

Employee Payroll Tax Withholding Records 2023

Confidential Document - Nexus Intelligent Systems, Inc.

PRELIMINARY STATEMENT

This document represents the comprehensive payroll tax withholding records for Nexus Intelligent Systems, Inc. (hereinafter referred to as the "Company") for the fiscal year ending December 31, 2023, prepared in accordance with applicable federal and state tax regulations.

1. DOCUMENT AUTHENTICATION

- 1 Prepared By: Corporate Finance Department, Nexus Intelligent Systems, Inc.
- 2 Date of Preparation: January 15, 2024
- 3 Reporting Period: January 1, 2023 - December 31, 2023
- 4 Total Employees Covered: 87 Full-Time Employees

2. FEDERAL TAX WITHHOLDING SUMMARY

- 1 Total Federal Income Tax Withheld: \$1,742,650.22
 - a) Federal Income Tax Withholding Rate: Average 22.3%
 - b) Aggregate Payroll Subject to Withholding: \$7,812,345.00
- 2 FICA Tax Contributions
 - a) Social Security Wages: \$5,621,890.00
 - b) Social Security Tax Withheld: \$348,157.18
 - c) Medicare Wages: \$7,812,345.00
 - d) Medicare Tax Withheld: \$113,278.00

3. STATE TAX WITHHOLDING ANALYSIS

- 1 Delaware State Tax Withholding
 - a) Total State Income Tax Withheld: \$612,890.45
 - b) Average State Withholding Rate: 7.85%
 - c) Taxable Wage Base: \$7,812,345.00
- 2 Additional State Tax Jurisdictions

- a) California Supplemental Withholding: \$87,456.22
- b) New York Supplemental Withholding: \$45,672.11

4. EMPLOYEE CLASSIFICATION BREAKDOWN

1 Employee Categories

- a) Full-Time Employees: 87
- b) Exempt Employees: 42
- c) Non-Exempt Employees: 45

2 Compensation Tiers

- a) \$50,000 - \$100,000 Range: 35 Employees
- b) \$100,001 - \$150,000 Range: 28 Employees
- c) \$150,001 - \$250,000 Range: 15 Employees
- d) Above \$250,000: 9 Employees

5. COMPLIANCE CERTIFICATIONS

1 The undersigned hereby certifies that:

- a) All tax withholding calculations have been performed in strict accordance with current IRS and state tax regulations
- b) All reported figures are accurate and complete to the best of the Company's knowledge
- c) All required tax deposits have been made in a timely manner

2 Documentation Retention

Detailed supporting documentation for these tax withholding records shall be maintained for a minimum of seven (7) years from the date of preparation, in compliance with federal and state record-keeping requirements.

6. LEGAL DISCLAIMERS

- 1 This document is prepared for internal accounting and potential due diligence purposes only.
- 2 Any reproduction or distribution of this document requires explicit written consent from the Corporate Legal Department of Nexus Intelligent Systems, Inc.

7. EXECUTION

Executed this 22nd day of January, 2024

Sarah Williamson

Chief Strategy Officer

Nexus Intelligent Systems, Inc.

Michael Chen

Chief Financial Officer

Nexus Intelligent Systems, Inc.

8. CONFIDENTIALITY NOTICE

THIS DOCUMENT CONTAINS CONFIDENTIAL AND PROPRIETARY INFORMATION OF NEXUS INTELLIGENT SYSTEMS, INC. UNAUTHORIZED DISCLOSURE IS STRICTLY PROHIBITED.