate or interact with third-party software or technology licensed by Company.

(b) Company shall maintain appropriate licenses and comply with all terms and conditions for any third-party technology used in connection with Company IP.

(c) Third-party technology management shall include: (i) Regular audit and inventory of all third-party components; (ii) Documentation of all applicable license terms and restrictions; (iii) Monitoring of compliance with usage limitations and requirements; (iv) Tracking of all royalty or payment obligations; (v) Management of attribution and notice requirements; and (vi) Maintenance of current versions and security updates.

3.4 Open Source Compliance

(a) Company shall: (i) Maintain a comprehensive inventory of all open source software used in Company IP; (ii) Comply with all applicable open source license requirements; (iii) Ensure open source usage does not compromise Company's proprietary rights; and (iv) Implement appropriate open source risk management procedures.

(b) Open source compliance procedures shall include: (i) Regular code scanning and license identification; (ii) Documentation of all open source components and versions; (iii) Review of license obligations and compatibility; (iv) Assessment of copyleft and viral license implications; (v) Management of attribution and notice requirements; and (vi) Maintenance of open source usage policies and guidelines.

3.5 IP Protection and Enforcement

(a) Company shall implement comprehensive measures to protect and enforce its IP rights, including: (i) Regular IP audits and portfolio reviews; (ii) Registration and maintenance of patents, trademarks, and copyrights; (iii) Implementation of technical protection measures; (iv) Monitoring for potential infringement; (v) Enforcement against unauthorized use or misappropriation; and (vi) Documentation of IP chain of title and ownership records.

3.6 IP Assignment and Documentation

(a) All employees, contractors, and third parties involved in development shall: (i) Execute appropriate IP assignment agreements; (ii) Acknowledge Company's exclusive ownership rights; (iii) Maintain detailed records of all development activities; (iv) Promptly disclose all innovations and improvements; (v) Cooperate in IP protection and registration efforts; and (vi) Comply with confidentiality obligations.

3.7 Data Rights and Ownership

(a) Company shall retain exclusive ownership of: (i) All data collected through the NexusCore™ Platform; (ii) Analytics and insights derived from platform usage; (iii) User behavior and interaction data; (iv) Performance metrics and optimization data; (v) System configuration and parameter data; and (vi) All derivative data products and analyses.

3.8 License Grants and Restrictions

(a) Any licenses granted to third parties shall: (i) Be limited in scope and duration; (ii) Preserve Company's underlying IP ownership; (iii) Include appropriate use restrictions and limitations; (iv) Maintain Company's control over modifications; (v) Protect confidential information and trade secrets; and (vi) Reserve all rights not expressly granted.

4.0 IP PROTECTION AND ENFORCEMENT

4.1 Trade Secret Protection

(a) Company shall implement and maintain reasonable measures to protect trade secrets and confidential information, including: (i) Physical and electronic security controls, including biometric access systems, surveillance cameras, and secure entry protocols; (ii) Confidentiality agreements with employees and contractors, incorporating specific provisions for AI algorithms and proprietary methodologies; (iii) Access controls and monitoring systems, with role-based authentication and activity logging; (iv) Data encryption and secure storage protocols, utilizing industry-standard encryption methods; (v) Employee training on IP protection, conducted at least annually; and (vi) Incident response procedures, including breach notification protocols.

(b) Additional Trade Secret Safeguards: (i) Implementation of data loss prevention (DLP) systems; (ii) Regular security audits and vulnerability assessments; (iii) Secure disposal of

confidential materials; (iv) Visitor management protocols and NDAs; (v) Remote access security controls; and (vi) Document watermarking and tracking systems.

4.2 Patent Protection

(a) Company shall: (i) Maintain an active patent prosecution program; (ii) File patent applications for patentable innovations, particularly focusing on AI algorithms and industrial processes; (iii) Monitor potential infringement of Company patents through regular market surveillance; (iv) Enforce patent rights against infringers through appropriate legal channels; and (v) Maintain patent maintenance fees and renewals in all relevant jurisdictions.

(b) Patent Strategy Requirements: (i) Regular invention disclosure reviews; (ii) Competitive patent landscape analysis; (iii) Strategic foreign filing decisions; (iv) Portfolio management and optimization; (v) License opportunity evaluation; and (vi) Patent clearance assessments for new products.

4.3 Copyright Protection

(a) Company shall: (i) Register copyrights for key software and materials, including source code and documentation; (ii) Include appropriate copyright notices on all protected works; (iii) Monitor for unauthorized copying or distribution through automated tools; (iv) Enforce rights against copyright infringement through legal means; and (v) Maintain copyright registrations in relevant jurisdictions.

(b) Software Protection Measures: (i) Source code escrow arrangements; (ii) Software license compliance monitoring; (iii) Code obfuscation techniques; (iv) Digital rights management implementation; and (v) Open source compliance procedures.

4.4 Infringement Procedures

(a) Upon discovery of potential infringement, Company shall: (i) Investigate the scope and nature of infringement through internal or external resources; (ii) Document evidence of infringement, including preservation of digital records; (iii) Evaluate enforcement options and associated costs; (iv) Issue cease and desist notices as appropriate; (v) Pursue legal action if necessary; and (vi) Seek appropriate remedies and damages.

(b) Enforcement Protocol Requirements: (i) Establishment of infringement detection systems; (ii) Regular IP portfolio audits; (iii) Documentation of chain of title; (iv) Maintenance of enforcement records; and (v) Cost-benefit analysis of enforcement actions.

4.5 Cybersecurity Requirements

(a) Company shall implement comprehensive cybersecurity measures: (i) Network security protocols and firewalls; (ii) Regular penetration testing; (iii) Security incident event management (SIEM); (iv) Multi-factor authentication systems; (v) Regular backup procedures; and (vi) Disaster recovery planning.

(b) Data Protection Measures: (i) Classification of sensitive IP assets; (ii) Encryption of data at rest and in transit; (iii) Access logging and monitoring; (iv) Regular security patches and updates; (v) Employee cybersecurity training; and (vi) Third-party security assessments.

4.6 IP Asset Management

(a) Company shall maintain comprehensive IP asset management: (i) Regular IP portfolio reviews; (ii) Maintenance of IP asset database; (iii) Documentation of IP ownership and licenses; (iv) Valuation of IP assets; (v) IP insurance coverage assessment; and (vi) Strategic IP acquisition planning.

(b) Documentation Requirements: (i) Invention records and laboratory notebooks; (ii) Development documentation; (iii) Chain of title records; (iv) License and assignment agreements; (v) IP-related contracts and correspondence; and (vi) Enforcement and litigation records.

5.0 MISCELLANEOUS PROVISIONS

5.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of law principles. The parties hereby submit to the exclusive jurisdiction of the state and federal courts located in Delaware for any legal proceedings arising out of or relating to this Agreement.

5.2 Dispute Resolution

(a) Any dispute arising out of or relating to this Agreement shall be resolved through: (i) Good faith negotiations between the parties for a period not less than thirty (30) days; (ii) Mediation under the CPR Institute for Dispute Resolution Rules, to be completed within sixty (60) days of initiation; and (iii) If necessary, binding arbitration in Wilmington, Delaware.

(b) The arbitration shall be conducted by a panel of three arbitrators, with each party selecting one arbitrator and the third selected by the two party-appointed arbitrators. The arbitration shall be administered under the Commercial Arbitration Rules of the American Arbitration Association.

(c) Each party shall bear its own costs in the dispute resolution process, including attorneys' fees, except that the arbitration panel may award costs and fees to the prevailing party.

5.3 Assignment. This Agreement may not be assigned without Company's prior written consent. Any attempted assignment in violation of this provision shall be void. Notwithstanding the foregoing, Company may assign this Agreement to any successor in interest, whether by merger, acquisition, or sale of substantially all assets, upon written notice to the other party.

5.4 Severability. If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall remain in full force and effect. The parties agree to replace any

invalid or unenforceable provision with a valid provision that most closely approximates the intent and economic effect of the invalid provision.

5.5 Entire Agreement. This Agreement constitutes the entire agreement regarding the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral. All exhibits, schedules, and attachments referenced herein are incorporated by reference and form an integral part of this Agreement.

5.6 Amendments. This Agreement may only be amended by a written instrument executed by Company. Any purported oral modification shall be void and of no effect.

5.7 Force Majeure. Neither party shall be liable for any failure or delay in performance due to circumstances beyond its reasonable control, including but not limited to acts of God, war, terrorism, pandemic, or governmental actions. The affected party shall promptly notify the other party of the force majeure event and resume performance as soon as practicable.

5.8 Notices. All notices required under this Agreement shall be in writing and delivered by: (i) certified mail, return receipt requested; (ii) nationally recognized overnight courier; or (iii) electronic mail with confirmation of receipt. Notices shall be effective upon receipt.

5.9 Waiver. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent, or subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

5.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed original signatures for all purposes.

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

[Signature block and exhibits remain unchanged]