



# McGill

Chair, Board of Governors  
McGill University  
James Administration Building  
845 Sherbrooke Street West  
Montreal, QC, Canada H3A 0G4

Président, Conseil des gouverneurs  
Université McGill  
Pavillon James de l'administration  
845, rue Sherbrooke ouest  
Montréal, QC, Canada H3A 0G4

September 25, 2013

Dr. Suzanne Fortier

Dear Dr. Fortier:

The Board of Governors of McGill University has approved your appointment as McGill's seventeenth Principal and Vice-Chancellor. You have indicated your acceptance of this appointment. On behalf of the Board, I am pleased to set out the following terms and conditions of your appointment.

1. **Appointment as Principal and Possible Reappointment**

Your appointment as Principal and Vice-Chancellor is for a term of four years and ten months beginning September 5, 2013 and extending until June 30, 2018. You will be eligible for reappointment for an additional term not to exceed five years in accordance with the McGill University Statutes and procedures then in place. By January 1, 2017, you will inform the Chair of the Board in writing of your intention to seek reappointment or not.

2. **Duties and Responsibilities**

You are expected to perform the duties and responsibilities of Principal and Vice-Chancellor of the University as prescribed by the Statutes of McGill University as amended from time to time, and in accordance with the applicable by-laws, policies and resolutions of the Board and the reasonable and lawful directions of the Board, the Executive Committee thereof and the Board Chair. During your service as Principal and Vice-Chancellor, you will be expected to devote your full professional time, attention and abilities to your duties and responsibilities and the affairs of the University unless prevented by ill health or accident, or as otherwise agreed to by the Chair.

3. **Accountability, Performance Objectives and Review**

3.1 You will be accountable to the Board of Governors, through its Chair, for the performance of your duties and responsibilities and will meet with the Chair regularly to discuss matters relevant to the management of the University.

3.2 The Chair and you shall meet annually in a confidential session to discuss performance in accordance with goals, objectives and targets to be agreed upon between you and the Board Chair from time to time. Your performance will be evaluated annually at a time and in a format mutually agreeable to you and the Chair.

4. **Professor with Tenure**

4.1 You also will hold appointment at the rank of Professor with tenure in the Department of Chemistry, Faculty of Science, and shall hold that appointment effective September 5, 2013 without term, except if your employment is terminated in accordance with section 17.1. Upon stepping down as Principal, or ceasing to act as Principal for any reason other than a termination pursuant to section 17.1, you will have the right to join the Faculty and take up professorial duties, which will be as agreed to between you and the Dean of Science at that time.

4.2 Upon completing your appointment as Principal and Vice-Chancellor, and once you assume duties as a professor in the Faculty of Science after completion of the administrative leave referred to in section 11 of this agreement, your salary will be determined in accordance with the academic salary policy then in force for a professor with your rank and seniority.

5. **Outside Commitments**

You will obtain the approval of the Chair before accepting any appointment or commitment outside the University or beyond the scope of your duties and responsibilities as Principal and Vice-Chancellor, including, but not limited to, directorships, commissions, consulting.

6. **Salary**

6.1 Your initial base salary as Principal will be at the rate of \$390,000 per annum, effective September 5, 2013. This base salary will be reviewed annually by the Human Resources Committee of the Board, and may be subject to annual adjustment, as appropriate, in accordance with salary policy. Any adjustment resulting from the initial review will be implemented with effect on or after September 1, 2014, according to the normal cycle applicable to senior administrators of the University.

6.2 Subject to applicable legislation, in addition to possible adjustment of your base salary, you will be eligible for an annual performance-based merit payment of up to twenty (20) percent of your base salary, subject to a review by the Chair in accordance with a set of mutually agreed upon goals, objectives and targets as set out in section 3.2 of this agreement. Any such merit payment shall be subject to the approval of the Human Resources Committee, be paid in equal monthly installments during the ensuing year, and shall be implemented with effect on or after September 1 of each year in which it is paid according to the normal cycle applicable to senior administrators of

the University, beginning at the earliest in 2014.

**7. Vacation**

You will be entitled to five weeks' paid vacation during each year of service as Principal, in addition to statutory holidays and the period of the University's Christmas-New Year holiday. You will make reasonable efforts to use the holidays during the year in which they are earned and minimize accrual of paid vacation entitlement from one year to the next. In any event, you will not be entitled to receive cash payments in lieu of unused paid vacation entitlements.

**8. General Benefits**

8.1 You will be eligible to become a member of McGill University's Benefits Program in accordance with the terms and conditions and cost-sharing arrangements of the component plans, including health, dental, short and long-term disability (until age 65), tuition assistance, life insurance and related plans. It is understood that you may waive eligibility for McGill benefit plans where you already have similar coverage under an alternate plan.

8.2 For the purposes of University benefit programs, including dental and extended health plans, tuition assistance and related programs, you will be treated as a member of the full-time faculty and will be entitled to participate in each faculty-wide benefit program as a faculty member, including any extension of the benefits of current programs and any new programs which may be implemented on a faculty-wide basis. You will also be entitled to the executive medical program provided by the Medisys Health Group or its equivalent.

8.3 Regular deductions will be made from your salary in accordance with applicable benefit plans and Board regulations, in order to provide for your contributions to the costs of the plans in which you are enrolled, and also for income tax, Quebec Pension Plan and unemployment insurance, as required from time to time under applicable law and regulations.

**9. Pension**

9.1 Upon commencing your appointment, you will become a member of the McGill University Pension Plan (a defined contribution Plan) in accordance with the terms and conditions and contribution rates applicable to full-time faculty members.

9.2 In addition, you will be a member of the University's Supplementary Executive Retirement Plan in accordance with the terms and conditions of the Plan as they are modified from time to time.

**10. Club Membership**

10.1 The University will pay the initiation and annual fees for you to belong to a club in Montreal where your membership is related to and enables you to fulfill your duties and obligations to the University, provided such club is approved by the Chair in advance of you joining. The University will pay for reasonable expenses incurred in the use of club facilities and services for University-related purposes.

10.2 The University, subject to the prior approval of the Chair, will pay the annual fees for you to belong to additional clubs, whether in Montreal or another city or jurisdiction outside Montreal, where your membership in such a club is considered to advance the University's interests. The University will pay for reasonable expenses incurred in the use of such club facilities and services for University-related purposes.

**11. Administrative Leave**

You will become entitled to a paid administrative leave of one year (12 consecutive months) upon completion of your full initial term as Principal. Should your appointment as Principal and Vice-Chancellor end before the completion of your full initial term, you will accrue entitlement at the rate of 2.4 months of administrative leave for each year of service, pro-rated for a part-year. While on administrative leave, you will receive 100% of your base salary in effect at the conclusion of your final year as Principal. You shall also continue to be a member of McGill University's Benefits Program in accordance with section 8 as well as of the McGill University Pension Plan and the Supplementary Executive Retirement Plan in accordance with section 9. If you are appointed to a second term, you and the Chair will discuss the postponement of the administrative leave and will also discuss whether there will be any further accrual of administrative leave during the second term. Unused entitlement to administrative leave shall have no cash value to you or your estate.

**12. Expenses**

12.1 The University will pay, or reimburse you for, reasonable expenses related to the performance of your duties and responsibilities as Principal, including travel on University business, professional memberships, books, subscriptions, equipment, appropriate entertainment, University events hosted by you, and, subject to the prior approval of the Chair, travel of your spouse where and when appropriate.

12.2 All expense payments or reimbursement will be subject to the approval of the Chair and paid against invoices, vouchers or receipts certified by you.

13. **Personal Automobile Use**

Since the University provides no official automobile for the Principal, it will reimburse you for reasonable costs incurred in the use of your personal vehicle while on University business, in accordance with applicable rates and procedures.

14. **Personal Residence Use**

Since the University provides no official residence for the Principal, it will pay, or reimburse you for, reasonable expenses incurred in the use of your personal residence for University-related functions, receptions, dinners or other forms of entertainment.

15. **Relocation Allowance**

You will be entitled to a relocation allowance to cover eligible relocation costs to Montreal in accordance with University policy.

16. **Legal and Financial Fees**

16.1 The University will reimburse you on a one-time basis, for receipted fees paid to engage legal counsel or financial expertise to provide advice on this employment agreement, to a maximum of Three Thousand Dollars (\$3000).

16.2 The University will reimburse you for annual receipted fees paid for professional services which you engage for purposes such as financial planning, investment counselling and assistance with preparation of Income Tax Returns, to a maximum of Two Thousand Dollars (\$2000) per year.

17. **Termination for Just Cause**

The University, acting reasonably, may terminate your employment at any time for just cause, as defined by law and jurisprudence. In that event, your appointment as Principal and Vice-Chancellor, as well as your appointment as tenured professor shall immediately be terminated without compensation except for the base salary earned to the date of termination, the annual performance-based merit payment earned but not yet fully paid, the justified business expenses not yet reimbursed and the portion of the administrative leave you have become entitled to on the date of termination of your employment in accordance with section 11 of this agreement. In the event of such termination you shall retain entitlement to pension pursuant to sections 9.1 and 9.2 of this agreement.

**18. Termination Without Cause**

18.1 Until the commencement of the third year of the term of your appointment as Principal and Vice-Chancellor (the "Term"), the University may terminate such appointment at any time without cause by providing you a severance payment equal to two (2) years of base salary at the date of termination as well as the equivalent of two (2) years General Benefits pursuant to section 8. Following the commencement of the third year of the Term, the University may terminate such appointment at any time by providing you a severance payment equal to the number of months remaining in the Term, at the base salary in force at the time of termination as well as the General Benefits set out in section 8. In that event, you shall retain entitlement to the portion of the administrative leave you have become entitled to in accordance with section 11 of this agreement. At your option, the severance payment shall be paid to you, wholly or partially, by way of salary continuation, or in a lump sum in one or more instalments, less applicable deductions.

18.2 In order to avoid the payment of a double remuneration, the severance payment provided for in paragraph 18.1 will be reduced by any amount which is actually owed to you as a tenured professor during the period covered by the severance payment.

**19. Disclosure and Conflict of Interest**

You will comply with the University's policies on disclosure and conflict of interest applicable to the faculty at large and senior members of the administration, for the purposes of identifying and avoiding potential or perceived conflicts of interest, and you will provide annual confidential written disclosures in accordance with such policies.

**20. Indemnity**

The University shall defend, indemnify and save you harmless from and against all losses, damages, liabilities, fines, penalties, costs and expenses arising from any demand, claim, action, proceeding or order whatsoever (hereinafter called a "Claim") made or brought against you directly or indirectly, except to the extent that such Claim relates to or arises as a result of your gross negligence, willful misconduct or criminal act or omission. The University confirms that it has obtained and shall maintain in force sufficient liability insurance to insure that its obligations to you under this section are met.

**21. Governing Law**

This agreement shall be governed by the law of the Province of Quebec and federal laws applicable therein.

22. Language

This agreement has been drawn up in English at the request of the parties. *Cette entente a été rédigée en anglais à la demande des parties.*

I trust that the above accurately sets out the relevant terms and conditions.

Yours truly,

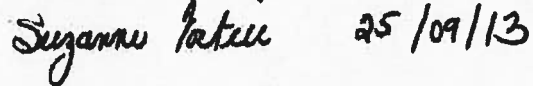


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Stuart Cobbett

Chair, Board of Governors  
McGill University

I agree with and accept the terms and conditions of this agreement.



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Suzanne Fortier