MACHINE LEARNING TOOL LICENSING AGREEMENT

PARTIES

This Machine Learning Tool Licensing Agreement (the "Agreement") is entered into as of January 22, 2024 (the "Effective Date") by and between:

NEXUS INTELLIGENT SYSTEMS, INC., a Delaware corporation with principal offices at 1200 Technology Park Drive, San Jose, California 95134 ("Licensor")

AND

[LICENSEE NAME], a [STATE] corporation with principal offices at [ADDRESS] ("Licensee")

RECITALS

WHEREAS, Licensor has developed certain proprietary machine learning diagnostic tools and predictive analytics platforms (the "Licensed Technology");

WHEREAS, Licensee desires to obtain a license to utilize certain components of the Licensed Technology for its enterprise operations;

WHEREAS, Licensor is willing to grant such a license under the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. DEFINITIONS

1 "Licensed Technology" shall mean Nexus Intelligent Systems' proprietary machine learning diagnostic tools, predictive maintenance algorithms, and associated software platforms, specifically including:

a) Predictive Maintenance Diagnostic Suite

b) Enterprise AI Analytics Framework

c) Intelligent Automation Toolset

2 "Confidential Information" shall mean all technical, financial, and operational information

disclosed by Licensor, whether in written, electronic, or oral form.

3 "Permitted Use" shall mean the internal use of Licensed Technology for enterprise predictive maintenance and operational analytics within Licensee's specified industrial sectors.

2. LICENSE GRANT

1 Subject to the terms and conditions of this Agreement, Licensor hereby grants Licensee a non-exclusive, non-transferable license to use the Licensed Technology.

2 The license shall be limited to:

a) Use within Licensee's enterprise infrastructure

b) Installation on up to 250 concurrent user endpoints

c) Access through secure cloud-based and on-premises deployment models

3 Licensee shall not:

a) Reverse engineer the Licensed Technology

b) Distribute or sublicense the technology to third parties

c) Modify the core algorithmic components without prior written consent

3. LICENSING FEES

1 Licensee shall pay Licensor an annual licensing fee structured as follows:

a) Base Annual Fee: $250,000

b) Per-User Incremental Fee: $750 per additional concurrent user beyond 250

c) Annual maintenance and support fee: 18% of total licensing costs

2 Payment Terms:

a) Annual fees shall be paid in quarterly installments

b) Payments due within 30 days of invoice date

c) Late payments subject to 1.5% monthly interest charge

4. INTELLECTUAL PROPERTY RIGHTS

1 Licensor retains all intellectual property rights, patents, and proprietary interests in the Licensed Technology.

2 Licensee acknowledges that no ownership rights are transferred through this Agreement.

3 Any improvements or derivative works created by Licensee shall be exclusively owned by Licensor, with Licensee receiving a non-exclusive license to such improvements.

5. CONFIDENTIALITY

1 Licensee shall maintain strict confidentiality of the Licensed Technology, implementing at least the same level of protection as it uses for its own confidential information.

2 Confidentiality obligations shall survive the termination of this Agreement for a period of five (5) years.

6. WARRANTY AND LIABILITY

1 Licensor warrants that the Licensed Technology will perform substantially in accordance with its documentation under normal use.

2 EXCEPT AS EXPLICITLY STATED, THE LICENSED TECHNOLOGY IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND.

3 Licensor's maximum liability shall not exceed the total licensing fees paid by Licensee in the preceding 12-month period.

7. TERM AND TERMINATION

1 Initial Term: Three (3) years from the Effective Date

2 Renewal: Automatic one-year renewals unless either party provides 90-day written notice of non-renewal

3 Termination Events:
a) Material breach of Agreement
b) Failure to make required payments
c) Bankruptcy or insolvency of either party

8. MISCELLANEOUS

1 Governing Law: State of California

2 Dispute Resolution: Mandatory arbitration in Santa Clara County, California

3 Force Majeure: Standard commercial exceptions for uncontrollable events

SIGNATURES

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

NEXUS INTELLIGENT SYSTEMS, INC.

By:

Dr. Elena Rodriguez

Chief Executive Officer

[LICENSEE NAME]

By:

[Authorized Signatory]

[Title]