

THIS AGREEMENT is made effective the 8th day of September 2020 (the "Effective Date"),

BETWEEN:

HÔPITAL NOTRE-DAME HOSPITAL (HEARST)

a corporation without share capital duly incorporated
under the laws of the Province of Ontario

(the "Corporation")

- and -

Liza Fortier

(the "CEO")

RECITALS

WHEREAS the parties wish to set out in this Agreement the terms and conditions of employment that will govern the relationship between the Corporation and the CEO from the Effective Date until the termination or expiration of this Agreement;

FOR VALUE RECEIVED, the parties agree as follows:

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 and all schedules attached to this agreement, all as may be supplemented or amended from time to time;
- (b) "Board" means the Board of Directors of the Corporation;
- (c) "Chair" means the Director elected by the Board to serve as Chair of the Board;
- (d) "Chief Executive Officer" means in addition to 'administrator' as defined in Section 1 of the *Public Hospitals Act* (Ontario) and in the *Nursing Home Act* (Ontario) (or other equivalent long-term care legislation) the Chief Executive Officer of the Corporation; and
- (e) "MOHLTC" means Ministry of Health and Long-Term Care.

2. CHIEF EXECUTIVE OFFICER

The CEO agrees to serve as the Chief Executive Officer of the Corporation to the best of his ability in compliance with all applicable laws, the Corporation's By-laws, policies, procedures, rules and regulations, all as may be amended from time to time, and this Agreement.

3. ACCOUNTABILITY

- (a) The CEO shall be directly accountable to the Board in accordance with the Corporation's by-laws and applicable policies and procedures.
- (b) The Board Chair shall act as the Board's central point of official communication with the CEO.
- (c) The CEO shall follow all lawful instructions and directions given to him by the Board.

4. TERM

The term of this Agreement shall commence effective upon date of execution and shall continue unless terminated in accordance with the provisions of Article 10 of this Agreement.

5. FULL TIME AND ATTENTION

- (a) The CEO shall, throughout the term of his employment, devote his full time and attention to the business and affairs of the Corporation. The CEO 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.
- (b)
 - (i) Subject to clause (ii) below, the CEO shall not 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") without prior consent of the Board.
 - (ii) The CEO shall only with the Board's consent, be entitled to undertake activities for Other Organizations which are consistent with the CEO's responsibilities in respect of raising the profile of the Corporation and/or improving the Corporation's relationship with key stakeholders such as government (federal, provincial or municipal), other education or research organizations, and other healthcare providers or their respective associations, provided such activities do not interfere with her/his ability to discharge his responsibilities to the Corporation.

6. BASE SALARY

- (a) The parties agree that Section 6 is subject to any applicable wage restraint legislation and/or prescribed compensation framework.
- (b) In consideration for these services as CEO, the Corporation agrees to offer an initial annual base salary of \$137 700 per annum.
- (c) This base salary falls within the pay range for the CEO of \$130,000 to \$150,000 ("Pay Range"). The Pay Range is divided into the following grids and as the CEO's salary moves up in the grids, the then current effective base salary shall be deemed the base salary for the purposes of this Agreement:

Grid 1 = \$137,700.

Grid 2 = \$142,700.

Grid 3 = \$147,700.

Grid 4 = \$152,700.

Grid 5 = \$157,700.

The parties agree that every five (5) years, the Board shall review the grid to ensure that it reflects fair compensation for the CEO's base salary.

- (d) Annual salary increases beyond the CEO's salary referred to in paragraph (a) above, will be based upon the CEO's performance, the Corporation's financial resources and the dictates of any applicable wage restraint legislation and/or prescribed compensation framework, and will be consistent with generally accepted compensation practices. Any proposed increase in the CEO's base salary will consider the assessment of the CEO's performance by the Board consistent with the Board's evaluation process which may be amended from time to time and will be consistent with the pay grids set out in paragraph (c) above.

7. PERFORMANCE PAYMENT AND REVIEW

- (a) The parties agree that Section 7 is subject to any applicable wage restraint legislation and/or prescribed compensation framework.
- (b) The CEO may be eligible to earn a performance payment of up to five percent (5%) of the CEO's annual base salary effective as per paragraph 6(c) and (d) above for the fiscal year evaluated as a performance incentive.
- (c) The determination of his a performance payment is paid shall be made by the Board and in recognition of the CEO's achievement of the strategic goals, objectives and operational targets set annually by the Board for

each fiscal year. These strategic goals, objectives and operational targets shall be linked to the following factors:

- (i) Successful implementation of measures to reduce costs while protecting front-line service;
- (ii) Achievement of articulated government priorities;
- (iii) Successful attainment of performance improvement targets within the Corporation's Quality Improvement Plan;
- (iv) Attainment of other goals and objectives and operational targets established by the Board; and
- (v) Such other factors as the Board may agree from time to time.

The performance payment, if any, will be determined by the Board and paid by the Corporation for each fiscal year on or before June 30th of the following year, after the data for the expired fiscal year necessary to review the strategic goals, objectives and operational targets is available.

- (d) The Board's decision to pay a performance incentive payment pursuant to paragraph (a) or (b) above, as may be applicable, does not result in an adjustment to the future base salary payable to the CEO.
- (e) The performance incentive compensation will be included in the CEO's Healthcare of Ontario Pension Plan ("HOOPP") pensionable earnings if permitted under the terms of the Plan.
- (f) The Board will undertake an annual review of the CEO's performance.

8. EMPLOYEE BENEFIT PLANS

- (a) The CEO shall be entitled to participate in the benefit plans made available by the Corporation to its full-time senior administrative personnel, including but not limited to, HOOPP, dental, group life insurance, group disability insurance plan, accidental death and dismemberment, and extended health benefits.
- (b) For greater certainty, the Corporation acknowledges that it shall pay all employee and employer premiums for the benefits outlined above with the exception of HOOPP benefits which the Employer shall only pay for its share.

9. EXPENSES

It is understood and agreed that the CEO will incur Expenses in connection with his duties under this Agreement. The Corporation will reimburse the CEO for any reasonable and substantiated Expenses provided such Expenses were incurred in accordance with established Corporation policy and as approved by the Board.

10. TERMINATION

- (a) The CEO may terminate his employment pursuant to this Agreement voluntarily at any time by giving not less than ninety (90) days' notice in writing to the Corporation. The Corporation may waive notice in whole or in part but shall be required to continue providing the CEO both his base salary and benefits for the full ninety (90) days. Provided he is paid until his intended date of resignation, the CEO agrees that he has no claim for any additional payments or benefits from the Company.
- (b) (i) The Corporation may terminate the employment of the CEO pursuant to this Agreement for cause (defined in clause (ii) below) without notice by written notification at any time during the term of this Agreement.
- (ii) As used in this Section 10, the term "cause" means:
- (A) any material breach of this Agreement; or
 - (B) any reason that would entitle the Corporation under common law to terminate the services of the CEO without either notice or pay in lieu of notice, including, without limitation, serious misconduct, habitual neglect of duty, incompetence, conduct incompatible with her/his duties, or conduct prejudicial to the Corporation's business, or wilful disobedience to the Corporation's orders in a matter of substance; or
 - (C) the theft by the CEO of any funds or property of the Corporation; or
 - (D) an attempt by the CEO to obtain any personal advantage from any transaction in which the CEO has an interest which is adverse to the interest of the Corporation, unless the CEO shall have first obtained the consent of the Board of the Corporation in writing; or
 - (E) wilful neglect of the duties assigned to the CEO pursuant to the provisions of this Agreement, including compliance with applicable legislation, including the *Public Hospitals Act* (Ontario), *Nursing Home Act* (Ontario), the *Commitment to the Future of Medicare Act* (Ontario); or
 - (F) if the CEO becomes insolvent and unable to pay his debts in full, or files an assignment in bankruptcy or is adjudicated a bankrupt.

It is understood that, if termination occurs pursuant to paragraphs 10(b), all benefits shall terminate on the last day of employment.

- (c) This Agreement may be terminated by the Corporation, in its absolute discretion, for any reason by giving the CEO prior notice in writing equal to six (6) months, plus one (1) additional month for each full year of service up to a maximum of eighteen (18) months' notice in total (the "Notice Period") or on paying to the CEO the equivalent lump sum payment in lieu of such notice, or combination of notice and payment in lieu. During the Notice Period, the CEO shall have a positive obligation to mitigate the amounts payable by the Corporation under this section by taking all reasonable steps to find reasonable employment (including consulting and contract work).
- (d) The CEO agrees to accept the notice or pay-in-lieu of notice as set out in paragraphs 10 (b) and (c) above in full and final settlement of all amounts owing to him by the Corporation on termination, including any payment in lieu of notice of termination, entitlement of the CEO under any applicable statute and any rights that the CEO may have at common law, and the CEO waives any claim to any other or future payment or benefits from the Corporation, unless required by applicable statute.
- (e) The CEO 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 Corporation'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 CEO's responsibilities and there is no decrease in the CEO's salary or benefits regardless of whether there are any changes to the CEO reporting structure.
- (f) Notwithstanding any other provision of this agreement, in order for the Corporation to assess whether the CEO is suitable for the position of CEO, the CEO will be employed on a probationary basis for the first six (6) months of employment. At any time during the six-month probationary period, the Corporation may terminate his employment for any reason, and the CEO shall only be entitled to a severance payment equal to the unexpired balance of the six (6) month period and any applicable statutory entitlements.
- (g) Upon termination of this Agreement for any reason, the CEO acknowledges that all items of any kind created or used by him pursuant to his employment or furnished by the Corporation to him including, but not limited to, any motor vehicles, equipment, books, records, credit cards, reports, files, USB/diskettes, manuals, literature, confidential information, or other materials shall remain and be considered the exclusive property of the Corporation at all times, and shall be surrendered to the Board of the Corporation, in good condition, promptly without being requested to do so.

11. RIGHT OF TERMINATION

For greater certainty, it is understood and agreed that the rights of the Corporation to terminate the CEO can only be exercised by resolution of the Board.

12. VACATION ENTITLEMENT

In general, carry-over of an unused portion of vacation entitlement from one calendar year to the next is discouraged, but carry-over may be permitted under special circumstances with the written consent of the Chair.

The CEO's vacation entitlement should be of six (6) weeks plus one (1) extra week for being on call. As of December 1st, 2023, vacation entitlement will be of seven (7) weeks plus one (1) extra week for being on call.

In addition to the vacation entitlement outlined in the paragraph above, the CEO shall also be entitled to all statutory holidays.

13. LIABILITY INSURANCE

The Corporation shall insure the CEO under its errors and omissions policy both during and after the term of his employment, for all acts done by the CEO in good faith and in the execution of his office as Chief Executive Officer, throughout the term of his employment, including where the CEO is specifically named in a lawsuit launched by a patient, member of the Medical Staff, or any other party where the Corporation is a co-defendant.

14. OWNERSHIP OF INFORMATION AND NON DISCLOSURE

(a) "Confidential Information" includes, without limitation, information and facts relating to the operation and affairs of the Corporation acquired by the CEO 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:

- (i) 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
- (ii) information and facts that become available to the CEO on a non-confidential basis from a source other than the Corporation.

(b) All Confidential Information of the Corporation, whether it is developed by the CEO during his period of employment or by others employed or engaged by or associated with the Corporation, is the exclusive property

of the Corporation and shall at all times be regarded, treated and protected as such.

- (c) The CEO 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 Corporation) at any time during or subsequent to his period of employment without first obtaining the consent of the Chair, and the CEO shall take all reasonable precautions to prevent inadvertent disclosure of any such Confidential Information.
- (d) Within one (1) day after the termination of the CEO's employment by the Corporation for any reason, or of receipt by the CEO of a written request from the Corporation, the CEO shall promptly deliver to the Corporation all property belonging to the Corporation, including without limitation all Confidential Information (in whatever form) that is in the CEO's possession or under the CEO's control.
- (e) Nothing in this Section precludes the CEO 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 Corporation, and to the extent possible in the circumstances, the Corporation is afforded an opportunity to dispute the requirement.
- (f) The contents of this Agreement shall not be disclosed by the CEO to anyone, except to the Board, to the CEO's own financial and legal advisors, or as required by law, regulation, governmental body, or court order. Requests for further/his disclosure will be made to the Chair for consideration.
- (g) The parties will agree in advance upon any appropriate press releases to announce the execution or termination of this Agreement.

15. NON-SOLICITATION/NON-DISPARAGEMENT

- (a) The CEO will not, either while employed with the Corporation or for a period of twelve (12) months subsequent to the CEO's termination of employment for any reason, without the Corporation's express written consent, either as an individual, or in conjunction with any other person, firm, corporation, or other entity, whether his 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 Corporation 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.
- (b) The CEO and the Corporation 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 Corporation, includes Board, officers, employees, physicians and/or patients.

16. PRIVACY CONSENT

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

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

17. ENTIRE AGREEMENT

This Agreement expresses the entire agreement of the parties and cannot be amended unless there is written approval of both parties (i.e., by each of the CEO and the Board). Upon execution of this Agreement by the parties, this Agreement shall replace all previous agreements and shall govern the relationship of the parties.

18. SECTION HEADINGS

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

19. BINDING EFFECT AND NON-ASSIGNMENT

This Agreement shall inure 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.

20. NOTICE PROVISIONS

Any notice to be given under this Agreement shall be in writing and shall be personally delivered or sent by registered mail 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 Corporation:

1405 Edward Street
Hearst, Ontario
P0L 1N0

Attention: Chair, Board of Directors

Notices to CEO:

1405 Edward Street
Hearst, Ontario
P0L 1N0

Attention: Liza Fortier, Chief Executive Officer

21. 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.

22. 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.

23. 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.

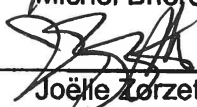
24. INDEPENDENT LEGAL ADVICE

The CEO confirms that, prior to the execution of this Agreement, he had a full and complete opportunity to obtain independent legal advice and representation and that he has either done so or has freely chosen not to obtain such advice.

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

HÔPITAL NOTRE-DAME HOSPITAL (HEARST)

Per: 
Michel Briere, Chair of the Board

Per: 
Joëlle Lorretto, Vice Chair

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

SIGNED, SEALED &
DELIVERED
In the presence of:



Liza Fortier

August 17, 2000

date of signing agreement

