



**THE HOSPITAL FOR SICK CHILDREN**

555 University Avenue Toronto, Ontario Canada M5G 1X8 Phone (416) 813-1500

**EXECUTIVE EMPLOYMENT AGREEMENT**

THIS AGREEMENT made as of the 25<sup>th</sup> day of February, 2019

BETWEEN:

**The Hospital for Sick Children** (the "Employer")

- and -

Dr. Ronald Cohn (the "Executive")

WHEREAS the Employer wishes to employ and the Executive wishes to be employed on the terms and conditions set out in this Agreement;

NOW THEREFORE, in consideration of the mutual terms and conditions contained in this Agreement, the parties agree to the following:

## **1. Position**

The Employer will employ the Executive, and the Executive will serve the Employer in the office set forth in Schedule "A", with effect from the date contained in Schedule "A". The Executive shall be responsible for providing the assigned duties as set forth in the attached job description. The Employer may amend the Executive's assignment, duties, and responsibilities in its sole discretion, commensurate with your position, without causing termination of this Agreement.

## **2. Term**

The Executive is appointed for the term set forth in Schedule "A", which may be terminated by either party pursuant to the terms of this Agreement.

## **3. Duties of Employment**

The Executive will work closely with the Senior Management Team in executing overall Employer strategy as well as providing leadership to his portfolio. The Executive shall be responsible for providing the assigned duties as set forth in the attached job description, and to undertake such other duties as may, from time to time, be assigned to or vested in the Executive by the Employer. The Executive agrees, during the term of this Agreement, to devote the Executive's full working time, attention and abilities to the business and affairs of the Employer and to serve the Employer faithfully and use his best efforts to promote the interests of the Employer. The Executive shall be free to engage in volunteer, community service or charitable work and personal investment activities, provided that these activities do not conflict with the interests of the Employer and provided that the Executive's participation in such activities do not impair the performance of the duties and responsibilities hereunder. Should the Executive wish to undertake one external Directorship or Board appointment, the Executive shall seek the prior approval of the Employer and such approval shall be at the sole discretion of the Employer, provided that there are no conflicts of interests.

## **4. Total Compensation Package**

The Executive Compensation Program provides the Executive with a competitive total compensation package that is made up of four elements; Base Salary, Executive Incentive Program (EPIP), and Benefits and Pension Programs. All aspects of the compensation plan are subject to, and must be provided in compliance with, any applicable legislation.

### **a) Base Salary**

The Executive shall be paid a Base Salary as outlined in Schedule "A", attached, less statutory deductions, payable in installments in accordance with the Employer's normal payroll practices. Given the position, the Executive shall not be eligible for any premium or overtime payments beyond the base salary.

A performance review will be conducted annually, but compensation will not be reviewed until 2027, if permitted by legislation.

**b) Executive Incentive Program (EPIP)**

The Executive shall be entitled to participate in the Employer's Executive Performance Incentive Plan as approved by the Board of Trustees. The Executive Performance Incentive Plan allows the Executive the ability to earn an incentive payment related to his actual and active performance in the executive role, dependent upon overall organizational performance. Further details of the Executive Performance Incentive Plan may be found in the attached Executive Programs Overview.

The Employer reserves the right to amend or eliminate the Executive Performance Incentive Plan at any time, in its sole discretion, with reasonable notice or warning.

**c) Benefits**

The Executive shall be eligible to participate in the Executive Benefits Plan. Please find enclosed a brochure which provides the details of the Employers health and dental benefits programs which are provided on a cost-sharing basis. Included in this brochure is information on the Employers LTD, STD, and life insurance plans.

**d) Pension**

The Executive shall be eligible to participate in the Hospital for Sick Children Employee Pension Plan. Please find enclosed a brochure which provides the details of the pension plan.

**5. Vacation**

The Executive shall be entitled to vacation with pay annually in accordance with the Executive Vacation Policy, and in accordance with the attached Schedule "A".

**6. Statutory Holidays**

The Employer recognizes nine (9) statutory holidays and the Civic Holiday in August for which the Executive will be compensated in accordance with the Employer's Statutory Holiday Policy.

**7. Termination Provisions**

- a) This Agreement and the Executive's employment may be terminated by the Employer without notice at any time for just cause at law, without providing any notice of termination, or pay in lieu thereof, or any other payments or benefit continuation, save and except any wages and vacation pay that may be owing up to the Executive's last day of active employment.
- b) If the Executive's employment is terminated without just cause at any point during their employment in the President and CEO role, the Executive will be provided with notice or pay in lieu of notice of twenty-four (24) months of their salary earnings, plus a payment in lieu of the Executive's entitlement under the Executive Performance Incentive Plan through this notice period. It is agreed that in these circumstances, the Executive will be permitted to return to his clinical duties as a Clinician Scientist within the institution

pursuant to the terms and conditions of the last Paediatric Consultant Practice plan permanent contract between the parties. Any clinical earnings earned by the Executive during this 24 month period will be offset from the pay in lieu of notice provided by the employer.

- c) The payment in lieu of the Executive's entitlement under the Executive Performance Incentive Plan shall be based upon the average payment received by the Executive in the three years immediately preceding the termination.
- d) At its sole discretion, the Employer may provide notice to the Executive by way of working notice, a lump sum payment or through salary continuance in accordance with the Employer's regular payroll practices, or any combination thereof.

The Employer will continue the Executive's benefits, and pension plan contributions, as amended from time to time, and as and if permitted by the respective carriers and in accordance with the applicable plans and policies, up to a maximum period of six months following the Executive's termination date.

The Executive acknowledges and agrees that the payments set out in this paragraph are inclusive of and in full and complete satisfaction of any and all statutory, common law or other claims the Executive may have in connection with the termination of his employment from the Employer without cause, including but not limited to any claims with respect to wages, incentive awards, benefits, pension, termination pay, and/or severance pay, and that upon receipt of same the Executive will have no cause of action against the Employer and/or its trustees, officers, employees, agents, heirs, assigns and/or affiliates in connection with the cessation of the Executive's employment. In exchange for the payments set out in this paragraph, the Executive agrees to execute a Final Release and Indemnity in favour of the Employer, its trustees, officers, employees, agents, heirs, assigns and affiliates. The Executive acknowledges that the payments set out in this paragraph represent a greater right and benefit to the Executive than those the Executive would otherwise receive under the *Employment Standards Act, 2000*.

The notice periods referred to in this provision shall remain in effect during the Executive's employment with the Employer and shall not be amended or changed in the event of any change to the terms and conditions of his employment.

Except to the extent required by the *Employment Standards Act, 2000*, no credit for past employment service with any employer whatsoever (including but not limited to the Employer) will be considered in the calculation of the Executive's entitlements on termination of employment.

- e) The Executive may resign from their employment with the Employer at any time upon providing The Board of Trustees with reasonable notice of their intentions in order to provide for an orderly transition.

## **8. Confidentiality And Non-Disclosure**

The Executive acknowledges that all material and information made available to the Executive by the Employer in the performance of his duties, is of a confidential nature and the Executive agrees that any such information or materials will not be disclosed to any person other than those who need to be aware of the information, or as the Employer may otherwise direct, in accordance with the Employer's Privacy and Confidentiality of Information Policy.

## **9. Ownership**

The Executive agrees that, with the exception of scholarly works produced with trivial use of Employer resources, all intellectual property created while working for the Employer, either on his own or with others, through work, study or research and development activities, will be governed by the Hospital's Intellectual Property policy.

The Executive agrees to sign and give the Employer any agreements, assurances, undertakings, acknowledgements or other documents the Employer may reasonably require relating to the intellectual property.

The Executive may not accept any contract to patent, license or develop intellectual property from any party other than the Employer without first obtaining the written consent of the Employer's Research and Development Limited Partnership.

## **10. Non-Solicitation**

The Executive agrees that for a period of one year from the date of the cessation of the Executive's employment for any reason, the Executive shall not solicit or entice, or attempt to solicit or entice, any of the employees or executives of the Employer or the Hospital for Sick Children Foundation to enter into the employment of, or service with, any other employer.

## **11. Reasonableness of Restrictions**

The Executive acknowledges and agrees that the breach of any provision of this Agreement will cause irreparable damage to the Employer, and that upon any such breach, the Employer shall be entitled to equitable relief from a court of competent jurisdiction, including injunctive relief and specific performance, without the necessity of proving actual damages, and shall be further entitled to an accounting of all earnings, profits or other benefits acquired by the Executive as a result of such breach, and to any other remedy now or hereafter provided at law for such breach.

## **12. Policies And Procedures**

The Executive is required to be familiar with and abide by the Employer Code of Conduct and all current policies at all times during the Executive's employment. Failure to do so could lead to disciplinary action. All current policies and procedures are available on the Employer's internal website, under "Policies and Procedures".

**13. Arbitration**

The parties agree that any controversy, dispute or claim arising out of or relating to this agreement or the performance, enforcement, breach, termination or validity of it, including the determination of the scope of the agreement to arbitrate, but excluding claims for injunctive or other equitable relief, shall be determined by arbitration. In the event the dispute is referred to arbitration, the parties will mutually agree on an arbitrator who shall be appointed as a sole arbitrator. The parties further agree that the arbitrator shall have the powers and jurisdiction of an arbitrator pursuant to the *Arbitration Act, 1991*, S.O. 1991, c. 17, except that the arbitrator shall not be empowered to award injunctive or other equitable relief. The costs of the arbitrator shall be shared equally between the parties. The parties agree that the arbitration shall be held in Toronto, Ontario, that the laws of the Province of Ontario apply, and that the arbitrator has the jurisdiction to mediate any issues upon mutual consent. The parties agree that an arbitration award shall be final and binding on the parties and there is no right to appeal to the court.

**14. General**

This Agreement contains the entire Agreement between the parties hereto relating to the subject matter hereof and supersedes all previous Agreements between the parties, whether written or oral, with respect to the subject matter hereof.

This Agreement shall be construed and governed by the laws of the Province of Ontario.

In the event that any provision in this Agreement or part thereof shall be deemed void or invalid by a Court of competent jurisdiction, the remaining provisions or parts thereof shall be and remain in full force and effect.

All payments described in this Agreement and Schedule "A" are subject to applicable withholdings and deductions required by law.

I accept the terms of this offer and approve the public disclosure of this Agreement.

SIGNED, SEALED AND DELIVERED )  
in the presence of: )

\_\_\_\_\_) )  
WITNESS )

\_\_\_\_\_) )  
[Dr. Ronald Cohn]

\_\_\_\_\_) )  
Date

\_\_\_\_\_) )  
THE HOSPITAL FOR SICK CHILDREN

## SCHEDULE "A"

Effective date May 1, 2019

Dr. Ronald Cohn

- a) **Position** – You shall be employed in the position of President and Chief Executive Officer. You are responsible for the duties set out in the attached job profile.
- b) **Term** – You have been appointed for an indefinite term, pursuant to the terms of this employment agreement.
- c) **Base Salary** – Your Base Salary shall be C\$705,000, paid bi-weekly.
- d) **Executive Performance Incentive Plan (EPIP)** – You will be continue to be eligible to participate in the EPIP in your new role. The full incentive pay-out range is 0 – 25% of base salary per year, and will be determined and approved by the Board of Trustees, based upon the Executive's personal performance as well as organizational results on a defined set of organizational performance indicators. Participation in this program shall be governed and administered in accordance with the Plan Document, which will be approved and administered by the Board of Trustees, and may be amended from time to time in their sole discretion.
- e) **Group Benefits Plan** - You will be eligible to join the Group Benefits plan, which includes: Life insurance, Health, Drug and Dental coverage, and a short and long-term disability program.
- f) **Pension Plan** – You will continue to be eligible to participate in the Defined Benefit pension plan. This includes a supplemental plan for earnings over the registered pension plan limits.
- g) **Vacation** – You will be provided with vacation time which is appropriate for a Senior Executive.
- h) **Vehicle Allowance** – You will receive a bi-weekly car allowance of \$640.00 less all statutory deductions, to cover your costs of leasing a vehicle, gas, insurance and maintenance, to carry out the necessary travel associated with your role. This will be considered a taxable benefit to you.
- i) **Licenses, Insurance and Membership** – The Practice Plan will pay for the cost of your medical license, your Canadian Medical Protective Association Insurance, your College of Physicians and Surgeons of Ontario registration, and your Ontario Medical Association membership.