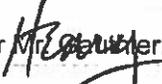


January 9, 2015
ADM-016

Mr. Henry Gauthier

Fort Frances ON

Dear  Mr. Gauthier:

Re: Transition associated with organizational renewal

The attached employment agreement reflects the agreed to amendments made to the initial document sent on October 14, 2014.

If you accept the terms of employment as set out in the attached employment agreement, please sign the attached Acknowledgement and the attached Employment Agreement, and provide signed copies of both to Allan Katz, President & Chief Executive Officer by January 13, 2015.

I look forward to your continued leadership and engagement as part of the organization's management team.

Please do not hesitate to contact me should you have any questions.

Sincerely,



Allan Katz, MHSc
President and Chief Executive Officer

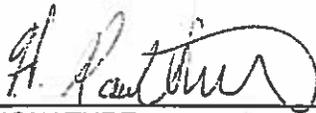
c. HR
Payroll

ACKNOWLEDGEMENT

I acknowledge that I have been provided with one (1) months' notice that, effective October 27, 2014 my current position as Senior Director of Corporate Services (CFO/CIO) will be eliminated, and that my employment with Riverside Health Care Facilities Inc. ("Riverside") will be continued in the position of Vice President, Operations & Chief Financial Officer.

I hereby accept continued employment with Riverside in the position of Vice President, Operations & Chief Financial Officer, effective October 27, 2014 on the terms and conditions set out in the attached employment agreement.

I warrant that I have been provided with an opportunity to obtain independent legal advice with respect to this notice and the employment agreement, and that I have obtained such advice.



SIGNATURE

January 13, 2015
DATE

Henry Gauthier
NAME (Printed)

EMPLOYMENT AGREEMENT

This Agreement made this 9th day of January, 2015

BETWEEN:

RIVERSIDE HEALTH CARE FACILITIES INC.
(hereinafter called the "Riverside")

-and-

Henry Gauthier
(hereinafter called the "Executive")

WHEREAS the Executive's employment with the Riverside commenced on or about December 8, 1997 and the Executive is currently employed with Riverside in the position of Senior Director of Corporate Services (CFO/CIO);

AND WHEREAS Riverside is in the process of an organizational renewal and has offered the Executive employment on the terms and conditions set out below;

AND WHEREAS the Executive has agreed to accept continued employment with Riverside on these terms and conditions;

NOW THEREFORE in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. Responsibilities

- 1.1 The Executive shall be employed by Riverside in the full-time position of Vice President, Operations & Chief Financial Officer ("the Position").
- 1.2 The Executive shall report to and take direction from the President & Chief Executive Officer.
- 1.3 The Executive is expected to fulfill those responsibilities and duties normally associated with the position of Vice President, Operations & Chief Financial Officer for a health care institution and as established from time to time by the Board or pursuant to the By-Laws of Riverside (the "By-Laws"), including those responsibilities described in the attached Job Description as Schedule "A". As Vice President, Operations & Chief Financial Officer, the Executive will be an ex-officio non-voting member of the Board of Directors. The Executive agrees that he has reviewed and is fully familiar with the By-laws and job description and, in particular, with the provisions establishing the responsibilities and duties of the position.
- 1.4 The parties acknowledge that it is a term and condition of the Executive's employment hereunder that the Executive uphold and maintain compliance with all provincial and federal laws applicable to Riverside's operations, in addition to Riverside's policies and procedures as set out in the Code of Conduct and other organizational policies, as they may be amended from time to time.

2. Recognition of Service

- 2.1 The Executive's service date with Riverside of December 8, 1997 will be recognized for the purposes of this agreement.

3. Compensation

- 3.1 The Executive's maximum total available annual compensation, including incentive, will be \$128,000.

The Executive's total compensation package is subject to the *Excellent Care for All Act, 2010*, as amended ("ECFAA"), and the *Broader Public Sector Accountability Act, 2010*, S.O. 2010, c.25, as amended (the "BPSAA").

Riverside complies with the ECFAA by allocating incentive compensation based on the Executive's contribution to achieving annual targets as defined in Riverside's Quality Improvement Plan.

- 3.2 The Executive shall be reimbursed by Riverside, upon presentation of appropriate receipts, for CPA, and CGA annual membership and licensing fees approved by Riverside, in order to maintain active membership in professional associations which are relevant to the position held. Annual CPA and CGA dues and related expenses will be paid by Riverside for membership by the Executive in work related organizations.
- 3.3 The Executive shall be reimbursed for all expenses other than automobile expenses, which are actually and reasonably incurred in connection with the performance of duties upon presentation of appropriate receipts, and in compliance with Riverside's policies.
- 3.4 For purposes of assisting with professional development and effective performance of duties, Riverside supports the Executive's attendance at applicable conferences, conventions and academic advancement to a Master's level relevant to Riverside and the Executive's professional development needs. Riverside will support all reasonable costs associated with the achievement of a Master's degree. The Executive and Riverside will agree to work together on appropriate program selection and opportunities to mitigate costs (e.g., academic location selection, combination of on-line and on-site education, staged over multiple years, etc.). Riverside shall reimburse the Executive upon presentation of appropriate receipts, for such pre-approved reasonable professional development fees, up to an agreed upon annual maximum.
- 3.5 The Executive is eligible to be enrolled in the benefit plans offered by Riverside for its executive group, as amended from time to time. The Executive will participate in Riverside's pension plan. Attached hereto as Schedule "B" is a summary of the benefit and pension plans currently offered by Riverside to members of its executive group.
- 3.6 The Executive is entitled to vacation as offered by Riverside for its executive group, as attached hereto as Schedule "B". Any unused vacation accrued may be carried forward in accordance with Riverside's vacation policies. Vacation time shall be taken at a time or times agreed upon between the Executive and the President and Chief Executive Officer

4. Termination of Employment

- 4.1 If the Executive wishes to resign as Vice President, Operations & Chief Financial Officer, the Executive agrees to provide Riverside with a minimum of 60 days' prior written notice until March 31, 2016 and 90 days' notice afterwards. Riverside can waive in whole or in part without further obligation to the Executive.
- 4.2 Riverside agrees that if it wishes to terminate this Agreement and the Executive's employment, without just cause, it will provide the Executive with no more than one (1) month for each completed year of service, to a maximum of eighteen (18) months.

The parties agree that the notice period may be satisfied by way of working notice, salary continuance or lump sum payment or any combination thereof, in Riverside's sole discretion.

Payment to the Executive under the provisions of this Section is inclusive of any termination pay or severance pay due to the Executive under the *Employment Standards Act, 2000*, or applicable equivalent legislation and is in full and final settlement of all claims.

In the case of termination of employment under this Section 4.2, Riverside shall provide the Executive with outplacement counseling to a maximum cost of \$5,000.

The Executive shall be obligated, following termination of employment, to make reasonable efforts to obtain alternative, substantially similar employment. Should the Executive obtain alternative substantially similar employment or become self-employed during the notice period, Riverside will cease making termination payments hereunder and will pay the Executive fifty per cent (50%) of any unpaid balance of termination payments in full and final settlement of its obligations hereunder.

4.3 Riverside may terminate this Agreement in its sole discretion, at any time, for just cause. Should the Executive's employment be terminated for just cause, the Executive will not be provided with any notice or payment in lieu thereof, or any payments of any kind, except accrued and outstanding vacation pay.

4.4 The parties agree that certain events will frustrate this Agreement. The occurrence of such events will automatically terminate this Agreement, without liability or obligation, including notice or pay in lieu of notice under section 4.2, to either the Executive, or to Riverside, except as may be required to meet minimum applicable employment standards. Events which will frustrate this Agreement include:

- the death of the Executive;
- the permanent disability of the Executive; and
- any other event accepted as frustrating a contract of employment under the governing law of this Agreement.

The parties further agree that the Executive will be deemed to have a "permanent disability" if the Executive is unable to carry out substantially all of the duties as Vice President, Operations & Chief Financial Officer for a period of 180 days in any twelve (12) month period. The parties also agree that the permanent disability of the Executive as defined herein will amount to undue hardship for Riverside, releasing Riverside of any duty for ongoing accommodation.

4.5 If the Executive wishes to resign from his employment with Riverside, eligibility for and enrollment in the benefit plans outlined in section 3.5 and 3.6 hereof will continue no later than the last day worked by the Executive.

If Riverside wishes to terminate the Executive's employment without just cause, eligibility for and enrollment in the benefit plans outlined in section 3.5 and 3.6 hereof will continue for no later than the last day during any minimum period in which such benefits must be maintained pursuant to the Employment Standards Act, 2000 as amended. Incentive payments owing per the Quality Improvement Plan performance targets will be prorated based on the numbers of months of participation in the current annual plan upon termination.

4.6 The Executive acknowledges and agrees that the termination provisions set out above are reasonable and are in complete satisfaction of all obligations that Riverside has or will have to the Executive arising from the termination of this Agreement, or of the Executive's employment, whether statutory or at common law. The Executive accepts the terms and conditions of the termination provisions set out above as full and complete consideration for all foreseen and unforeseeable losses, claims, damages, benefits, costs, etc. arising out of or connected with the Executive's employment (whether statutory or otherwise) and the termination of that employment, including the manner, process or reason for such termination. Upon provision or payment of the above notice or payment in lieu, as applicable, the Executive agrees that the Executive will not be entitled to any further payment or notice of termination of any kind.

- 4.7 It is intended that the notice provisions in this Agreement include any entitlements the Executive may have to termination pay and/or severance pay stipulated by the *Employment Standards Act, 2000* as amended. In the event that the Executive's statutory entitlements exceed the notice provisions set out in this Agreement, then those statutory entitlements shall replace the notice provisions in this Agreement, and no further payments, notice or payment in lieu shall be required.
- 5. Riverside's Property and Confidentiality**
- 5.1 The Executive agrees that all items created, developed or used during the Executive's employment, or furnished by Riverside, including all inventions, systems, research, equipment, credit cards, books, records, reports, files, diskettes, manuals, literature and confidential information are the exclusive property of Riverside and shall be surrendered by the Executive to Riverside upon termination of the Executive's services under this Agreement.
- 5.2 The Executive agrees that during the Term of this Agreement, or any time after the termination of this Agreement (except in the ordinary course of the Executive's services to Riverside), the Executive will not use or disclose non-public information acquired by the Executive concerning the business or affairs of Riverside.
- 6. Entire Agreement**
- 6.1 This contract constitutes the entire agreement between the parties and any previous agreements, written or oral, express or implied, relating to the Executive's appointment as Senior Director of Corporate Services (CFO/CIO) are hereby void.
- 7. Amendment to Agreement**
- 7.1 Any modification to this Agreement must be in writing and signed by the parties or it shall have no effect.
- 8. Severability**
- 8.1 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.
- 9. Waiver**
- 9.1 Riverside reserves the right from time to time and on more than one occasion to waive any of the obligations of the part of the Executive in this Agreement. No waiver by Riverside of any breach of the terms of this Agreement shall constitute a waiver of any prior or subsequent breach of any obligation.
- 10. Governing Law**
- 10.1 This Agreement shall be construed in accordance with the law of the Province of Ontario and the federal laws of Canada applicable therein.
- 11. Successors**
- 11.1 This Agreement is binding on Riverside and any successor to it.
- 12. Independent Legal Advice.**
- 12.1 The Executive acknowledges that the Executive has obtained independent legal advice before signing this Agreement. The Executive further acknowledges and agrees that the Executive has read this Agreement and fully understands the terms of this Agreement, and further agrees that all such terms are reasonable and that the Executive is signing this Agreement freely, voluntarily and without duress.

IN WITNESS WHEREOF the parties have executed this Agreement in counterparts, each of which when delivered, either in original or facsimile form, shall be deemed to be an original and all of which together shall constitute one and the same agreement.

Diane Wood
WITNESS

Diane Wood
Print Name

H. Gauthier
Henry Gauthier

Date: January 13, 2015

RIVERSIDE HEALTH CARE FACILITIES INC.

By: Allan Katz
Print Name: ALLAN KATZ
Title: PRESIDENT & CEO
Date: JANUARY 13, 2015

Schedule 'A' – Employment Agreement – Henry Gauthier dated January 9, 2015

**RIVERSIDE HEALTH CARE
JOB DESCRIPTION**

POSITION	Vice President, Operations & Chief Financial Officer
DEPARTMENT	Corporate Services
RESPONSIBLE TO	President & Chief Executive Officer
DATE – ORIGINAL	January 2015
DATE - REVIEWED	
DATE – REVISED	

QUALIFICATIONS NECESSARY:**Education:**

- Professional Accounting Designation (CA, CGA, CMA, CPA)
- Bachelors Degree in Commerce, Finance or a related field, or an MBA (Finance).

Knowledge and Skills:

- Proven leadership skills in a health or human services organization
- Proven team-building skills and ability to work cooperatively as a team member
- Strong skills in human resources, policy and procedure development, utilization and risk management, and quality improvement
- Demonstrated ability to assess client needs, to formulate goals and objectives, analyze complex issues and to evaluate and monitor others in leadership positions
- Excellent interpersonal skills, verbal and written communication skills
- Excellent group presentation and facilitation skills
- Demonstrated ability to perform effectively and efficiently under constant pressure of stressful and critical situations in a rapidly changing health care environment
- Maintain current membership and continuing education required to retain competency and remain in good standing with applicable professional accountancy body

Experience:

- At least five (5) years management experience at the middle or senior management level in a health or human service organization preferred.
- Experience in working in a professional, multidisciplinary setting.

BASIC RESPONSIBILITIES:

The VP Operations & Chief Financial Officer is a member of senior management and is responsible for planning, organizing, directing, managing, and evaluation of the management of Financial and Support Services for Riverside Health Care (RHC), such that the mission, vision, values and goals and objectives of the Corporation's strategic plan are assured.

The Chief Financial Officer of the organization is responsible for the development and monitoring of the organization's annual operating and capital budgets. Additionally the incumbent is

Schedule 'A' – Employment Agreement – Henry Gauthier dated January 9, 2015

responsible for the development and maintenance of appropriate policies and procedures for the above listed programs that are consistent with, and supportive of:

- Ministry of Health and Long Term Care and LHIN policy/Guidelines
- RHC's Mission, Vision, Values, Policies and Procedures, and
- Professional standards of practice.

The incumbent also participates with others, both within RHC and in the community/district/region, to effectively plan and report on the organizations financial activities.

The incumbent reports directly to the President & Chief Executive Officer.

SPECIFIC DUTIES:

1. Member of the Senior Management Team
2. Responsible for Leadership and Management of the Finance, Human Resources, Materials Management, Environmental Services (Housekeeping/Laundry/Linen), Capital Planning & Plant Services, Food Services, Information Systems & Technology, Health Records, Privacy and Freedom of Information, Staff Education/Training, Switchboard, Admitting, Quality & Risk Management and Decision Support
3. Ensures that the above services and financial records are in compliance and in accordance with applicable legislation, regulations, guidelines, MOHLTC and LHIN standards and RHC Policy and Procedures
4. Leads the development of the required Annual Planning Submissions (i.e., hospital, community and long-term care), in collaboration with internal and external stakeholders
5. Leads the development of the annual Capital Budget in collaboration with internal and external stakeholders
6. Participates in strategies to promote and acquire financial resources to enable RHC to provide services in accordance with its mission
7. Responsible for tactical organizational and strategic planning and implementation, and supports an overall organizational culture conducive to quality care
8. Supports and participates in quality improvement, risk management and patient safety activities departmentally and organization-wide
9. Responsible for monitoring and recommending adjustments to a comprehensive RHC insurance program
10. Develops and maintains the overall RHC policy management program.
11. Participates in internal and external Hospital committees related to clinical services and other administrative functions within the Hospital
12. Monitors the development, planning, implementation and evaluation of short and long term goals for support services departments
13. Ensures the recruitment of competent, qualified managers (direct reports) and provides for their orientation, development, and continuing education
14. Reviews and evaluates the performance of support services managers on a bi-annual basis and prior to the end of probation, or termination of employment
15. Develop, maintain, monitor, and report quality improvement, utilization, and risk management activities for the programs under the umbrella of responsibility

Schedule 'A' – Employment Agreement – Henry Gauthier dated January 9, 2015

16. Ensures the timely and accurate submission of financial reports to the Ministry of Health, the North West Local Health Integration Network, the President & CEO, appropriate external agencies and internal committees, and departmental/service managers
17. Acts as a resource person for orientation, staff education, community education, groups, Riverside Health Care board and management, and program advisory committee(s) with respect to Finance and service related issues and activities
18. Keep abreast of current standards in the accounting and auditing profession.
19. Develop and maintain effective linkages and relationships with the Riverside Health Care board, management, community physicians, referring agencies, other health service providers, the North West Local Health Integration Network and Ministry of Health and Long-Term Care program staff
20. Attends and participate in Hospital board meetings, senior management meetings, and other committees and meetings as directed by the President & CEO
21. Supports and promotes a culture of safety within the organization
22. Other duties associated with position summary and/or as assigned by the President & CEO

CONDITIONS OF EMPLOYMENT:

1. Human Resource Policies
2. Departmental Policies
3. Corporate Policies
4. Union Collective Agreements

Schedule B – Employment Agreement – Henry Gauthier dated January 9, 2015

TERMS AND CONDITIONS OF EMPLOYMENT
Executive Staff

1. Probationary Period: None
2. Vacation: 4 weeks after 1 year of service
5 weeks after 5 years of service
6 weeks after 10 years of service – effective immediately
7 weeks after 25 years of service
3. Statutory Holidays: Eleven (11) days per year + four (4) floating days
4. Sick leave: H.O.O.D.I.P. Short-term Plan. 100% Employer funded.
5. H.O.O.D.I.P. (Long Term Disability): 100% Employer paid.
6. Group Life Insurance: Basic of \$5,000.00 or coverage two times annual salary.
100% Employer paid.

Accidental Death and Dismemberment: Coverage equal to that of Group Life coverage. 100% Employer paid.
7. Voluntary Life Insurance: Elective coverage available 1X, 2X or 3X salary.
Employee pays full premium.
8. Extended Health Benefits – 100% Employer paid.
9. Must be physically capable of performing the essential duties of the job.
10. Compliance with all applicable policies, procedures and regulations (including future amendments).

NOTE: Enrolment in benefit plans, etc. are in accordance with Personnel Policies and the terms of each respective plan.