

Employment Agreement

Between

Atlantic School of Theology, of Halifax

In the Province of Nova Scotia

A body corporate, (the "University")

- And -

Reverend Dr. Heather McCance, of Montreal

In the Province of Quebec

(The "President")

WHEREAS the University has conducted a national search seeking a qualified person to serve as its President;

AND WHEREAS the President has been assessed as the successful applicant and is recommended to the Board of Governors for approval.

IN CONSIDERATION of the above, and in further consideration of the mutual promises set out in this Employment Agreement (the "Agreement"), the parties agree as follows:

1.0 General

1.1 The University hereby employs the President to provide diligent and faithful leadership and to perform the functions and duties conferred upon or assigned to them by the University's Charter, the University's Board of Governors (the "Board") or the Chair of the Board (the "Chair").

1.2 The President represents that they have the necessary and adequate competency and ability to perform the duties expected of them as President, and that they will devote their entire working time, energies, and skills to the exclusive service of the University and to the diligent promotion of the University's interests.

1.3 The appointment is subject to confirmation by the Board.

1.4 The place of employment is Halifax, Nova Scotia.

2.0 Duration of the Agreement

2.1 The University will employ the President, subject to the terms of this Agreement, for a fixed term to August 1, 2023 to July 31, 2028. Unless the University and the President mutually agree in writing to extend or renew this Agreement prior to the end of the Term, this Agreement and the President's employment will automatically terminate at the end of the Term with no further compensation payable to the President.

2.2 This Agreement may be extended by mutual agreement by both parties up to one (1) year if required in the best interests of the University.

2.3 The President may reoffer by advising the Chair by June 30, 2027, of their intention to reoffer for a second term of five (5) years ("Renewal Term"). If the President indicates an intention to seek a Renewal Term, a formal review conducted by a duly constructed committee will be held in the fourth year of the initial term to consider reappointment to the position. The Board in accordance with its by-laws, at its sole discretion, shall decide whether to offer a Renewal Term.

3.0 Duties

3.1 The President's duties and responsibilities are more particularly described in the job description attached as Schedule "A" to this agreement.

3.2 In addition to the duties and responsibilities set out in Schedule "A", as part of the normal budgeting process the President

shall prepare and present to the Board for their consideration and approval a detailed business plan for each fiscal year, which plan shall be provided for presentation to the Board at the first meeting of each respective fiscal year (which runs from April 1 of one year to March 31 of the next year).

4.0 Teaching by President

4.1 In accordance with the current Collective Agreement, from time to time, the President may choose to teach at the University at their own discretion.

5.0 Compensation

5.1 The President's compensation shall comprise a base salary, and a living allowance.

5.2 In the first year of this Agreement, the base salary shall be \$141,000 ("Annual Salary") and the living allowance for housing, vehicle expenses and memberships will be \$28,000. In each subsequent year, the living allowance will remain the same but the President's salary will be increased by a percentage according to the cost-of-living increase awarded each year in accordance with the current Collective Agreement with the AST Faculty Association.

5.3 The University shall pay the President a signing bonus of \$5,000 upon commencement of this Agreement.

5.4 The University will provide up to \$13,000 for the cost of moving, and an additional \$4,000 for other associated moving costs. In the event that the President resigns prior to July 31, 2025, they shall reimburse the University these moving and associated costs on a pro rata basis assuming a twenty-four (24) month amortization.

5.5 Reporting for taxation purposes (ie, T4) will include all amounts payable that are defined as income or as otherwise required

to be reported to the Canada Revenue agency.

- 5.6 Subject to Articles 6.2 and 10.1, the combined amounts of base salary (as adjusted pursuant to Article 3.2) and living allowance shall be paid bi-weekly and will be subject to required deductions and remittances.

6.0 Benefits

Expenses

- 6.1 The parties agree that the President may incur expenses in connection with their duties under this Agreement. The University will reimburse the President for reasonable expenses. Reimbursement will be in accordance with University policies as approved by the Board and as amended from time to time. The President will submit an itemized accounting of expenses, accompanied by receipts, at or around the end of each month for expenses incurred in that month for approval by the Chair.
- 6.2 The University will provide the President with a laptop computer and a hand-held communication device. As the President is expected to be accessible at all times during working hours and as required after working hours, the handheld communication device will be registered under the University's plan for data and cell coverage at the University's expense.
- 6.3 The University agrees to pay the President such reasonable expenses as are necessary for the performance of their duties as President up to a maximum amount authorized by the University each year and stated in the annual budget in accordance with University policy. Such expenses would include: but not limited to, membership to local, regional and national business and professional organizations and groups; reasonable entertainment costs specific to the execution of their role as President; entry into public and private events and activities through which the University would receive a positive visibility and profile.

Benefit Plans

- 6.4 Subject to Article 6.4, the President shall contribute 6% of base salary (as adjusted pursuant to Article 3.2) and the University shall contribute 7.2% of base salary (as adjusted pursuant to Article 3.2) to a defined contribution pension plan for the President's sole benefit.
- 6.5 The President shall participate in all mandatory group insurance plans unless such participation is waived by the University. For Group Life Insurance and Group Health (including travel insurance) AST will pay 50% of the cost and the President shall pay 50%. The President shall pay 100% of the costs for Long Term Disability. Accidental Death and Dismemberment, and the Employee and Family Assistance Program are paid 100% by the University. In addition, the President may choose to participate in Group Dental, at 50% of their own cost and the University shall pay 50%. The President may also choose to participate in Supplementary Life Insurance at 100% of their own cost. The President acknowledges and agrees that the terms of such benefit programs may be amended from time to time at the University's sole discretion, and the University is not required to obtain the President's consent for any such amendments.
- 6.6 Immediate family members (spouse, children) of the President are eligible for a tuition rebate at the University and as determined by the University. The value of the tuition rebate is subject to change from time to time, and at the sole discretion of the University.

Vacation and Holidays

- 6.7 The President shall be entitled to one month of paid vacation per annum, defined as 22 workdays in the first fiscal year 2023/24 and 25 workdays for future years of this Agreement, prorated for any years in which employment is not for the full year. Vacation shall be taken in

the year in which it is earned and shall be taken with consideration of the best interests of the University. The President shall not carry forward unused vacation time except with the prior written approval of the Executive Committee. There shall be no compensation for any portion of vacation not taken in the year in which it was earned. Vacation shall not accrue during administrative leave time as otherwise provided for in this Agreement.

6.8 The President is also entitled to statutory holidays and any days when the University's business office is officially closed.

7.0 Professional Development

7.1 The University is committed to the professional development of the President. Accordingly, the President shall be entitled to three (3) weeks of leave during the 2023/24 fiscal year, and one (1) week of leave for future years of this Agreement for professional development purposes. For greater certainty, professional development purposes include professional development programs devoted to the continuing education and development of the President in their professional capacity, and do not include events or other programs where the President is fulfilling their role as President. The University will provide a maximum of \$7,500 per fiscal year towards professional development activities for the benefit of the President.

7.2 The Board may, at its discretion and in consultation with the President, direct professional development opportunities to be utilized from the amount defined in Article 7.1. In the event that the Board does not select professional development activities to the maximum amount defined in Article 7.1, the President shall provide to the Chair of the Board for approval a written estimated budget of professional development expenditures.

7.3 Professional development funds will be pro-rated for any fiscal year in which the period of eligible months of employment is less

than twelve (12) months. Unused professional development funds may be carried over for one year on the prior written approval of the Executive Committee of the Board.

8.0 Administrative Leave

- 8.1 The President will be eligible for a twelve-month administrative leave at the then applicable salary and benefits at the conclusion of their term unless the Employment Agreement is terminated or if the President is offered and accepts a Renewal Term. Administrative Leave is intended for use at the end of the President's term of employment to provide a transition period for subsequent career choices. As a condition of such leave, the President shall be available on a reasonable basis to advise the Board on significant matters affecting the University.
- 8.2 The President shall be paid 90% of base salary (as adjusted pursuant to Article 3.2), but not housing allowance, during Administrative Leave.
- 8.3 During any Administrative Leave taken by the President, the University shall not contribute to the pension plan although the President may continue contributions if they so desire.
- 8.4 During any Administrative Leave taken by the President, the President shall have the option of continuing benefits in which they previously participated. The cost of such benefits during the period of the Administrative Leave shall be at the President's own expense.
- 8.5 The parties agree that neither additional Administrative Leave nor vacation time shall accrue during any paid Administrative Leave.

9.0 Authority

- 9.1 The President shall have, subject always to the general and/or specific instructions of the Board of AST, full power and authority to manage and direct the business and affairs of AST (excepting matters

and duties that, as per bylaw or policy, must be transacted or performed by the Board), in accordance with the Charter, by-laws, policy and direction of the Board.

9.2 The President shall carry out all lawful instructions and directions provided to them by the Board and shall obey and carry out the policies of the University.

9.3 The President shall keep the Board informed of their activities through regular Board reports, or on an expedited basis for matters that could significantly impact the University.

10.0 Service

10.1 The President is engaged on a full-time basis for the benefit of the University. It is understood and agreed by the President that the hours of work shall vary and may be irregular as required to meet the objectives and best interest of the University and shall include the President's participation and attendance at engagements, events, and worship services, including evenings and weekends, at which the President's presence and participation is required to preserve and promote the University's strategic vision as outlined through its Mission and Strategic Plan.

10.2 The President shall, throughout the term of their appointment, devote their full time and attention to the business and affairs of the University, and shall not, without the prior written consent of the Board Chair, undertake any other business or occupation, or become a director, officer, or employee of any other institution, organization, firm, company partnership or individual.

10.3 The President shall adhere to the University's Conflict of Interest policy and shall immediately advise the Board Chair of any actual or potential conflict of interest that may arise as between their interests and the interests of the University.

11.0 Performance Review

11.1 The parties agree that during July of each year of this Agreement, the Executive Committee of the Board shall undertake an annual written performance review of the President's accomplishments based on the strategic and administrative priorities established in the previous year. Such a review may include, but not limited to, feedback from faculty, staff, key volunteers and other AST stakeholders, and would be used as the foundation of the establishment of mutually agreed upon strategic and administrative priorities for the coming 12 months.

12.0 Termination

12.1 The parties agree that this Agreement may be terminated as follows:

- a) By the President, at any time, for any reason, by giving six (6) months' written notice to the Board. The Board may, in its sole discretion, waive notice, in whole or in part. In that case, the Board would pay the President a lump sum equaling the value of the base salary (as adjusted pursuant to Article 3.2) for the remainder of the six (6) months' notice period.
- b) Termination by the University for Cause. The University may terminate this Agreement and the President's employment at any time for cause without providing the President with notice or any other compensation. The University shall pay the President all salary and other entitlements earned to the date of termination, but otherwise shall have no further obligations to the President. The term "cause" means any reason permitted under the Nova Scotia Labour Standards Code or common law to terminate employment without notice or pay in lieu of such notice.

Should it be determined that there was no cause, the President shall receive notice pursuant to Article 10.1(c).

c) Termination by the University Without Cause: The University may terminate this Agreement and the President's employment for any reason (without cause) by providing the following notice:

i. Before July 1, 2025, except in circumstances where the Nova Scotia Labour Standards Code, as amended from time to time prohibits without-cause termination, by providing pay in lieu of notice equivalent to six months of service on a pro-rated basis. All benefits, including disability benefits, will cease immediately. All group benefits (excepting LTD coverage), as well as the living allowance will be continued for one (1) week from the date of termination provided that they are cost shared in accordance with this agreement. For greater clarity entitlement to LTD coverage shall end immediately upon termination in accordance with the terms of the policy.

ii. After July 1, 2025, except in circumstances where the Nova Scotia Labour Standards Code, as amended from time to time, prohibits without cause termination, by providing to the President their Annual Salary as adjusted in accordance with Clause 5.2, by salary continuation, for a period of 12 months ("Salary Continuation Period"). All group benefits (excepting LTD coverage), as well as the living allowance will be continued for two (2) weeks from the date of termination provided that they are cost shared in accordance with this agreement. For greater clarity entitlement to LTD coverage shall end

immediately upon termination in accordance with the terms of the policy.

- iii. The parties acknowledge that the payment provided to the President under this Section is in discharge of all the obligations of the University to the President and is inclusive of and in full satisfaction of any claim by the President to reasonable notice, pay in lieu of notice, any compensation or damages under applicable employment standards, equivalent legislation and common law. However, under no circumstances will the entitlements with which the President is provided fall below the minimum requirements under the Nova Scotia Labour Standards Code or other applicable employment standards related legislation, as amended from time to time. In the event that the applicable employment standards legislation provides the President with greater entitlements upon termination of employment (“statutory entitlements”) than provided in this Agreement, the University shall provide the President with those statutory entitlements in substitution for the President’s rights under this Agreement.

12.2 Upon termination of this Agreement and the employment relationship for whatever reason, the President shall resign all offices held within the University except as provided for in this Agreement or by statute and shall not be entitled to receive any severance payment or compensation for loss of office or otherwise, by reason of the resignation. If the President fails to resign, the University is irrevocably authorized to appoint another person in the President’s name and on the President’s behalf to sign any document(s) or do that which is requisite to give effect to that office.

13.0 Frustration of Contract Due to Incapacity

13.1 Given the critical role that the President plays, the limited resources available to the University, and the impact of the absence of the President on the University's operations, the parties agree that if the President becomes, at any time, by reason of illness, mental or physical disability, incapacitated from carry out the terms of the Agreement and if they continue to be incapacitated for a longer period than one hundred and eighty (180) consecutive days, or if they become incapacitated at different times for more than one hundred and eighty (180) days during a one year period, then, the Board shall have the discretion to declare the contract to be frustrated, and the President shall not be entitled to compensation from the University. The President's right to benefits for which they may qualify for under the applicable benefits plan as determined by the benefit plan carrier, shall not be impacted by this decision.

13.2 The University will exercise its discretion based on medical and other relevant professional opinion required to assess the President's capacity. The President agrees to co-operate by providing medical or other professional opinion that relates to their capacity to perform their duties, including submitting to an independent examination by medical or other relevant professional as arranged by the University at its cost.

14.0 Employer's Property

14.1 The President acknowledges that all items of any and every nature or kind created or used by the President pursuant to the President's employment under this Agreement and furnished by the University to the President, which may include but is not limited to, equipment; credit cards, automobiles; books; records; reports; files; manuals; literature; confidential information; or other materials, shall remain and be considered the exclusive property of the University at all times and shall be promptly surrendered to the University, in good condition upon the termination of the employment relationship for any reason.

14.2 The parties agree that the laptop and communication device(s) which are provided to the President by the University for their use during the employment relationship in accordance with Article 4.2, shall be made available for purchase upon termination of the employment relationship, subject to provision of same to the University for removal of any information which in the sole discretion of the University, is the property of the University.

14.3 Academic writings and written speeches by the President shall remain the property of the President.

15.0 Assignment

15.1 The rights of the President under this Agreement are not assignable or transferable in any manner.

16.0 Notices

16.1 Any notice required or permitted to be provided to the President by the University pursuant to this Agreement, shall be sufficiently provided if delivered to the President personally, or if sent by registered mail to the President's home address last known to the University.

16.2 Any notice required or permitted to be given to the University shall be sufficiently given if sent by registered mail to the attention of the Board Chair at the University's head office.

17.0 Severability

17.1 If any provision, clause, Article, Schedule, or attachment (or part of any of them) which form part of this Agreement is deemed void, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions, clauses, Article, Schedule, or attachments (or parts of any of them), shall be and remain in full force and effect.

18.0 Entire Agreement

18.1 This Agreement constitutes the entire agreement between the parties with respect to the employment and appointment of the President. Any and all previous Agreements, written or oral, express or implied, between the parties or on their behalf, relating to the employment and appointment of the President are terminated.

19.0 Modification of Agreement

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

20.0 Headings

20.1 The headings in this Agreement are for convenience only and shall not be construed in any way as additions/limitations of the covenants and agreements contained within it.

21.0 Independent Legal Advice

21.1 The President acknowledges that they have obtained independent legal advice on this Agreement or has had an opportunity to obtain independent legal advice and declined same, and further acknowledges that they have read, understand, and agree to be bound by all of the terms and conditions contained in this Agreement.

22.0 Confidentiality

22.1 As a condition of employment, the President will be required to sign a "Confidentiality Agreement".

23.0 Governing Law

23.1 This Agreement shall be construed in accordance with the laws of the Province of Nova Scotia.

24.0 Dispute Resolution

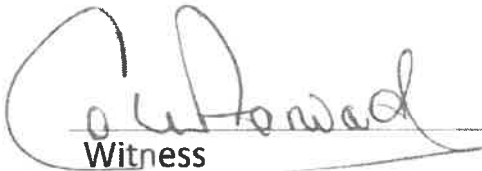
24.1 Any disputes arising under this Agreement shall be resolved by arbitration pursuant to the provisions of the Commercial Arbitration

Act 1999, SNS c. 5, s. 1. The results of any such arbitration shall be final and binding upon the parties. The costs of arbitration, including the costs of the arbitrator shall be paid by AST, although each party is responsible to pay the costs of any legal representation it engages.

24.2 Prior to proceeding with arbitration, the parties may agree to appoint a mediator to assist them with the resolution of any dispute arising from this Agreement.

Signatures

Dated at *Halifax*, this *17th* day of *May*, 2023.


Witness


Dr. Peter Secord, CD
Chair of the Board of Governors


Witness


Dr. Heather McCance

