

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, Wilmington, Delaware 19801 (the "Company"), and JENNIFER MARTINEZ, an individual residing at 127 Tech Valley Road, Cambridge, Massachusetts 02142 (the "Executive").

WHEREAS, the Company is engaged in the business of developing and commercializing proprietary machine learning and computer vision solutions for industrial process optimization and predictive maintenance (the "Business");

WHEREAS, the Company desires to employ the Executive as Vice President of Product Development, and the Executive desires to accept such employment with the Company;

WHEREAS, the Board of Directors of the Company has approved the employment of the Executive on the terms and conditions set forth herein; and

WHEREAS, the Executive acknowledges that the Company's proprietary technology, including its artificial intelligence and machine learning algorithms, constitutes valuable trade secrets of the Company.

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:

1.0 DEFINITIONS AND INTERPRETATION

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

"Affiliate" means any Person that directly or indirectly controls, is controlled by, or is under common control with the Company. For purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract, or otherwise.

"Confidential Information" means all non-public information, whether in oral, written, or electronic form, relating to the Company's technology, products, business methods, and operations, including but not limited to: (i) machine learning algorithms and models; (ii) computer vision systems and methodologies; (iii) training data and datasets; (iv) source code

and programming tools; (v) customer information and requirements; (vi) pricing and financial information; (vii) business strategies and plans; (viii) neural network architectures and implementations; (ix) optimization techniques and parameters; (x) validation methodologies and testing protocols; and (xi) research and development initiatives, whether completed, in-progress, or contemplated.

"Intellectual Property" means all patents, patent applications, copyrights, trademarks, trade secrets, software, algorithms, inventions, improvements, developments, and discoveries, whether or not patentable, including but not limited to: (i) all related documentation, designs, and specifications; (ii) all derivative works and modifications; (iii) all registrations and applications for registration; and (iv) all associated rights and goodwill.

"Performance Metrics" means the quantifiable measures used to evaluate the effectiveness and efficiency of the Company's artificial intelligence systems, including but not limited to: (i) accuracy rates; (ii) processing speed; (iii) resource utilization; (iv) error rates; (v) precision and recall metrics; and (vi) such other metrics as may be specified in the applicable Statement of Work.

"Person" means any individual, corporation, partnership, limited liability company, trust, governmental authority, or other legal entity, whether domestic or foreign.

"Technical Documentation" means all documentation relating to the development, implementation, and operation of the Company's technology, including specifications, manuals, guides, workflows, architectures, and technical requirements.

1.2 Interpretation. In this Agreement:

(a) words importing the singular include the plural and vice versa; (b) words importing gender include all genders; (c) references to "including" mean "including without limitation"; (d) references to Sections are to sections of this Agreement; (e) headings are for convenience only and do not affect interpretation; (f) references to any law include all regulations and rules issued thereunder and any amendments or replacements thereof; (g) references to time are to local time in the jurisdiction of performance; (h) references to writing include any mode of reproducing words in a legible and non-transitory form; (i) references to days mean calendar days unless otherwise specified; (j) if any payment or act falls due on a non-business day, it may be performed on the next business day; and (k) where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

2.0 EMPLOYMENT TERMS AND DUTIES

2.1 Position. The Company hereby employs the Executive as Vice President of Product Development, reporting directly to the Chief Technology Officer. The Executive accepts such employment on the terms and conditions set forth in this Agreement. The position is classified

as a senior executive role with Level E-3 compensation grade and corresponding benefits as detailed in Section 4.0.

2.2 Duties and Responsibilities. The Executive shall: (a) Lead the Company's product development organization and strategy, including establishment of quarterly roadmaps, resource allocation plans, and technology stack decisions; (b) Oversee the development and enhancement of the NexusCore™ Industrial AI Platform, including all subsystems, integrations, and third-party partnerships; (c) Manage technical teams and resources, including but not limited to software engineers, data scientists, product managers, and quality assurance personnel; (d) Collaborate with sales, marketing, and customer success teams to ensure product-market alignment and effective go-to-market execution; (e) Ensure product alignment with market requirements and customer needs through regular stakeholder engagement and market analysis; (f) Establish and maintain product development methodologies, including Agile practices, sprint planning, and release management protocols; (g) Direct the technical architecture strategy and ensure scalability of all product offerings; (h) Oversee the product security program in conjunction with the Chief Information Security Officer; (i) Maintain and update the product development budget within prescribed parameters.

2.3 Work Location and Arrangements. The Executive's primary work location shall be the Company's headquarters in Wilmington, Delaware. The Executive may work remotely up to two (2) days per week in accordance with the Company's Remote Work Policy, attached hereto as Exhibit A. The following provisions shall apply: (a) Remote work days must be scheduled and communicated at least one week in advance; (b) The Executive must maintain full accessibility during remote work hours; (c) The Executive shall ensure appropriate home office setup meeting Company security standards; (d) Travel to other Company locations or client sites may be required with reasonable notice; (e) The Company reserves the right to modify remote work arrangements with thirty (30) days' notice.

2.4 Performance Standards. The Executive shall: (a) Devote full business time and attention to the Company, excluding approved outside activities per Section 7.3; (b) Perform duties diligently and professionally, maintaining industry best practices; (c) Comply with Company policies and procedures, including the Code of Conduct and Information Security Policy; (d) Meet quarterly objectives as established by the Chief Technology Officer; (e) Maintain professional certifications and technical expertise as required for the role; (f) Participate in annual performance reviews and quarterly goal-setting sessions.

2.5 Authority and Limitations. The Executive shall have: (a) Authority to make product development decisions within approved budget parameters; (b) Hiring and termination authority for team members up to Level M-2; (c) Contract signing authority up to \$250,000 for product-related vendors; (d) Authority to represent the Company in technical forums and industry events.

2.6 Delegation and Reporting Requirements. The Executive shall: (a) Establish clear delegation of authority within the product development organization; (b) Provide weekly status

reports to the Chief Technology Officer; (c) Present quarterly product reviews to the Executive Committee; (d) Maintain documentation of all major technical decisions and architectural changes; (e) Ensure proper succession planning and knowledge transfer within the organization.

2.7 Compliance and Governance. The Executive shall ensure: (a) Adherence to all applicable regulations and standards; (b) Implementation of appropriate technical controls and documentation; (c) Regular audit readiness of product development processes; (d) Maintenance of required certifications and compliance frameworks.

3.0 COMPENSATION AND BENEFITS

3.1 Base Salary. The Company shall pay the Executive an annual base salary of Three Hundred Twenty-Five Thousand Dollars (\$325,000), payable in accordance with the Company's standard payroll practices. The base salary shall be subject to annual review by the Board of Directors and may be increased but not decreased without the Executive's written consent. Salary payments shall be made bi-weekly and subject to all applicable federal, state, and local tax withholdings and deductions.

3.2 Equity Compensation. (a) Initial Grant. The Executive shall receive an option to purchase 75,000 shares of the Company's Common Stock (the "Option") under the Company's 2023 Stock Option Plan (the "Plan"). The exercise price per share shall be equal to the fair market value of the Company's Common Stock on the date of grant, as determined by the Board of Directors in accordance with Section 409A of the Internal Revenue Code.

(b) Vesting Schedule. The Option shall vest over four (4) years, with 25% vesting on the first anniversary of the Effective Date and the remainder vesting in equal monthly installments thereafter. Vesting shall accelerate upon a Change in Control Event as defined in Section 7.3 of this Agreement.

(c) Additional Grants. The Executive shall be eligible for additional equity grants as determined by the Board of Directors based on Company performance and market conditions. Such additional grants may include restricted stock units (RSUs), performance stock units (PSUs), or additional stock options.

(d) Exercise Period. The Option shall be exercisable for a period of ten (10) years from the date of grant, subject to earlier termination as provided in the Plan and the applicable option agreement.

3.3 Annual Bonus. (a) Performance Metrics. The Executive shall be eligible for an annual performance bonus of up to 40% of base salary, based on achievement of Company and individual objectives as determined by the Board. Performance metrics shall include: (i) Financial targets including revenue growth and EBITDA (ii) Product development milestones

(iii) Customer acquisition and retention metrics (iv) Strategic initiative completion (v) Team development and organizational objectives

(b) Payment Terms. The annual bonus, if earned, shall be paid no later than March 15 of the year following the performance year. The Executive must be employed on the payment date to receive the bonus, except as otherwise provided in Section 6.0 regarding termination.

(c) Pro-ration. For partial years of employment, the bonus opportunity shall be pro-rated based on the number of days employed during the performance year.

3.4 Benefits. (a) Health Insurance. The Executive shall be eligible to participate in the Company's premium health, dental, and vision insurance plans, with coverage beginning on the first day of employment. The Company shall pay 90% of premium costs for the Executive and eligible dependents.

(b) Retirement Benefits. The Executive shall be eligible to participate in the Company's 401(k) plan with immediate vesting of the Company match of up to 4% of eligible compensation, subject to statutory limitations and plan terms.

(c) Insurance Coverage. The Company shall provide: (i) Term life insurance with coverage equal to 2x 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) Accidental death and dismemberment insurance (v) Business travel accident insurance

(d) Paid Time Off. (i) Vacation: Twenty (20) days per calendar year, accruing monthly (ii) Sick Leave: Ten (10) days per calendar year (iii) Personal Days: Three (3) days per calendar year (iv) Company-designated holidays: Twelve (12) days per calendar year (v) Carryover of unused time subject to Company policy

(e) Professional Development. (i) Annual allowance of \$5,000 for professional development (ii) Attendance at relevant industry conferences (iii) Professional association memberships (iv) Continuing education and certification programs (v) Executive coaching as approved

3.5 Additional Benefits. (a) Mobile Device and Communication. The Company shall provide a monthly allowance of \$150 for mobile phone expenses and home internet service.

(b) Transportation and Parking. The Executive shall receive parking privileges at Company facilities and reimbursement for reasonable business-related transportation expenses.

(c) Relocation Assistance. If applicable, the Company shall provide up to \$25,000 in relocation assistance, subject to documentation and repayment provisions if employment terminates within 12 months.

3.6 Review and Adjustment. All compensation and benefits shall be reviewed annually and may be adjusted to maintain market competitiveness and reflect Company performance. Any modifications shall be documented in writing and signed by both parties.

3.7 Clawback Provisions. All compensation under this Agreement shall be subject to any clawback or recoupment policy adopted by the Company to comply with applicable law or securities exchange listing requirements.

4.0 INTELLECTUAL PROPERTY AND CONFIDENTIALITY

4.1 Assignment of Inventions. The Executive hereby assigns to the Company all right, title, and interest in any Intellectual Property conceived, developed, or reduced to practice during employment, including: (a) Algorithms and machine learning models, including but not limited to neural network architectures, training methodologies, data preprocessing techniques, model optimization approaches, and inference systems; (b) Software code and applications, encompassing source code, object code, APIs, libraries, frameworks, and associated documentation; (c) Technical documentation and specifications, including system architectures, data flows, process workflows, and implementation guidelines; (d) Product designs and improvements, covering both hardware and software components, user interfaces, and system integrations.

4.2 Confidentiality Obligations. The Executive shall: (a) Maintain strict confidentiality of Confidential Information, defined as any non-public information including, but not limited to, trade secrets, technical data, customer information, pricing strategies, business plans, and proprietary methodologies; (b) Use Confidential Information solely for Company business purposes and not for personal gain or benefit; (c) Return all Confidential Information, including physical documents, electronic files, and any derivatives thereof, upon termination of employment; (d) Notify the Company immediately of any unauthorized disclosure or suspected breach of confidentiality; (e) Implement reasonable security measures to prevent unauthorized access to Confidential Information; (f) Refrain from sharing Confidential Information with third parties without explicit written authorization.

4.3 Non-Competition. During employment and for twelve (12) months thereafter, the Executive shall not: (a) Engage in competitive business activities within North America or Europe, whether directly or indirectly; (b) Hold any ownership interest, except for publicly traded securities not exceeding 2%, in competing enterprises; (c) Serve as an officer, director, employee, contractor, or consultant for any competing business; (d) Develop or commercialize products or services substantially similar to Company offerings; (e) Utilize Company's proprietary technology or methodologies in any unauthorized manner.

4.4 Non-Solicitation. During employment and for twelve (12) months thereafter, the Executive shall not: (a) Solicit Company employees for employment elsewhere; (b) Encourage Company employees to terminate their employment; (c) Recruit Company customers for competitive products or services; (d) Interfere with Company's business relationships or partnerships.

4.5 Intellectual Property Protection. The Executive shall: (a) Assist in securing and maintaining intellectual property rights; (b) Execute necessary documentation for patent, copyright, or

trademark applications; (c) Participate in legal proceedings related to intellectual property protection; (d) Maintain detailed records of all inventions and developments.

4.6 Survival of Obligations. The obligations set forth in this section shall: (a) Survive the termination of employment; (b) Remain binding regardless of the reason for employment termination; (c) Be enforceable to the maximum extent permitted by applicable law.

4.7 Remedies. The Executive acknowledges that: (a) Breach of these provisions may cause irreparable harm to the Company; (b) Monetary damages alone may be inadequate remedy; (c) The Company shall be entitled to injunctive relief; (d) The Company may pursue all available legal and equitable remedies.

4.8 Third-Party Information. The Executive shall: (a) Not bring or use any third-party confidential information to the Company; (b) Respect third-party intellectual property rights; (c) Immediately report any potential third-party intellectual property conflicts.

4.9 Return of Materials. Upon termination, the Executive shall: (a) Return all Company property, including devices, documents, and data; (b) Permanently delete any Company information from personal devices; (c) Certify in writing compliance with these requirements; (d) Cooperate in any verification processes requested by the Company.

4.10 Severability. If any provision of this section is found to be unenforceable: (a) The remaining provisions shall continue in full force and effect; (b) The provision shall be modified to the minimum extent necessary for enforceability; (c) The overall intent of intellectual property and confidentiality protection shall be preserved.

5.0 GENERAL PROVISIONS

5.1 At-Will Employment. This Agreement does not alter the at-will nature of employment, which may be terminated by either party at any time.

5.2 Governing Law. This Agreement shall be governed by Delaware law without regard to conflicts of law principles.

5.3 Arbitration. Any disputes shall be resolved through binding arbitration in Wilmington, Delaware.

5.4 Entire Agreement. This Agreement constitutes the entire understanding between the parties and supersedes all prior agreements.

5.5 Amendments. This Agreement may be amended only in writing signed by both parties.

5.6 Severability. If any provision is held invalid, the remaining provisions shall continue in full force and effect.

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

NEXUS INDUSTRIAL INTELLIGENCE, INC.

By: _____ Name: Michael Roberts Title: Chief Technology Officer

EXECUTIVE:

Jennifer Martinez

[Exhibits and appendices to follow]