

THIS EMPLOYMENT AGREEMENT made effective the ___ day of May 2021.

BETWEEN: **DAWSON GROUP ENTERPRISES**
1212 McGill Road
Kamloops, BC V2C 6N6

(the “Employer”)

AND: **Daniel Fernandez**
Kamloops, BC

(the “Employee”)

AND WHEREAS the Employer wishes to employ the Employee for employment and the Employee wishes to be employed by the Employer on and subject to the terms and conditions herein effective as of the date of this agreement;

AND WHEREAS the Employer and the Employee agree that it is desirable to enter into this agreement to specify the terms and conditions of the Employee’s employment with the Employer,

NOW THEREFORE in consideration of the above, the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Employer and the Employee agree as follows.

1. Term and Duties

The Employee’s permanent, part time employment with the Company will commence on **September 3, 2021**. The Employee’s first date of employment shall remain as March 2, 2020 and continues thereafter until terminated in accordance with Section 9.

The Employer appoints the Employee to undertake the duties and exercise the powers as **Information Systems Specialist** for the Employer, and the Employee accepts the office, on the terms and conditions set forth in this Agreement. The Employee will report to the Director, Information Technology.

2. Compensation

(1) **Base Salary**. Effective **September 3, 2021**, the fixed remuneration of the Employee for the permanent part-time services shall be at the annual rate of **\$30,000.00** for twenty (20) hours per week worked payable bi-weekly.

(2) **Annual base salary review**. The fixed remuneration shall be reviewed annually pursuant to this Agreement. The review will be undertaken by assessing the Employee’s achievement of the over-all objectives established by the Employer and as further laid out and agreed to in the initial summary offer of employment.

3. Benefits

(1) **Benefit plans**. The Employee shall be eligible to participate in all benefit plans which the Employer provides to its employees on the date this contract is effective, including Medical Services Plan premiums, Short and Long term Disability, as well as flexible benefits for Life Insurance, Dependent Life,

Basic AD&D, Extended Health and Dental coverage. 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 any of the Employee Benefits will be governed by the terms of such documents or policies establishing the benefit in issue.

(2) **Pension.** The Employee will be eligible to participate in a company Pension Plan on the date this contract is effective, and in accordance with the plan details and Company policy. The Pension Plan is voluntary and if the Employee wishes to participate, a maximum contribution of 6% of gross pay must be made each pay period and will be fully matched at 6% by the Employer.

(3) **Vacation.** Upon commencement of employment the Employee is entitled to three (3) weeks of paid vacation leave as per the Vacation Policy. Vacation will be pro-rated based on permanent part-time position hours worked.

(4) **Professional Development.** To encourage the Employee's ongoing professional development and maintenance of their professional designation, the Employer agrees to pay the cost of any professional development activities and annual dues related to the Employee's role with the company.

4. Service

(1) The Employee, throughout the term of the Employee's appointment, shall devote their full time and attention to the business and affairs of the Employer and its subsidiaries and affiliates and shall not, without the consent of the Employer, undertake any other business or occupation or become a director, officer, employee or agent of any other company, firm or individual.

(2) The Employee shall well and faithfully serve the Employer and its subsidiaries and affiliates and use their best efforts to promote the interests thereof and shall not disclose the private affairs of the Employer and its subsidiaries and affiliates to any person other than the board of directors of the Employer or for any purposes other than those of the Employer.

5. Confidentiality

(1) The Employee acknowledges that, by reason of this arrangement with the Employer, he will have access to Confidential Information, as hereinafter defined, of the Employer, that the Employer has spent time, effort and money to develop and acquire. For the purposes of this Agreement any reference to "Employer" shall mean the Employer and its affiliates and subsidiaries. The term "Confidential Information" as used in this Agreement means all trade secrets, proprietary information and other data or information (and any tangible evidence, record or representation thereof) whether prepared, conceived or developed by an employee or agent of the Employer (including the Employee) or received by the Employer from an outside source which is maintained in confidence by the Employer or the outside source who provided the information in question. Without limiting the generality of the foregoing, Confidential Information includes information of the Employer pertaining to:

- (a) any ideas, drawings, maps, improvements, know-how, research, inventions, innovations, products, services, sales, scientific or other formulae, processes, methods, machines, procedures, tests, treatments, developments, technical data, designs, devices, patterns, concepts, computer programs or software, records, data, training or service manuals, plans for new or revised services or products or other plans, items or strategy methods on compilation of information, or works in process, or any inventions or parts thereof, and any and all revisions and improvements relating to any of the foregoing (in each case whether or not reduced

to tangible form) that relate to the business or affairs of the Employer or that result from its marketing, research and/or development activities;

- (b) the identities of clients and potential clients, customers and potential customers (collectively, "Customers"); the identities of contact persons at Customers; the preferences and needs of Customers; customer contact persons; information regarding sales terms, service plans, methods, practices, strategies, forecasts, know-how, and other marketing techniques; the identities of key accounts, potential key accounts; the identities of suppliers and contractors, and all information about those supplier and contractor relationships such as contact person(s), pricing and other terms;
- (c) any information relating to the relationship of the Employer with any personnel, suppliers, principals, investors, contacts or prospects of the Employer and any information relating to the requirements, specifications, proposals, orders, contracts or transactions of or with any such persons;
- (d) any marketing material, plan or survey, business plan, opportunity or strategy, development plan or specification or business proposal;
- (e) financial information, including the Employer's costs, financing or debt arrangements, income, profits, salaries or wages; and
- (f) any information relating to the present or proposed business of the Employer.

(2) The Employee acknowledges that the Confidential Information is a valuable and unique asset of the Employer and that the Confidential Information is and will remain the exclusive property of the Employer.

(3) The Employee agrees to maintain securely and hold in strict confidence all Confidential Information received, acquired or developed by the Employee or disclosed to the Employee as a result of or in connection with his association with the Employer. The Employee agrees that, both during the term of this Agreement and after the termination of his arrangement with the Employer, he will not, directly or indirectly, divulge, communicate, use, copy or disclose or permit others to use, copy or disclose, any Confidential Information to any person, except as such disclosure or use is required to perform their duties hereunder. The obligation of confidentiality imposed by this Agreement shall not apply to information that appears in issued patents or printed publications, that otherwise becomes generally known in the industry through no act of the Employee in breach of this Agreement, or that is required to be disclosed by court order or applicable law.

(4) The Employee understands that the Employer has from time to time in its possession information belonging to third parties or which is claimed by third parties to be confidential or proprietary and which the Employer has agreed to keep confidential. The Employee agrees that all such information shall be Confidential Information for the purposes of this Agreement.

(5) The Employee agrees that documents, copies, records and other property or materials made or received by the Employee that pertain to the business and affairs of the Employer, including all Confidential Information which is in the Employee's possession or under the Employee's control are the property of the Employer and that the Employee will return same and any copies of same to the Employer immediately upon termination of this Agreement or at any time upon the request of the Employer.

6. Disclosure of Discoveries, Ideas and Inventions

(1) Any new technology, knowledge or information developed by the Employee related to the business of the Employer during the term of this Agreement shall be the exclusive property of the Employer to the extent that such technology, knowledge or information is owned by the Employee.

(2) The Employee acknowledges that all Confidential Information (as defined above) and all other discoveries, know-how, inventions, ideas, concepts, processes, products, protocols, treatments, methods, tests and improvements, computer programs, or parts thereof, conceived, developed, reduced to practice or otherwise made by the Employee either alone or with others, during the course of his employment with the Employer pursuant to this Agreement or any previous employment agreements or arrangements between the Employee and the Employer, whether or not conceived, developed, reduced to practice or made during the Employee's regular working hours or on the premises of the Employer (collectively "Inventions"), and any and all services and products which embody, emulate or employ any such Inventions will be the sole property of the Employer and all copyrights, patents, patent rights, trademarks, service marks and reproduction rights to, and other proprietary rights in, each such Invention, whether or not patentable or copyrightable, will belong exclusively to the Employer. For purposes of the copyright laws of the Canada or United States of America, to the extent, if any, that such laws are applicable to any such Invention or any such service or product, it will be considered a work made for hire and the Employer will be considered the author thereof.

(3) The Employee hereby assigns and agrees to assign all his rights, title and interest in the Inventions, to the Employer or its nominee.

(4) Whenever requested to do so by the Employer, the Employee shall execute any and all applications, assignments or other instruments which the Employer shall deem necessary to apply for and obtain patents or copyrights of Canada, the United States or any foreign country or to otherwise protect the Employer's interest in the Inventions and shall assist the Employer in every proper way (entirely at the Employer's expense, including reimbursement to the Employee for all expense and loss of income) to obtain such patents and copyrights and to enforce them.

(5) The Employee hereby waives for the benefit of the Employer and its successors and assigns any and all moral rights in respect of any Inventions and, to the extent the moral rights cannot be waived or are not waived by the Employee, the Employee shall hold the moral rights in trust solely for the Employer.

7. Injunctive Relief

(1) The Employee acknowledges that in addition to any and all rights of the Employer, the Employer shall be entitled to injunctive relief in order to protect the Employer's rights and property as set out in clauses 5, and 6 of this Agreement.

(2) The Employee understands and agrees that the Employer has a material interest in preserving the relationship it has developed with its customers against impairment by competitive activities of a former employee. Accordingly, the Employee agrees that the restrictions and covenants contained in clauses 5, and 6 of this Agreement and the Employee's agreement to them by the execution of this Agreement are of the essence to this Agreement and constitute a material inducement to the Employer to enter into this Agreement and to employ the Employee, and that the Employer would not enter into this Agreement absent such an inducement. Furthermore, the existence of any claim or cause of action by the Employee against the Employer, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Employer of the covenants or restrictions provided in clauses 5, and 6 provided, however, that if any provision shall be held to be illegal, invalid or unenforceable in any

jurisdiction, the decision shall not affect any other covenant or provision of this Agreement or the application of any other covenant or provision.

8. Termination of Employment

(1) The parties understand and agree that the Employee's employment pursuant to this Agreement may be terminated as follows:

- (a) by the Employer, in its absolute discretion, without any notice or pay in lieu thereof, for "cause". For the purposes of this Agreement, "cause" means the following:
 - (i) any material breach of the provisions of this Agreement,
 - (ii) a material neglect of duty or misconduct of the Employee in discharging his duties and responsibilities under this Agreement,
 - (iii) any conduct of the Employee which tends to bring the Employee or the Employer into disrepute,
 - (iv) an act of fraud or dishonesty against the Employer,
 - (v) the conviction of the Employee of a criminal offence punishable by indictment, and
 - (vi) gross in subordination.

provided that failure by the Employer to rely on the provision of this clause in any given instance or instances, shall not constitute a precedent or be deemed a waiver;

- (b) by the Employer in its absolute discretion and for any reason on giving the Employee notice in writing or on paying to the Employee the equivalent of notice, in lieu of notice, in amount that is in accordance with the British Columbia Employment Standards Act. The Employee agrees to accept the pay in lieu of notice as set out in this clause in full and final settlement of all amounts owing to the Employee by the Employer on termination, including any payment in lieu of notice of termination, entitlement of the Employee under any applicable statute and any rights which the Employee may have at common law, and the Employee waives any claim to any other payment or benefits from the Employer

(2) The Employee's employment shall also be terminated upon his death or resignation by the Employee.

(3) The parties understand and agree that the payment of pay in lieu of notice by the Employer to the Employee on termination of the Employee's employment shall not prevent the Employer from alleging cause for the termination.

(4) On termination of employment the Employee shall immediately resign all offices held with the Employer and save as provided in this Agreement, the Employee shall not be entitled to receive any payment or compensation for loss of office or otherwise by reason of the resignation. If the Employee

fails to resign as mentioned the Employer is irrevocably authorized to appoint some person in the Employee's name and on his behalf to sign any documents or do any things necessary or requisite to give effect to such resignation.

(5) The Employee's obligations under clauses 5,6 and 7 shall survive the termination of the Employee's employment pursuant to this Agreement.

9. Employer's Property

The Employee acknowledges that all items of any and every nature or kind created or used by the Employee pursuant to his employment under this Agreement, or furnished by the Employer to the Employee, and all equipment, automobiles, computers, mobile phones, credit cards, books, records, reports, files, diskettes, manuals, literature, confidential information or other materials, shall remain and be considered the exclusive property of the Employer at all times and shall be surrendered to the Employer, in good condition, promptly at the request of the Employer, or in the absence of a request, on the termination of the Employee's employment with the Employer.

10. Assignment of Rights

The rights which accrue to the Employer under this Agreement shall pass to its successors or assigns. The rights of the Employee under this Agreement are not assignable or transferable in any manner.

11. Notices

(1) Any notice required or permitted to be given to the Employee shall be sufficiently given if delivered to the Employee personally or if mailed by registered mail to the Employee's address last known to the Employer, or if delivered to the Employer via facsimile.

(2) Any notice required or permitted to be given to the Employer shall be sufficiently given if mailed by registered mail to the Employer's head office at its address last known to the Employee, or if delivered to the Employer via facsimile.

12. Severability

In the event that any provision or part of this Agreement shall be deemed void or invalid by a court of competent jurisdiction, the remaining provisions or parts shall be and remain in full force and effect.

13. Entire Agreement

This document constitutes the entire Agreement between the parties with respect to the employment and appointment of the Employee and any and all previous agreements, written or oral, express or implied, between the parties or on their behalf, relating to the employment and appointment of the Employee by the Employer, are terminated and cancelled and each of the parties releases and forever discharges the other of and from all manner of actions, causes of action, claims and demands whatsoever, under or in respect of any agreement.

14. Modification of Agreement

Any modification to this Agreement must be in writing and signed by the parties or it shall have no effect and shall be void.

