

## CHIEF OF STAFF AGREEMENT

THIS AGREEMENT is made effective the 22nd day of June , 2018 (the “Effective Date”),

BETWEEN:

### ST. THOMAS ELGIN GENERAL HOSPITAL

a corporation without share capital duly incorporated  
under the laws of the Province of Ontario

(the “Corporation”)

- and -

### DR. WALEED CHEHADI MEDICINE PROFESSIONAL CORPORATION

(the “Service Provider”)

### DR. WALEED CHEHADI

in the Province of Ontario,

(“Dr. Chehadi”)

## RECITALS

**WHEREAS** the Board is responsible for the governance and oversight of the management of the Corporation’s operations and such responsibilities include the appointment and reappointment of the Professional Staff members and the oversight of their Performance (as hereinafter defined) in the Corporation;

**WHEREAS** the Service Provider is a medical professional corporation, duly authorized to practice the health profession of medicine pursuant to the requirements of Ontario Regulation 39/02 under the *Regulated Health Professions Act* (Ontario) (the “RHPA”);

**AND WHEREAS** Dr. Chehadi is a duly qualified physician licensed to practice medicine in Ontario by the College of Physicians and Surgeons of Ontario and the Royal College of Physicians and Surgeon of Canada who carries on business as the sole shareholder of the Service Provider;

**AND WHEREAS** the Corporation, the Service Provider and Dr. Chehadi wish to enter into this Agreement to document the foregoing and to set out their respective rights and obligations;

**AND WHEREAS** the Board wishes to retain the Service Provider pursuant to the terms of this Agreement to perform the duties of the office of Chief of Staff and the Chair of the Medical Advisory Committee as of the Effective Date which office, as contemplated in the *Public Hospitals Act* (Ontario) ("*Public Hospitals Act*") and the By-Law, is accountable to and reports to the Board;

**AND WHEREAS** the Service Provider agrees to provide services and to cause Dr. Chehadi to provide the services in accordance with this Agreement;

**AND WHEREAS** the parties entered into an agreement as of the 18<sup>th</sup> day of November , 2016 (the “November 2016 Agreement”);

**AND WHEREAS** the parties wish to amend and restate the November 2016 Agreement in order to comply with the *Broader Public Sector Executive Compensation Act*, 2014 (Ontario);

**FOR VALUE RECEIVED**, the parties agree as follows:

## **ARTICLE 1     DEFINITIONS AND INTERPRETATION**

### **1.1     Definitions**

In this Agreement, unless the context otherwise requires, each capitalized term shall have the meaning attributed thereto:

- (a) “Agreement” means this agreement, including its recitals, all as may be supplemented or amended from time to time;
- (b) “Board” means the Board of Directors of the Corporation;
- (c) “*BPSECA*” means the *Broader Public Sector Executive Compensation Act* (Ontario);
- (d) “Chief Executive Officer” means the President and Chief Executive Officer of the Corporation;
- (e) “Chief of Staff” means the chief of staff of the Corporation;
- (f) “Confidential Information” has the meaning ascribed in section 12.1;
- (g) “Executive Compensation Plan” or “ECP” means the prescribed executive compensation plan approved by the Board in accordance with the requirements of the *BPSECA*;
- (h) “Directors” means the persons who serve the Corporations directors, as that term is defined in the *Corporations Act* (Ontario) of the Corporation;
- (i) “Other Organization” has the meaning ascribed in section 5.1; and
- (j) “Stipend” has the meaning ascribed to that term in section 6.2.

### **1.2     Entire Agreement**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and cancels and supersedes the November 2016 Agreement between the parties including without limitation any prior agreements. There are no representations, warranties, forms, conditions, undertakings or collateral agreements, express, implied or statutory between the parties other than as expressly set forth in this Agreement.

1.3 **Section Headings**

All paragraph headings have been inserted herein for convenience of reference only and do not form part of this Agreement.

**ARTICLE 2 CHIEF OF STAFF**

2.1 **Appointment**

Subject to paragraph 2.1(b) below, the Corporation hereby confirms the Board's appointment of the Service Provider, through Dr. Chehadi, as Chief of Staff at the Corporation and Dr. Chehadi hereby acknowledges the appointment as of November 2016 and agrees to continue to perform the duties of the Chair of Medical Advisory Committee to the best of Dr. Chehadi's ability in compliance with the Legislation, the By-Law, Rules and Regulations of the Corporation, all as may be amended from time to time, and the terms and conditions of this Agreement.

**ARTICLE 3 ACCOUNTABILITY**

3.1 In its capacity as Chief of Staff, the Service Provider, through Dr. Chehadi, shall be accountable to the Board and shall report to the Board in accordance with the framework set out in the Corporation's By-Law and the *Public Hospitals Act*.

**ARTICLE 4 TERM**

4.1 The term of this Agreement shall commence as of the Effective Date and continues until November 17, 2019 unless terminated prior thereto in accordance with the provisions of ARTICLE 10 of this Agreement.

**ARTICLE 5 FULL TIME AND ATTENTION**

5.1 Subject to section 5.3, the Service Provider shall cause Dr. Chehadi to commit two (2) days per week to perform the administrative responsibilities set out in this Agreement.

5.2 The Service Provider acknowledges that the administrative responsibilities may require the carrying out of the duties in the evening and weekends, as may be required from time to time, in addition to regular business hours.

5.3 The parties acknowledge and agree that Dr. Chehadi may engage in active clinical practice at the Corporation ("Clinical Services") and shall provide such Clinical Services to the Corporation's patients and clients as is expected in the ordinary course or as may be agreed upon from time to time by the Board.

**ARTICLE 6 COMPENSATION**

6.1 **Wage Restraint Legislation**

The parties agree that Article 6 is subject to any applicable wage restraint legislation and the ECP prescribed *BPSECA* executive compensation framework.

6.2 **Stipend**

- (a) In consideration of the Appointment as Chief of Staff and the duties and responsibilities set out in this Agreement, the Service Provider will be paid a total stipend of one hundred and twenty thousand dollars (\$120,000) annually plus HST.
- (b) The stipends shall be paid in equal monthly amounts, on the last business day of each month.

6.3 **Performance Payment**

- (a) In accordance with the *Excellent Care for All Act*, 2010 and any other applicable legislation, the Service Provider may be eligible to receive an additional amount of up to 5% of the Service Provider's then Stipend as performance pay (the "Performance Pay").
- (b) Half of this potential Performance Pay (i.e., 2.5% of the Service Provider's then Stipend) will be paid to the Service Provider at such time as it has been determined that targets have been achieved. If such targets are not achieved, this half of the Performance Pay will not be paid to the Service Provider. The remaining portion of the Performance Pay (being 2.5% of the Service Provider's then current Stipend) shall be paid to the Service Provider over the course of the year in anticipation of at least partial targets being met; provided, however, that such amount shall remain at-risk and if the targets are not achieved, then the amount of Performance Pay actually paid to the Service Provider over the course of the year may be withheld from the Service Provider's Stipend in the following fiscal year at the discretion of the Board of Directors and on a schedule to be determined by the Board of Directors in consultation with the Service Provider.

**ARTICLE 7 PERFORMANCE REVIEW**

- 7.1 The Service Provider, in consultation with the Chief Executive Officer, shall identify and recommend the Service Provider's annual and long-term goals and objectives which shall be reviewed by and approved by the Board of Directors. The Board of Directors shall conduct a performance evaluation of the Service Provider in the first quarter of each fiscal year, to determine the extent to which the Service Provider has been successful in achieving the goals and objectives set for the preceding fiscal year.

**ARTICLE 8 PLANNED ABSENCES**

- 8.1 The Service Provider confirms that Dr. Chehadi shall be entitled to be absent six (6) full weeks each year, to be taken at times mutually agreed upon between the Service Provider and the Chief Executive Officer, however, the Service Provider shall be responsible for identifying, with the Board Chair's and Chief Executive Officer's consent, an acting Chief of Staff to act in Dr. Chehadi's absence.

## ARTICLE 9 EXPENSES

9.1 It is understood and agreed that the Service Provider will incur expenses in connection with its duties under this Agreement. The Corporation will reimburse the Service Provider for any reasonable and substantiated expenses provided such expenses were incurred in accordance with established Corporation policy and as approved by the Board Chair. This includes tuition or registration, expenses and necessary time off for education programs agreed to by the Board Chair and relevant to the responsibilities of Chief of Staff.

## ARTICLE 10 TERMINATION

10.1 (a) The Corporation or the Service Provider may terminate this Agreement without cause upon written notice of not less than three (3) months (the "Notice").

(c) In the event the Service Provider terminates this Agreement, the Corporation may, with written notice, waive notice in whole or in part but shall be required to continue providing the Service Provider both its Stipend for the full ninety (90) days.

(b) In the event that the Corporation terminates this Agreement pursuant to this section, prior to the expiration of the Agreement the Corporation will pay the lessor of the remainder of the contract or three (3) months stipend at the agreed upon rate.

10.2 The parties shall review this Agreement at least six (6) months before the expiry of the term and at such time it shall be determined whether or not it will be renewed for a subsequent term. The Corporation shall be entitled to immediately terminate this Agreement for "Cause". For the purpose of this Agreement "Cause" shall include without limitation:

(a) A continuing failure of the Service Provider, through Dr. Chehadi, to observe and perform its/his obligations hereunder, which continuing failure is materially detrimental to the fulfillment of the Service Provider's role at the Corporation, after receiving at least thirty (30) days written notice of such failure from the Corporation, provided that the Service Provider has not, within such thirty (30) day period, taken steps to commence rectifying the situation in a manner satisfactory to the Corporation;

(b) The suspension or revocation of Dr. Chehadi's privileges by the Board in accordance with the provisions of the *Public Hospitals Act* and the By-Law of the Corporation;

(c) The suspension or revocation of Dr. Chehadi's license to practice medicine in the Province of Ontario by the College of Physicians and Surgeons of Ontario

10.3 Upon termination of this Agreement for any reason, the Service Provider and Dr. Chehadi acknowledge that all items of any kind created or used by it/him pursuant to its/his office or furnished by the Corporation to it/him including, but not limited to, any equipment, books, records, credit cards, reports, files, external data storage devices, manuals, literature, Confidential Information, or other materials shall remain and be considered the exclusive

property of the Corporation at all times, and shall be surrendered to the Board of the Corporation, in good condition, promptly without being requested to do so.

**ARTICLE 11 LIABILITY INSURANCE**

11.1 The Corporation shall insure the Service Provider under its general liability policy both during and after the term of its office, for all acts done by the Service Provider in good faith and in the execution of the office of Chief of Staff, throughout the term of its office.

**ARTICLE 12 OWNERSHIP OF INFORMATION AND NON DISCLOSURE**

12.1 "Confidential Information" includes, without limitation, information and facts relating to the operation and affairs of the Corporation acquired by the Service Provider and/or Dr. Chehadi in the course of his office, including information and facts relating to present and contemplated services, future plans, processes, procedures, suppliers, capital projects, financial information of all kinds, government relations strategies, patients or their health records, any product, device, equipment or machine. For greater certainty, Confidential Information shall not include:

- (a) information and facts that are available to the public or in the public domain at the time of such disclosure or use, without breach of this Agreement; or
- (b) information and facts that become available to the Service Provider and/or Dr. Chehadi on a non-confidential basis from a source other than the Corporation.

12.2 All Confidential Information of the Corporation, whether it is developed by the Service Provider and/or Dr. Chehadi during his period of office or by others employed or physicians or engaged by or associated with the Corporation, is the exclusive property of the Corporation and shall at all times be regarded, treated and protected as such.

12.3 The Service Provider and/or Dr. Chehadi shall not disclose Confidential Information to any person or use any Confidential Information (other than as necessary in carrying out his duties on behalf of the Corporation) at any time during or subsequent to its/his period of office without first obtaining the consent of the Chair, and Dr. Chehadi shall take all reasonable precautions to prevent inadvertent disclosure of any such Confidential Information.

12.4 Within five (5) days after the termination of the Service Provider's office by the Corporation for any reason, or of receipt by the Service Provider of a written request from the Corporation, the Service Provider and/or Dr. Chehadi shall promptly deliver to the Corporation all property belonging to the Corporation, including without limitation all Confidential Information (in whatever form) that is in the Service Provider's and/or Dr. Chehadi's possession or control.

12.5 Nothing in this section precludes the Service Provider's and/or Dr. Chehadi from disclosing Confidential Information at any time if disclosure of such Confidential Information is required 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

Corporation, and to the extent possible in the circumstances, the Corporation is afforded an opportunity to dispute the requirement.

- 12.6 The parties will agree in advance upon any appropriate press releases to announce the execution or termination of this Agreement.

### **ARTICLE 13 NON-DISPARAGEMENT**

- 13.1 The Service Provider, Dr. Chehadi and the Corporation covenant and agree that no party shall engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumours, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or goodwill of the other party, which in the case of the Corporation, includes Board, officers, Chief of Staff, physicians and/or patients.

### **ARTICLE 14 RELATIONSHIP AND INDEMNITY**

- 14.1 Dr. Chehadi is not an employee of the Corporation and nothing in this Agreement is intended to create and shall not create any employment relationship between Dr. Chehadi and the Corporation. The Corporation is not responsible for, and will not make, Canadian pension plan, employment insurance, employer health tax, income tax or any other deductions from payments to Dr. Chehadi, and it is Dr. Chehadi's responsibility to report the entire amount of any monies received from the Corporation as required by Canada Revenue Agency, the Ontario Ministry of Finance or any other governmental agency. Dr. Chehadi agrees to cooperate with the Corporation in the event any claims are made against the Corporation relating to Dr. Chehadi's governmental obligations and deductions, including providing proof of such remittances to the applicable governmental authorities at the request of the Corporation.
- 14.2 Dr. Chehadi further agrees to indemnify and hold harmless the Corporation, its officers, directors, employees and agents (the "Indemnified Party") with respect to any liability incurred by the Indemnified Party resulting from any amounts due for assessments, penalties, fines and/or interest made by Canada Revenue Agency, the Ontario Ministry of Finance or any other governmental agency against the Corporation for any amounts of money the Corporation should have withheld for source deductions (e.g. income tax, Canadian pension plan, employer's health tax, employment insurance, and workplace safety and insurance) for goods and services tax or harmonized sales tax.

### **ARTICLE 15 GENERAL PROVISIONS**

#### **15.1 Binding Effect and Non-Assignment**

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators and successors, but shall not be capable of assignment by either party without the previous written consent of the other party thereto.

## 15.2 Notice Provisions

Any notice to be given under this Agreement shall be in writing and shall be personally delivered or sent by registered mail or email to the following address or such other address as either party may from time to time designate to the other by notice given in accordance with this section:

Notices to the Corporation:

St. Thomas Elgin Hospital  
Administration Department  
189 Elm Street  
St. Thomas, Ontario, Canada N5R 5C4

Attention: Board Chair

Notices to Dr. Chehadi:

Email: [wchehadi@stegh.on.ca](mailto:wchehadi@stegh.on.ca)

[wchehadi@gmail.com](mailto:wchehadi@gmail.com)

## 15.3 Severability

If any covenant or provision of this Agreement is determined to be void or unenforceable in whole or in part by any court, such determination shall not affect or impair the validity of any other covenant or provision of this Agreement, which shall remain in full force and effect as if the void or unenforceable covenant or provision had not been made part of this Agreement.

## 15.4 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.

## 15.5 Governing Law

This Agreement shall be governed and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

## 15.6 Currency

All dollar amounts set forth or referred to in this Agreement refer to Canadian currency.

## 15.7 Recitals

The Service Provider, Dr. Chehadi and the Corporation acknowledge and agree that the provisions contained in the preamble or recitals section of this Agreement form part of this Agreement and may be relied upon by either Party when interpreting this Agreement.



15.8 **Interpretation**

The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and the Agreement shall be interpreted without regard to any presumption or other rule requiring interpretation of the Agreement more strongly against the Party causing it to be drafted.

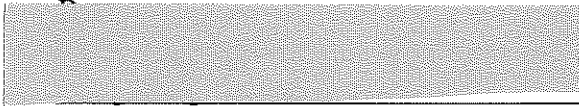
15.9 **Privacy Consent**

By accepting the appointment with the Corporation, the Service Provider and Dr. Chehadi consent to the Corporation collecting, using and disclosing Dr. Chehadi's personal information to establish, manage, terminate and/or otherwise to administer the relationship, including, but not limited to:

- (a) ensuring that the Service Provider is properly remunerated for his services to the Corporation which may include disclosure to third party payroll providers;
- (b) ensuring that the Corporation is able to comply with any regulatory, reporting and withholding requirements relating to the Service Provider's Stipend;
- (c) performance and promotion;
- (d) monitoring the Service Provider's access to and use of the Corporation's electronic media services in order to ensure that the use of such services is in compliance with the Corporation's policies and procedures and is not in violation of any applicable laws; and
- (e) complying with the Corporation's obligations to report improper or illegal conduct by any director, officer, executive or agent of the Corporation under any applicable health, criminal or other law.

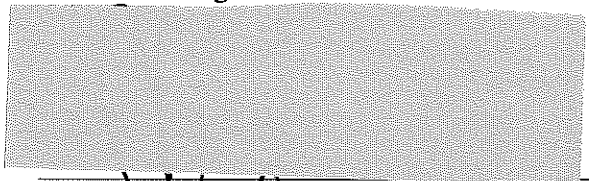
**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the Effective Date.

**ST. THOMAS ELGIN GENERAL  
HOSPITAL**



**CATHY CRANE, BOARD CHAIR**

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



**DR. WALEED CHEHADI**