

THIS AGREEMENT is made on March 28, 2006:

BETWEEN:

Runnymede Health Care Centre

(the Hospital)

- and -

Ms. Constance Dejak

WHEREAS the Hospital is planning to expand its available services and develop new facilities;

AND WHEREAS the Hospital has a current need for a Chief Executive Officer to carry it through the proposed expansion;

AND WHEREAS Ms. Dejak has been a valued member of the Hospital's staff for approximately 28 years, currently in the position of Senior Vice President;

AND WHEREAS the Hospital is desirous of employing Ms. Dejak as Chief Executive Officer to lead the Hospital through the anticipated building and transition period, which is expected to take approximately 5-7 years;

AND WHEREAS Ms. Dejak is prepared to lead the Hospital through the anticipated building and transition period

IT IS AGREED THAT:

1. RESPONSIBILITIES

- (a) Ms. Dejak shall render full-time services to the Hospital in the position of Chief Executive Officer ("CEO").
- (b) Ms. Dejak shall perform, to the best of her ability the duties a) as set out in the job description for this position, b) as required by the Hospital's policies, procedures, rules and regulations, and c) otherwise as may be reasonably requested.
- (c) The Hospital agrees not to substantially reduce the duties of the position of CEO or reduce the wages and benefits, without the written consent of Ms. Dejak, except as set out within this Agreement.

2. TERM

This Agreement shall commence on March 28, 2006 and shall continue thereafter from year to year unless terminated pursuant to the terms set out below.

3. SALARY

Ms. Dejak shall receive \$389,750.00 per annum.

4. BENEFITS AND RELATED POLICIES

(a) Reimbursement of Expenses

The Hospital will reimburse Ms. Dejak for any expenses in connection with duties under this Agreement provided that Ms. Dejak gives the Hospital an itemized written account and receipts acceptable to the Hospital within ninety days after having received them. Monthly accounts shall be approved in writing by the chair of the Board. Ms. Dejak will not be reimbursed for any single item in excess of two thousand dollars (\$2,000.00) unless approved in writing in advance by the chair of the Board.

(b) Benefit Plans

Ms. Dejak shall participate in the benefit plans she currently possesses. Any additional benefit or benefit improvements given to employees of the hospital in general shall be given to Ms. Dejak, unless she already has a similar benefit pursuant to this Agreement. The Hospital will pay the entire cost of all the benefits plans in which Ms. Dejak participates excluding her pension plan.

(c) Vacation

Ms. Dejak shall maintain her current vacation entitlements, calculated in accordance with Hospital Policy. Vacation time may not be carried over into subsequent years but must be taken in the year in which it is earned, unless otherwise agreed to in writing to by the chair of the Board. Vacation entitlement accrued to December 31, 2005 shall be paid out immediately, and at the salary set forth in this agreement. Ms. Dejak shall not take more than three weeks of consecutive vacation unless approved in writing by the chair of the Board.

(d) Professional Dues and Memberships

The Hospital will honour fees for membership in the CCHSE and organizations or associations as may be chosen by Ms. Dejak, to a maximum of three such memberships. The cost of the memberships shall be subject to the approval of the Board.

(e) Seminars and Conferences

Conferences having an aggregate cost of up to ten thousand dollars (\$10,000.00) per annum shall be paid by the Hospital. Where all the expenses for a conference exceed two thousand dollars (\$2,000.00) Ms. Dejak shall obtain the written approval of the chair of the Board.

(f) Automobile Allowance

Ms. Dejak will be paid an allowance of \$12,000 per year. Starting on April 1, 2007 and annually thereafter each April 1, the car allowance shall be increased by the equivalent to the rise in the cost of living index for Toronto as published by Statistics Canada.

5. AUTHORITY

Ms. Dejak shall have, subject always to the instructions of the Board, authority to manage those areas covered by the duties of a CEO, including authority to enter into contracts or commitments on behalf of the Hospital and to employ and to dismiss all other Executives and agents of the Hospital.

6. SERVICE

(a) Ms. Dejak shall not, without the consent in writing of the Hospital Board, undertake any other business or occupation or become a director, officer, executive or agent of any other company, firm or enterprise. The Board will not unreasonably withhold its consent. The Board recognizes that Ms. Dejak actively participates as a volunteer in various civic and political organizations. Ms. Dejak will, at her annual evaluation, supply a statement of her volunteer/service organization affiliations.

(b) Ms. Dejak shall not, either during the term of this Agreement, or any time thereafter, disclose in any way any confidential information concerning the business affairs of the Hospital which she may have acquired in the course of, or incidental to, her relationship with the Hospital. The exception to this is the disclosure of confidential information necessary to conduct the business of the Hospital.

7. TERMINATION OF EMPLOYMENT

(a) Ms. Dejak may terminate this Agreement at any time, for any reason on giving three (3) months' written notice to the Hospital. The Hospital may waive notice, in whole or in part.

(b) The Hospital may terminate this Agreement, in its absolute discretion, without any notice or payment if there is just cause at law for the termination. The termination must be by a vote of a majority of the Board. Giving notice or the payment of any amount by the Hospital shall not prevent the Hospital from alleging cause for the termination.

(c) The Board may terminate this Agreement upon; i) paying to Ms. Dejak two years salary plus the cost of the Hospital's contribution to two years of her benefits or ii) advising her one year in advance of her termination (i.e. working notice) and pay to Ms. Dejak one year of salary plus the cost of the Hospital's contribution to one year of her benefits at the end of that year. For the avoidance of doubt, the hospital shall be required to make ongoing pension contributions on behalf of Ms.

Dejak for the notice period if she so elects and she undertakes to make the applicable employee pension contributions. Salary payable under this provision shall be paid immediately either in a lump sum or as ongoing regular salary payments, at the election of Ms. Dejak.

- (d) Any salary and benefits paid pursuant to this section are inclusive of any entitlement to notice and/or severance pay under the Employment Standards Act or equivalent legislation.
- (e) Payment on behalf of benefits during the notice period shall not include sick leave or disability plans.
- (f) If notice is paid pursuant to this section there shall be no vacation payable for that time.

8. NOTICES

- (a) Any notice to be given to Ms. Dejak shall be delivered to her personally or mailed by registered mail to her address last known to the Hospital.
- (b) Any notice to be given to the Hospital shall be mailed by registered mail to the Hospital at its address last known to Ms. Dejak or delivered personally to the Chair of the Board.

9. RELOCATION AND EMPLOYMENT COUNSELLING

If Ms. Dejak is terminated by the Hospital, other than for cause, the Hospital shall provide relocation and employment counselling up to \$5000.

10. SEVERABILITY

In the event that any provision or part of this Agreement shall be deemed invalid by a court the remaining provisions shall remain in effect.

11. ENTIRE AGREEMENT

This contract constitutes the entire Agreement between the parties and any previous agreements, written or oral, express or implied, relating to the employment and appointment of Ms. Dejak by the Hospital, are terminated.

12. AMENDMENT OF AGREEMENT

Any modification to this Agreement must be in writing and signed by the parties or it shall have no effect.

13. HEADINGS

The headings used in this Agreement are for convenience only and are not to be construed in any way as additions to or limitations of the agreement.

14. GOVERNING LAW

This Agreement shall be construed in accordance with the laws of the Province of Ontario.

15. INDEPENDENT LEGAL ADVICE

Each party has had the opportunity of obtaining independent legal advice and has read and understood the terms of this contract, and freely agrees to those terms.

16. ARBITRATION

Any dispute between the Hospital and Ms. Dejak concerning this Agreement may be referred to a single arbitrator in accordance with the Arbitration Act. However, the Arbitrator shall not have the power to order reinstatement nor shall he/she have the power to amend, or alter in any way the terms of this Agreement. The costs of the arbitration, including the costs of the arbitrator shall be paid by the Hospital unless the arbitrator orders otherwise. Legal costs of the parties will be dealt with pursuant to the Arbitration Act.