

THIS AGREEMENT effective as of the 1st day of July, 2009

B E T W E E N:

TRENT UNIVERSITY

(hereinafter called the “University”)

- and -

DR. STEVEN E. FRANKLIN

(hereinafter called the “President”)

WHEREAS the Board of Governors (“Board”) has appointed Dr. Steven E. Franklin as President and Vice-Chancellor of the University, effective July 1, 2009, and Dr. Franklin has agreed to serve as President and Vice-Chancellor upon the terms and conditions set out in this agreement (the “Agreement”);

NOW THEREFORE in consideration of the mutual covenants and agreements herein contained, the University and the President covenant and agree as follows:

1. TERM

The appointment as President and Vice-Chancellor shall be for an initial term of five (5) years commencing on July 1, 2009 and concluding on June 30, 2014 (the “Term”), unless terminated earlier in accordance with the provisions of this Agreement.

2. RENEWAL

The Term may be renewed or extended by mutual agreement following a review in the last half of the penultimate year of the Term under a process to be established by the Executive Committee of the Board (“Executive Committee”).

3. SALARY AND PERFORMANCE REVIEW

(a) The University shall pay the President a salary of three hundred and five thousand dollars (\$305,000.00) for the period July 1, 2009 through June 30, 2010 less all applicable statutory deductions and remittances.

(b) A performance and salary review will be conducted annually by the Executive Committee with performance to be assessed retrospectively against annual objectives approved by the Board for the relevant year. Adjustments to compensation will be determined by the Executive Committee under the Executive Committee Procedure

entitled 'Establishing the Compensation of Senior Administrators' approved on June 12, 2009 and as may be amended by the Executive Committee from time to time.

4. DUTIES

The President agrees:

- (a) to abide by the policies of the University;
- (b) faithfully, effectively and satisfactorily to perform all of the duties that are usual or necessary in carrying out the office of President, including those required by subsection 18(3) of *The Trent University Act, 1962-63*;
- (c) to devote all customary business time and attention to the affairs of the University, consistent with the practices of the University for senior academic administrators; and
- (d) that his services shall be completely exclusive to the University during the Term, save for such outside commitments or research as are mutually agreed upon by the President and the Executive Committee.

5. RESIGNATION

Should the President decide to resign his appointment during the Term without a prior request from the Chair of the Board that he do so, he shall be required to give the Board not less than twelve (12) months' notice in writing unless the President and the Executive Committee agree on some other period.

6. TERMINATION WITHOUT CAUSE

The Board may, at any time, at its discretion and without providing any reason therefor, terminate this Agreement without cause, by written notification identifying the effective date of termination, in which case the following provisions shall apply:

- (a) If termination occurs during the first three (3) years of the Term, the University shall continue to pay to the President his salary under this Agreement throughout a period of twenty-four (24) months, less applicable statutory deductions and remittances.
- (b) If termination occurs during the last two (2) years of the Term, the University shall continue to pay to the President his salary under this Agreement payable throughout the balance of the Term, less applicable statutory deductions and remittances.
- (c) Payment under this section shall be calculated on the basis of the salary paid to the President as at the effective date of such a termination. If the President ceases employment with the University at the time the University terminates this Agreement without cause, the President shall be maintained on all pension and benefit plans applicable hereunder for the period set out in subparagraph 6(a) or subparagraph 6(b) above as applicable (save for the University's sick leave plan and long-term disability plan, except as otherwise required by law), less all deductions required by law and, in

respect of the pension plan, less the employee's contributions. If the President remains employed by the University as a tenured Professor (as contemplated in paragraph 8 of this Agreement) after the University terminates this Agreement without cause, the President shall be maintained on all pension and benefit plans applicable hereunder for the period set out in subparagraph 6(a) or subparagraph 6(b) above as applicable, following which the President shall be covered under the pension and benefit plans applicable to tenured professors.

(d) The amounts provided in this section are inclusive of any monies otherwise payable under the *Employment Standards Act, 2000* or any claims under any other statute.

(e) No administrative leave shall be provided unless termination occurs in the final year of the Term, in which case administrative leave shall be deemed to have accrued over the portion of the Term served in proportion to the length of the Term of this Agreement.

(f) Notwithstanding anything in this Section 6, if after termination of this Agreement the President accepts remunerated employment during the period of salary continuance under this Agreement, he will make timely and full disclosure to the University and he will forfeit equivalent salary from the University and the benefits and pension plan entitlements under this Agreement shall reduce accordingly.

7. TERMINATION FOR CAUSE

The Board may revoke the appointment of the President and terminate this Agreement for cause, which includes for reason of dishonesty, including without limitation fiscal or academic dishonesty, or the President's negligent performance of, or wilful failure to perform, his duties as President or for any action or behaviour which, in the opinion of the Board acting reasonably, adversely affects the reputation of the University in the eyes of its faculty, student body, or the public in general, in which case, no further compensation or benefits as defined in this Agreement shall be payable to the President and no notice, monies in lieu thereof, or administrative leave will be due to the President and the President's tenured appointment will be deemed to have been terminated.

8. TENURED APPOINTMENT

(a) The President has been granted a tenured appointment at the rank of Professor in the Department of Geography as a primary appointment with a cross-appointment to the Environmental & Resource Science/Studies Department in accordance with the policies and procedures of the University at rank D17 as reflected in Schedule "A" to the collective agreement between the Board and The Trent University Faculty Association ("TUFA").

(b) The President shall have the option of continuing employment with the University as a Professor with tenure: at the end of the Term or any subsequent renewals or extensions thereof; or, alternatively, where this Agreement is terminated early without cause; or, alternatively, upon the termination of the President's disability and his return

to employment as contemplated in Section 14 and in the event that he has resigned or has been deemed to have resigned pursuant to Section 14 as President and Vice-Chancellor; and, in all cases, following any accrued period of administrative leave which is taken by the President. The President shall, immediately prior to taking administrative leave, if earned, elect whether he will continue employment with the University as a Professor, in which case the President shall, immediately after expiration of any accrued period of administrative leave which is taken by the President, take up his full professorial duties in accordance with the practice for such a position at the University or shall forfeit his tenured appointment and will be deemed to have resigned from employment with the University. Where no administrative leave is earned, the President shall immediately commence his duties as a Professor upon termination of this Agreement or shall forfeit his tenured appointment and shall be deemed to have resigned from employment with the University.

(c) Commencing July 1, 2010 and each July 1 thereafter during the Term, the President's nominal academic seniority will increase by one rank. At such time as the President completes his presidency and any administrative leave(s) related to it, he may assume the duties of a Professor at rank D17, plus one rank for each year of service as President and Vice-Chancellor up to a maximum rank that exists without special consideration for merit as set out in the collective agreement between the University and TUFA.

(d) All pertinent rules, regulations, policies and procedures governing faculty members, as established from time to time, will be applicable to this academic appointment.

(e) Where this Agreement is terminated early without cause, and where the President continues to be paid his salary under this Agreement, the President, in fulfilling his duties as a Professor, shall not be paid any salary by the University over and above the salary continuance under this Agreement until such time as such salary continuance ceases, at which time he shall be entitled to a salary commensurate with his rank and duties as a professor pursuant to the collective agreement between the University and TUFA.

9. VACATION

The President shall be entitled to six (6) weeks' vacation annually during the Term in addition to the period of institutional shutdown between Christmas and the New Year. There will be no deferral or carry-over of unused vacation without the prior written approval of the Executive Committee.

10. ADMINISTRATIVE LEAVE

Subject to subparagraph 6(e) above, following successful completion of the Term of this Agreement, the President shall be entitled to one (1) year's administrative leave of absence at full salary and with full benefits coverage in accordance with the University's Policy on Administrative Leave. Salary payable during a period of administrative leave

shall be calculated on the basis of the salary paid to the President at the time of commencing such leave, which shall be based on the performance review of the President in the final year of the appointment. If the Term is extended or renewed the accrued administrative leave shall be deferred until the end of all periods of service as President.

11. RESEARCH

Subject to satisfactorily fulfilling all of his duties under Section 4 of this Agreement, the President has advised the Board that he intends to continue his scholarly research during his term as President. University financial support for this research will be determined through normal University policies and the President may be eligible for a research grant under the policy administered by the Office of Research. The President will provide annual information updates on his research activities to the Executive Committee.

12. BENEFITS

(a) The President shall be entitled to participate in, and receive benefits under, all health and wellness benefit programs that are generally provided to senior academic administrators in accordance with the terms of such programs (for greater certainty such programs currently include Group Life Insurance, the Flexible Benefits Plan for TUFA members, Long Term Disability Benefits and Health & Dental Benefits). The President shall be responsible for any deductibles under the applicable plans.

(b) The University shall pay the cost of one (1) executive medical examination per year for the President completed at a private Canadian medical clinic, provided that the cost of such examination is within the standard range then charged by Canadian private medical clinics, estimated at the date of this Agreement to be approximately \$2,000.00 per year.

(c) For greater certainty, the University reserves the right to change or revise the terms of the health and wellness benefit programs which are provided to senior academic administrators at any time.

13. PENSION

(a) The President shall be eligible to participate in The Contributory Pension Plan for TUFA Employees of Trent University, the Supplemental Retirement Arrangement for Members of the Contributory Pension Plan for TUFA Employees of Trent University, and the Trent University Supplemental Retirement Arrangement for Exempt Employees (the "Pension Plans").

(b) In addition to the Pension Plans, the President shall be entitled to a retiring allowance as set out in, and subject to the terms of, Appendix "A" to this Agreement.

14. DISABILITY

If the President is unable to discharge his duties because of mental or physical illness or disability, he will be entitled to continuing compensation in accordance with the University's policy on sick leave and, in the event of becoming Totally Disabled, as defined in the long term disability plan which may be in effect from time to time, he shall be entitled to long term disability benefits in accordance with the plan and, in the case of being Totally Disabled, the University shall have no obligation whatsoever to pay to the President the salary provided for under Section 3 hereof or to top-up the amount of disability benefits paid to the President. Upon the occurrence of the Disability of the President, the President thereupon shall be deemed to have resigned from the position of President and Vice-Chancellor and shall continue as an employee of the University with continuing entitlement to such disability benefits as he may be eligible to receive as stated above. Upon the deemed resignation of the President as President and Vice-Chancellor, the University shall have the immediate right to appoint a successor as the President and Vice-Chancellor. Upon the termination of the President's Disability and his return to employment, the provisions in Sections 6, 8 and 10 of this Agreement shall be applicable. The Parties, on the advice of their respective counsel, recognize that this provision in these circumstances is not discriminatory for the purposes of the *Human Rights Code of Ontario*. For purposes of this paragraph 14, but only where capitalized, "Disability" means: (a) the President's inability to substantially fulfil his duties as President on a full-time basis for a continuous period of three (3) months or more; and (b) either (i) a determination that the relevant disability is of indefinite duration and that the medical prognosis indicates that the President will not likely be able to fulfil his duties as President on a full-time basis within one (1) year of the commencement of the said three (3) month period, or (ii) written notification from the President (or his personal representative, as the case may be) to the Chair that the President does not intend to fulfil his duties as President on a full-time basis within one (1) year of the commencement of the said three (3) month period. If there is any disagreement between the Board and the President (or his personal representative, as the case may be) as to the President's Disability or as to the date any such Disability began or ended, the same shall be determined by a physician mutually acceptable to the Board and the President whose determination shall be conclusive evidence of any such Disability and of the date any such Disability began or ended (provided that if the Board and the President are unable to identify a mutually acceptable physician who will make such a determination, the issue shall be resolved by arbitration in accordance with paragraph 26 below).

15. HOUSING ALLOWANCE

(a) The President will be expected to host University events and activities at his principal residence from time to time. In consideration for undertaking such activities, for the first year of this Agreement, the University shall pay the President a monthly housing allowance of twelve hundred dollars (\$1,200.00).

(b) On or before July 31, 2010, the President and the Executive Committee shall review the extent of University activities and events undertaken at the President's

principal residence for the period from July 1, 2009 to June 30, 2010 and the Executive Committee shall set the amount of the monthly housing allowance for the remainder of the Term.

(c) The University will consider and report such allowance as a taxable benefit as appropriate under the *Income Tax Act* (Canada).

16. AUTOMOBILE

(a) During the duration of this Agreement, the University shall provide the President with an automobile to be used for business and personal purposes in accordance with normal University practices for vehicle acquisitions. The make and model of such automobile shall be determined by mutual agreement between the President and the Chair of the Board and ratified by the Executive Committee. The University will pay the reasonable costs of operating the vehicle (fuel, maintenance, insurance).

(b) The University will consider and report the use of such automobile and the above noted expenses as taxable benefits as appropriate under the *Income Tax Act* (Canada).

17. EXPENSES

The Board agrees to reimburse the President for reasonable business, business travel and business entertainment expenses supported by appropriate vouchers/receipts, subject to the approval or pre-approval of the Chair of the Board.

18. RELOCATION EXPENSES

The Board agrees to reimburse the President for reasonable costs of relocating to Peterborough including moving costs incurred in moving household effects, office materials and research equipment from Saskatoon to Peterborough with a moving company and the legal fees and disbursements arising from the sale of the President's principal residence in Saskatoon, Saskatchewan, but excluding realtor commission. Written quotations must be obtained from three moving companies, one of which must be McWilliams Moving and Storage, Peterborough.

19. PRESIDENT'S OFFICE BUDGET AND SPENDING

The annual budget for, and the actual spending by, the President's Office will be reviewed with the Executive Committee at times determined by the Executive Committee.

20. DISCLOSURE AND CONFLICT OF INTEREST

For the purpose of identifying and avoiding actual and potential conflicts of interest, the President personally shall have a continuing obligation to comply with Section 38 of Board By-Law No. 1 (as that provision may be amended from time to time) and to disclose to the Executive Committee any personal assets, investments and commercial involvements, and those of his spouse, if known, that may raise concerns about an

actual and potential conflicts of interest and shall, at least annually, provide a formal report to the Executive Committee summarizing such disclosures. Subject to the operation of Section 38 of Board By-Law No. 1 (as that provision may be amended from time to time), and subject to the requirements of the *Freedom of Information and Protection of Privacy Act* (Ontario) such reports shall be considered confidential to the Executive Committee.

21. LEGAL AND FINANCIAL ADVICE

The Board shall reimburse the President for the costs of reasonable legal and financial advice relating to this Agreement in an amount not to exceed four thousand (\$4,000.00) dollars.

22. INDEPENDENT LEGAL ADVICE

The President acknowledges that he has had an opportunity to obtain independent legal advice prior to the execution of this Agreement.

23. INDEMNIFICATION

The University shall indemnify and save harmless the President against any costs, charges and expenses as set out in section 35 of Board By-Law No. 1 (as that provision may be amended from time to time) and shall purchase and maintain insurance for the benefit of the President as contemplated in section 36 of Board By-Law No. 1 (as that provision may be amended from time to time).

24. COUNTERPARTS

This Agreement may be executed in counterparts and may be executed by facsimile and so executed shall constitute one agreement.

25. NOTICES

All notices under this Agreement shall be in writing and shall be served by personal delivery at, or by registered mail (return receipt requested) addressed to, the address of the receiving party set forth in this Agreement (or at or to such different address as may be designated by such party by written notice to the other party). All notices shall be deemed complete upon receipt. In the event that receipt is refused by the other party or the other party has changed address without so notifying the sending party, notice shall be deemed given by notice sent by registered mail on the seventh (7th) day following the first post mark of the sender's postal service. Notice shall be given to the parties as follows:

To the President:

Dr. Steven E. Franklin
1600 West Bank Drive
Peterborough, ON K9J 7B8

To Trent University:

The Board of Governors of Trent University
c/o Secretary to the Board
1600 West Bank Drive
Peterborough, ON K9J 7B8

26. DISPUTE RESOLUTION

Any disagreement or dispute relating to the terms or application of this Agreement shall be submitted to and settled by private arbitration by either a single arbitrator to which the Board and the President agree or, failing agreement, by three (3) arbitrators, one (1) of whom shall be appointed by the Board, one (1) by the President, and the third (3rd) by agreement of the other two (2). Any such arbitration shall proceed under and be governed by the provisions of the *Arbitrations Act, 1991* (Ontario), provided that the expenses of the arbitral tribunal shall be paid as to seventy-five percent (75%) by the University and as to twenty-five percent (25%) by the President subject only to the following: in the event that there are three (3) arbitrators, the costs of the one (1) arbitrator appointed by the Board shall be paid as to one hundred percent (100%) by the University and the costs of the one (1) arbitrator appointed by the President shall be paid as to one hundred percent (100%) by the President.

27. COMPLETE AGREEMENT

This Agreement constitutes the complete agreement between the parties.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed in Peterborough, Ontario this 22nd day of June, 2009.

Trent University

Per:

Authorized Signing Officer

Witness

Dr. Steven E. Franklin

Witness

**APPENDIX A to the Employment Agreement between Steven E. Franklin and Trent
University with an effective date of July 1, 2009
Retiring Allowance Arrangement for Steven E. Franklin**

WHEREAS it is acknowledged that the President participated in the University Of Saskatchewan Supplementary Executive Retirement Plan and that upon his departure from the University of Saskatchewan he forfeited certain entitlements under that plan relating to his years of employment with the University of Saskatchewan, which entitlements are agreed to be in the amount of \$75,085.73 as at June 30, 2009 (the "Forfeited Amount");

AND WHEREAS the University wishes to provide the President with a retiring allowance that approximates the Forfeited Amount, plus accrued interest, upon his retirement from the University;

NOW THEREFORE the University and Dr. Steven E. Franklin agree that the following retiring allowance arrangement shall form part of the agreement between Trent University and Dr. Steven E. Franklin with an effective date of July 1, 2009 (the "Agreement"):

1. Capitalized terms used in this Appendix A but not defined herein shall have the meanings as set out in the Agreement.
2. "Trent Funds Rate of Return" shall mean the annual rate of return of The Contributory Pension Plan for TUFA Employees of Trent University, net of investment expenses, all as determined by the University from time to time.
3. Subject to paragraphs 5 and 6 of this Appendix A, upon his retirement or any other cessation of his employment as President, the President will be entitled to receive a retiring allowance (the "Retiring Allowance") equal to the Forfeited Amount, adjusted on the basis of the Trent Funds Rate of Return throughout the Term, including the term of any extensions or renewals.
4. The Retiring Allowance referred to in paragraphs 3 and 5 of this Appendix A will be payable in the form of a single lump sum cash payment, less applicable deductions, within 30 days following the date employment ceases, unless the University elects to pay the Retiring Allowance in five annual equal instalments, with the first instalment being paid within 30 days following the date employment ceases.
5. Subject to paragraph 6 of this Appendix A, if the President's employment ceases before the end of the initial Term, he shall be entitled to receive, upon cessation of employment with the University, an adjusted Retiring Allowance equal to \$15,018.00 multiplied by the number of years served in the initial Term, adjusted to reflect the Trent Funds Rate of Return over the same period of time. For greater certainty where a portion of a year is served, the above amount shall be multiplied by the factor which has as its numerator the number of months served in that year and a denominator which is twelve.

6. No Retiring Allowance shall be payable in the event of the termination of the Agreement by the Board for cause.

7. The University may pay the Retiring Allowance out of general revenues and shall not be obliged to pre-fund or set aside funds in trust in respect of the Retiring Allowance.

8. Subject to the University making applicable deductions, any taxes, duties or levies imposed as a result of the provision or earning of the Retiring Allowance shall be the sole responsibility of the President.