

EMPLOYMENT AGREEMENT

(the Agreement)

BETWEEN:

THE BRANT COMMUNITY HEALTHCARE SYSTEM

(the Hospital)

-and-

RAE JEROME

(the Employee)

WHEREAS, the Hospital wishes to retain the experience, abilities and services of the Employee in principal executive capacities, upon the terms and conditions specified herein;

AND WHEREAS, the Employee and the Hospital have agreed to enter into this Agreement to define their mutual rights and obligations.

AND WHEREAS it is agreed that upon commencement of its term, this Agreement replaces any and all prior written and/or verbal employment Agreement(s);

NOW THEREFORE, in consideration of the Employee's commencement of employment with the Hospital and then mutual promises and covenants contained herein, and other good and valuable consideration, the sufficiency of which is acknowledged, it is mutually agreed as follows:

1. Term of Employment -

- a) The Hospital shall employ the Employee as Vice President Corporate Services & Chief Financial Officer, commencing July 30, 2018. The Employee's employment will continue for a five (5) year term, until July 30, 2023 (the "Term"), unless terminated earlier in accordance with the termination provisions of the Agreement. The Agreement shall automatically expire at the end of the Term.
- b) The Employee shall advise the Hospital on or before July 30, 2022 whether he wishes to renew the Agreement for a further term. Then the President and Chief Executive Officer ("CEO") will advise the Employee on or before August 30, 2022 whether the Hospital wishes to negotiate a further term. In the event the Hospital does not wish to negotiate a further term, the Employee shall continue to perform his responsibilities under this Agreement until the expiry of this Agreement, subject to his right to terminate the Agreement under Article 5(c). Any renewal of the Agreement for a further term must be agreed to, in writing, by the parties, not later than two months prior to the end of the Term.

- 2. Employment Duties and Responsibilities-** The Employee shall serve full-time as the Vice President Corporate Services & Chief Financial Officer of the Hospital. The Employee agrees to fully and faithfully perform all the duties associated with this position, including such duties and responsibilities consistent with this or a comparable position as may be assigned by the Hospital. The Employee agrees that this is a critical position as such will include carrying out the duties in the evenings and weekends, as may be required from time to time, in addition to regular business hours. The Employee further agrees to adhere to all applicable legislation and employment rules, policies and codes of the hospital, as established and amended from time to time by the Hospital. The Employee will be accountable to the President and Chief Executive Officer ("CEO").

- 3. Fiduciary Duties and Conflict of Interest** - The Employee agrees to act diligently, loyally and honestly to the best of his knowledge, skill and ability. The Employee shall devote his full working time and attention exclusively to serving the Hospital, and shall use his best efforts to promote the interests of the Hospital. During the term of this Agreement, the Employee shall not at any time engage, either directly or indirectly in any other business or occupation of a permanent, temporary, or part-time nature, without the prior written approval of the Hospital.

The Employee will ensure that his personal interests do not, whether potentially or actually conflict with the Hospital's interests. The Employee agrees to promptly report any potential or actual conflicts of interest to the President and Chief Executive Officer ("CEO"). For greater certainty, a conflict of interest includes, but is not expressly limited to, the following:

- a) Private or pecuniary interest in an organization with which the Hospital does business;
- b) Private or pecuniary interest, direct or indirect, in any concern or activity of the Hospital of which the Employee is aware or ought reasonably be aware.

For the purposes of this section, a pecuniary interest(s) includes the pecuniary interest of the Employee's parent, spouse, spousal partner, child or a private corporation of which the Employee is the sole shareholder, director, or senior officer which has not been properly disclosed to the Hospital.

- 4. Remuneration and Benefits**- The Hospital agrees to pay and provide the Employee, and the Employee agrees to accept in full consideration for his services to the Hospital, the following:

- a. An annual salary of two hundred thousand, one hundred and twenty-eight dollars and fifty cents (\$200,128.50), less appropriate deductions.

This salary shall be reviewed by the Hospital in accordance with hospital policy, as deemed appropriate, taking into account, among other things, the results of the Employee's annual performance review for the previous year, the approved BCHS Executive Compensation Framework and relevant market data including the OHA

Salary Survey and Broader Public Sector (BPS) guidelines – including the annual performance review which shall including performance based compensation related to the Quality Improvement Plan (QIP) and other specified goals as set out in the Pay for Performance Agreement and any applicable legislation or regulation.

- b. Five (5) weeks of paid vacation per fiscal year and paid holidays in accordance with Hospital policy.
- c. Participation in the Hospital's group employee benefit plans as described in the Executive Group, Your Group Benefits booklet in accordance with the terms of these plans and arrangements. The Hospital reserves the right to reasonably amend the plans at any time with reasonable notice to the Employee and the resulting plans may be substantially similar to the current plans. It is understood that the Hospital's sole liability is to pay the cost of premiums or other costs which the Hospital has agreed to undertake and that the Hospital does not assume the role of insurer.
- d. Use of a cell phone and personal corporate portable computer to carry out the duties and responsibilities of his position. With respect to the use of the cell phone, reasonable usage fees incurred will be borne by the Hospital. With respect to the personal computer, reasonable upgrades will be permitted by the President and Chief Executive Officer ("CEO") every two to three years.

Immediately following the Employee's termination of employment, the Employee shall return these items to the Hospital and any related equipment and any other hospital property then in possession of the Employee at the date of termination.

This provision will be waived where the Employee has provided the Hospital notice in accordance with section 5(c) of this Agreement and where the Employee's employment is terminated without cause, or in the event that the Employee retires.

Otherwise, these items may be purchased at their fair market value at the date of termination.

- e. Payment in full of the Employee's annual professional and association fees or premiums in connection with the following:
 - Chartered Professional Accountants of Ontario (CPA)
 - Canadian College of Health Leaders (CCHL)
 - Healthcare Information and Management Systems Society (HIMSS)
- f. Participation in the Hospitals of Ontario Pension Plan (HOOPP), in accordance with its terms and conditions, may be amended from time to time.
- g. Reimbursement, in accordance with Hospital policy, of reasonable business expenses incurred by the employee upon receipt of documentation substantiating those expenses.
- h. Where the Employee elects retirement (i.e. at age 55 or older), the Hospital will maintain the current level of group benefits received by the Employee and its contribution in the same proportion of premiums paid for extended health insurance, dental insurance, travel and semi-private insurance up to age sixty-five (65).
- i. Reasonable expenses to support the Employee's ongoing development and education as approved by the Hospital. The Employee agrees to participate in and complete such educational training as may be required to maintain his competency.
- j. The Hospital shall provide the Employee with an annual Healthcare Spending Account of Three Thousand Five Hundred Dollar (\$3,500.00).

5. Termination- The Employee's employment may be terminated in the following manner in the specified circumstances.

- a) By the Hospital, at any time without notice or pay in lieu of notice for just cause.
- b) By the Hospital, in the event that the Employee is absent from the performance of his duties and unable to perform them for a continuous period of at least one (1) year, and the Hospital has reviewed the Employee's circumstances and determined

that there is no reasonable likelihood that Employee will return to his position in the near future, or that the Employee's needs cannot be accommodated by the Hospital such that he could return to his position. In such an event, the Hospital shall, notwithstanding any other provisions contained in this Agreement, have no obligation to make payments to the Employee for notice or severance, other than amounts owing for notice or severance under the Employment Standards Act (Ontario), if applicable.

- c) By the Employee, upon the giving of two (2) months prior written notice to the Hospital. The Hospital, in its sole discretion, may waive the notice, in whole or in part, in which case the Employee's employment will terminate immediately as of the date the Hospital waives the notice. If the Hospital waives all or a portion of this notice, the Hospital shall continue to pay the Employee his salary and continue his benefit coverage, until the end of the notice period (which shall not be longer than (2) months).
- d) By the Hospital, at any other time, by providing the Employee the greater of:
 - i. The minimum entitlements under the *Employment Standards Act*, or
 - ii. A lump sum payment of six (6) months, six (6) months group benefits continuation at any time, if the Agreement is terminated during the first twelve (12) months of employment commencing July, 30, 2018 (with the exception of short term disability and long term disability, which shall continue only for the statutory notice period under the Employment Standards Act (Ontario), or
 - iii. If the Agreement is terminated after twelve (12) consecutive months of employment commencing July, 30, 2018, the equivalent payment of twelve (12) months base salary at the rate in effect at the date of termination. In addition to the twelve (12) months payment, the Employee shall receive two weeks salary for each subsequent year of service or part year of service from the date of hire at the Hospital. The total of the twelve (12) months plus the accumulation of two weeks' salary for each year or part year of service shall not exceed a total of eighteen (18) months.

The Employee may elect within ten (10) business days of the date of termination, one of the following three options:

- a) The Employee may opt to receive the above-noted termination payment in a lump sum in which case all appropriate deductions (e.g. HOOPP, EI, CPP, income tax) will be made by the Hospital and the Hospital will add to the termination payment noted above, the replacement value of its share of benefits (e.g. DENTAL, EHC, travel, semi-private) over the notice period. The Hospital will then have no further financial obligation.
- b) The Employee may opt for salary continuation over the period of time calculated in this section in which case the Hospital will make its contributions and deductions in the same amount and manner had the Employee not had his employment terminated (with the exception of short term disability and long term disability benefit coverage, which shall continue only for the statutory notice period under the Employment Standards Act (Ontario). Once the salary continuance termination period is over, the Hospital will then have no further financial obligation.
- c) The Employee may also opt for a combination of lump sum and salary continuance based upon the terms noted for each above.
If the termination is pursuant to 5(d) (i), (ii), or (iii), the Hospital will provide career outplacement counseling to a maximum value of eight thousand dollars (\$8,000.00).

d) Mitigation & Set-off

The Employee's entitlements under this section are subject to his obligation to take active steps to seek and accept reasonable alternative employment during the salary continuance, and to notify the Hospital immediately upon accepting alternative employment or upon becoming self-employed. In the event that the Employee obtains income from employment or self-employment during the salary continuance period, the Employee's

entitlement to payments from the Hospital shall be reduced by the amount of said income, except that the Employee's entitlements from the Hospital shall in no case be less than the minimum entitlements mandated by the ESA.

The Employee agrees that the payments and benefits outlined in Article 5 are inclusive and exhaustive of any entitlement to termination notice, pay in lieu of notice, severance pay, wages, benefits, vacation pay, or any other entitlement arising under this Agreement, the Ontario *Employment Standards Act*, 2000 or any other employment legislation or at common law.

6. Employer's Liability Upon Termination- Upon the termination of this Agreement under any provision herein, the Hospital shall have no liability or obligation whatsoever to the Employee or to the Employee's personal representative, estate, heirs, beneficiaries or any other person claiming by, under or through Employee, except for any unpaid salary and benefits accrued prior to the date of termination as defined in this Agreement, and for any payments under the express terms of Article 5 above. Under no circumstances whatsoever (including, without limitation, the Hospital's breach or default under this Agreement or the termination of the Employee's employment without cause), shall the hospital's liability under this Agreement exceed the amounts payable in accordance with the provisions of Article 4.

In the event of any changes in the duties and responsibilities of the Employee's position arising from restructuring, integration and/ or amalgamation of the Hospital system, either provincially or locally, the Employee will be entitled to immediately invoke the termination provision of this agreement in accordance the terms specified in section 4 above for termination without cause.

7. **Governing Law-** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, notwithstanding the fact that any party may now or hereafter be domiciled in a different province, country or jurisdiction.
8. **Waiver of Breach-** The waiver of a breach of any provision of this Agreement will not be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.
9. **Severability-** If any of the provisions of this Agreement or the application thereof to any party under any circumstances is adjudicated to be invalid or unenforceable such invalidity or unenforceability shall not affect any other provision of this Agreement or the application thereof.
10. **Entire Agreement-** This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof and supersedes and completely and irrevocably terminates any and all other provisions or contemporaneous communications, representations, understandings, agreements, negotiations and discussions, either oral or written, between the parties. The parties acknowledge and agree that there are not written or oral agreements, understandings or representations, directly or indirectly related to this Agreement or the employment compensation or benefits of the Employee that are not set forth herein.
11. **Hospital's Property and Confidentiality Agreement-** The Employee acknowledges that all items of any and every nature or kind created or used by the Employee pursuant to the Employee's employment under this Agreement, or furnished by the Hospital to the Employee, and all equipment, software, credit cards, books, records, report, files, manuals, literature, confidential information or other materials shall remain and be considered the exclusive property of the Hospital at all times and shall be surrendered to the Hospital, in good condition, promptly on the termination of the Employee's

employment irrespective of the time, manner or cause of the termination, unless explicitly stated otherwise in this Agreement.

12. Ownership of Information and Non-Disclosure-

- a) "Confidential Information" includes, without limitation, information and facts relating to the operation and affairs of the Hospital acquired by the Employee in the course of his employment, including information and facts relating to the 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 clarity, 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 becomes available to the Employee on a non-confidential basis from a source other than the Hospital.
- b) All Confidential Information of the Hospital, whether it is developed by the Employee during his period of employment or by others employed or engaged by or associated with the Hospital, it is the exclusive property of the Hospital and shall at all times be regarded, treated and protected as such.
- c) The Employee shall not disclose Confidential Information to any person or Confidential Information (other than necessary in carrying out his duties on behalf of the Hospital) at any time during or subsequent to his period of employment without first obtaining the consent of the Board, and the Employee shall take all reasonable precautions to prevent inadvertent disclosure of any such Confidential Information.
- d) Within five (5) days after the termination of the Employee's employment by the Hospital for any reason, or upon receipt of a written request from the Hospital,

the Employee shall promptly deliver to the Hospital all property belonging to the Hospital, including without limitation all Confidential Information (in whatever form) that is in the Employee's possession or under the Employee's control.

- e) Nothing in this Section precludes the Employee from disclosing Confidential Information at any time if disclosure of such Confidential Information is required by law, regulation, governmental body, or authority or by court order, provided that before disclosure is made, notice of the requirement is provided to the Hospital, and to the extent possible in the circumstances, the Hospital is afforded an opportunity to dispute the requirement.
- f) The Employee agrees to execute and abide by the Hospital's Pledge of Confidentiality with respect to records and patient information.

13. Amendment of Agreement and Review- This Agreement may be altered or amended in any of its provisions only by the mutual written agreement of the parties hereto. This Agreement may not be amended orally in any respect. The Hospital agrees to review this agreement every five (5) years from the date of its execution, or such earlier time, as it may deem advisable, for the purposes of ensuring its continued appropriateness. It is understood, however, that any amendments to the agreement will be mutually agreed and in writing.

14. Successors- The Agreement shall inure to the benefit of the Hospital and its successors and assigns, but is personal to the Employee and may not be assigned or delegated, in whole or in part, by the Employee. This Agreement shall be transferred and assigned by the Hospital and the Employee to any successor of the Hospital by acquisition, merger, reorganization, amalgamation, and sale or otherwise. Should the employee not be maintained as Vice President Corporate Services & Chief Financial Officer, and at least preserving all provisions of this contract, the Employee is entitled to resign plus benefit to the full terms and value of the contract. (This clause overrides Article 6)

15. Deductions- The Hospital may withhold from any amounts payable under this Agreement as are required to be withheld pursuant to any applicable law or regulation, including any customary contributions to the costs of employee and pension benefits.

16. Notice- Any notice required to be given by either party shall be given in writing and shall be considered as adequate if sent by regular mail and addressed as follows, or to the last known address of either party:

Brant Community Healthcare System
200 Terrace Hill Street
Brantford, ON
N3R 1G9

Rae Jerome
200 Terrace Hill Street
Brantford, ON
N3R 1G9

Attn: President/Chief Executive Officer ("CEO")

17. Voluntary Act/ Legal Counsel- The Employee agrees and acknowledges that he has read and understood this Agreement prior to signing it, has entered into this Agreement freely and voluntarily and has been advised to seek independent legal advice prior to entering into this Agreement and has had ample opportunity to do so.

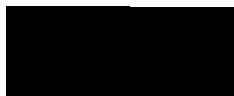
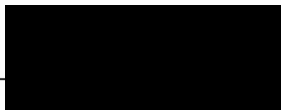
IN WITNESS WHEREOF, the parties have executed this Agreement effective on the 18th day of June, 2018.

IN THE PRESENCE OF:

FOR:

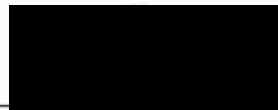
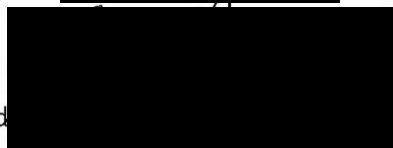
THE BRANT COMMUNITY HEALTHCARE SYSTEM

Witnessed:



nt Community Healthcare System

Witnessed:



Rae Jerome