

# **Executive Compensation and Performance Incentive Plan**

**Nexus Intelligent Systems, Inc.**

## **1. INTRODUCTION AND PURPOSE**

1 This Executive Compensation and Performance Incentive Plan (the "Plan") is established by Nexus Intelligent Systems, Inc., a Delaware corporation (the "Company"), to attract, retain, and motivate key executive talent through a comprehensive compensation framework aligned with the Company's strategic objectives and shareholder value creation.

2 The Plan shall govern compensation structures for senior executive leadership, specifically targeting the Company's C-suite and senior management team, with specific emphasis on performance-based incentive mechanisms.

## **2. DEFINITIONS**

1 "Eligible Executives" shall mean the Chief Executive Officer, Chief Technology Officer, Chief Strategy Officer, and other senior executives as designated by the Board of Directors.

2 "Performance Period" means the annual fiscal period used to measure executive performance metrics, typically coinciding with the Company's fiscal year.

3 "Target Compensation" means the total potential compensation package, including base salary, annual cash incentives, and equity-based awards.

## **3. COMPENSATION COMPONENTS**

### **1 Base Salary**

a) Base salaries shall be determined annually based on market benchmarks, individual performance, and competitive positioning within the enterprise AI services sector.

b) Initial base salary ranges for Eligible Executives:

- Chief Executive Officer: \$275,000 - \$375,000
- Chief Technology Officer: \$250,000 - \$325,000
- Chief Strategy Officer: \$225,000 - \$300,000

### **2 Annual Cash Incentive**

a) Eligible Executives may receive annual cash bonuses based on individual and corporate

performance metrics.

b) Target bonus percentages:

- Chief Executive Officer: 50-75% of base salary
- Chief Technology Officer: 40-60% of base salary
- Chief Strategy Officer: 35-55% of base salary

### 3 Equity Compensation

a) Stock Option and Restricted Stock Unit (RSU) grants shall be structured to align executive interests with long-term shareholder value.

b) Annual equity grant ranges:

- Chief Executive Officer: 50,000 - 75,000 RSUs
- Chief Technology Officer: 35,000 - 50,000 RSUs
- Chief Strategy Officer: 25,000 - 40,000 RSUs

## **4. PERFORMANCE METRICS**

### 1 Corporate Performance Metrics

- a) Annual Revenue Growth
- b) EBITDA Margin
- c) New Customer Acquisition
- d) Product Innovation Milestones

### 2 Individual Performance Metrics

- a) Strategic initiative completion
- b) Operational efficiency improvements
- c) Leadership and talent development
- d) Cross-functional collaboration effectiveness

## **5. PERFORMANCE EVALUATION AND AWARD DETERMINATION**

1 The Compensation Committee shall conduct annual performance reviews for Eligible Executives.

2 Performance evaluations will utilize a balanced scorecard approach, considering both quantitative financial metrics and qualitative leadership assessments.

3 Bonus and equity award determinations shall be made no later than 60 days following fiscal

year-end.

## **6. COMPLIANCE AND GOVERNANCE**

1 This Plan is subject to annual review and modification by the Board of Directors.

2 All compensation decisions must comply with applicable securities regulations and accounting standards.

3 The Company reserves the right to recoup incentive compensation in cases of financial restatement or executive misconduct.

## **7. LEGAL DISCLAIMERS**

1 Participation in this Plan does not guarantee continued employment.

2 The Company maintains full discretion in Plan interpretation and implementation.

## **8. EXECUTION**

Approved by the Board of Directors on: January 22, 2024

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Dr. Elena Rodriguez

Chief Executive Officer

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Michael Chen

Chief Technology Officer

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Sarah Williamson

Chief Strategy Officer