

PERSONAL & CONFIDENTIAL

May 1, 2023

Melanie Kohn, MBA, PhD  
[REDACTED]

Dear Melanie:

**Re: Employment Agreement (the "Agreement")**

Welcome to the Heart of the East! We are happy to offer you the opportunity to choose Michael Garron Hospital, a division of Toronto East Health Network ("**MGH**" or the "**Hospital**"), as the next step in your healthcare career. It is an exciting time to be joining our team to help lead the Hospital as we just recently opened our new eight storey Ken and Marilyn Thomson Patient Care Centre, a transformational project that will forever change the Hospital and the care it provides to our community.

This offer of full-time employment as MGH's President and CEO is effective **June 12, 2023** (the "**Start Date**").

**I. POSITION AND DUTIES**

You will serve as the President and CEO of the Hospital and are accountable to MGH's Board of Directors (the "**Board**"). You will be undertaking those duties and responsibilities as described in the MGH position description, and in compliance with the *Public Hospitals Act* and the policies and procedures established and revised by MGH from time to time. You will well and faithfully serve MGH and devote the required skill, experience and attention necessary to carry out the duties and responsibilities consistent with the position. You will act at all times in the best interests of the Hospital. Further, you acknowledge that you are a fiduciary and that nothing in this Agreement is intended to limit the fiduciary obligations that you owe MGH.

**II. COMPENSATION**

Your annual base salary will be \$425,000 (the "**Base Salary**"), less applicable deductions and withholdings, payable in accordance with the Hospital's regular payroll practices. On an annual basis, and subject to compliance with applicable legislation you will also be eligible to earn up to 15% of the Base Salary as performance incentive pay, prorated for



any partial annual periods, and determined in the sole and absolute discretion of the Board and in accordance with the Hospital's Executive Variable Compensation policy, as may be amended from time to time. Your entitlement to performance incentive pay is conditional on you being employed by the Hospital on the last day of the Hospital's fiscal year (March 31). Consequently, if your employment ends before the annual review period you will not be entitled to any performance incentive pay for that year or any damages in lieu of such pay (however, if your employment ends due to retirement as defined by the Healthcare of Ontario Pension Plan or death, you would be eligible for a prorated variable compensation payment). If the Hospital terminates your employment, you will be considered, for purposes of this paragraph, to be employed during any minimum statutory notice period to which you are entitled under the *Employment Standards Act, 2000*, but you will not be considered to be employed during any further notice period (whether under contract or common law) or period of salary continuation to which you may claim to be entitled. You acknowledge that you have no expectation that (a) in any fiscal year there will be a guaranteed level of performance incentive pay; (b) the amount of performance incentive pay that you may be awarded may change from year to year, and (c) all performance incentive pay amounts are subject to applicable deductions and withholdings.

MGH will reimburse you for the cost of professional development and attendance at relevant conferences, with the prior written approval of the Chair of the Board, and the submission of receipts.

MGH will reimburse you, with the submission of receipts, for membership fees in professional associations to a maximum of \$2,000 annually. MGH will also work together with you to arrange for private executive coaching both in advance of and after your effective date to support your successful transition. Coaching expenses will be reasonable depending on the level of support needed, respecting budget constraints and subject to approval by the Board Chair.

The Board will review your Base Salary annually and, in its sole and absolute discretion, may consider an increase to your Base Salary taking into account relevant circumstances and as permitted by all current and future applicable legislation and directives, including but not limited to the *Excellent Care for All Act, 2010*, the *Broader Public Sector Accountability Act, 2010*, the *Broader Public Sector Executive Compensation Act, 2014* and any compensation frameworks established or created pursuant to the *Broader Public Sector Executive Compensation Act, 2014* and O. Reg. 406/18 thereunder.



### **III. BENEFITS & PENSION**

You will be eligible to enrol in our extended health benefits plan effective your first day of employment, in accordance with the terms of the applicable plan documents, as may be amended from time to time.

You will be enrolled in the Healthcare of Ontario Pension Plan ("HOOPP") effective your first day of employment.

As an officer of the Hospital, you are eligible for coverage under the Hospital's Directors and Officers liability insurance policy.

### **IV. VACATION**

You will accrue six (6) weeks of vacation per year to be taken at a time mutually agreeable with the Chair of the Board.

### **V. OUTSIDE ACTIVITIES & CONFLICT OF INTEREST**

Subject to your fundamental duty to devote your full working time and energy to the Hospital, the Board supports your participation in external health-care related organizations that provide an opportunity to positively represent the Hospital, enrich your managerial experience, and contribute to our community. However, any involvement in an external organization or business that may involve your attendance or attention during the Hospital's business hours requires the Board's prior written approval. During your employment you may not be involved in any external organization or other business, whether as principal, agent, shareholder, partner, employee or in any other capacity, that is or may be contrary to the interest of, or in competition with, the Hospital or be perceived as such. You are required to promptly disclose any potential, perceived or actual conflicts of interest you may have with the Hospital to the Chair of the Board.

### **VI. CONFIDENTIALITY**

You shall not disclose or use either during your employment (except as required in the performance of your duties and responsibilities under this Agreement) or after your employment with the Hospital ends for any reason, any secret or confidential information, or information which in good faith and good conscience ought to be treated as confidential, that relates to the Hospital, its employees or its patients without the prior written consent of the Hospital and in compliance with the *Personal Health Information Protection Act*.



## **VII. TERMINATION**

Notwithstanding any other provision of this Agreement, your employment and this Agreement may be terminated as follows: (a) automatically on your death; (b) by MGH for cause, (c) by MGH without cause; and (d) by you providing written notice to the Board specifying the effective date of resignation (such date being not less than three (3) months following the date of your written notice (the "**Resignation Notice Period**"), it being understood that the Hospital is under no obligation to utilize your services during the Resignation Notice Period.

## **VIII. TERMINATION FOR DEATH, CAUSE OR VOLUNTARY RESIGNATION**

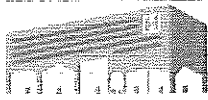
If this Agreement and your employment is terminated pursuant to Section VII (a), (b) or (d) above, then MGH shall pay you or your estate, as applicable (a) any accrued and unpaid Base Salary and any other wages required to be paid under the *Employment Standards Act* ("**ESA**") up to and including the termination date, (b) any accrued and outstanding vacation pay up to and including the termination date; and (c) any other minimum amounts and benefit coverage to which you may be entitled under the *Employment Standards Act, 2000* ("**ESA**") in respect of the termination of your employment.

## **IX. TERMINATION WITHOUT CAUSE**

If this Agreement and your employment are terminated by MGH without cause pursuant to Section VII (c), then MGH will provide only the following:

(a) MGH shall pay you the greater of: (i) the sum of: (x) the minimum pay in lieu of notice of termination (and vacation pay on that amount), to which you are entitled pursuant to the ESA; and (y) the minimum statutory severance pay (if applicable) to which you are entitled pursuant to the ESA (the "**ESA Payments**"); or (ii) eighteen (18) months of Base Salary in lieu of notice (such period, the "**Severance Period**"), to be paid in the form of salary continuance in accordance with MGH's regular payroll practices. For greater certainty, if clause (ii) applies it is agreed and understood that the payments provided during the Severance Period shall be inclusive of (and not in addition to the ESA Payments) and you specifically agree to receive the payments during the Severance Period by way of salary continuance installments on each regularly scheduled payroll date.

(b) MGH shall continue to pay its premiums and contributions to provide group benefit coverage only through to the end of the minimum notice period required by the ESA. Thereafter the Hospital will continue to pay its premiums and contributions to provide group health and dental benefit coverage through to end of the



Severance Period. MGH will continue your participation in HOOPP through the Severance Period.

This termination without cause section shall continue to apply notwithstanding any changes hereafter to the terms of your employment, including, but not limited to, your job title, duties and responsibilities, reporting structure, compensation or benefits. You further understand and agree that you will not be entitled to any common law notice or payment in lieu thereof in respect of the termination of your employment in accordance with this Section X and by entering into this Agreement, you voluntarily waive such notice or payments in lieu. Any payments or benefit coverage pursuant to this Section X that exceed your minimum entitlements pursuant to the ESA (which for certainty will be satisfied by MGH), are conditional on you signing a full and final release substantially in a form satisfactory to MGH. You may delay signing the full and final release until MGH has paid your minimum statutory entitlements under the ESA.

#### **X. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between you and MGH pertaining to your employment with MGH, and supersedes all other representations, warranties, prior agreements, understandings, and arrangements, oral or written, if any, between you and MGH with respect to your employment with MGH. You and MGH intend that this Agreement will constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative or other legal proceeding to vary the terms of this Agreement. You are not relying on, nor do you regard as material, any representations or warranties not expressly incorporated into and made part of this Agreement.

On acceptance of this offer of employment, please contact [REDACTED] Human Resources, at (416) 469-6580 ext. [REDACTED] or [REDACTED] to complete your pre-employment documentation. We offer portions of our orientation virtually. Our Learning Management System (iLearn) will send you an email with your login details. The curriculum must be completed within your first week of employment.

This offer of employment is conditional upon the results of a criminal record check for which you have signed consent. It is further understood that continued employment with the Hospital is contingent on the outcome of subsequent criminal record checks, usually every three years. If a criminal record check reveals that you have a criminal record for which a pardon has not been granted, this offer of employment may be rescinded or, if your employment has already commenced before we receive the results of your criminal record check, your employment may be terminated for just cause. Furthermore, should your criminal record status change subsequent to your commencement of employment



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with MGH, it is the Hospital's expectation and your duty to immediately notify Human Resources of this change. Failure to do so may result in termination for cause.

This offer is conditional upon successful completion of the following legislated health requirements. Under the *Public Hospitals Act* Regulation 965, Section 4(1) (e), MGH is required to ensure that every Hospital staff member undergo a health assessment and provide medical documentation in accordance with the legislation. Additionally, every staff member is required to provide record of Covid-19 Immunization, or acceptable documentation of vaccine contraindication. The health and safety of the MGH Community is very important; in keeping with this core principle, you must have your attending healthcare provider, or walk in clinic complete **Form 1 and 2 (attached)**. **The completed forms must be submitted to Occupational Health & Safety either by [REDACTED] or email to [REDACTED] three (3) business days (or earlier) prior to the Start Date.**

If you find the terms of this offer acceptable, please sign below to indicate that you accept this offer of employment and return a signed copy to [REDACTED] and Phillip Kotanidis, MGH's Chief Human Resources Officer at [REDACTED] within the next three (3) business days, either by email or in person and retain a copy for your records.

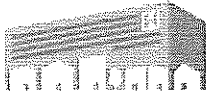
The Board and Medical and Professional Staff are looking forward to working with you in your role as President and CEO. We welcome you to the Hospital and look forward to a mutually beneficial relationship.

Yours very truly,

[REDACTED SIGNATURE]

Lovisa McCallum  
Board Chair

**Michael Garron Hospital, a division of Toronto East Health Network**



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**Acceptance:**

I, **Melanie Kohn** have read and understood the Agreement and have had the opportunity to obtain independent legal advice regarding this Agreement. I specifically acknowledge that the termination clause in this Agreement displaces any entitlement to reasonable notice of termination under common law.

May 8, 2023

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

c: Phillip Kotanidis, CHRO Human Resources  
Trish Peat, Director Occupational Health & Safety