

EXECUTIVE AGREEMENT

Dated for Reference as of the 1st day of March, 2002

BETWEEN:

EOPTIMIZE ADVANCED SYSTEMS INC., having a business
office at:
1000-235 First Avenue
Kamloops, BC V2C 3J4
Canada

(the "Company")

AND

DAVID J. HARESTAD,
1055 Calmar Place
Kamloops, BC V2B 4T2
Canada

(the "Executive")

WHEREAS:

A. The Company is in the business of ***designing, developing and selling scheduling and resource management computer software and related information technology services.***

B. The Executive has the expertise, qualifications and required certifications to perform the functions of **President** and **Chief Executive Officer** including those duties set out in the list of duties attached as Appendix "A" (the "Services"); and

C. The Company wishes to engage the Executive to perform the Services and the Executive agrees to provide the Services to the Company on the terms and conditions hereinafter set forth:

NOW THEREFORE THIS AGREEMENT WITNESSES that the Parties hereto agree as follows:

1. EMPLOYMENT

- (a) The Company will employ the Executive in the positions of **President** and **Chief Executive Officer**, for a term commencing on the date of issuance of the Certificate of Arrangement by Industry Canada. The Executive will perform the Services and any other duties as determined by the Company from time to time and will comply with all lawful instructions as may be given by members of management of the Company.
- (b) The Executive acknowledges and agrees that the employment relationship will be governed by the standards and terms established by the Company's policies as they are established from time to time and agrees to comply with the terms of

such policies so long as they are not inconsistent with any provisions of the Agreement. The Executive will inform himself or herself of the details of such policies and amendments thereto established from time to time.

- (c) The Executive agrees that his or her hours of work will vary and may be irregular and will be those hours required to meet the objectives of his or her employment. The Executive agrees that the compensation described in Article 2 of this Agreement compensates him or her for all hours worked.
- (d) The Executive understands and agrees that the performance of the Services may require him or her to travel outside of Kamloops on a regular basis and the Executive agrees to travel as directed by the Company.
- (e) The Executive will devote himself or herself exclusively to the Company's business and will not be employed or engaged in any capacity in any other business without the prior permission of the Company.
- (f) The Executive will report to the Chairman of the Board of Directors of the Company.

2. REMUNERATION AND BENEFITS

The Company will:

- (a) pay the Executive an annual salary of \$100,000 CDN payable in semi-monthly instalments, in arrears, subject to the normal statutory deductions (the "Base Salary"). The Base Salary will be reviewed by the Company on an annual basis and may be amended from time to time in the sole discretion of the Company;
- (b) allow the Executive to enrol in the Company's insurance benefits package, as amended from time to time. The benefits will be provided in accordance with the formal plan documents or policies and any issues with respect to entitlement or payment of benefits under the insurance benefits package will be governed by the terms of such documents or policies. The Company reserves the right to unilaterally revise the terms of the insurance benefits package;
- (c) allow the Executive to be eligible for a yearly bonus (the "Performance Bonus") of a minimum of \$20,000 CDN and to a maximum of \$50,000 CDN whereby the maximum allowable Performance Bonus may be amended in the sole discretion of the Company based performance criteria mutually agreed to by the Company and the Executive;
- (d) allow the Executive to be eligible for the following number of options under the Company's stock option plan as approved by the Board, said options to be governed by the terms of the Company's stock option plan and any option agreements under which the options are granted:

- (i) a minimum of 400,000 stock options to purchase common shares of the Company

The Company may amend or terminate said stock option plan from time to time as the Company in its sole discretion determines. If the Executive's employment is terminated for any reason, the Executive shall have the right to exercise the stock options pursuant to the termination of employment provisions in the stock option plan. The Executive agrees that by complying with the termination of employment provisions in the stock option plan and Article 7 the Company satisfies its entire obligation to provide notice or pay in lieu of notice to the Executive in the event that employment is terminated;

- (e) provide the Executive with four (4) week's vacation each year, to be scheduled at a time which is acceptable to the Company; and
- (f) reimburse the Executive for expenses incurred in the conduct of the Company's business and in accordance with the Company's reimbursable expense policy.

3. CONFIDENTIAL INFORMATION

- (a) The Executive acknowledges that during his or her employment with the Company he or she will acquire information (the "Information") about certain matters which are confidential to the Company, which Information is the exclusive property of the Company, including but not limited to the Company's ideas, discoveries, inventions, techniques, processes, know how, trade secrets, research, data, software, lists of present and prospective customers and buying habits, purchase requirements, pricing and sales policies and concepts, financial information, business plans, forecasts and market strategies. Information also includes confidential information belonging to third parties which the Company has an obligation to hold in confidence.
- (b) The Executive acknowledges that the Information could be used to the detriment of the Company and that the disclosure could cause irreparable harm to the Company. Accordingly, the Executive undertakes to treat confidentially all Information and not to disclose it to any third party or to use it for any purpose either during his or her employment, except as may be necessary in the proper discharge of his or her duties, or after termination of his or her employment for any reason, except with the written permission of the Company.
- (c) The Executive also agrees that all rights, title, interest in and to the Information, whether or not developed by the Executive will be and remain the Company's exclusive property.
- (d) All notes, data, tapes, reference items, sketches, drawings, memoranda, records, diskettes and other materials in any way relating to any of the Information or to the Company's business produced by the Executive or coming into his or her possession by or through his or her employment, shall belong exclusively to the Company and the Executive agrees to turn over to the Company all copies of any

such materials in his or her possession or under his or her control, forthwith, at the request of the Company or, in the absence of a request, at the termination of his or her employment with the Company.

4. OWNERSHIP OF INVENTIONS

- (a) The Executive agrees that the Company will have exclusive ownership in all ideas, discoveries, inventions, formulae, techniques, processes, know how, trade secrets and other intellectual property, including all expressions of such intellectual property in tangible form, which are used in or relate to the Company's business and which the Executive conceives of or makes for the Company or its subsidiaries or affiliates during his or her employment with the Company (together, "Inventions") and that he or she will promptly disclose the Inventions to the Company in writing. This will be the case, whether or not an Invention is: (i) capable of being protected by copyright, patent, industrial design, trade mark or other similar legal protection, (ii) conceived or made by the Executive during or outside his or her regular working hours, or (iii) conceived or made by him or her alone or jointly with others. However, this section will not apply to any Invention which the Executive develops outside his or her regular working hours if such Invention: (i) was not within the scope of his or her employment duties, (ii) was developed without the use of the Information, and (iii) was developed without the use of any of the Company's corporate resources.
- (b) The Executive hereby assigns to the Company all rights, title and interest which he or she may now or in the future have in and to the Inventions and the Executive waives his or her moral rights to any and all copyrights subsisting in the Inventions. If required by the Company, he or she will sign any applications or other documents the Company may reasonably request: (i) to obtain or maintain patent, copyright, industrial design, trade mark or other similar protection for the Inventions, (ii) to transfer ownership of the Inventions to the Company, and (iii) to assist the Company in any proceeding necessary to protect and preserve the Inventions. The Company will pay for all expenses associated with preparing and filing such documents.

5. NON-SOLICITATION

The Executive further agrees that during his or her employment pursuant to this Agreement and for a period of twelve (12) months following termination of employment, however caused, he or she will not hire or take away or cause to be hired or taken away any employee of the Company for the purposes of employment in any business related to or competitive with the business of the Company.

6. INJUNCTIVE RELIEF

- (a) The Executive understands and agrees that the Company has a material interest in preserving the relationships it has developed with its customers against impairment by competitive activities of a former employee. Accordingly, the

Executive agrees that the restrictions and covenants contained in clauses 3, 4 and 5 are reasonably required for the protection of the Company and its goodwill and that his or her agreement to same by his or her execution of this Agreement are of the essence to this Agreement and constitute a material inducement to the Company to enter into this Agreement and to employ the Executive, and that the Company would not enter into this Agreement absent such an inducement.

- (b) The Executive understands and agrees, without prejudice to any and all other rights of the Company, that in the event of his or her violation or attempted violation of any of the covenants contained in clauses 3, 4 and 5 an injunction or other like remedy shall be the only effective method to protect the Company's rights and property as set out, and that an interim injunction may be granted immediately on the commencement of any suit.

7. TERMINATION

- (a) The Executive may terminate his or her employment pursuant to this Agreement by giving at least two (2) months' advance notice in writing to the Company. The Company may waive such notice, in whole or in part and if it does so, the Executive's entitlement to remuneration and benefits pursuant to this Agreement will cease on the date the Company waives such notice.
- (b) The Company may terminate the Executive's employment pursuant to this Agreement without notice or payment in lieu thereof, for cause.
- (c) In addition, the Company may terminate the Executive's employment pursuant to this Agreement at its sole discretion for any reason, without cause, upon providing to the Executive the following:
 - (i) a payment equivalent to twenty-four (24) months' of the Executive's Base Salary; and
 - (ii) a payment equivalent to two times the average yearly Performance Bonus paid to the Executive during the Executive's employment with the Company; and
 - (iii) payment for any and all outstanding expenses incurred by the Executive during the Executive's employment with the Company; and
 - (iv) cancellation of any outstanding liabilities owed by the Executive to the Company.
- (d) Except as specifically provided by Article 7(c), the Executive's rights and entitlements to any remuneration under Article 2, including any right to the Base Salary, bonuses and benefits will terminate on the date the Executive is informed that his or her employment is being terminated pursuant to Article 7(c).

8. CHANGE OF CONTROL

- (a) In the event of a Change in Control, the Executive may terminate his or her employment pursuant to this Agreement by giving to the Company thirty (30) days' notice in writing and the Executive shall be entitled to severance in accordance with Article 7(c).
- (b) "Change of Control" means the acquisition by a person, or combination of persons acting in concert, of:
 - (i) a sufficient number of the voting rights attached to the outstanding voting securities of the Corporation which together with the voting securities held by such person or persons, affect materially the control of the Corporation; or
 - (ii) more than 50% of the voting rights attached to the outstanding voting securities of the Corporation;

9. RETURN OF MATERIALS UPON TERMINATION OF EMPLOYMENT

- (a) The Executive will return to the Company all Company documents, files manuals, books, software, equipment, keys, equipment, identification or credit cards, and all other property belonging to the Company upon the termination of his or her employment with the Company for any reason.

10. OTHER PROVISIONS

- (a) Compliance With Other Agreements.

The Executive represents and warrants to the Company that the execution, delivery and performance of this Agreement will not conflict with or result in the violation or breach of any term or provision of any order, judgment, injunction, contract, agreement, commitment or other arrangement to which the Executive is a party or by which he or she is bound. The Executive acknowledges that the Company is relying on his/her representation and warranty in entering into this Agreement, and agrees to indemnify the Company from and against all claims, demands, causes of action, damages, costs or expenses (including lawyers' fees) arising from any breach thereof.

- (b) Non-Waiver

Failure on the part of either party to complain of any act or failure to act of the other of them or to declare the other party in default of this Agreement, irrespective of how long such failure continues, will not constitute a waiver by such party of its rights hereunder or of the right to then or subsequently declare a default.

(c) Severability

In the event that any provision or part of this Agreement is determined to be void or unenforceable in whole or in part, the remaining provisions, or parts of it, will be and remain in full force and effect.

(d) Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the employment of the Executive and supersedes any and all agreements, understandings, warranties or representations of any kind, written or oral, express or implied, including any relating to the nature of the position or its duration, and each of the parties releases and forever discharges the other of and from all manner of actions, causes of action, claim or demands whatsoever under or in respect of any agreement.

(e) Modification of Agreement

Any modification of this Agreement must be in writing and signed by both the Executive and the Company or it will have no effect and will be void.

(f) Disputes

Subject to Article 7, all disputes arising out of or in connection with the employment relationship between the parties, including disputes arising out of or in connection with this Agreement, are to be referred to and finally resolved by arbitration administered by the British Columbia International Commercial Arbitration Centre, pursuant to its Rules. The place of arbitration will be Vancouver, British Columbia.

(g) Governing Law

This Agreement will be governed by and construed according to the laws of the Province of British Columbia.

(h) Independent Legal Advice

The Executive agrees that the contents, terms and effect of this Agreement have been explained to him or her by a lawyer and are fully understood or that the Executive has waived his or her right to seek legal advice but fully understands and accepts the contents, terms and effect of this Agreement. The Executive further agrees that the consideration described aforesaid is accepted voluntarily for the purpose of employment with the Company under the terms and conditions described above.

(i) Survival

The Executive's obligations contained in clauses 3, 4 and 5 shall survive the termination of this Agreement for any reason.

IN WITNESS WHEREOF this Agreement has been executed by the Parties hereto as of the date and year first above written.

SIGNED, SEALED AND DELIVERED)
by **DAVID J. HARESTAD** in the)
presence of:)

"David J. Harestad"

"A.J. McNair"

_____) **David J. Harestad**
Witness)
100 - 235 First Avenue)
_____)
Address)
Kamloops, BC)
_____)
_____)
Management Consultant)
_____)
Occupation)

SIGNED, SEALED AND DELIVERED)
by **EOPTIMIZE ADVANCED**)
SYSTEMS INC. in the presence of:)

"R. Barry Baker"

"A.J. McNair"

_____) **C/S**
Witness)
_____)
_____)
Address)
_____)
_____)
_____)
Occupation)