

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made as of the *24th* day of *November*, 2012.

B E T W E E N:

CARLETON UNIVERSITY

a corporation incorporated under the laws of Ontario
pursuant to Chapter 117, Statutes of Ontario, 1952, as amended

(hereinafter referred to as the "Employer")
OF THE FIRST PART

- and -

DR. ROSEANN RUNTE

(hereinafter referred to as the "Employee")
OF THE SECOND PART

WHEREAS the Employer and the Employee wish to enter into an agreement pursuant to which the Employee will continue to provide the Employee's services to the Employer as hereinafter set forth, and the Employer will continue to hire and retain the services of the Employee as an employee of the Employer.

NOW THEREFORE in consideration of the premises and mutual covenants and agreements hereinafter contained, the parties hereto hereby mutually covenant and agree as follows:

1. **EMPLOYMENT**
 - a. The Employee is employed on a full-time basis as the President and Vice-Chancellor of the Employer, reporting to the Board of Governors of the Employer in accordance with the policies established by the Board of Governors and the Senate of the Employer from time to time. The Employee shall be the Chief and Executive Officer of the Employer and shall have supervision over and direction of the academic work and general administration of the employer and the teaching staff thereof, and the officers and servants thereof, and the students thereof, and shall also have such other powers and duties as from time to time may be conferred upon or assigned to the Employee by the Board of Governors from time to time provided that with respect to any material change the Employer shall give to the Employee such written notice of said material change/changes as would be required in the event that the Employer were providing written notice of termination of employment pursuant to the provisions of Section 5 hereof.
 - b. The Employee is also employed as a Full Professor of the Employer with tenure and subject to the terms of the Collective Agreement with the Academic Staff Association of Carleton University and any other then applicable Collective Agreement. The Employee will have the right to return to teaching in the semester immediately following the termination of the Employee's employment as President and Vice-Chancellor, at a salary in the 100th percentile of the Full Professor range at the University with such benefits and pension arrangements as are provided for in the then applicable Collective Agreement. Upon the Employee's return to teaching, the Employee shall have no claim to the salary benefits, termination payments or

other financial arrangements provided for in this agreement with respect to the Employee's position as President and Vice-Chancellor.

- c. The Employee acknowledges and agrees that during the term of this agreement, the Employee shall devote the Employee's full-time and skill to the duties and responsibilities contemplated herein and shall not be engaged in any other employment in any other capacity that interferes with the provision of the services contemplated herein or that is for the benefit of any person, corporation or enterprise whose business interests are either competitive or in conflict with those of the Employer. Notwithstanding the foregoing, the parties acknowledge that the Employee shall be permitted to act as a Director of the National Bank of Canada and of other organizations as may be agreed to from time to time.

2. **EMPLOYMENT TERM**

Subject to being terminated pursuant to the provisions of paragraph 5 hereof, the term of this agreement shall be for a five (5) year term commencing July 1, 2013 and ending on June 30, 2018. Notwithstanding the commencement date of this agreement, the parties acknowledge that the Employee has been previously and continuously employed by the Employer as President and Vice-Chancellor since on or about July 1, 2008.

3. **SALARY AND BENEFITS**

- a. For all services rendered by the Employee in the course of the employment hereunder as President and Vice-Chancellor, the Employee shall receive a gross annual salary of \$320,000.00. The said salary is to be paid at such times and in such fashion as is in keeping with the ordinary practices and policies of the Employer. Such salary shall be reviewed periodically by the Employer and may be increased from time to time by the Employer as the Employer may in its absolute discretion decide without the necessity of an amendment hereto. In this regard, the parties acknowledge that the Employee has not had an increase in her base salary since July 1, 2008 and is currently restricted by provincial legislation until March 25, 2014. It is contemplated by the parties that the Employee's base salary, leave and benefits shall be reviewed at the earliest opportunity and that any increase shall reflect the period of time over which the Employee's salary has remained static, but shall not be retroactive.
- b. For services rendered by the Employee as a Professor, the Employee shall be separately compensated with regard to the number of courses taught by the Employee in accordance with compensation otherwise payable to an Adjunct Professor pursuant to the terms of the Collective Agreement with the Academic Staff Association of Carleton University.
- c. The Employee shall be entitled to participate in a separate bonus program based upon achievement of performance targets as determined by the Chair of the Board of Governors in consultation with the Employee. Such bonus shall represent up to twelve (12) percent of the Employee's base salary.
- d. The Employee shall be entitled to participate in such additional benefits as are enjoyed from time to time generally by employees in accordance with the practices and policies of the Employer as the Employer may, in its absolute discretion, create from time to time. The Employee will also participate as a member of the Carleton University Retirement Plan. Any and all entitlements with respect to any benefits, pensions, or other compensation are subject to the terms and conditions set out in the associated documentation and policies.
- e. The Employee shall be entitled to be reimbursed in accordance with the policies of the University, as adopted and amended from time to time, for all reasonable and necessary expenses incurred by the Employee in connection with the performance of the duties

contemplated herein subject to the Employee providing appropriate supporting documentation in connection with the same. Without limiting the generality of the foregoing such reimbursable expenses shall include:

- i. Entertainment for the benefit of the University;
 - ii. Travel as required;
 - iii. Representation of the Employer at events and functions;
 - iv. Reasonable research, educational and communications expenses.
- f. The Employer will reimburse the Employee for costs associated with leasing an appropriate automobile together with insurance coverage with respect to the same. The Employee shall be responsible for all operating costs; however, the Employer will reimburse the Employee at the Employer's standard mileage rate for mileage associated with university business.
 - g. Provided that the Employee's personal residence shall be available at reasonable times for purposes related to the discharging of her duties and responsibilities as President and Vice-Chancellor, the Employer shall pay to the Employee a housing allowance of \$3,000.00 per month, provide snow clearance and snow removal services at the residence and provide appropriate event insurance for events at the Employee's residence, save that the Employee shall at all times be responsible for insuring any personal property and contents in her residence.
 - h. The Employee together with the Chair of the Board of Governors will establish an expense budget within the office of the President and Vice-Chancellor for costs associated with the hosting of events for the benefit of the University in the Employee's residence. The University will reimburse the Employee for such costs as and when incurred with periodic after the fact approval by the Chair of the Board of Governors
 - i. The Employer will provide the Employee with an appropriate T2200 form with a view to lawfully minimizing the tax consequences of the benefits and allowances herein.

4. **VACATION**

The Employer will provide the Employee with twenty-five (25) days of total annual vacation entitlement which vacation is to be taken with regard to the efficient operation of the University at the discretion of the Employee in consultation with the Chair of the Board of Governors.

5. **TERMINATION**

Notwithstanding anything herein contained to the contrary, the employment of the Employee as President and Vice-Chancellor may be terminated in the following manner:

a. **Termination by the Employer**

- i. The employment of the Employee as President and Vice-Chancellor may be terminated effective at any time for cause by the Employer giving notice in writing of such termination to the Employee. If this agreement and the employment of the Employee hereunder are so terminated pursuant to this clause (i), the Employee shall receive any statutory benefits to which the Employee shall be entitled and shall

continue to accrue and receive the Employee's said annual salary and benefits through to the date of termination indicated in the termination notice and no more.

- ii. In the event that the Employee is terminated for cause, the Chair of the Board of Governors must notify the Employee in writing with the full particulars of the allegations against her. A hearing will be conducted where the Employee will be given an opportunity to provide full answer in defense to the allegations. The hearing will take place before a group of Board members as determined by the Chair. The Employee may choose to be represented by counsel.
- iii. The employment of the Employee as President and Vice-Chancellor may be terminated at any time by the Employer giving to the Employee the following notice:
 - A. Where termination occurs in the first two (2) years of the contract, the Employee will be given notice of thirty six (36) months; (less all applicable withholdings and statutory remittances);
 - B. Where termination occurs in the last three (3) years of the contract, the Employee will be given notice of twenty four (24) months (less all applicable withholding and statutory remittances).
 - C. The Employee will have the option of receiving notice payments in a lump sum or in monthly payments. If the Employee opts to receive these monthly payments, the University shall continue the Employee as a member of the University health and insurance plans, in so far as such continuing membership is permitted under the contractual arrangements between the University and its insurance carriers. In addition, the University shall continue to pay the University's portion of contributions to the Employee's pension plan throughout the notice period and such notice period shall be included in the calculation of credited service for the purposes of the pension provided for herein.

The Employee acknowledges that the foregoing provisions are in satisfaction of and substitution for any and all statutory and common law rights, including without limitation, any right to reasonable notice of termination. The Employee further acknowledges that as a condition of receiving any portion of the foregoing, it exceeds the minimum requirements under the *Employment Standards Act 2000*, S.O. 2000, c.41, as amended (the *ESA*), the Employee shall be required to execute a comprehensive release agreement as drafted by counsel to the Employer.

b. Termination by Mutual Agreement

This agreement and the employment of the Employee hereunder may be terminated by mutual agreement of the parties hereto in writing, in which event the Employee shall continue to accrue and receive the Employee's said annual salary and benefits through to the date of termination reached pursuant to such mutual agreement.

c. Termination by Death

This agreement and the employment of the Employee hereunder shall be automatically terminated by the death of the Employee. All compensation to the Employee shall cease at the Employee's death.

6. **PERSONAL INFORMATION/PRIVACY ACKNOWLEDGMENT**

The Employee agrees that the Employer may collect, use and disclose the information provided by the Employee for the purpose of managing the employment relationship.

7. **APPLICABLE LAW**

This agreement and the rights and obligations of the parties hereunder shall be construed and governed in accordance with the laws of the Province of Ontario. The parties acknowledge that the terms and conditions of this agreement are subject to the *Carleton University Act* being Chapter 117, Statutes of Ontario, 1952, as amended, the University's By-Laws enacted from time to time by the Board of Governors of the University and the Collective Agreement with the Academic Staff Association of Carleton University as may be applicable from time to time.

8. **ENTIRE AGREEMENT**

This agreement, and the documentation referred to herein contain the entire understanding and agreement between the parties hereto with respect to the employment of the Employee and the subject matter hereof and any and all previous agreements and representations, written or oral, express or implied, between the parties hereto or on their behalf, relating to the employment of the Employee by the Employer and the subject matter hereof, are hereby terminated and cancelled and each of the parties hereto hereby releases and forever discharges the other of and from all manner of actions, causes of action, claims and demands whatsoever under or in respect of any such prior agreements and representations. Except as provided herein, no amendment or variation of any of the provisions of this agreement shall be valid unless made in writing and signed by each of the parties hereto.

9. **NOTICES**

Any consent, approval, notice, request, or demand required or permitted to be given by one party to the other shall be in writing (including, without limitation, telex or telecopy communications) to be effective and shall be deemed to have been given on the earlier of receipt or the fifth day after mailing by registered mail as follows:

a. If to the Employer, to it at:

Carleton University
Administration Building Rm, 607(D)
Colonel By Drive
Ottawa, ON K1S 5B6
Attention: Chair Board of Governors

b. If to the Employee, at:

Dr. Roseann Runte
8 Rideau Shore Court
Nepean, ON K2C 3Y8

or such other address as may have been designated by written notice.

Any consent, approval, notice, request or demand aforesaid if delivered, telexed or telecopied shall be deemed to have been given on the date of such delivery, telex or telecopy transmission. Any such delivery shall be sufficient, *inter alia*, if left with an adult person at the above address of the Employee in the case of the Employee, and if left with the receptionist

