

EMPLOYMENT AGREEMENT

Effective the 14 day of October, 2014

BETWEEN

THE OTTAWA HOSPITAL/L'HOPITAL D'OTTAWA

(the "Hospital")

– and –

Debra Bournes (the "Executive")

The Hospital and the Executive have entered into an employment relationship, and the Hospital and the Executive wish to set out the terms and conditions of this employment relationship.

1. Duties

- (a) The Hospital confirms the appointment of the Executive to the position of Vice-President Clinical Programs and Chief Nursing Executive of the Hospital, and the Executive indicates her acceptance of this appointment.
- (b) This role will have matrix reporting to the Chief Executive Officer (CEO for the CNE functions and to the Executive Vice-President and COO (EVP & COO) for the clinical functions. The Executive shall perform those duties as set out in the position description developed by the Hospital's CEO and EVP & COO (which may be unilaterally amended from time to time by the CEO and/or EVP & COO) and together with such other duties as requested from time to time by the CEO and/or EVP & COO. In carrying out her duties, the Executive will comply with all lawful instructions and directions given to her by the CEO and/or EVP & COO and shall carry out her duties in accordance with the *Public Hospitals Act* (Ontario), other applicable laws, and the by-laws, policies, rules and regulations of the Hospital.

2. Term

The Executive's appointment under this Agreement and her employment with the Hospital shall continue until terminated in accordance with the provisions of this Agreement.



3. **Compensation**

- (a) The base salary of the Executive shall be \$250,000 (two hundred fifty thousand dollars) per annum.
- (b) The Executive's compensation shall be reviewed periodically to ensure that it reflects appropriate market comparators and the results of the performance evaluation described in paragraph (c) below. For the purposes of this Agreement, "**appropriate market comparators**" will mean positions of equivalent scope and responsibility at the four major Health Science Centres in Ontario (London Health Sciences Centre, Hamilton Health Sciences Centre, Sunnybrook Health Sciences Centre, St. Michael's Hospital). The process for the determination of positions of equivalent scope and responsibility will be established in collaboration with the Executive, her colleagues and professional advice from recognized experts in the field.
- (c) The CEO and EVP & COO, in consultation with the Executive, will set annual and long-term goals and objectives for the Executive. The EVP & COO, in consultation with the CEO shall conduct a performance evaluation of the Executive in the 1st quarter of the Hospital's fiscal year, based on her achievement of the goals and objectives. Upon completion of this evaluation, any compensation adjustment will be made effective as of April 1st of the same year. Also upon completion of this evaluation, the EVP & COO, in consultation with the CEO will determine whether the Executive is eligible to receive an annual lump sum payment of up to 10% of her base salary, as an incentive payment in consideration of the achievement of the goals and objectives. 20% of that incentive payment shall be based on attainment of Corporate Quality Improvement Plan goals in compliance with the provisions of the *Excellent Care for All Act*.

4. **Benefits**

- (a) The Executive will receive a car allowance of \$10,000 (ten thousand dollars) per annum, which shall be used by the Executive for payment of automobile operating expenses (insurance, gasoline, regular maintenance).
- (b) The Executive will be entitled to the package of benefits which is made available to Hospital executives from time to time, which shall not be less than the current package as set out in summary form in Schedule A.

5. **Expenses**

- (a) The Executive shall be reimbursed for all authorized travelling and other out-of-pocket expenses actually and properly incurred by her in connection with her duties hereunder. "Authorized" expenses include expenses that are either (i) incurred in accordance with established Hospital policy or (ii) approved in advance by the CEO or EVP & COO. For all such expenses, the Executive shall



furnish to the Hospital statements and receipts as and when required by the Hospital.

- (b) The Executive shall also be reimbursed the cost of one professional membership each year and all expenses incurred by her in connection with pre-approved conferences. The expenses so incurred by the Executive are subject to the approval of the CEO or EVP & COO.

6. **Authority**

Subject always to the general or specific instructions and directions of the CEO and/or EVP & COO and the Board of Governors, the Executive shall have full authority to manage and direct the business and affairs of the Hospital within her operational mandate.

7. **Service**

- (a) The Executive, throughout the term of her appointment, shall devote her full-time and attention to the business of the Hospital and shall not, without the prior consent in writing of the CEO or EVP & COO, undertake any other business or become a director, officer, agent, or employee of any other corporation, firm or individual.
- (b) The Executive shall well and faithfully serve the Hospital and use her best efforts to promote the interests thereof.

8. **Confidentiality**

- (a) All confidential information of the Hospital, whether it is developed by the Executive during her period of employment or by others employed or engaged by or associated with the Hospital, is the exclusive property of the Hospital and shall at all times be regarded, treated and protected as such. "Confidential information" includes, without limitation, information and facts relating to the operation and affairs of the Hospital or any of its related or associated entities, including without limitation the Ottawa Hospital Foundation, the Heart Institute and the OHRI or acquired in the course of carrying out its operations.
- (b) The Executive shall not disclose confidential information to any person or use any confidential information (other than as necessary in carrying out the Executive's duties on behalf of the Hospital) at any time during or subsequent to her period of employment without first obtaining the consent of the CEO or EVP & COO, and the Executive shall take all reasonable precautions to prevent inadvertent disclosure of any such confidential information.
- (c) Within five (5) days after the termination of the Executive's employment by the Hospital for any reason, or of receipt by the Executive of the Hospital's written request, the Executive shall promptly deliver to the Hospital all property belonging to the Hospital, including without limitation all confidential information



of the Hospital (in whatever form) that is in the Executive's possession or under the Executive's control.

- (d) Nothing in this Section precludes the Executive from disclosing or using confidential information of the Hospital at any time if:
- (i) Such confidential information is available to the public or in the public domain at the time of such disclosure or use, without breach of this Agreement;
 - (ii) disclosure of such confidential information is required to be made 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 Hospital, and to the extent possible in the circumstances, the Hospital is afforded an opportunity to dispute the requirement; or
 - (iii) such confidential information becomes available to the Executive on a non-confidential basis from a source other than the Hospital without breach of this Agreement.

9. Vacation

The Executive shall be entitled to six (6) weeks' vacation during each year, to be taken at times convenient to and mutually agreed upon by the CEO and EVP & COO and the Executive. Any vacation earned in a year must be used in that year unless there is approval in writing from the CEO and EVP & COO to take such vacation in the following year.

10. Termination

The parties understand and agree that this Agreement and the Executive's employment may be terminated in the following manner in the specified circumstances:

- (a) By the Executive, at any time, for any reason, on the giving of sixty (60) days' notice. The Hospital may waive this notice.
- (b) By the Hospital, in its absolute discretion, for just cause. For purposes of defining "just cause" in this Agreement, "**just cause**" includes, without limitation:
 - (i) any material breach of the provisions of this Agreement;
 - (ii) any conduct which tends to bring the Hospital into disrepute; or
 - (iii) conviction of the Executive of a criminal offence punishable by indictment.
- (c) By the Hospital in its absolute discretion and for any reason without just cause, on paying to the Executive termination pay, in a lump sum, or in such instalments as the Executive instructs, in an amount equal to her salary and benefits, as more particularly described below for a period of six (6) months in the event she



is terminated in the first year of this Agreement and nine (9) months if she is terminated after October 14, 2015 but before October 14, 2017 (the "notice period"). If she is terminated after October 14, 2017 she will be entitled to termination pay of twelve (12) months plus one (1) month for each year of completed service thereafter to an overall maximum of eighteen (18) months. For greater certainty, except as provided in paragraph 10 (d) (iii), if the Executive finds employment within the notice period, the Hospital shall be entitled to set off against the payments owing by the Hospital under this paragraph 10 (c) any amounts received by the Executive from such employment. All payments hereunder shall be subject to any withholdings required by law.

- (d) Termination pay in lieu will be paid on a bi-weekly basis and shall include only the following:
 - (i) any vacation entitlement accrued to the date of termination;
 - (ii) base salary as of the date of termination;
 - (iii) continuation of health, insurance and other related benefits for the duration of the notice period provided that, if any benefits may not be continued, the monetary value of such benefits shall be paid to the Executive it being agreed that health, insurance and other related benefit coverages and any payment in lieu shall be discontinued at such time as the Executive commences alternative employment it being understood and agreed that this obligation does not include the Health Care Spending Account Plan which was available to the Executive during the period of her employment;
 - (iv) continuation for the length of the notice period of employer contributions to HOOPP it being understood that payment of such contributions shall cease at such time as the Executive commences alternative employment.
- (e) In the event of termination without just cause, the Hospital shall provide the Executive with the services of an outplacement counselling firm on a full service basis subject to a reasonable cost limit.
- (f) The Executive acknowledges that the payments contemplated herein are reasonable and that they are paid in full and final satisfaction of all claims, whether at common law or under the *Employment Standards Act*, which the Executive may have for wrongful dismissal, severance pay, termination pay or other damages arising from the termination of employment. The Executive waives any claim to any other payment or benefits from the Hospital.
- (g) The parties understand and agree that the giving of notice or the payment of pay in lieu of notice by the Hospital to the Executive on termination of the Executive's employment shall not prevent the Hospital from alleging that just cause exists for the termination.



11. Assignment of Rights

The rights, which accrue to the Hospital under this Agreement, shall pass to its successors or assignee. The rights of the Executive under this Agreement will not be assignable or transferable in any manner.

12. Notices

Any notice required or permitted to be given to the Executive shall be sufficiently given if deliverable to the Executive personally or mailed by registered mail to her address last known to the Hospital. Any notice required or permitted to be given to the Hospital shall be sufficiently given if mailed by registered mail to the Hospital.

13. 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.

14. 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.

15. Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the employment of the Executive and any and all provisions in any prior written agreements are terminated and cancelled and each of the parties release and forever discharge the other of and from all manner of actions, causes of action, claims and demands under or in respect of any such agreement.

16. Modification

Any modification of this Agreement must be in writing and signed by the parties.

17. Headings

The headings used in this Agreement are for convenience only and are not to be construed in any way as additions to or limitations of the covenants and agreements contained in it.

18. Time

Time shall be of the essence in this Agreement.

19. Governing Law

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



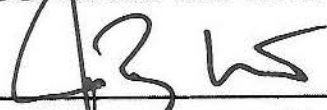
20. **Independent Legal Advice**

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

IN WITNESS WHEREOF this Agreement has been executed by the parties to it, this 4th day of August, 2014 in the City of Ottawa, the Province of Ontario.

SIGNED, SEALED & DELIVERED
In the presence of:

**THE OTTAWA
HOSPITAL/L'HOPITAL D'OTTAWA**


The Ottawa Hospital **Dr. Jack Kirra**
I have the authority to bind the
organization



Witness



Debra Bournes



Schedule A

Benefit Package Summary

Short Term Disability Plan: Executive is eligible for a short- term disability plan, funded by the Hospital, which provides for 85 days' coverage at 100% of Executive's salary.

Long Term Disability Plan (LTD): You are entitled to 66 2/3% of your monthly basic earnings up to a maximum benefit of \$20,000. However, proof of good health is required for coverage in excess of \$15,000 per month. The cost of premiums is covered by the Hospital. This is a taxable benefit. More information on your LTD benefit can be found in your employee booklet. Effective April 1, 2014, the LTD coverage will change to reflect the following:

- Less than 20 years of service = 66.67% of monthly earnings;
- Between 20 and 30 years of service = 70% of monthly earnings;
- More than 30 years of service = 75% of monthly earnings.

Group Life Insurance: The Group Life Insurance provides a basic life insurance benefit for you of 2.5 times your annual basic earnings, rounded to the next higher \$1,000. The cost of these premiums is paid by the Hospital. Proof of good health is required for coverage in excess of \$1,000,000 and in other cases, as outlined in your coverage booklet. Other coverage terms, including coverage limits for age and total benefit and optional coverage for you or your spouse, are found in your coverage booklet.

Hospitals of Ontario Pension Plan: Employer Premiums to be paid by the Hospital.

Dental and Extended Health Care Plan: The cost of premiums is covered by the Hospital. In addition to your group benefits plan, you have access to a Health Care Spending Accounts (HCSA). The Hospital will allocate an annual credit of \$2,500 into your account, and you can then claim against these credits to pay for a wide variety of health and dental expenses. Canada Revenue Agency guidelines allow you to carry forward unused credits one benefit year and use them to pay for the following year's expenses. If any credits carried forward remain unused at the end of the second benefit year, they will be lost. Expenses must be claimed in the year they are incurred. For more information on the types of expenses that are eligible, visit the Canada Revenue Agency website. Go to www.cra-arc.gc.ca. The plans are administered by the Hospital's benefit plan administrator.

