EMPLOYMENT THIS AGREEMENT is made at St. John's in the Province of Newfoundland and Labrador

BETWEEN

this 2nd day of May, 2006.

HER MAJESTY THE QUEEN IN RIGHT OF NEWFOUNDLAND AND LABRADOR, herein represented by the Chief of Staff to the Premier, (herein called the "Chief of Staff")

AND

JOHN FITZGERALD, in the Province of Newfoundland and Labrador (herein called the "Contractual Employee")

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

1. SERVICE

- The Contractual Employee has accepted the appointment as Provincial 1.1 Representative in Ottawa.
- The Contractual Employee shall carry out the duties and responsibilities of Provincial Representative in Ottawa, as assigned to him by the Chief of Staff 1.2 or his Designate in the Premier's office.
- The Contractual Employee shall carry out the duties and responsibilities 1.3 referred to in Clause 1.2 at Ottawa, Ontario and St. John's, Newfoundland and Labrador or such other place as the Chief of Staff or his Designate in the Premier's office may determine.
- The term of this Agreement shall be four (4) years, commencing the 2nd day 1.4 of May, 2006 to the 1st day of May, 2010, inclusive until the expiration of the said term or until termination pursuant to this Agreement.
- The Contractual Employee shall have the status of Deputy Minister in the 1.5 Government of Newfoundland and Labrador and be entitled to any additional benefits that may be approved from time to time for Deputy Ministers.

HOURS OF WORK AND OTHER EMPLOYMENT 2.

- The Contractual Employee shall carry out the duties and responsibilities referred to in Clause 1.2 at such times as the Chief of Staff or his Designate 2.1 in the Premier's office may require.
- During the term of this Agreement, the Contractual Employee shall not be engaged or interested in any other business or undertaking except with the 2.2 prior written consent of the Chief of Staff.

PAYMENT 3.

- Subject to Clause 3.2, the Chief of Staff shall pay to the Contractual Employee during the term of this Agreement an annual salary in accordance 3.1 with step 15 of 2320 points on the Executive Pay Plan (\$112,542.00) and a living allowance of \$17,500.00 which shall be paid in equal instalments every two weeks, on Wednesday.
- The following deductions shall be made from the amounts referred to in 3.2 Clause 3.1 as appropriate:
 - Income Tax; (a)
 - Payments required to be made in respect of: (b)
 - Canada Pension Plan, (i)
 - Employment Insurance, and (ii)
 - Government Money Purchase Plan; and (iii)
 - Any other deductions required by law. (c)
- Normal step progression and general salary increases applicable to Deputy Ministers and equivalents, as approved, shall apply to the salary component 3.3 as stated in Clause 3.1.
- During the term of this Agreement, the Chief of Staff shall provide annually to the Contractual Employee, four (4) economy class airfares from Ottawa to 3.4 The Contractual Employee St. John's return for personal travel. acknowledges that this will result in a taxable benefit.
- Subject to Clauses 3.4 and 4.1, the amount set out in Clauses 3.1 and 3.3 shall constitute the entire amount payable to the Contractual Employee 3.5 under this Agreement.

TRAVEL EXPENSES 4.

- In addition to the amounts payable pursuant to Clauses 3.1 and 3.3, the Chief of Staff or his Designate in the Premier's office shall reimburse the 4.1 Contractual Employee, at the rate established by the Treasury Board Travel Expense Rules (for Deputy Ministers) for travel expenses incurred by the Contractual Employee in the performance of this Agreement, provided such travel has been authorized by the Chief of Staff or his Designate in the Premier's office.
- For purposes of Travel Expenses, the Contractual Employee's headquarters 4.2 shall be Ottawa.

5. RELOCATION EXPENSES

- 5.1 The Chief of Staff shall reimburse the Contractual Employee as follows:
 - (a) For the purpose of finding suitable living accommodations in Ottawa, one economy class return airfare and up to 5 days temporary accommodations and meals;
 - (b) Upon provision of three quotes co-ordinated through Government's Purchasing Agency, reasonable relocation costs for transportation of household and personal effects.

6. <u>LEAVE</u>

- 6.1 Subject to the terms and conditions regarding leave as set out in the Paid Leave Policy for Executive, Management and Non-management/Non-bargaining Employees, approved by MC 92-0299, the Contractual Employee shall be entitled to:
 - 5.1.1 Paid Leave, to be accumulated at the rate of two and one half (2 1/2) days per month during the term of this Agreement.
 - 5.1.2 Paid holidays on those days designated as holidays for Provincial Government Employees under the Paid Leave Policy.

7. MEDICAL PLAN

7.1 Subject to the approval of the Insurance Underwriter, the Contractual Employee shall participate in and contribute to the Group Health and Life Insurance Plan and the Long-Term Disability Insurance applicable to permanent employees of the Government of Newfoundland and Labrador (herein called "Provincial Government Employees"). The benefits payable shall be equivalent to those attributed to Provincial Government Employees residing and working in the Province of Newfoundland and Labrador.

8. INJURY ON DUTY

8.1 If the Contractual Employee is injured while carrying out the duties and responsibilities described in Clause 1.2, the terms and conditions set out in the Personnel Administration Procedures issued by the Treasury Board under the authority of section 7(2) of the *Financial Administration Act* regarding "Injury on Duty" shall apply.

9. CONFIDENTIALITY

- 9.1 The Contractual Employee 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 Chief of Staff or his Designate in the Premier's office.
- 9.2 Confidential information shall include all information the Contractual Employee receives, discovers, develops or has access to involving any operations or decisions of the Government of Newfoundland and Labrador.
- 9.3 The Contractual Employee shall comply with the provisions of the Conflict of Interest Act, 1995.

10. OWNERSHIP OF DOCUMENTS

10.1 All information or data produced by the Contractual Employee in the performance of this Agreement shall be and remain the property of the Chief of Staff.

11. TERMINATION

- 11.1 The Chief of Staff may terminate this Agreement at any time, without notice, for cause.
- 11.2 If this Agreement is terminated for cause the Chief of Staff shall not make any payment to the Contractual Employee as a consequence of or in compensation for the termination except for the balance of any unused Paid Leave. The payment for Paid Leave is calculated using the salary component of the amount in Clauses 3.1 and 3.3.
- 11.3 This Agreement may be terminated by the Chief of Staff at any time, without notice without cause, and by the Contractual employee at any time upon 30 calendar days notice in writing.
- 11.4 If this Agreement is terminated without cause by the Chief of Staff, the Chief of Staff shall pay the Contractual Employee

- (a) termination benefits of 1 year of the salary component of the amount in Clauses 3.1 and 3.3 or the salary component of the amount in Clauses 3.1 and 3.3 for the balance of the term of this Agreement, whichever is less; and
- (b) the balance of any unused Paid Leave. The payment for Paid Leave is calculated using the salary component of the amount in Clauses 3.1 and 3.3.
- 11.5 Upon termination by the Contractual Employee the obligations of the Chief of Staff shall lapse upon the expiry of the notice period. The Contractual Employee shall not be entitled to any further compensation other than the payment for the balance of any unused Paid Leave. The payment for Paid Leave is calculated using the salary component of the amount in Clauses 3.1 and 3.3.
- 11.6 Upon expiry of the term of this Agreement the Contractual Employee shall not be entitled to any further compensation other than payment for the balance of any unused Paid Leave. The payment for Paid Leave is calculated using the salary component of the amount in Clauses 3.1 and 3.3.
- 11.7 The address for notices of termination shall be:

For the Chief of Staff:

Chief of Staff, Office of the Premier 8th Floor, Confederation Building P.O. Box 8700 St. John's, NL A1B 4J6

For the Contractual Employee:

11.8 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.

12. AMENDMENT

12.1 This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements or arrangements, written or oral, relating to this Agreement. 12.2 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.

13. ASSIGNMENT

13.1 This Agreement may not be assigned in whole or in part by the Contractual Employee.

14. TERM OF AGREEMENT

14.1 The term of this Agreement will extend to the 1st day of May, 2010, inclusive until the expiration of the said term or until termination pursuant to this Agreement; however, it may be renewable by mutual agreement of the parties hereto.

15. APPLICABLE LAW

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

IN WITNESS WHEREOF the parties have signed this Agreement.

HER MAJESTY THE QUEEN IN RIGHT OF NEWFOUNDLAND AND LABRADOR, herein represented by the Chief of Staff to the Premier

CHIEF OF STAFF

JOHN FITZGERALD

WITNESS

WITNESS