

Corporate Insurance Coverage Summary

Confidential Document - Nexus Intelligent Systems, Inc.

1. OVERVIEW OF INSURANCE PORTFOLIO

1.1 Purpose of Document

This Corporate Insurance Coverage Summary ("Summary") provides a comprehensive overview of the current insurance portfolio maintained by Nexus Intelligent Systems, Inc. (the "Company"), as of January 22, 2024, for the purpose of due diligence and risk assessment.

1.2 Insurance Program Objectives

The Company's insurance program is designed to:

- Mitigate potential financial risks associated with enterprise AI and technology services
- Provide comprehensive protection across operational, professional, and technological domains
- Ensure compliance with industry standards and contractual obligations

2. INSURANCE POLICY DETAILS

2.1 General Liability Insurance

- Carrier: Global Risk Underwriters, Inc.
- Policy Number: NIS-GL-2024-0372
- Coverage Limit: \$5,000,000 per occurrence
- Annual Premium: \$87,500
- Policy Period: January 1, 2024 - December 31, 2024
- Key Coverage Elements:
 - Bodily injury protection
 - Property damage liability
 - Personal and advertising injury coverage

2.2 Professional Liability / Errors & Omissions Insurance

- Carrier: Technology Professional Indemnity Insurers
- Policy Number: NIS-PL-2024-0219
- Coverage Limit: \$10,000,000 per claim
- Annual Premium: \$215,000

- Policy Period: January 1, 2024 - December 31, 2024
- Specific Coverages:
 - Professional service errors
 - AI algorithm liability
 - Consulting service negligence
 - Data breach and cybersecurity incidents

2.3 Cyber Liability Insurance

- Carrier: Cyber Risk Solutions, LLC
- Policy Number: NIS-CYB-2024-0456
- Coverage Limit: \$15,000,000 aggregate
- Annual Premium: \$175,000
- Policy Period: January 1, 2024 - December 31, 2024
- Comprehensive Cyber Protection:
 - Data breach response
 - Ransomware protection
 - Business interruption coverage
 - Regulatory compliance support
 - Forensic investigation expenses

2.4 Directors & Officers Liability Insurance

- Carrier: Executive Risk Specialists
- Policy Number: NIS-DO-2024-0187
- Coverage Limit: \$7,500,000
- Annual Premium: \$95,000
- Policy Period: January 1, 2024 - December 31, 2024
- Coverage Includes:
 - Individual director/officer protection
 - Corporate entity coverage
 - Securities litigation defense
 - Employment practices liability

2.5 Workers' Compensation Insurance

- Carrier: National Employer Protection Group
- Policy Number: NIS-WC-2024-0298
- Coverage: Statutory limits for all 50 states
- Annual Premium: \$42,500
- Policy Period: January 1, 2024 - December 31, 2024

3. RISK MANAGEMENT CONSIDERATIONS

3.1 Coverage Gaps and Recommendations

- Ongoing review of AI-specific liability exposures
- Annual policy reassessment with external risk consultants
- Continuous alignment of coverage with evolving technological risks

4. LEGAL DISCLAIMERS

4.1 Limitation of Representations

This summary is provided for informational purposes only. Actual coverage is subject to full policy terms, conditions, and exclusions. No representations or warranties are made regarding the sufficiency or completeness of insurance protection.

4.2 Confidentiality

This document contains confidential and proprietary information. Unauthorized disclosure is strictly prohibited.

5. EXECUTION

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