



**TORONTO EAST  
GENERAL HOSPITAL**

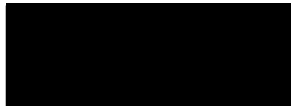
825 Coxwell Ave.  
Toronto, Ontario  
M4C 3E7

Tel: (416) 461-8272  
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www.tegh.on.ca

**Personal & Confidential**

November 26, 2015

Ms. Sarah Chow



Dear Sarah:

It is a pleasure for me to make the following offer of employment.

**Position and Duties**

You will serve as the Vice President of Corporate Services and Chief Financial Officer ("CFO") for Toronto East General Hospital (TEGH or the Hospital) undertaking those duties generally described in the Position Profile provided to you by the Hospital, as set out in the Bylaws and Policies of TEGH and in compliance with the provisions of the Public Hospitals Act (Ontario). The position is full time.

**Term**

Your employment shall be for an indefinite duration subject to termination as set out below. You will commence employment with TEGH on December 1, 2015.

Throughout the term of your employment, you shall devote your full time and attention to the business and affairs of the Hospital. You shall not, without the prior written consent of the CEO, undertake any other business or occupation or become a director, officer, employee, partner or agent of any other corporation, partnership, firm or person ("Other Organizations").

Despite this commitment, you may at any time and from time to time during the term of your employment, devote part but not all of your time and attention to the business and affairs of Other Organizations in furtherance of any of the Hospital's strategic initiatives, provided that you have first obtained the consent of the CEO.

\* Family Health Centre &  
Child Development Centre  
840 Coxwell Ave.  
Toronto, ON  
M4C 5T2

\* Community  
Outreach Services  
177 Danforth Ave.  
Suite 203  
Toronto, ON  
M4K 1N2

\* Withdrawal  
Management Centre  
985 Danforth Ave.  
Toronto, ON  
M4J 1M1

**Regulations and Policies**

You shall observe all existing and future Hospital regulations and policies.

**Compensation**

TEGH will provide you with an annual base salary of two hundred and twenty-five thousand dollars (\$225,000). All compensation will be subject to relevant legislation and deductions.

While there is an Executive Incentive Program ("EIP") at TEGH to incent and reward exemplary performance as measured against key Hospital Quality Targets of up to \$15,000/year per Vice President, we have been unable to award these funds under the current legislation. Once the relevant legislation is removed or modified, we will reinstate an incentive program for executives, including a target of at least \$15,000 per year.

Understanding that this agreement is subject to any applicable wage restraint legislation and/or prescribed compensation framework, I am committed to undertaking a review of the base salary and grid at a minimum every five (5) years to ensure that it reflects fair compensation for the CFO's salary base; and, at any time, in the event that there is a bona fide material incremental change in the CFO's duties and responsibilities.

**Benefits**

You will be entitled to participate in the same group benefit plans that are made available to other senior executives of TEGH, including accidental injury, health benefit, emergency medical, prescribed drug benefits, travel assistance, dental care.

TEGH will reimburse you for membership in up to two professional associations per year to a maximum of \$2000.

TEGH will cover the cost of professional development and attendance at relevant conferences with the prior approval of the CEO and on submission of receipts.

**Vacation**

You will be entitled to seven weeks of vacation annually with timing as mutually agreed with the CEO. You are expected to use your vacation entitlement annually and rollover into subsequent years is capped in accordance with TEGH policy at one year's entitlement plus ten days. Any deviation above this must receive the written approval of the CEO.

### **Pension Plan**

You will be enrolled in the Hospitals of Ontario Pension Plan, with the usual employer and employee contribution arrangements.

### **Performance Review**

Annually, the CEO will undertake a review of your performance. Each year both personal and corporate objectives will be mutually developed with and approved by the CEO. This will serve as the basis upon which your performance (and any incentive compensation) will be determined. Evaluation will involve some form of 360-degree feedback.

### **Confidentiality and Ownership of Information**

All Confidential Information of the Hospital, whether it is developed by you during your period of employment or by others employed or associated with the Hospital, is the exclusive property of the Hospital and shall at all times be regarded, treated and protected as such.

You shall not disclose Confidential Information to any person or use any Confidential Information (other than as necessary in carrying out your duties on behalf of the Hospital) at any time during or subsequent to your period of employment without first obtaining the consent of the CEO, and shall take all reasonable precautions to prevent inadvertent disclosure of any such Confidential Information.

### **Termination**

Should you decide to terminate your employment with TEGH, the CEO will require written notice three months in advance of your planned termination date.

TEGH may terminate your employment with cause without obligation to provide you with notice or pay in lieu of notice.

This agreement may be terminated by TEGH, in its absolute discretion, for any reason by giving the CFO prior notice in writing equal to twelve (12) months, plus one (1) additional month for each full year of service up to a maximum of eighteen (18) months' notice in total ("Notice Period") or, at the CFO's request, but at TEGH's absolute sole discretion, on paying to the CFO the equivalent lump sum payment in lieu of such notice, or combination of notice and payment in lieu. For greater certainty, the notice and/or payment in lieu shall include the CFO's base salary and bonus (with the bonus being calculated based on the bonus earned in the previous fiscal year).

It is understood that, if TEGH terminates the CFO without cause, all disability benefits and vacation accruals shall terminate on the last day of employment, or at the end of

the period required by the Employment Standards Act, 2000 (Ontario) ("ESA"), whichever is later, and any other benefits, including life insurance, health, dental and pension, will continue, to the extent permitted under the terms and conditions of the applicable benefits plan and pension plan, until the earliest of the date of the expiry of the Notice Period or the date the lump sum payment is received by the CFO.

You agree that payments payable as set out above would represent a full and final settlement of all amounts owing to you by the Hospital upon termination, including any payment in lieu of notice of termination, entitlement under any applicable statute and any rights that you may have at common law, and you waive any claim to any other or future payment or benefits from the Hospital. In the event of termination without cause, TEGH will reimburse you for relocation counselling to a maximum of \$20,000 upon presentation of invoices, with reimbursement of such counselling to cease upon acceptance of a new position.

Sarah, I look forward to a long and productive association. If the terms of this agreement are satisfactory, please indicate your acceptance by signing all three copies of the Letter of Offer in the space provided, returning two copies to me and retaining one for your records.

Yours sincerely,



Sarah Downey  
President and CEO  
Toronto East General Hospital

c.c. Human Resources

I have read, understand and accept the terms and conditions of this Agreement.

\_\_\_\_\_  
Sarah Chow

\_\_\_\_\_  
Date