

THIS AGREEMENT is made effective the 6th day of August, 2017 (the "**Effective Date**"),
BETWEEN:

CHATHAM-KENT HEALTH ALLIANCE

being a partnership comprised of the **Public
General Hospital Society of Chatham (PGH), St.
Joseph's Health Services Association of
Chatham, Inc. (SJH) and Sydenham District
Hospital (SDH)**

(the "Employer")

- and -

LISA NORTHCOTT

(the "Employee")

RECITALS

- A. The Employer wishes to employ the Employee as the Vice President and Chief Nursing Executive.
- B. The Employer and the Employee have agreed to enter into an employment relationship.
- C. The terms of the employment relationship are set out in this Agreement.

FOR VALUE RECEIVED, the parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires, each capitalized term shall have the meaning attributed thereto:

- (a) "Agreement" means this agreement, including its recitals, all as may be supplemented or amended from time to time;
- (b) "Board" means the Tri-Board of Directors of the Chatham-Kent Health Alliance;
- (c) "By-Laws" means the respective by-laws of the Hospitals;
- (d) "CEO" means the President and Chief Executive Officer of the Chatham-Kent Health Alliance and each of the Hospitals;
- (e) "Compensation Plan" means the compensation plan that will be established to determine the Compensation Plan, including a five step pay grid, for the Vice President and Chief Nursing Executive's office;

- (f) "Hospitals" means the Public General Hospital Society of Chatham, St. Joseph's Health Services Association of Chatham, Inc. and Sydenham District Hospital;
- (g) "Position Description" means the position description for the Vice President and Chief Nursing Executive position which sets out the Vice President and Chief Nursing Executive's duties and responsibilities as may be unilaterally amended from time to time by the Employer;
- (h) "Vice President and Chief Nursing Executive" means the Vice President and Chief Nursing Executive of the Employer;
- (i) "Confidential Information" has the meaning ascribed in section 12.1;
- (j) "LHIN" means Local Health Integration Network;
- (k) "MOHLTC" means Ministry of Health and Long-Term Care;
- (l) "Other Organization" has the meaning ascribed in section 4.1; and
- (m) "Compensation Framework" means the compensation framework required to be implemented by the Chatham-Kent Health Alliance on or before September 5, 2017, *Broader Public Sector Executive Compensation Act* (Ontario).

1.2 **Entire Agreement**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties. There are no representations, warranties, forms, conditions, undertakings or collateral agreements, express, implied or statutory between the parties other than as expressly set forth in this Agreement.

1.3 **Section Headings**

All paragraph headings have been inserted herein for convenience of reference only and do not form part of this Agreement.

ARTICLE 2 VICE PRESIDENT AND CHIEF NURSING EXECUTIVE

- 2.1 The Employee agrees that his general duties and responsibilities are set out in the Position Description.
- 2.2 The Employee agrees to serve as the Vice President and Chief Nursing Executive of the Employer to the best of his ability in compliance with all applicable laws, the Employer's By-laws, policies, procedures, rules and regulations, all as may be amended from time to time, and this Agreement.
- 2.3 The Employee shall report directly to the CEO of the Employer.
- 2.4 The Employee shall follow all lawful instructions and directions given to her by the CEO.

- 2.5 On an annual basis, the Employee shall be required to certify that she complies with the Employer's Code of Conduct as may be amended from time to time.

ARTICLE 3 TERM OF EMPLOYMENT

The term of this Agreement shall commence as of the Effective Date and shall continue until terminated in accordance with the provision of Article 10.

ARTICLE 4 FULL TIME AND ATTENTION

- 4.1 The Employee shall, throughout the term of his employment, devote her full time and attention to the business and affairs of the Employer. The Employee acknowledges that this position will include the carrying out of the duties in the evenings and weekends, as may be required from time to time, in addition to regular business hours. The Employee shall not, without the prior written consent of the CEO, undertake any other business or occupation or become a director, officer, employee, partner or agent of any other corporation, partnership, firm or person ("Other Organizations").

ARTICLE 5 COMPENSATION

5.1 Wage Restraint Legislation

- (a) The parties agree that this Article 5 is subject to the applicable wage restraint legislation and/or Compensation Framework and Compensation Plan.
- (b) The parties further acknowledge that the Chatham-Kent Health Alliance shall be required to approve a Compensation Framework on or before September 29, 2017.

5.2 Base Salary

- (a) The Employer agree to pay the Employee a base salary of one hundred seventy four thousand dollars (\$174,000.00) per annum less applicable withholdings and deductions and shall be payable in accordance with the Employer's usual payroll practice.
- (b) The parties acknowledge that on or before September 29, 2017, the Employer will establish a Compensation Framework and a Compensation Plan.

5.3 Salary Increases and Performance Related Pay

- (a) Annual salary increases, based on the pay grid, and/or, if applicable, performance related pay, will be based upon the Employee's performance as recommended by the CEO and approved by the Board based on the results of the Employee's performance evaluation set out in Article 6, the Employer's financial resources, the Compensation Framework and Compensation Plan.
- (b) The Employee will be entitled to any cost of living increases provided by the Employer to its non-designated staff.

- (c) The parties acknowledge that in the event the Employee's compensation, or any element of her compensation, is greater than what she is entitled to under the Compensation Plan, she shall still be entitled to the greater compensation until the earlier of September 29, 2020 or the third anniversary of the Board's approval and implementation of the Compensation Framework.

ARTICLE 6 PERFORMANCE REVIEW

- 6.1 In April of each year, the CEO will undertake a review of the Employee's performance, which will provide for a review of:
 - (a) the Employee's progress toward achievement of goals and objectives determined by the CEO;
 - (b) the Employer's performance under any accountability agreement between the Employer and the MOHLTC/LHIN; and
 - (c) other relevant matters.
- 6.2 The review process will also establish measurable performance expectations, including both short-term and long-term objectives for the Employee, as identified by the CEO.

ARTICLE 7 VACATION ENTITLEMENT

- 7.1 As of the signing of this Agreement, the Employee's vacation entitlement shall be seven (7) weeks, plus two (2) days annually, earned in accordance with the Employer's applicable vacation policy. Vacation time may not be carried over into subsequent years but must be taken in the year in which it is earned, unless otherwise agreed to by the CEO.

ARTICLE 8 EMPLOYEE BENEFIT PLANS

- 8.1 Subject to section 8.3, during the term of this Agreement the Employee will, subject to their meeting insurability and other applicable requirements, be entitled to participate in the benefits described in the Employer's Group Policy Benefits Program together with such enhancements or additional benefits as may be available to the senior management of the Employer and as the Employee may elect. For insured benefits the Employer has only the obligation to pay its portion of the premiums and has no further obligations. The Employer will waive the usual enrollment waiting periods for the Employee and benefits will be effective immediately, provided that the carrier will agree.
- 8.2 The Employee acknowledges that some employee benefit plans may include compulsory employee participation and employee contributions at levels determined by the Employer. The Employer regularly reviews the employee benefit plans, as well as its insurance carriers, and accordingly, reserves the right to amend or discontinue the employee benefit plans and change its insurance carriers where deemed appropriate and without further notice to the Employee.
- 8.3 The Employee shall be eligible to enroll in the Healthcare of Ontario Pension Plan (HOOPP).

ARTICLE 9 EXPENSES

- 9.1 It is understood and agreed that the Employee will incur expenses in connection with her employment duties under this Agreement. The Employer will reimburse the Employee for any reasonable and substantiated expenses provided such expenses were incurred in accordance with established Employer policy and as approved by the CEO.
- 9.2 The Employee will not be reimbursed for any single item in excess of \$500 unless approved in advance by the CEO.
- 9.3 The Employee will be permitted to be absent from the Employer during work days to attend professional development meetings and conferences and to attend to such outside professional duties in the hospital field as have been mutually agreed upon between the Employee and the CEO. Attendance at such approved meetings and accomplishment of approved professional duties shall be fully compensated service time and shall not be considered vacation time.
- 9.4 It is understood and agreed that the Employer will pay membership fees for one (1) professional membership for the Employee such as the Canadian College of Health Leaders Executives (CCHL) or any other association selected by the Employee and agreed to by the CEO.

ARTICLE 10 TERMINATION

- 10.1 (a) The Employee may terminate her employment pursuant to this Agreement voluntarily at any time by giving not less than one hundred and twenty (120) days' notice in writing to the Employer.
- (b) (i) The Employer may with written notice waive notice in whole or in part but shall be required to continue providing the Employee both his salary and benefits for the full one hundred and twenty (120) days.
- (ii) The Employee agrees to accept the pay-in-lieu of notice set out in clause (i) above, in full and final settlement of all amounts owing to her by the Employer, including any payment in lieu of notice of termination, entitlement of the Employee under any applicable statute and any rights that the Employee may have at common law, and the Employee waives any claim to any other future payment or benefits from the Employer.
- 10.2 This Agreement and the Employee's employment with the Employer may be terminated, without the Employer being obligated to provide the Employee with advance notice of termination or pay in lieu of such notice, whether under contract, statute, common law or otherwise if:
- (a) the Employee retires;
- (b) the Employee's employment is terminated for cause;

- (c) the Employee dies.
- 10.3 (a) The Employer may terminate this Agreement, in its absolute discretion, for any reason, by giving the Employee prior notice in writing equal to:
- (i) If the employee is terminated during their first six (6) months of employment, under this Agreement, six (6) months (the "Notice Period"); or
 - (ii) If the Employee is terminated after the six (6) month of employment, under this Agreement, twelve (12) months plus 1 month for each year of completed employment under this Agreement beyond the first year, up to a maximum of eighteen (18) months (the "Notice Period").

Alternatively, the Employer may pay to the Employee pay in lieu of notice in equal monthly amounts over the applicable Notice Period.

- (b) During the Notice Period, the Employee shall have a positive obligation to mitigate amounts payable in lieu of notice by the Employer under clause 10.3(a)(ii) above by taking all reasonable steps to find reasonable employment (including consulting and contract work). Should the Employee obtain any kind of alternative employment (including consulting and contract work) prior to the end of the Notice Period, fifty percent (50%) of all monies earned by the Employee during the Notice Period shall be set off against the payments made by the Employer under clause 10.03(a)(ii) above.
- (c) During the Notice Period, if permitted by the third party carrier, the Employer shall also make available to the Employee the benefits contemplated in Articles 8 and 11 of this Agreement.
- (d) If at any time that the Employee is entitled to receive notice of termination of employment, or payment in lieu of notice, the Employee is in receipt of disability benefits, the Employer will deduct the full amount of the disability benefits received by the Employee from the payments made to the Employee during the notice period or from the Employee's pay in lieu of notice, as the case may be. Despite the foregoing, no deductions will be made from any amount owing to the Employee under the *Employment Standards Act, 2000* (Ontario).
- (e) The parties confirm that the provisions contained in this Section 10.3 are fair and reasonable. The parties agree that upon termination of this Agreement by the Employer in compliance with Section 10.3 or upon any termination of this Agreement by the Employee, the Employee shall have no action, cause of action, claim or demand against the Employer as a consequence of such expiry, termination, or ending. Further, the payments under clause 10,03(a)(ii) above include all entitlement to either notice or pay in lieu of notice and severance pay under the *Employment Standards Act, 2000* (Ontario). In the event the minimum statutory requirements as at the date of termination provide for right or benefit that is greater than that provided for in this Agreement, such statutory requirements will replace the payments contemplated under this Agreement.

- 10.4 The Employee agrees to accept the notice as set out in section 10.3 above in full and final settlement of all amounts owing to him 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 that the Employee may have at common law, and the Employee waives any claim to any other or future payment or benefits from the Employer.
- 10.5 (a) Subject to paragraph 10.3, it is understood that, if termination occurs pursuant to sections 10.1 or 10.3, all benefits shall terminate following the expiry of the *Employment Standards Act* (Ontario) entitlement.
- (b) (i) Upon termination of this Agreement for any reason, the Employee acknowledges that all items of any kind created or used by him pursuant to his employment or furnished by the Employer to him including, but not limited to, any motor vehicles, equipment, books, records, credit cards, 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 Board of the Employer, in good condition, promptly without being requested to do so.
- (ii) Notwithstanding the foregoing at retirement, mutually agreed resignation and/or termination without cause, the Employee will be entitled to ownership of the home computer, software and printer provided to the Employee by the Employer for his use at home.
- 10.6 The Employee hereby acknowledges and agrees that he will not be constructively dismissed in the event of a government mandated restructuring of the healthcare system that results in the Employer's operations being assumed by a regional health authority, a local health integration network or other organization provided the restructuring does not materially affect the Employee's responsibilities and there is no decrease in the Employee's salary or benefits regardless of whether there are any changes to the Employee reporting structure.

ARTICLE 11 LIABILITY INSURANCE

- 11.1 The Employer shall insure the Employee under its general liability policy both during and after the term of his employment, for all acts done by the Employee in good faith and in the execution of his office as Vice President and Chief Nursing Executive, throughout the term of his employment,

ARTICLE 12 OWNERSHIP OF INFORMATION AND NON DISCLOSURE

- 12.1 "Confidential Information" includes, without limitation, information and facts relating to the operation and affairs of the Employer acquired by the Employee in the course of his employment, including information and facts relating to present and contemplated services, future plans, processes, procedures, suppliers, capital projects, financial information of all kinds, government relations strategies, patients or their health records, any product, device, equipment or machine, or employees. For greater certainty, Confidential Information shall not include:

- (a) information and facts that are available to the public or in the public domain at the time of such disclosure or use, without breach of this Agreement; or
 - (b) information and facts that become available to the Employee on a non-confidential basis from a source other than the Employer.
- 12.2 All Confidential Information of the Employer, whether it is developed by the Employee during his period of employment or by others employed or physicians or engaged by or associated with the Employer, is the exclusive property of the Employer and shall at all times be regarded, treated and protected as such.
- 12.3 The Employee shall not disclose Confidential Information to any person or use any Confidential Information (other than as necessary in carrying out his duties on behalf of the Employer) at any time during or subsequent to his period of employment without first obtaining the consent of the Chair, and the Employee shall take all reasonable precautions to prevent inadvertent disclosure of any such Confidential Information.
- 12.4 Within five (5) days after the termination of the Employee's employment by the Employer for any reason, or of receipt by the Employee of a written request from the Employer, the Employee shall promptly deliver to the Employer all property belonging to the Employer, including without limitation all Confidential Information (in whatever form) that is in the Employee's possession or under the Employee's control.
- 12.5 Nothing in this section precludes the Employee from disclosing Confidential Information at any time if disclosure of such Confidential Information is required by any law, regulation, governmental body, or authority or by court order, provided that before disclosure is made, notice of the requirement is provided to the Employer, and to the extent possible in the circumstances, the Employer is afforded an opportunity to dispute the requirement.
- 12.6 The parties will agree in advance upon any appropriate press releases to announce the execution or termination of this Agreement.

ARTICLE 13 NON-SOLICITATION/NON-DISPARAGEMENT

- 13.1 The Employee will not, either while employed with the Employer or subsequent to the Employee's termination of employment for any reason for a period equivalent to the Employee's then current notice period, without the Employer's express written consent, either as an individual, or in conjunction with any other person, firm, corporation, or other entity, whether acting as a principal, agent, employee, consultant, or in any capacity whatsoever solicit, attempt to solicit, or communicate in any way with any employees or physicians of the Employer for the purpose of having such employees or physician employed or in any way engaged by another healthcare organization, person, firm, corporation, or other entity.
- 13.2 The Employee and the Employer covenant and agree that neither party shall engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumours, allegations, negative reports or comments) which are disparaging,

deleterious or damaging to the integrity, reputation or goodwill of the other party, which in the case of the Employer, includes Board and the Employer's officers.

ARTICLE 14 GENERAL PROVISIONS

14.1 Binding Effect and Non-Assignment

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators and successors, but shall not be capable of assignment by either party without the previous written consent of the other party thereto.

14.2 Notice Provisions

Any notice to be given under this Agreement shall be in writing and shall be personally delivered or sent by registered mail or email to the following address or such other address as either party may from time to time designate to the other by notice given in accordance with this section:

Notices to the Employer:

Chatham-Kent Health Alliance
80 Grand Avenue West
P.O. Box 2030
Chatham, ON
N7M 5L9

Attention: Lori Marshall

Notices to Employee:

Lisa Northcott

14.3 Severability

If any covenant or provision of this Agreement is determined to be void or unenforceable in whole or in part by any court, such determination shall not affect or impair the validity of any other covenant or provision of this Agreement, which shall remain in full force and effect as if the void or unenforceable covenant or provision had not been made part of this Agreement.

14.4 Waiver

No waiver by either party of any breach of any provisions herein shall constitute a waiver of the provision except with respect to the particular breach giving rise to the waiver.

14.5 Governing Law

This Agreement shall be governed and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

14.6 **Currency**

All dollar amounts set forth or referred to in this Agreement refer to Canadian currency.

14.7 **Withholding**

All payments made by the Employer to the Employee or for the benefit of the Employee shall be less applicable withholdings and deductions.

14.8 **Recitals**

The Employee and the Employer acknowledge and agree that the provisions contained in the preamble or recitals section of this Agreement form part of this Agreement and may be relied upon by either Party when interpreting this Agreement.

14.9 **Interpretation**

The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and the Agreement shall be interpreted without regard to any presumption or other rule requiring interpretation of the Agreement more strongly against the Party causing it to be drafted.

14.10 **Privacy Consent**

By accepting employment with the Employer, the Employee consents to the Employer collecting, using and disclosing the Employee's personal information to establish, manage, terminate and/or otherwise to administer the employment relationship, including, but not limited to:

- (a) ensuring that the Employee is properly remunerated for his services to the Employer which may include disclosure to third party payroll providers;
- (b) administering and/or facilitating the provision of any benefits to which the Employee is or may become entitled, including benefits coverage, pension plan and incentive plans; this shall include the disclosure of the Employee's personal information to the Employer's third party service providers and administrators;
- (c) ensuring that the Employer is able to comply with any regulatory, reporting and withholding requirements relating to the Employee's employment;
- (d) performance and promotion;
- (e) monitoring the Employee's access to and use of the Employer's electronic media services in order to ensure that the use of such services is in compliance with the Employer's policies and procedures and is not in violation of any applicable laws; and
- (f) complying with the Employer's obligations to report improper or illegal conduct by any director, officer, executive or agent of the Employer under any applicable health, criminal or other law.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Effective Date.

CHATHAM-KENT HEALTH ALLIANCE

By

:



Lori Marshall
President and Chief Executive Officer

I have read, understand and accept the terms and conditions of this Agreement.



LISA NORTHCOTT