

QUALIFIED RESEARCH EXPENSE VERIFICATION

CONFIDENTIAL DOCUMENT

Nexus Intelligent Systems, Inc.

Delaware Corporation

PRELIMINARY STATEMENT

This Qualified Research Expense Verification ("Verification") is executed as of January 22, 2024, by Nexus Intelligent Systems, Inc., a Delaware corporation with principal offices at 1200 Technology Park Drive, Austin, Texas 78758 (the "Company").

1. DEFINITIONS

1 "Qualified Research Expenses" or "QREs" shall mean those expenditures meeting the criteria established under Internal Revenue Code Section 41, specifically relating to:

- a) Internal research and development costs
- b) Qualified contract research expenses
- c) Technological development and innovation investments

2 "Verification Period" shall mean the fiscal years ending December 31, 2022 and December 31, 2023.

2. RESEARCH EXPENSE CLASSIFICATION

1 Total Qualified Research Expenses

During the Verification Period, the Company certifies the following aggregate research expenditures:

Fiscal Year	Total QREs	Percentage of Revenue
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2022	\$2,375,000	19.0%
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2023	\$3,625,000	29.0%
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2 Expense Categorization

Qualified Research Expenses are comprised of:

- a) Salaries and wages for direct research personnel

- b) Supplies and materials used in research activities
- c) Contract research expenses with third-party technology partners
- d) Computer usage and technology infrastructure costs directly attributable to research

3. COMPLIANCE REPRESENTATIONS

1 The Company represents and warrants that:

- All reported research expenses comply with IRS guidelines
- Expenses have been calculated using consistent methodological approaches
- Supporting documentation exists for each claimed research expenditure
- No expenses have been double-counted or improperly classified

2 Documentation Retention

The Company maintains comprehensive documentation supporting these research expense claims, including:

- Detailed time tracking for research personnel
- Contracts with research partners
- Technological development project logs
- Contemporaneous accounting records

4. INDEPENDENT VERIFICATION

1 The Company acknowledges that these research expense claims are subject to potential audit and verification by:

- Internal Revenue Service
- Independent accounting firms
- Potential investors or acquirers

2 The Company commits to providing full cooperation and access to supporting documentation upon reasonable request.

5. LEGAL DISCLAIMERS

1 This Verification is provided in good faith and represents management's best understanding of the Company's research expenditures.

2 The Company expressly disclaims any implied warranties regarding the absolute accuracy of these

figures beyond reasonable accounting standards.

3 This document does not constitute a guarantee of tax credit eligibility or future research investment returns.

6. AUTHORIZED EXECUTION

IN WITNESS WHEREOF, the undersigned authorized representatives of Nexus Intelligent Systems, Inc. execute this Qualified Research Expense Verification.

SIGNATURES

Dr. Elena Rodriguez
Chief Executive Officer
Nexus Intelligent Systems, Inc.

Date: January 22, 2024

Michael Chen
Chief Technology Officer
Nexus Intelligent Systems, Inc.

Date: January 22, 2024

7. CONFIDENTIALITY NOTICE

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