

CONTRACT OF EMPLOYMENT

THIS AGREEMENT made at St. John's in the Province of Newfoundland and Labrador this 27th day of July 2015.

BETWEEN **HER MAJESTY THE QUEEN IN RIGHT OF NEWFOUNDLAND AND LABRADOR**, herein represented by the Clerk of the Executive Council (herein called the "Employer")

AND **John Ottenheimer** of Marysvale, Newfoundland and Labrador (herein called "Mr. Ottenheimer")

(Collectively herein called the "Parties")

THIS AGREEMENT WITNESSES that, in consideration of the promises and covenants expressed herein, the parties agree as follows:

1. SERVICES

- 1.1 Mr. Ottenheimer has accepted the appointment as a Member, Chairperson and Chief Executive Officer of the Newfoundland and Labrador Housing Corporation ("Corporation").
- 1.2 The appointment as a Member, Chairperson and Chief Executive Officer of the Corporation shall not be considered as pensionable service under the Public Service Pension Plan or the Government Money Purchase Plan.
- 1.3 During the term of this Agreement, Mr. Ottenheimer agrees to direct his current pension payable under the Member of the House of Assembly Pension Plan to a registered charity under the *Income Tax Act* (Canada).
- 1.4 The term of this Agreement shall be 5 years, commencing from the 27th day of July 2015, until the expiration of the said term or until termination pursuant to this Agreement.

2. PAYMENT AND HOURS OF WORK

- 2.1 Subject to compliance with Clause 1.3, the Corporation shall pay to Mr. Ottenheimer an annual salary of one hundred and sixty-eight thousand, eight hundred and seventy-three dollars (\$168,873) (EP 2328, step 25 of the Executive Pay Plan). General salary increases applicable to executive employees as approved, shall apply.

2.2 The following deductions shall be made from the payments pursuant to Clause 2.1:

- (a) Income Tax;
- (b) Employment Insurance; and
- (c) any other deductions required by law

2.3 Subject to Clauses 3.1 and 4.1, the amount set out in Clause 2.1 shall constitute the entire amount payable to Mr. Ottenheimer under this Agreement.

3. **TRAVEL EXPENSES**

3.1 In addition to the amount payable pursuant to Clause 2.1, the Employer shall reimburse Mr. Ottenheimer, at the rates for Executive Employees for travel expenses incurred by Mr. Ottenheimer in the performance of his duties.

4. **REGISTERED RETIRED SAVING PLAN**

4.1 The Employer agrees to provide to Mr. Ottenheimer, in accordance with the *Income Tax Act* (Canada), a contribution to Mr. Ottenheimer's Registered Retirement Savings Plan (herein called "RRSP"), under the following terms:

- (a) The Employer agrees that its contribution will be equal to Mr. Ottenheimer's contribution, but shall not exceed half of the annual maximum RRSP deduction limit established under the *Income Tax Act* (and in the event that the Mr. Ottenheimer works for only a part of a taxation year, the contribution of the Employer will be prorated accordingly). The annual RRSP contribution shall be made in one payment and will be processed between January 1 and the last day of February each year commencing in year two of the contract;
- (b) For the purpose of calculating the Employer's contribution under this clause, periods of unused paid leave and a period for which notice in accordance with section 6.2 of the Executive Compensation Policies and Procedures are payable under clause 7.4 shall not be included; and
- (c) Mr. Ottenheimer shall provide proof of his contribution to the RRSP, satisfactory to the Employer.

5. **CONFIDENTIALITY AND OWNERSHIP OF DOCUMENTS**

- 5.1 Mr. Ottenheimer shall not at any time during or subsequent to the term of this Agreement, either directly or indirectly communicate or divulge, confidential information to any person, except a person employed by the Government of Newfoundland and Labrador authorized to know such information, except with the prior written consent of the Employer.
- 5.2 Confidential information shall include all information Mr. Ottenheimer receives, discovers, develops or has access to involving any operations or decisions of the Corporation.
- 5.3 Mr. Ottenheimer shall comply with the provisions of the *Conflict of Interest Act, 1995*, as may be amended.
- 5.4 All information or data produced by Mr. Ottenheimer in the performance of this Agreement shall be and remain the property of the Employer.

6. **INCOMPATIBLE POSITION**

- 6.1 Mr. Ottenheimer shall not hold any office or position or engage in any business that is incompatible, as determined by the Employer, with his duties and responsibilities under this Agreement.

7. **TERMINATION**

- 7.1 Mr. Ottenheimer's appointment as a Member, Chairperson and Chief Executive Officer of the Corporation under this Agreement is subject to Section 5 of the *Housing Corporation Act* as may be amended.
- 7.2 The Employer may terminate this Agreement at any time, without notice, for cause.
- 7.3 If this Agreement is terminated for cause, the Employer shall not make any payment to Mr. Ottenheimer as a consequence of or in compensation for the termination except for the amount payable under clause 4.1 and the balance of any unused paid leave. The payment for paid leave is calculated using the salary component of the amount in Clause 2.1.
- 7.4 If the appointment is terminated without cause by the Employer, the Employer shall pay Mr. Ottenheimer in accordance with Section 6.2 of the Executive Compensation Policies and Procedures, the amount payable under Clause 4.1 and for the balance of any unused paid leave. The payment for paid leave is calculated using the salary component of the amount in Clause 2.1.

- 7.5 This Agreement may be terminated by Mr. Ottenheimer upon 30 days calendar notice in writing to the Employer.
- 7.6 Upon completion of nine or more years of continuous service and on resignation or retirement, Mr. Ottenheimer shall be paid severance pay equal to the amount obtained by multiplying the number of completed years of continuous employment by the weekly salary up to a maximum of twenty weeks pay. In the case of death of Mr. Ottenheimer, entitlements to severance pay shall be paid into his estate. The payment of severance is calculated using the salary component of the amount in Clause 2.1. Special leave without pay for the period of twelve months or less will not be regarded as a break in service, but the period of Special Leave without Pay will not be counted as service for the purposes of severance pay.
- 7.7 Upon termination of this Agreement by Mr. Ottenheimer, Mr. Ottenheimer shall also be entitled to payment for the amount payable under Clause 4.1 and the balance of any unused paid leave. The payment of paid leave is calculated using the salary component of the amount in Clause 2.1.
- 7.8 Upon expiry of the term of this Agreement and where Mr. Ottenheimer has completed nine or more years of continuous service, Mr. Ottenheimer shall be paid severance pay equal to the amount obtained by multiplying the number of completed years of continuous employment by the weekly salary up to a maximum of twenty weeks pay. Mr. Ottenheimer shall also be entitled to payment of the amount payable under Clause 4.1 and the balance of any unused paid leave. The payment of paid leave is calculated using the salary component of the amount in Clause 2.1.
- 7.9 The address for notices of termination shall be:

For the Employer:

Clerk to of the Executive Council
Government of Newfoundland and Labrador
P.O. Box 8700
St. John's, Newfoundland and Labrador
A1B 4J6

For Mr. Ottenheimer:

7.10 The notices of termination given to either party must be delivered personally to the party's address last known to the other party and will be deemed to be received on the date of personal delivery to that address.

8. **MEDICAL PLAN**

8.1 Mr. Ottenheimer shall participate in and contribute to the Group Life Insurance Plan applicable to the Corporation.

9. **LEAVE**

9.1 Subject to the terms and conditions regarding leave as set out in the Paid Leave Program for Management Employees, approved by MC 92-0299 Mr. Ottenheimer shall be entitled to:

A. Paid Leave of 30 days per year; and

B. Paid holidays on those days designated as holidays for employees of the Government of Newfoundland and Labrador under the Paid Leave program.

10. **INJURY ON DUTY**

10.1 If Mr. Ottenheimer is injured while carrying out the duties and responsibilities described in Clause 1.2, the terms and conditions set out in the Human Resource Policies issued by the Treasury Board under the authority of section 7(2) of the *Financial Administration Act* regarding "Injury on Duty" shall apply.

11. **AGREEMENT**

11.1 This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements or arrangements, written or oral, relating to this Agreement.

11.2 If at any time during the term of this Agreement, the parties deem it necessary or expedient to make any alteration or addition to this Agreement, they may do so by means of a written agreement between them which shall be supplemental to and form part of this Agreement.

12. **ASSIGNMENT**

12.1 This Agreement may not be assigned in whole or in part by Mr. Ottenheimer.

13. **APPLICABLE LAW**

13.1 This Agreement shall be interpreted, performed and enforced in accordance with the laws of Newfoundland and Labrador.

14. **TERM OF THE AGREEMENT**

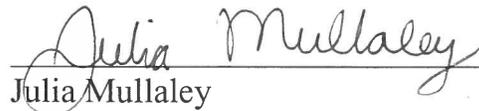
14.1 The term of this Agreement will extend to the 26th day of July 2020; however it may be renewable by mutual agreement of the parties hereto.

IN WITNESS WHEREOF the parties have signed this Agreement

**HER MAJESTY THE QUEEN IN
RIGHT OF NEWFOUNDLAND AND
LABRADOR, herein represented by
the Clerk to the Executive Council**



Witness



Julia Mullaley

Clerk of the Executive Council



Witness



John Ottenheimer