



5163 Duke Street
Halifax, Nova Scotia, Canada B3J 3J5
902 444 9600 ext. www.nscad.ca

July ●, 2024

Dr. Peggy Shannon
20 Birches Drive
Halifax, NS B3N 3H2

Dear Peggy:

Re: Amendment to Employment Agreement

Further to our meetings regarding your employment with Nova Scotia College of Art & Design University (the "University"), this letter ("**Amending Agreement**") sets forth the agreed-upon amendments to your November 15, 2021, Employment Agreement ("**Employment Agreement**") with the University.

Following our discussions, we agreed to the following changes to the Employment Agreement:

Effective July 1, 2024, Article 3.4 of the Employment Agreement is replaced with the following:

3.4 Commencing July 2024 and annually thereafter while the President serves as President, the President will be entitled to earn a performance incentive of up to 10% of the President's annual salary (the "**Performance Incentive**").

- (a) The amount of the Performance Incentive will be determined annually by the Board of Governors and will be based on the achievement of the priorities and goals set in accordance with Article 3.3.
- (b) The President acknowledges and agrees that the award and determination of the amount of any such Performance Incentive is solely at the discretion of the Board of Governors and that, unless and until any annual Performance Incentive is determined and paid, the President has no entitlement to any Performance Incentive.
- (c) Performance Incentive payment(s) are only earned when they are approved by the Board of Governors and paid and are not earned or payable on a pro-rated basis. The President will receive no Performance Incentive payment(s), for any period, if the President or University has delivered written notice of termination of the President's employment during the Term.

3.5 The University will be entitled to deduct from the payments under this Agreement any required deductions and the amounts owing by the President to the University.



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All other terms and conditions of your Employment Agreement remain the same and in full force and effect.

Please indicate your agreement to the above stated terms and your acceptance by signing this letter and returning it to my attention.

Sincerely,

Bill Barker
Chair, Board of Governors

I, **Dr. Peggy Shannon**, accept and agree to the terms outlined above in this Amending Agreement in relation to my employment with the University. I acknowledge that good and valuable consideration has been received by me in respect of the terms set forth in this Amending Agreement and that I have had the opportunity to obtain independent legal advice with respect to the terms of this Amending Agreement or have waived my right to do so.

DR. PEGGY SHANNON

Date: 09/Sept/2024

THIS EMPLOYMENT AGREEMENT made the 15 day of Nov., 2021. BETWEEN:

NOVA SCOTIA COLLEGE OF ART & DESIGN UNIVERSITY, a body corporate, (the "University").

- and -

DR. PEGGY SHANNON, Professor and University Administrator (the "President")

WHEREAS it is the desire of the University to have Dr. Peggy Shannon serve as President of the Nova Scotia College of Art & Design University

AND WHEREAS Dr. Peggy Shannon has undertaken to serve as President of Nova Scotia College of Art & Design University on the terms and conditions set out in this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that, for and in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, Nova Scotia Art & Design University and Dr. Peggy Shannon covenant and agree as follows:

1. TERM

1.1 The term of this Agreement will be for a term commencing on July 1, 2022, and concluding on June 30, 2027 (the "Term"), unless terminated earlier in accordance with the provisions of this Agreement. The appointment as President of the University will commence July 1, 2022.

1.2 The Term may be extended for subsequent term(s), by mutual agreement between the President and the University.

1.3 The President warrants that they have the skill, ability and qualifications to perform the duties as President of the University. Furthermore, the President warrants that the personal information provided to the University during the hiring process is accurate.

2. DEVOTE FULL TIME TO POSITION

2.1 The President agrees with the University to diligently and faithfully perform the functions and duties conferred on or assigned to them by the Board of Governors of the University. The President will devote full time to the position of President and as such exercise such powers and carry out those duties as is incumbent upon one in such office so to do.

2.2 The President will not accept any other employment or remuneration appointment to an agency, board or organization external to the University without the prior approval of the Chair of the Board of Governors.

2.3 The President will be bound by and will faithfully observe and abide by all rules and regulations of the University from time to time in force which are brought to their notice or of which they should reasonably be aware.

3. REMUNERATION

3.1 The annual salary of the President, effective July 1, 2022, will be in the amount of \$250,000.

3.2 The President's annual salary will be reviewed each year by the Governance and Human Resources Committee of the Board of Governors.

3.3 The Board Chair and the Chair of the Governance and Human Resources Committee of the Board of Governors will set, on an annual basis, priorities and goals for the President as well as metrics to measure success of these priorities and goals. On a quarterly basis, the Board Chair and the Chair of the Governance and Human Resources Committee will review the President's performance and effectiveness, and the Chair of the Board of Governors will meet with the President to discuss the results of the performance review together with any comments or recommendations arising therefrom.

3.4 The University will be entitled to deduct from the payments under this Agreement any required deductions and the amounts owing by the President to the University.

4. BENEFITS

4.1 The President will be provided with such insurance and other benefits as are more fully described in Schedule "A" hereto. Such benefits will be provided during the Term as well as during any period of paid leave which the President may be entitled to take pursuant to this Agreement subject to the conditions stated in Schedule "A".

5. PENSION PLAN

5.1 The President will participate in the University's Pension Plan and may participate in supplementary savings plans, including the Supplemental Arrangement ("SA") more particularly described in Schedule "B" hereto, subject, however, to such terms and conditions thereof and any amendment made thereto from time to time in accordance with said plans.

6. ADMINISTRATIVE LEAVE

6.1 Provided the President remains actively employed with the University to June 30th, 2027, ("End Date") and notice of resignation or termination is not provided by the President or the University prior to the End Date, the President will be entitled to an administrative leave for a term of up to nine (9) months following completion of their employment with the University as President. For greater certainty, if the Term is renewed or extended, the End Date for Articles 5 and 6 will mean the last day of the Term agreed upon for such renewal or extension and an administrative leave will only be granted after the new End Date. The President's annual rate of remuneration during such administrative leave will be the annual salary in effect on the End Date immediately prior to the commencement of the administrative leave.

6.2 During the entire period of administrative leave, the President will be available on a reasonable basis (to a normal maximum of five (5) days per month) to advise the Board of Governors on matters relating to collective bargaining, collective agreement administration, government relations, fundraising and such other matters as may be mutually agreed.

7. EXPENSES

7.1 The President will be reimbursed in accordance with the University's policies for reasonable and necessary expenses incurred in connection with the fulfillment of their role as President. Expenses will only be reimbursed upon presentation of qualifying receipts. Such expenses are subject to the final approval of the Chair of the Board of Governors or their designate.

7.2 A budget for Presidential priorities (e.g., student recruitment, brand building, capital fundraising, etc.) will be established annually in consultation with the Chief Financial Officer and Chair of the Board of Governors. Presidential priority expenses of the President will not exceed the budget unless otherwise approved by the Chair of the Board of Governors.

7.3 The President will be reimbursed for all reasonable travel expenses actually and properly incurred in connection with their duties as President. Such expenses will be supported by statements, invoices or vouchers. The travel budget for the President will be established annually in consultation with the Chief Financial Officer and Chair of the Board of Governors. Travel expenses will not exceed the budget unless otherwise approved by the Chair of the Board of Governors. All international travel plans must be pre-approved by the Chair of the Board of Governors.

7.4 The University will reimburse the President for reasonably incurred expenses associated with relocation and travel expenses for relocation from their current residence in California to Halifax, up to a maximum of \$30,000 CDN (including taxes). Relocation costs may include costs incurred for cancelling the lease or selling current residence, purchase of new residence in Halifax, transportation and storage, such as packing, hauling, movers, in-transit storage and insurance. Relocation may also cover reasonable travel, accommodations and meal expenses for the President and their family incurred in the relocation to Halifax. Expenses will only be reimbursed upon presentation of appropriate receipts, vouchers or invoices and in accordance with NSCAD financial policies.

7.5 The University agrees to provide a lump sum payment on completion of the term in the amount of \$10,000 to defray the cost of relocation.

7.6 The President will be allocated one parking spot in proximity to the Fountain Campus.

8. VACATION

8.1 The President will be entitled to an annual leave of vacation period equal to six (6) weeks in addition to statutory and University holidays. Vacation will be taken on dates agreed to between the President and Chair of the Board of Governors. It is understood that vacation days not used may not be carried forward to a subsequent year without approval of the Chair of the Board of Governors.

9. LIVING ALLOWANCE

9.1 The President shall receive a living allowance of \$12,000 per annum for use of their personal automobile in conducting business on behalf of the University, local housing and memberships.

10. **TERMINATION**

10.1 The President may terminate their employment, at any time during the Term, by providing six (6) months' written notice to the University.

10.2 The University may terminate the employment of the President under this Agreement at any time without just cause by providing the President with notice as follows:

- (a) Before June 30, 2024 – eight (8) months' notice (less statutory deductions and less any income earned by the President during the notice period);
- (b) After July 1, 2024 – eight (8) months' notice plus one additional month of notice per completed year of service (less statutory deductions and any income earned by the President during the notice period).

10.3 The notice provided by the University pursuant to Article 10.2 may be working notice, pay in lieu of notice or any combination thereof, at the University's option.

10.4 The payments provided to the President pursuant to Article 10.2 are provided inclusive of the President's entitlement to reasonable notice, pay in lieu of notice, termination pay under the *Labour Standards Code* or at common law.

10.5 The President's benefits, including but not limited to health, dental, short-term and long-term disability coverage, will end on the last day that the President is actually at work prior to the termination of their employment, for whatever reason.

10.6 It is agreed that the above provisions relating to termination without just cause do not apply to any failure to renew this Agreement following the expiry of the Term.

11. **DISABILITY**

11.1 If the President is unable to discharge their duties because of mental or physical illness or disability, they 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, they will be entitled to long-term disability benefits in accordance with the plan and, in the case of being Totally Disabled, the University will have no obligation whatsoever to pay to the President the salary provided for under Article 3 hereof or to top-up the amount of disability benefits paid to the President.

11.2 Upon the occurrence of the Disability of the President, the President thereupon will be deemed to have resigned from the position of President and will continue as an employee of the University with continuing entitlement to such disability benefits as they may be eligible to receive as stated above.

11.3 Upon the deemed resignation of the President as President, the University will have the immediate right to appoint a successor as the President.

11.4 The Parties recognize that this provision in these circumstances is not discriminatory for the purposes of the *Human Rights Act*. For purposes of this Article 11, but only where capitalized, "Disability" means:

- (a) the President's inability to substantially fulfill their 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 fulfill their 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 their personal representative, as the case may be) to the Chair of the Board of Governors that the President does not intend to fulfill their 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 of Governors and the President (or their 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 will be determined by a physician mutually acceptable to the Board of Governors and the President whose determination will be conclusive evidence of any such Disability and of the date any such Disability began or ended (provided that if the Board of Governors and the President are unable to identify a mutually acceptable physician who will make such a determination, the issue will be resolved by arbitration in accordance with Article 16 below).

12. **JUST CAUSE**

12.1 The University may dismiss the President for cause from the Office of President. Should the President be so dismissed, this Agreement will be terminated, and the University will thereupon be relieved from any further obligation thereunder.

13. **TECHNOLOGY**

13.1 Subject to the approval of the Chair of the Board of Governors, the University will provide the President with required technological devices (including smart phone and laptop computer) for travel and home to perform their duties.

14. **CONFIDENTIALITY**

14.1 The President will not, while employed by the University, nor thereafter, directly or indirectly, without the approval of the Board of Governors:

- (a) disclose or use, directly or indirectly, any secret or confidential information, knowledge or data of the University to the detriment of the University howsoever obtained;
- (b) divulge to any person, firm or corporation any invention, process, technique, program, service of the University, or any other confidential information, patent

application, copyright, trademark or trade secret acquired as a result of their employment or in the course of their employment; or

- (c) divulge to any person, firm or corporation any of the confidential financial affairs of the University.

15. **CONFLICT OF INTEREST**

15.1 For the purposes of identifying and avoiding actual and potential conflicts of interest, the President personally will have a continuing obligation to comply with Policy on Conflict of Interest (as may be amended from time to time) and to disclose to the Board of Governors any personal assets, investments and commercial involvements, and those of their spouse, if known, that may raise concerns about actual and potential conflicts of interest and will, at least annually, provide a formal report to the Board of Governors.

16. **DISPUTE RESOLUTION**

16.1 In the event of any dispute or difference arising between the parties hereto as to the administration of this Agreement, or the rights, duties or obligations of either party hereunder, it will be settled by way of reference to a single arbitrator and if the parties hereto cannot agree upon a single arbitrator, then such dispute will be settled in accordance with the provisions of the *Commercial Arbitration Act* of Nova Scotia.

16.2 The parties hereto agree that exhaustion of the arbitration process will be a condition precedent to civil litigation.

17. **HEADINGS**

17.1 The headings appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of the sections of this Agreement nor in any way affect this Agreement.

18. **NOTICES**

18.1 All notices hereunder will be in writing and served by e-mail, facsimile or overnight courier to the addresses shown below. Either party may change its address by written notice to the other party.

If to the University:

Chair of the Board of Governors
NSCAD University
Nova Scotia College of Art and Design
5163 Duke Street
Halifax, NS B3J 3J6
e-mail: governance@nscad.ca

If to the President:

Dr. Peggy Shannon
7548 Margerum Ave.
San Diego, CA 92120
USA
email: p.shannon.director@gmail.com

19. **ENTIRE AGREEMENT**

19.1 This Agreement constitutes the entire understanding between the parties hereto with reference to the subject matter hereof, and this Agreement will not be amended or modified in any respect except by written instrument signed by both Parties.

20. APPLICABLE LAW

20.1 This Agreement will be governed by and construed in accordance with the laws of the Province of Nova Scotia, and the laws of Canada applicable therein.

21. SEVERABILITY

21.1 Any provision of this Agreement which is found to be wholly or partly unenforceable will be severable from, and will not affect the enforceability of, the balance of this Agreement.

22. INDEMNIFICATION

22.1 The President and their heirs, executors, administrators and estate will at all times be indemnified and held harmless by the University against all costs, charges and expenses which he or they may sustain or incur in or in connection with any action, claim suit or proceeding brought in respect by any act, deed, matter or thing done or permitted by them in or about the execution of their duties as President, or alleged so to be, except such costs, charges and expenses which arise out of or are occasioned by his own bad faith conduct, willful default or neglect.

23. SUCCESSORS AND ASSIGNS

23.1 The President may not assign this Agreement without the written consent of the University.

23.2 The within Agreement will enure to the benefit of and be binding upon the parties hereto and their heirs, executors, administrators, successors and permitted assigns.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this agreement effective the date first written above.

SIGNED in the presence of:

) **NOVA SCOTIA COLLEGE OF ART &**
) **DESIGN UNIVERSITY**
)

Witness

) _____
) Per: Maggie Marwah
) Chair, Board of Governors

Theresa Larkin

Witness

) _____
) *Peggy Shannon*
) _____
) Dr. Peggy Shannon