

EMPLOYMENT and PERFORMANCE AGREEMENT

(the "Agreement")

BETWEEN:

The Atikokan General Hospital

(the "Hospital" or "Employer")

- and -

Doug Moynihan

(the "Employee")

WHEREAS the Employee is employed by the Hospital in the position of Chief Executive Officer (CEO);

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 this Agreement replaces any and all prior written and/or verbal employment Agreement(s);

NOW THEREFORE, in consideration of the Employee's employment with the Hospital and the mutual promises and covenants contained herein, it is mutually agreed as follows:

1. Employment Duties and Responsibilities

The Employee shall serve full-time as the CEO of the Hospital. The Employee will also be the Executive Director of the Atikokan General Hospital, which operates as an independent corporation. The Employee's duties as CEO are as outlined in the by-laws and job description (see Appendix "A" attached hereto) of this corporation. The Employee agrees to fully and faithfully perform all the duties associated with these positions, including such duties and responsibilities consistent with this or a comparable position as may be assigned by the Boards of Directors. 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.

2. Term of Employment

For the purposes of this Agreement, the Employee's period of employment shall commence on January 15, 2017, and end on March 31, 2020, subject to those Articles set out below. The parties can mutually agree to extend or renew this Agreement for whatever period of time they deem appropriate. Any agreement to extend or renew this Agreement shall be completed no less than 90 days prior to the expiry of this Agreement. This Agreement shall expire if it is not extended or renewed as aforesaid without any notice or payment in lieu of notice.

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 these corporations, subject to the control and direction of the Boards. 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 the Hospital Board Chair.

From time to time, the Hospital may enter into agreements to provide services to other regional hospitals or health agencies. In instances where such an agreement directly or indirectly involves working time and attention by the employee, the Hospital shall only enter into such agreements with the approval of the employee.

(a) 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 Board. For greater certainty, a conflict of interest includes, but is not expressly limited to the following:

- (i) private or pecuniary interest in an organization with which the Hospital does business;
- (ii) private or pecuniary interest, direct or indirect, in any concern or activity of the Hospital of which the Employee is aware or ought to 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 a sole shareholder, director, or senior officer which has not been properly disclosed to the Hospital.

4. Confidentiality

The Employee acknowledges that in his position with the Employer he will acquire information about certain matters which are confidential, private, privileged and/or proprietary to the Employer and others, whether or not designated or labeled as confidential, private, privileged and/or proprietary, and which information is the exclusive property of the Employer, or others, including, but not limited to, the following:

- (a) financial information;
- (b) patient, client physician and customer information;
- (c) business plans, forecasts and strategies;
- (d) information relating to the employment or contractual relationship of employees or independent contractors or others with the Employer; and

- (e) inventions, systems and/or research developed by or brought to the attention of the Employee.

The Employee acknowledges that the above confidential, private, privileged and/or proprietary information could be used to the detriment of the Employer and that disclosure of such information could cause irreparable harm to the Employer. Accordingly, the Employee undertakes to treat confidentially all such information and not to disclose or divulge it to any third party or to use it for any purpose, either during his employment or after termination or cessation of his employment for any reason whatsoever and with or without cause, except as may be necessary for the proper discharge of his duties, except with the written permission of the Employer. The foregoing covenant regarding the disclosure of confidential information shall continue in force and effect after the termination of this Agreement. The Employee also agrees that any inventions, systems and/ or research developed by the Employee during the term of this Agreement related to his employment shall become the sole property of the Employer.

5. Employer Indemnification of Employee

The Employer shall and does hereby indemnify the Employee and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle any action or satisfy a Judgment, reasonably incurred by him in respect to any civil, criminal or administrative action or proceeding to which he is made a party by reason of being an Employee, and, in particular, the Chief Executive Officer of the Employer, if:

- (a) he acted honestly and in good faith with a view to the best interests of the Employer; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

6. Compensation

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 One hundred and fifty five thousand dollars (\$155,000.00). The Employee's compensation is subject to the *Excellent Care for All Act, 2010*, as amended ("ECFAA"), the *Broader Public Sector Accountability Act, 2010*, S.O. 2010, c.25 as amended (the "BPSAA"), and the *Broader Public Sector Executive Compensation Act 2014*, c. 13 Sched. 1, as amended (the "BPSECA").
- (b) In accordance with the ECFAA an additional 10% in the amount of fifteen thousand dollars (\$15,500.00) will be payable subject to the achievement of quality improvement indicator goals which have been set by the Board of Directors.
- (c) This salary shall be reviewed by the Executive Committee of the Hospital Board on or about March 1st of each year in accordance with Policy P-35, and may be adjusted, as it deems

appropriate., taking into account, among other things, relevant market data (including the OHA Salary Survey), the results of the Quality Improvement Plans and Service Accountability Agreements for the previous fiscal year and any and all other legislation that may be applicable.

(d) The parties agree to renegotiate the Employee's salary in the event there is a change in the classification or grade of the Employer Hospital pursuant to section 32.1 of the *Public Hospitals Act*, and Regulation 964, R.R.O. 1990, Classification of Hospitals, or any amendments thereto or when any legislated wage, salary or benefit freeze or suspension is revoked or amended. The parties will take the OHA Regional Salary Survey Report as published annually by the Ontario Hospital Association and the Employee's performance into consideration when they renegotiate the Employee's salary.

(e) The Employee's performance will be measured against regularly set objectives which will be mutually agreed upon between the Employee and the Employer. The Board Chair and the Executive Committee, after consultation with the Board, will provide the Employee with annual performance appraisals.

(f) The Hospital agrees to provide the employee with six (6) weeks of paid vacation per fiscal year and paid holidays in accordance with Hospital policy. Vacation will begin to accrue on the first day worked and may be taken as earned. The Employee will not hold a vacation balance greater than one year's entitlement in his vacation bank without the express written permission of the Hospital Board Chair. Should the Employee's vacation balance exceed one year's entitlement, he will lose the hours which are over and above his entitlement as stated above (with the exception of any minimum legislative requirement).

(g) Participation in the Hospital's group employee benefit plans as described in the most recent version of the Employee Handbook for Full Time Non-Union Staff. The Hospital reserves the right to reasonably amend or discontinue the plans at any time with reasonable notice to the Employee.

(h) Use of a personal computer at his home and a smartphone to carry out the duties and responsibilities of his position. With respect to use of the cellular phone, reasonable usage fees incurred will be borne by the Hospital. Reasonable computer and phone upgrades may be permitted by the Employer every two to three years.

(i) 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.

(j) The Hospital will honour membership fees for organizations or associations, related to the Employee's profession, with prior approval of the Board Chair.

(k) Participation in the Hospitals of Ontario Pension Plan (HOOPP), in accordance with its terms and conditions, as may be amended from time to time.

(l) Reimbursement, in accordance with Hospital policy, of reasonable business expenses incurred by the Employee upon receipt of documentation substantiating those expenses.

(m) Reasonable expenses to support the Employee's on-going 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.

7. Termination

(a) The Employer may terminate this Agreement at any time for cause without payment of any compensation either by way of anticipated earnings or damages of any kind whatsoever.

(b) The parties understand and agree that this Agreement may be terminated by the Employer, in its discretion, by providing the Employee with eighteen (18) months' written notice of termination, or 18 months' payment, or some combination of working notice and payment equivalent to 18 months in lieu thereof. The Employee shall have the right to structure such pay-out in a way that is most advantageous to him. In the event of termination without cause, the Employer shall continue to maintain employee benefit plans described above until the earlier of the expired notice period or the date on which the Employee obtains alternative employment or becomes self-employed.

(c) The parties agree that should the Employer or any third party do any of the following:

- (i) Reduce or alter the duties and responsibilities of the Employee as Chief Executive Officer;
- (ii) Reduce or alter his status, such that such alteration would amount to a demotion of the Employee;
- (iii) Fail to maintain an independent Board;
- (iv) Alter its governance such that the Executive would report to a Regional Board of Directors;
- (v) Merge with, be acquired or taken over by another corporation or contract out work to another organization resulting in a reduction to or alteration of duties and responsibilities of the Employee;
- (vi) Require the Employee to apply for his position of Chief Executive Officer or for a similar position in order to maintain his employment;
- (vii) Require the Employee to report to a new Chief Executive Officer or to some superior authority such that the Employee would no longer have the ultimate authority as Chief Executive Officer of the Hospital;
- (viii) Reduce the Employee's salary or benefits, without the Employee's consent and for reasons other than the insurability of the Employee; or

- (ix) The Employees position is discontinued without cause as a result of the restructuring of the management of the Employer, which restructuring is consistent with similar changes in the health care field in Ontario;
- (x) In a manner that is:
 - (i) material;
 - (ii) directed towards the Employee and not to Hospital employees in general; and
 - (iii) not occasioned by an "accountability agreement", as that term is defined in the *Commitment to the Future of Medicare Act*, 5.0. 2004, C-S, or any amendment thereto,

The Employee may, by providing written notice to the Board within 30 days of the occurrence of the relevant event, elect to treat his employment as having been terminated and to receive notice or payment in lieu of notice in accordance with the provisions of Section 7 (b) herein:

(d) If the Employee wishes to resign from employment with the Employer, the Employee agrees to provide the Hospital with a minimum of six (6) months' written notice of resignation. This Agreement shall be deemed to have been terminated in all respects on the effective date of the notice of resignation.

8. 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 the 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 Paragraph 7 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 Paragraph 7 above, where applicable.

9. 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.

10. Waiver of Breach

The waiver of breach of any provisions of this Agreement shall not operate or be construed as a waiver of any subsequent breach. Each and every right, remedy and power hereby granted to any party or allowed it by law shall be cumulative and not exclusive of any other.

11. 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.

12. 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.

13. Hospital's Property

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, reports, 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.

14. 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 year 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.

15. 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, integration, amalgamation and sale or otherwise.

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:

Employer

Attn: Chair, Board of Directors
The Secretary to the Board
Atikokan General Hospital

Employee

1345 Arthur Street
THUNDER BAY, Ontario
P7K 1A7

17. Voluntary Act/Legal Counsel

The Employee agrees and acknowledges that he has read and understands 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 HEREOF, the parties have executed this Agreement effective

on the 12th day of DECEMBER, 2016.

In the presence of:

By: [Signature]
Witness

[Signature]
DOUG MOYNIHAN

By: [Signature]

[Signature]
BOARD CHAIR ATIKOKAN GENERAL
HOSPITAL

Appendix "A"

POSITION TITLE: CHIEF EXECUTIVE OFFICER

ACCOUNTABILITY TO: Atikokan General Hospital Board of Directors

APPROVED BY: _____
Signature on behalf of the Board Print Name Date

INCUMBENT: : _____
Signature Print Name Date

EFFECTIVE DATE: Mar/99 (O); Dec/03 (R); Jan/05 (R); Feb/09(R); Mar/09(R); Aug/10(r)

JOB SUMMARY

The Chief Executive Officer of the Atikokan General Hospital is directly responsible and accountable to the Board of Governors for the management of the Hospital within the formulated goals and policies of the Board. The Chief Executive Officer is also responsible for implementing the strategic plan of the hospital. The Board reviews the status of strategic plan implementation bi-annually during the CEO performance appraisal.

QUALIFICATIONS

The Board of Governors determines the qualifications of the Chief Executive Officer. The incumbent will be qualified in education and experience to discharge the duties of this position. The *ideal* candidate will have a Masters Degree in Health Administration, a Masters Degree in Business Administration, Canadian Health Executive certification, and membership in the Canadian College of Health Service Executives

DUTIES, RESPONSIBILITIES, ROUTINES

1. Leadership

- a) Is responsible for the management of the hospital
- b) Demonstrates a strong personal commitment to corporate goals, staff, and the patients/residents of Atikokan General Hospital
- c) Is responsible for overall coordination and management of all aspects of Human Resources within the organization
- d) Advises and recommends to the Board the formulation of appropriate policies as

- required
- e) Challenges the status quo to generate continuous quality improvement opportunities
 - f) Maintains knowledge of current and emerging corporate issues, trends, and practices applicable to health care
 - g) Leads in the creation of a shared vision of the current and future direction of the hospital which everyone can understand and apply
 - h) Provides leadership and vision which instills commitment in others to continuous improvement and excellence in everything they do
 - i) Builds credibility, respect, and trust of others
 - j) Effectively manages him/herself to successfully respond to stressful or high-pressure situations
 - k) Acts as a champion of new initiatives and for sustaining long-term change efforts
 - l) Inspires others to genuinely commit to a shared vision of the current and future of the hospital
 - m) Leads by example
 - n) Acts as secretary/treasurer of the Board in accordance with the hospital bylaws

2. Strategic Planning

- a) In concert with the strategic plan, sets short and long term objectives for the hospital, prioritizing and balancing short and long-term corporate goals
- b) Through consultation with department managers and the Fiscal Advisory Committee, prepares, presents and administers the hospital budget
- c) Implements and manages a business plan focused on meeting the needs and expectations of Atikokan General Hospital's patients/residents, staff, and the community
- d) Establishes and reviews with the Board annually the corporation's asset management program (capital planning)

3. Communication

- a) Ensures an accurate/timely exchange of information with relevant others (i.e., horizontally, vertically, internal/external, etc.)
- b) Assumes responsibility for public relations and acts as hospital spokesperson in accordance with direction from the hospital Board
- c) Conveys information/messages in a convincing manner
- d) Is and is seen to be highly energetic, involved, visible, and readily accessible
- e) Listens to and encourages staff input
- f) Demonstrates that the contributions and opinions of others are genuinely valued

4. Change Management

- a) Ensures that appropriate change initiatives which reflect the hospital's strategic plan are integrated within the hospital
- b) Fosters an environment that encourages improvement, staff empowerment, and risk taking
- c) Responds constructively to change on a personal level
- d) Acts as a support mechanism for others to respond to change efforts

5. Teamwork and Cross-Functional Partnerships

- a) Actively promotes teamwork at all levels and across organizations
- b) Builds collaborative working relationships or partnerships with others (customers, employee representatives, peers, suppliers, team members)
- c) Establishes parameters for networking and external committee involvement after consultation with the board
- d) Establishes and maintains a positive and productive relationship with the Chief of Staff
- e) Ensures that the accomplishments of teams and individual contributions to teams are recognized
- f) Fosters a challenging and satisfying work climate that energizes and motivates team members
- g) Serves as a coach and counselor for team efforts
- h) Promotes a corporate perspective in individuals serving on teams

6. Performance Management

- a) Leads the development of challenging, measurable performance objectives and the regular monitoring and documentation of their achievement
- b) Empowers others to maximize their involvement and contribution to realizing the hospital's strategic plan
- c) Exercises due diligence to meet all legislative and regulatory requirements
- d) Focuses individual/group performance to directly contribute to established hospital goals
- e) Equitably manages the diversity and unique skills and needs of individuals (e.g., cultural, professional, etc.)
- f) Provides ongoing coaching and feedback to enhance individual job performance
- g) Ensures that continuous quality improvement is integral with performance management
- h) Ensures that good performance is recognized and rewarded
- i) Provides opportunities and encourages the ongoing development of staff

7. Is knowledgeable and familiar with the Accreditation Canada Program, supports the Program and participates as a Team member when requested

8. Patient Safety

Contributes to building and maintaining an organizational culture of patient safety by:

- Actively participating in patient safety initiatives and programs
- Advocating for patients in all matters relating to patient safety
- Adopting all patient safety related best practices

9. Is familiar with Infection Control Practices and Procedures and follows guidelines

10. Is familiar with responsibilities under all Privacy legislation

11. Ensures Health and Safety compliance of the workplace:

- Is familiar with the applicable legislation and requirements of the Occupational Health and Safety Act (OHSA)
- Works in compliance of all policies and procedures to ensure personal health and safety of others
- Uses or wears the equipment, protective devices or clothing
- Reports any equipment or safety problems that may endanger him/herself, patients or co-workers, to supervisor
- Conducts planned safety inspections of workplace. Ensures the working environment is maintained in a health and safe condition and takes every precaution reasonable in the circumstance for the protection of workers
- Advises employees of the existence of any potential or actual danger to health and safety in the workplace
- Ensures employees have access to and understand all health and safety policies and procedures, and ensures compliance and enforcement of same
- Ensures workers receive proper training and instructions before beginning work and attend ongoing safety education including but not restricted to WHMIS
- Conducts quarterly planned safety talks with employees or as directed by the Nurse Manager, Employee Health, Infection Control, Education
- Evaluates the health and safety performance of employees
- Provides written instruction to employees regarding measures and procedures to be taken for the protection of employees
- Uses and ensures that personal protective equipment where required is provided and used
- Investigates and determines the causes of all accidents and injuries, recommends and initiates corrective action
- Reports accidents/cases of occupational disease to appropriate authority within reporting time requirements
- Identifies and informs superiors of occupational health and safety concerns
- Models Health and Safety policies and procedures in the workplace

The above statements reflect the general details considered necessary to describe principle functions of the job, and should not be construed as a detailed description of all the work requirements that may be inherent to the job.