

EMPLOYMENT AGREEMENT

This Agreement made this day of February, 2010.

B E T W E E N :

BAYCREST CENTRE FOR GERIATRIC CARE

(hereinafter called the "Employer")

OF THE FIRST PART

- and -

Dr. David Conn

(hereinafter called the "Employee")

OF THE SECOND PART

1. **Responsibilities**

- 1.1 The Employee shall render services to the Employer in the position of Vice President Education or such other job title as the parties may agree from time to time.
- 1.2 The Position of Vice President Education includes responsibility for Telehealth at Baycrest.
- 1.3 The Employee, in addition to his role of Vice President Education, will continue to have approximately one day per week to do clinical work and he will bill OHIP directly and retain all net earnings in accordance with Departmental and Baycrest pertinent policies and practices. As a member of the Department of Psychiatry, he will be eligible for participation in its Alternative Funding Plan.
- 1.4 The Employee will continue the role of Interim Chief of the Department of Psychiatry and Interim Vice President Medical Services until these positions are filled. For the purposes of clarity, the Employee's salary as described below will continue after the two (2) roles described herein are filled.
- 1.5 The Employee shall report to the President and CEO of the Employer. The Employee will take direction from the President and CEO of the Employer and he will be expected to fulfill the responsibilities established from time to time by the President and CEO. Further, the President and CEO may from time to time prescribe other duties and responsibilities.

- 1.6 The Employee will devote his full time and attention to the performance of his duties and faithfully, competently and diligently perform those duties and responsibilities.
- 1.7 The Employer agrees not to substantially alter the duties and responsibilities of the position, which would have the effect of a demotion to the Employee, and/or a reduction in compensation and benefits, without the written consent of the Employee.

2. **Compensation**

- 2.1 **Salary.** The Employee shall receive \$309,750 per annum. The Employer shall annually review the Employee's salary, benefits, vacation, performance and working conditions, taking into account the Employee's submissions. Any increase will not be effective unless it is in writing and signed by the appropriate person. It is understood that salary includes an amount of vacation pay and, accordingly, the vacation provided for in paragraph 4 shall be without loss of pay or reduction of salary.
- 2.2 **Bonus.** A discretionary bonus in the amount of up to \$35,000 shall be payable annually in recognition of achieving annual objectives as determined by the Employee and the President and CEO.
- 2.3 **Professional Development.** The Employee shall be eligible to be reimbursed for professional development course expenses in accordance with the Employer's policies. Professional development courses must be pre-approved by President and CEO. The Employer shall grant the Employee paid leave to attend courses and conferences.
- 2.4 **Professional Associations.** The Employer shall pay for memberships in appropriate professional organizations, provided such memberships are pre-approved by the President and CEO.
- 2.5 Reimbursement for expenses referenced in this paragraph 2, as well as any other expenses reasonably and properly incurred by the Employee on behalf of or for the benefit of the Employer, shall be paid by the Employer, upon presentation of receipts to the President and CEO.

3. **Vacation**

- 3.1 The Employee is entitled to the greater of:
 - 3.1.1 6 weeks of vacation per year, or
 - 3.1.2 vacation as set out in the Employer's policy for vacations for full-time, Executive employees. 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 President and CEO.

4. **Employee Benefit Plans**

- 4.1 The Employer shall pay its share of statutory benefits in accordance with Federal and Provincial legislation.
- 4.2 Except as provided elsewhere in this Agreement, the Employee shall be enrolled in the benefit plans offered by the Employer to Executive employees.
- 4.3 The Employer shall pay the premiums for the benefit plans in which the Employee is enrolled, in accordance with the Employer's employee benefit policies covering full-time Executive employees.

5. **Resignation From Employment By Employee**

- 5.1 If the Employee wishes to resign from employment with the Employer, the Employee agrees to provide the Employer with a minimum of 90 days' written notice of resignation.
- 5.2 This Agreement shall be deemed to have been terminated in all respects on the last day of the notice period referred to in paragraph 5.1.

6. **Termination of Employment For Just Cause**

- 6.1 The parties understand and agree that this Agreement may be terminated by the Employer for cause. If the Employee's employment is terminated by the Employer for cause, the Employee will not be entitled to notice of termination, pay in lieu of notice or any benefits other than those prescribed by law.

7. **Termination of Employment Without Cause**

- 7.1 Employer may terminate the Employee's employment without cause at any time provided that if the Employer terminates the Employee's employment the Employer shall provide the Employee with 18 months' written notice of termination, or 18 months' payment of salary, or some combination of working notice and payment of salary equivalent to 18 months' in lieu thereof (referred to as the "Severance Period"). The employer has the sole discretion to determine which method is used. However, in the event that payment in lieu is provided, LTD coverage will only be maintained for a 2 month period following the last day of work.
- 7.2 Save as provided in paragraph 7.1 hereof, no amount shall be payable to the Employee in the event of the termination of his employment. Payment to the Employee under the provisions of paragraph 7.2 is inclusive of any other entitlements the Employee may have, whether contractual or otherwise, including without limitation termination pay or severance pay due to him under the *Employment Standards Act, 2000* and is in full and final settlement of all claims.
- 7.3 In the event of termination without cause under paragraph 7.1, the Employer shall continue to maintain employee benefit plans described in paragraphs 4.1 to 4.3 herein until the earlier of the expired Severance Period or the date on which the Employee obtains alternative employment.

7.4 In the event of termination without cause under paragraph 7.1, the Employer shall pay up to a maximum of \$10,000.00 towards outplacement counselling. This amount will be paid directly from the Employer to the outplacement counselling firm.

7.5 If this Agreement is terminated and the Employee is entitled to receive notice or pay in lieu of notice under paragraph 7.1 and the Employee is subsequently re-employed in a comparable position during the notice or pay in lieu of notice period, the Employee shall be paid one-half of the remaining value of the salary.

8. **Tax Obligations**

8.1 The Employee acknowledges and agrees that he is responsible for all tax liability resulting from the receipt of monies or benefits pursuant to this agreement and that all payments or benefits hereunder shall be subject to withholding of such amounts, if any, relating to tax or other payroll deduction as the Employer may reasonably determine it should withhold pursuant to applicable law.

9. **Confidentiality**

9.1 The Employee shall not at any time including after the termination of this Agreement, disclose information about the business of the Employer acquired while employed by the Employer if that disclosure is for his own direct or indirect benefit or for the detriment or intended detriment of the Employer, subject to that which may be required by law or made in connection with the performance of his duties as referred to herein.

9.2 Any inventions, systems, improvements, processes, procedures, apparatus and technical data developed for the benefit of, by or on behalf of Employer, or information relating to present and future plans and projects of Employer, shall at all times be considered the property of the Employer.

10. **Arbitration**

10.1 Should a dispute arise between the parties with respect to this agreement or the performance of its terms and conditions, the dispute shall be referred to arbitration by a member in good standing of the Law Society of Upper Canada or a retired judge mutually agreed upon. If the parties fail to agree on such an arbitrator, an Application may be made by either party to the Supreme Court of Ontario for the appointment of an arbitrator. Any arbitrator so appointed shall proceed to determine the rights of the parties pursuant to the provisions of the *Arbitration Act, 1991* or such other *Act* governing arbitrations in the Province of Ontario then in force and, subject to the Act, such arbitrator's decision shall be final and binding on the parties hereto.

11. **Notices**

11.1 Any notice to be given to the Employee shall be delivered to the Employee personally or mailed by registered mail to the Employee's address last known to the Employer.

11.2 Any notice to be given to the Employer shall be mailed by registered mail to the Employer at its address last known to the Employee.

12. **Severability**

12.1 In the event that any provision or part of this Agreement shall be deemed invalid by a Court the remaining provisions shall remain in effect.

12.2 The Employer reserves the right from time to time and on more than one occasion to waive any of the obligations on the part of the Employee in this Agreement. No waiver by the Employer of any breach of any of the conditions of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of any obligation.

13. **Entire Agreement**

13.1 This contract constitutes the entire Agreement between the parties and any previous agreements, written or oral, express or implied, relating to the employment and appointment of the Employee by the Employer are terminated.

14. **Amendment of the Agreement**

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

15. **Headings**

15.1 The headings used in this Agreement are for convenience only and are not to be construed in any way as additions to or limitations to the Agreement.

16. **Governing Law**

16.1 This Agreement shall be construed in accordance with the laws of the Province of Ontario.

17. **Successors**

18.1 This Agreement is binding on the Employer and any successor to it.

18. **Acknowledgment**

18.1 The parties acknowledge and agree that:

- (i) they have had sufficient time to review this agreement and they have read and understand the terms herein;
- (ii) they have been given an opportunity to obtain independent legal advice concerning the interpretation and effect of this agreement;
- (iii) they are signing this agreement freely and voluntarily.

IN WITNESS WHEREOF the parties have set their hand and corporate seal, respectively, duly attested to by the proper signing officers on its behalf.

Dated at Toronto, this ^{1ST} day of ^{MARCH} ~~February~~, 2010.

SIGNED, SEALED & DELIVERED
in the presence of

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Employer

Per: _____

Name: Dr. David Conn

I have authority to bind the Employer.

Dr. William Reichman
President & CEO