

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made effective this 25 day of February, 2019 ("Effective Date").

BETWEEN:

THE BALANCING POOL,
a body corporate incorporated pursuant to the *Electric Utilities Act*,
in the Province of Alberta (the "**Corporation**")

- and -

BENJAMIN CHAPPELL
a resident of the City of Calgary,
in the Province of Alberta (the "**Employee**")

WHEREAS effective June 14, 2018 the Employee was appointed the Acting President and Chief Executive Officer of the Corporation, pursuant to section 79 of the *Electric Utilities Act*, and is considered by the Board of Directors of the Corporation to be a valued employee of the Corporation;

AND WHEREAS the Employee has acquired skills and abilities relating to and an extensive background in and knowledge of the Corporation's business, governing legislation and regulations, and the industry in which it is engaged and therefore the Corporation recognizes that it is in the best interests of the Corporation that the Corporation promote the Employee to the position of permanent President and Chief Executive Officer ("President and CEO") effective the date of this Agreement;

AND WHEREAS the mandate of the Corporation after December 31, 2020 is uncertain;

AND WHEREAS the Corporation believes it is fair and reasonable that the Employee receive fair treatment in the event of a termination of employment, or in the event that the Government of Alberta modifies or discontinues the Corporation or the Corporation's mandate expires resulting in the termination of the Employee's services;

AND WHEREAS the Parties desire as of the effective date of this Agreement to rescind all prior consulting or employment agreements and to enter into a written employment agreement containing agreed upon terms and conditions of employment;

NOW THEREFORE in consideration of the Employee being provided with an increase in his annual salary and promotion to President and CEO of the Corporation, and the mutual covenants and agreements hereinafter contained, the receipt and sufficiency of such consideration is hereby acknowledged and the parties hereto covenant and agree with each other as follows:

ARTICLE 1
GENERAL

1.1 Definitions

Wherever used in this Agreement, the following words and terms have the respective meanings set out below unless the context otherwise requires:

- (a) **"Act"** means the *Electric Utilities Act*, S.A. 2003, c. E-5.1, or any amendments to that statute.
- (b) **"Agreement"** means this agreement and all schedules attached hereto, and in each case as they may be amended or supplemented from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this agreement and, unless otherwise indicated, references to articles, sections and subsections are to articles, sections and subsections in this agreement.
- (c) **"Board"** means the board of directors of the Corporation, and includes any committees or delegates thereof.
- (d) **"Bylaws"** means the bylaws of the Corporation enacted pursuant to s. 78 of the Act, as amended from time to time.
- (e) **"Cause"** means:
 - (i) such act, behaviour, negligence, or omission as shall have been or shall hereafter be ascribed, directly or by analogy, by jurisprudence or law to constitute just cause for the immediate termination of employment;
 - (ii) a breach of any material obligation under this Agreement or such other material written agreement as may exist between the Employee and the Corporation;
 - (iii) the commission of any criminal offence or morally questionable act which the Corporation reasonably determines may have an adverse effect upon the reputation or good will of the Corporation, or on the performance of the Employee's duties;
 - (iv) inadequate capacity to fulfil the Employee's employment functions; and
 - (v) violation of the Act, Regulations or Bylaws.
- (f) **"Confidential Information"** means information of the Corporation, without regard to form, that is not in or available to the public domain and that is or has been disclosed to the Employee or of which the Employee has become aware through the course of employment including, but not limited to, personal information of employees and Board members, technical or non-technical data, formulas, compilations, patterns, programs, devices, techniques, methods, processes, financial data, financial plans, product or service plans or lists of actual or potential customers, suppliers or otherwise.
- (g) **"Conflicts of Interest Act"** means the *Conflicts of Interest Act*, R.S.A. 2000, Chapter C-23 or any amendments to that statute.
- (h) **"Corporation"** means the Balancing Pool.
- (i) **"Designated Senior Official"** means a designated senior official within the meaning of section 23.921(4) and (5) of the Conflicts of Interest Act. The President and CEO of the Balancing Pool is deemed to be a designated senior official pursuant to the Conflicts of Interest Act Part 4.3 Designation Order, O.C. 85/2018.

- (j) "Parties" means collectively the Employee and the Corporation. "Party" means the Employee or the Corporation individually.
- (k) "Person" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, agency, and, where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative.
- (l) "RABCCA Act" means the *Reform of Agencies, Boards and Commissions Compensation Act, S.A. 2016, C. R-8.5* and any amendments to that statute.
- (m) "RABCCA Regulations" means the regulations enacted pursuant to the RABCCA Act.
- (n) "Regulation" means the *Balancing Pool Regulation, Alta. Reg. 158/2003*, as amended, and any other regulations enacted pursuant to the Act.
- (o) "Release" means a written discharge of liability executed voluntarily by the Employee in favour of the Corporation, its officers, directors, employees, agents and assigns in the form and substance attached hereto as Schedule "A".
- (p) "Separation Package" means twelve (12) months' severance pay in lieu of notice of termination. The total amount of severance pay for the 12 months is calculated as follows:
 - (i) 12 months' base salary; and
 - (ii) Twenty (20%) of 12 months' base salary as compensation for loss of benefits.

For greater certainty, the Separation Package does not include any vacation pay that may be owing to the Employee by the Corporation upon termination of employment. This Separation Package is permissible pursuant to the exemptions granted by the Government of Alberta Minister of Finance on August 23, 2018 by virtue of Ministerial Order No. 07/2018 attached hereto as Schedule "B" (the "Ministerial Order").

1.2 Interpretation

Unless the context otherwise requires, words importing the singular include the plural and *vice versa* and words importing gender include all genders. Headings of Articles and Sections are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta. The Parties hereby attorn to the jurisdiction of said province and, subject to Article 7, to the courts of competent jurisdiction therein and any courts of appeal therefrom.

ARTICLE 2 DUTIES AND RESPONSIBILITIES

2.1 Position

The appointment of the Employee as President and CEO of the Corporation as of the effective date of this Agreement is hereby ratified and confirmed. As of the effective date of this Agreement, all terms and conditions of employment as they pertain to the Employee shall be governed solely by the provisions of this Agreement.

2.2 Services

- (a) The Employee will report to and take direction from the Board and will perform for the exclusive benefit of the Corporation the duties and responsibilities of President and CEO and any other duties commensurate with that position that may be assigned in the sole and absolute discretion of the Board, from time to time.
- (b) The Employee will also continue to perform the Employee's former duties of Manager, Market Optimization, Strategy & Special Projects, for the exclusive benefit of the Corporation, subject to delegation where in the best interests of the Corporation.
- (c) The Employee is a fiduciary of the Corporation and shall, at all times, act in the best interests of the Corporation.
- (d) The Employee will comply with the Act, Regulations and Bylaws of the Corporation.

2.3 Performance of Duties/Responsibilities of the Employee

- (a) During the period of his employment, the Employee shall faithfully, honestly and diligently serve the Corporation and shall carry out such tasks as the Corporation may from time to time reasonably request. The Employee shall devote his full time and efforts to the business of the Corporation and to fulfilling the Employee's responsibilities, and the Employee shall use his best efforts to promote the interests of the Corporation, in full compliance with the Act, Regulations and Bylaws.
- (b) The parties to this Agreement acknowledge and agree that the Employee may wish to hold positions in outside business opportunities in future provided such participation does not detract from the ability of the Employee to fulfil his obligations to the Corporation and provided that any positions in outside business opportunities are pre-approved by the Ethics Commissioner of Alberta (the "Ethics Commissioner") in accordance with the Conflicts of Interest Act, in the Ethics Commissioner's sole and absolute discretion, and not in violation of the Conflicts of Interest Act. These interests and outside business opportunities are listed on the attached Schedule "C".

2.4 Performance Review

The Board will review the Employee's performance on an annual basis, in accordance with the Corporation's Job Performance Review policy. In carrying out this performance review, the Board will act in good faith.

2.5 Bylaws, Policies and Procedures

- (a) The Employee shall adhere to and shall act in all ways as a model of compliance with respect to all Corporation Bylaws, policies, procedures and rules as may be established from time to time, including but not limited to the Balancing Pool Mandate and Roles Document and the Balancing Pool Code of Conduct for Employees.
- (b) The Corporation has documented formal policies that are applicable to the Employee as of the effective date of this Agreement pursuant to the Corporation's Policy and Procedures Manual.
- (c) Copies of formal Corporation policies, as may be implemented from time to time, will be provided, where available, to the Employee upon request to the Board.

2.6 Conflicts of Interest Act

- (a) The parties confirm that the Employee, while performing the duties of President and CEO is a Designated Senior Official. The Employee agrees to comply with all applicable restrictions and obligations outlined in the Conflicts of Interest Act and any related regulations, directives, and guidelines, including but not limited to restrictions on post-employment concurrent employment, furthering private interests, using influence or insider information, and holding public securities, as well as obligations concerning financial disclosure of real or apparent conflicts of interest.
- (b) The Employee acknowledges and agrees that the Corporation may disclose this Agreement, in its entirety, to the Ethics Commissioner for the purpose of assisting the Ethics Commissioner in carrying out the Ethics Commissioner's duties and functions under the Conflicts of Interest Act.

**ARTICLE 3
COMPENSATION**

3.1 Base Salary

In compensation for all services rendered by the Employee pursuant to this Agreement, the Corporation shall pay to the Employee an annual base salary in the amount of Two Hundred and Seven Thousand Eight Hundred and Five Canadian dollars (\$207,805) (the "base salary"). This base salary is payable in accordance with the Corporation's usual payroll practices as may exist from time to time. The base salary shall be reviewed by the Board on an annual basis and may be increased where it is deemed appropriate in the discretion of the Board acting in compliance with all applicable legislation and regulations, including but not limited to the RABCCA Act and the RABCCA Regulations (collectively, the "RABCCA Regime").

3.2 Withholdings

The Corporation shall withhold from any salary, payment or other form of compensation or payment payable to the Employee under this Agreement, or arrange for the payment of, any federal, local or other taxes or premiums that may be required pursuant to any laws, governmental regulations or rulings.

3.3 Benefits

- (a) The Employee shall be entitled to participate in any and all benefit programs offered by the Corporation to its Employees, from time to time, with the exception of the annual fitness allowance of \$750 per employee and the Best Doctors Elite Diagnostic Imaging Service which are not permissible benefits under the RABCCA Regulations in the Employee's role as President and CEO. Should the Corporation decide to eliminate or change the benefits plan, the Corporation must offer benefits of comparable overall value so long as the Employee remains employed under this Agreement.
- (b) Where participation in a benefit program is compulsory, the contribution required to be paid by the Employee will be determined in accordance with the applicable benefit program, as it may exist from time to time, and shall be paid by regular payroll deduction.
- (c) The Employee is eligible to receive payment in lieu of health and/or retirement plan or benefits in accordance with section 8(2) of the RABCCA Regulations and the Ministerial Guidelines applicable thereto. The Employee will notify the Corporation in the event the Employee wishes to obtain any payments in lieu of such benefits in a given fiscal year.
- (d) The Employee is entitled to participate in the Corporation's Group RRSP Plan. Pursuant to the Group RRSP Plan, the Corporation will contribute 14.36 per cent of base salary. The Employee will also have the option to contribute amounts to the Group RRSP up to the maximum amounts permitted under the *Income Tax Act* (as amended). However, the Employee accepts full responsibility for any over contributions, including any tax owing, interest and penalties pursuant to the *Income Tax Act* (as amended). In accordance with the RABCCA Regulations and the Ministerial Guidelines, the Employee may elect, in lieu of the RRSP benefit, to receive a payment equivalent to 14.36 per cent of base salary.
- (e) The Corporation will provide the Employee with a full paid parking stall in the building in which the Corporation's office is located. This is a taxable benefit.
- (f) The Corporation will provide the Employee with an annual vehicle allowance of Six Thousand Canadian dollars (\$6,000) (the "Vehicle Allowance"), which will be paid in bimonthly installments. The first installment will be paid on the effective date of this Agreement. This is a taxable benefit.

3.4 Vacation

- (a) The Employee's annual vacation entitlement will be thirty (30) paid business days per calendar year, plus six (6) flex days, or any such greater amount as may be determined by the Corporation from time to time. The Employee's total vacation entitlement and flex days shall not exceed forty (40) business days in accordance with the RABCCA Regime.
- (b) A maximum of ten (10) unused vacation days may be carried over to the immediately subsequent calendar year. Vacation days that are carried over must be used no later than December 31 of such immediately subsequent calendar year.
- (c) Failure to take carried over vacation time within the requisite time period referred to in Section 3.4(b) shall result in the Employee forfeiting the right to schedule such additional

vacation days, provided however, that upon the earlier of forfeiture or in leaving the employment of the Corporation for whatever reason, the Employee will be paid out for the unused days calculated in accordance with the *Alberta Employment Standards Code* based on the Employee's then current base salary.

- (d) The Employee is required to arrange vacation time in consideration of the essential business needs of the Corporation.

3.5 Expenses

The Corporation recognizes that the Employee may incur expenses in connection with the performance of any and all employment-related duties. The Corporation hereby agrees to reimburse the Employee for any reasonable and approved out-of-pocket expense incurred by the Employee during the course of his employment. Reimbursement will be conditional upon the Employee submitting, in a timely manner, an itemized account and receipts satisfactory to the Board. Travel, meal and hospitality expenses must comply with the Government of Alberta's Travel, Meal and Hospitality Expenses Policy in order to be eligible for reimbursement.

ARTICLE 4 TERM AND TERMINATION

4.1 Term

This Agreement and the employment hereunder shall commence on the Effective Date and conclude six (6) years after the Effective Date (the "Expiry Date"), unless terminated earlier in accordance with the terms of this Agreement. This Agreement and the Employee's employment shall terminate automatically on the Expiry Date and the Employee shall not be entitled to receive the Separation Package or severance payment, in whole or in part, and shall be limited to receipt of any portion of his base salary that was payable, calculated as at the Expiry Date, together with any amount the Employee would be entitled to receive for accrued but unused vacation time.

4.2 Termination Without Cause

- (a) Subject to Sections 4.1, 4.2(b) and 4.2(c), if the Corporation, in its sole and absolute discretion, at any time and for any reason, terminates the employment of the Employee other than for Cause, including termination pursuant to the Act, Regulations or Ministerial Order, or upon cessation or dissolution of the Corporation or in the event the Corporation's mandate expires on December 31, 2020, the Employee will receive the Separation Package.
- (b) Except where otherwise expressly stated in this Agreement, any component of the Separation Package that is payable to the Employee shall be paid as a lump sum amount on the last day of the Employee's active employment with the Corporation. Any portion of the Separation Package paid to the Employee shall be less all required statutory deductions.
- (c) No portion of the Separation Package will be paid to the Employee, in whole or in part, unless and until the Employee delivers a Release to the Corporation in the form attached as Schedule "A" to this Agreement.

4.3 Review of Position as President and CEO

In the event, after December 31, 2020, there has been a material and detrimental alteration to the Employee's duties or responsibilities as President and CEO that are in effect as of the date of this Agreement or a material reduction in the activities, range of activities, functions, or operations of the Corporation that exist as of the date of this Agreement the Corporation will enter into good faith discussions with the Employee concerning whether this Agreement is to be terminated by the Corporation pursuant to Section 4.2 and the Separation Package paid to the Employee. Nothing in this Section 4.3 impacts, impairs or limits the Employee's ability or right to claim constructive dismissal under common law.

4.4 Termination for Cause

- (a) Notwithstanding any provision of this Agreement to the contrary, the Corporation may, at any time, by written notice to the Employee, terminate the Employee's employment and this Agreement, effective immediately, for reasons of Cause.
- (b) In the event the Employee's employment is terminated due to Cause, the Employee shall not be entitled to receive the Separation Package or severance payment, in whole or in part, and shall be limited to receipt of any portion of his base salary that was payable, calculated as at the termination date, together with any amount the Employee would be entitled to receive for accrued but unused vacation time.

4.5 Resignation

- (a) The Employee may terminate this Agreement and the Employee's employment with the Corporation at any time by giving thirty (30) days written notice of termination to the Corporation, and the Corporation shall have no further obligation to the Employee under this Agreement or pursuant to the Employee's employment, and no other compensation shall be payable to the Employee after the expiry of the said notice.
- (b) The Employee acknowledges that the notice of resignation required under this Section is for the sole benefit of the Corporation. The Employee acknowledges and agrees that the Corporation may waive all or part of the notice period, in its sole and absolute discretion, in which event the Employee agrees that the effective date of his resignation will become the date he ceases active employment as determined by the Corporation.
- (c) The Corporation agrees that if the notice period is waived, in whole or in part, pursuant to Section 4.5(b), the Employee will be paid for the remainder of the notice period provided in Section 4.5(a) at a rate calculated in relation to the Employee's base salary, pro-rated accordingly, and ceasing upon the effective date of resignation. For the purpose of this calculation, compensation for loss of benefits will not be applicable to the Employee given his position as President and CEO and the restrictions imposed pursuant to the RABCCA Regime.
- (d) The Employee understands and acknowledges that in the event the Employee voluntarily resigns from the Corporation, the Employee is not entitled to receive any form of termination pay, Separation Package, severance payment or retiring allowance in relation to said termination of employment, effective as of the date that the Employee provides written or oral notice of resignation to the Board, or any member of the Board.

4.6 Death or Retirement

In the event of the death or voluntary retirement of the Employee during the term of this Agreement, the Parties agree and acknowledge that this Agreement and the Employee's employment with the Corporation will be deemed to be terminated and the Corporation will not be obligated to provide the Employee, or his estate, any additional compensation excepting that which had already accrued to the Employee up to and including the date of death or retirement, and any other death benefits that may be payable pursuant to the terms of applicable group insurance coverage (if any).

4.7 Officers, Directors and Releases

In the event the Employee's employment with the Corporation or this Agreement is terminated for any reason, the Employee agrees to resign effective his last day of active service with the Corporation from any office or directorship held with or on behalf of the Corporation.

4.8 Corporation Property

All items of any kind or nature created or used by the Employee in the course of his employment, or otherwise furnished by the Corporation, including, but not limited to: credit cards, vehicles, computers, smart phones, cellular phones, data, reports, files, software, Confidential Information or any other materials belonging to the Corporation or its customers, suppliers, distributors, employees, members, officers, Board, consultants or agents, and in the Employee's possession or control, shall be returned to the Corporation, in good condition (subject to reasonable wear and tear), promptly upon the termination of the Employee's employment irrespective of the time, manner or cause of termination. If such Corporation property is contained on any electronic device in the Employee's possession or power, and it cannot be returned in soft or hard copy, or following the return of all such corporation property, then the Employee undertakes to delete it.

4.9 No Obligation to Mitigate

The Employee shall not be required to mitigate the amount of any payment or benefit provided for in this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Agreement be reduced by any compensation earned by the Employee as a result of employment by another employer after termination or otherwise. Furthermore and pursuant to the Ministerial Order, the Employee shall not be required to repay the Separation Package or portion thereof in the event the Employee becomes employed with the Crown or a public agency or other employer during the twelve (12) month severance period provided by the Separation Package.

4.10 Limitation of Liability

- (a) The Employee acknowledges, understands and agrees that the Employee has no implied right whatsoever with respect to any claim for pay in lieu of termination notice or for damages for termination of employment other than those rights expressly set out herein.
- (b) The Employee acknowledges that the payments made under this Article 4 include any and all termination notice as may be required pursuant to applicable legislation and any other law that may be in force from time to time.
- (c) The Employee further acknowledges that any notice or pay in lieu of notice paid in accordance with this Agreement is deemed conclusively to be reasonable notice of

termination at common law and that the Employee is not entitled to any additional notice or pay in lieu of notice.

ARTICLE 5 PROTECTION OF CORPORATE INTERESTS

5.1 Confidential Information

The Employee agrees that:

- (a) The Employee will receive and hold all Confidential Information in trust and in the strictest confidence;
- (b) The Employee will protect all Confidential Information from disclosure and will, in no event, take any action causing any Confidential Information to lose its confidential and proprietary character, or fail to take the action necessary in order to prevent any Confidential Information from losing its status as confidential and proprietary; and,
- (c) Except as required by law or as necessary in the course of the Employee's employment with the Corporation, the Employee will not, directly or indirectly, use, publish, disseminate or otherwise disclose any Confidential Information to any third party without the prior written consent of the Corporation, which may be unreasonably withheld in the Corporation's sole and absolute discretion.

5.2 Non-Solicitation of Employees or Consultant of the Corporation

The Employee will not, either while employed with the Corporation or for a period of six (6) months subsequent to the termination of the Employee's employment with the Corporation, for any reason, either as an individual, or in conjunction with any other person, firm, corporation or other entity, whether acting as a principal, agent, employee, consultant or in any other capacity whatsoever, solicit, attempt to solicit or communicate in any way with any employees or full time consultants of the Corporation for the purpose of having such employees or full time consultant employed or in any other way engaged by another person, firm, corporation or other entity with whom the Employee may be affiliated or otherwise associated. This clause shall survive the termination or cessation of the Employee's employment with the Corporation regardless of the reasons for or manner of such termination or cessation.

5.3 Acknowledgement

During the course of his employment with the Corporation, the Employee will maintain close working relationships with customers, clients, suppliers, distributors, consultants, agents, members, officers, and employees of the Corporation. Due to the sensitive nature of the Employee's position and the special access that the Employee will have to the Confidential Information of the Corporation, the Employee will be in a position to irreparably harm the Corporation should the Employee, either during the term of this Agreement or subsequent thereto, make use of the specialized knowledge, contacts and connections and Confidential Information obtained during the Employee's employment to the detriment of the Corporation. The Employee hereby acknowledges that the unauthorized use or disclosure of such information could irreparably damage the interests of the Corporation.

5.4 Survivability

The terms of this Article 5 in relation to Confidential Information shall survive for an indefinite period following the termination or cessation of the Employee's employment with the Corporation regardless of the reasons for or manner of such termination or cessation.

ARTICLE 6 NOTICES

6.1 Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be prepaid first-class mail, by facsimile or other means of electronic communication or by hand delivery as hereinafter provided. Any such notice or other communication, if mailed by prepaid first-class mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, shall be deemed to have been received on the fourth business day after the post-marked date thereof, or if sent by facsimile or other means of electronic communication, shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall also be governed by this section. In the event of a general discontinuance of postal service due to strike, lock-out or otherwise, notices or other communications shall be delivered by hand or sent by facsimile or other means of electronic communication and shall be deemed to have been received in accordance with this section. Notices and other communications shall be addressed as follows:

- (a) to the Employee:

Mr. Benjamin Chappell

- (b) to the Corporation:

The Balancing Pool
2350, 330-5th Avenue S.W.
Calgary, AB T2P 0L4

Attention: Mr. Robert Bhatia, Chair

ARTICLE 7 DISPUTE RESOLUTION

7.1 Arbitration

- (a) Any disputes between the Employee and the Corporation concerning the terms or termination of this Agreement or the termination of the Employee's employment with the Corporation shall be referred to arbitration in accordance with the provisions of the *Arbitration Act* (Alberta).
- (b) For a period of thirty (30) days following receipt of written notice of a dispute, the Parties shall engage in good faith efforts to resolve such dispute through negotiations. Subsequent to the expiration of this period, should the subject matter of the dispute

remain unresolved, either Party may give written notice to the other of its desire to submit such dispute to arbitration, stating with reasonable particularity the subject matter of the dispute. The Parties shall agree upon a single Arbitrator within fourteen (14) days after receipt of such notice. Should the Employee and the Corporation not agree on an arbitrator within fourteen (14) days after written notice to arbitrate has been provided to the other Party, either Party may apply (with notice) to a judge of the Alberta Court of Queen's Bench to appoint an arbitrator.

- (c) The decision of the Arbitrator shall be final and binding on the Employee and on the Corporation.
- (d) The arbitration must take place in Calgary, Alberta.
- (e) If either party applies for judicial review of the Arbitrator's award, then the court shall award solicitor and own client legal costs to the party that is successful in judicial review, including the costs of the arbitration and the legal costs awarded by the Arbitrator if the arbitration award is reversed by the court following judicial review.
- (f) The arbitration, any awards and all proceedings in relation thereto shall be private and confidential between the Parties except to the extent that any disclosure is necessary for the purpose of any court proceedings or disclosure as required by law.

7.2 Injunctive Relief

Notwithstanding Section 7.1, the Employee acknowledges and agrees that in the event that the Employee violates any of the covenants, provisions and/or restrictions contained in Article 5, the Corporation shall be authorized and entitled to obtain from any court of competent jurisdiction interim and permanent injunctive relief and an accounting of all profits and benefits arising out of such violation, which rights and remedies shall be cumulative and in addition to any other rights, damages or remedies to which the Corporation might otherwise be entitled.

ARTICLE 8 MISCELLANEOUS

8.1 Entire Agreement

This Agreement, any schedules hereto and any other Bylaws, policies, agreements or plans of the Corporation specifically incorporated hereto by reference, or that may be introduced by the Corporation during the term of this Agreement, constitute the entire agreement between the Parties and supersede and replace any and all other representations, understandings, negotiations and previous agreements, written or oral, express or implied, including, but not limited to, any prior offers or contracts of employment, between the Employee and the Corporation (including any of its subsidiaries or affiliates). The Parties do not rely upon or regard as material any representations or other agreements not specifically incorporated into and made part of this Agreement.

8.2 Assignment

The Parties acknowledge that the services to be rendered pursuant to this Agreement are personal and unique and cannot be assigned or otherwise delegated without consent of the Parties.

8.3 Waivers and Amendments

This Agreement may be amended, modified, superseded, cancelled or renewed only by the mutual written consent of the Parties. Failure or delay by either Party to enforce compliance with any term or condition of this Agreement shall not constitute a waiver of such term or condition.

8.4 Severability

Should any court of competent jurisdiction determine that all or any part of this Agreement is invalid or unenforceable, the remaining terms and provisions shall not thereby be affected and shall be given full force and effect without regard to the invalid provisions.

8.5 Binding

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators and successors.

8.6 Currency

All monetary sums cited herein are in Canadian currency unless otherwise stated.

8.7 Legal Advice

The Employee acknowledges that the Employee has read and understood the terms and conditions contained in this Agreement, and that the Corporation has provided the Employee with an adequate and reasonable opportunity to seek independent legal advice prior to executing this Agreement.

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the date first written above:

THE BALANCING POOL

Per: _____
Name:
Title: *Chair*

SIGNED & DELIVERED
In the presence of:

WITNESS

Benjamin Chappell

SCHEDULE "A"

1. RELEASE

IN CONSIDERATION of payment made to me by the **Balancing Pool** in the amount of \$<> (less statutory deductions), I, **Benjamin Chappell** do for myself and my heirs, executors, administrators and assigns, (hereinafter collectively referred to as "I"), forever release, remise and discharge the **Balancing Pool** and all its officers, directors, employees, members, agents, insurers, successors and assigns (hereinafter collectively referred to as the "Corporation"), jointly and severally from any and all action, causes of action, contracts, (whether express or implied), claims and demands for damages, loss or injury, suits, debts, sums of money, indemnity, expenses, interest, costs and claims of any and every kind and nature whatsoever, at law or in equity, which against the Corporation I ever had, now have, or can hereafter have by reasons of or existing out of any causes whatsoever existing up to and inclusive of the date of this Release, including but without limiting the generality of the foregoing:

- (a) my employment with the Corporation;
- (b) the termination of my employment with the Corporation;
- (c) any and all claims for damages, salary, wages, termination pay, severance pay, vacation pay, commissions, bonuses, expenses, allowances, incentive payments, insurance or any other benefits arising out of my employment with the Corporation.

2. NO ADMISSION

I acknowledge that the payment given to me pursuant to the above paragraph does not constitute any admission of liability by or on behalf of the Corporation.

3. INDEMNITY FOR TAXES, ETC.

I further agree that, for the aforesaid payment, I will save harmless and indemnify the Corporation from and against all claims, taxes or penalties and demands, which may be made by the Minister of National Revenue requiring the Corporation to pay income tax under the *Income Tax Act (Canada)* in respect of income tax payable by myself in excess of the income tax previously withheld; and in respect of any and all claims, charges, taxes or penalties and demands which may be made on behalf of or related to the Employment Insurance Commission or the Canada Pension Commission under the applicable statutes and regulations, with respect to any amount which may, in the future, be found to be payable by the Corporation in respect of myself.

4. EMPLOYMENT INSURANCE

I further confirm and warrant that in the time period since my employment with the Corporation concluded, I have neither applied for nor received Employment Insurance.

5. HUMAN RIGHTS

I release the Corporation of any liability for any past acts of discrimination and acknowledge that the execution of the Release precludes the consideration of any complaint to the Alberta Human Rights Commission pursuant to the *Alberta Human Rights Act*, RSA 2000, A-25.5, as amended or any applicable human rights legislation. In the event that I hereafter make any such claim, demand or complaint or

commence or threaten to commence any action, claim or proceeding or to make a complaint against the Corporation, this Release may be raised as an estoppel and complete bar to any such action, claim, demand, complaint or proceeding.

6. OCCUPATIONAL HEALTH AND SAFETY

I release the Corporation of any liability for any past health and safety violations and acknowledge that the execution of this Release precludes the consideration of any complaint to Alberta Occupational Health and Safety pursuant to the *Occupational Health and Safety Act*, SA 2017, O-2.1, *Occupational Health and Safety Regulation*, AR 51/2018, *Occupational Health and Safety Code*, AR 87/2009, as amended, or any applicable health and safety legislation. In the event I hereafter make any such claim, demand or complaint or commence or threaten to commence any action, claim or proceeding or to make a complaint against the Corporation, this Release may be raised as an estoppel and complete bar to any such action, claim, demand, complaint or proceeding.

7. WORKERS' COMPENSATION ACT

I confirm that any entitlement I have to reinstatement and accommodation and/or continuation of contributions for health benefits have been fulfilled by the Corporation. I release the Corporation of any liability for past violations of the *Workers' Compensation Act*, RSA 2000, W-15 and regulations, as amended, or any applicable workers' compensation legislation and acknowledge that the execution of this Release precludes the consideration of any complaint to the Workers' Compensation Board. In the event I hereafter make any such claim, demand or complaint or commence or threaten to commence any action, claim or proceeding or to make a complaint against the Corporation, this Release may be raised as an estoppel and complete bar to any such action, claim, demand, complaint or proceeding.

8. EMPLOYMENT STANDARDS

I acknowledge receipt of all wages, overtime pay, vacation pay, general holiday pay, pay in lieu of notice of termination and leaves that I am entitled to by virtue of the *Employment Standards Code*, RSA 2000, E-9, as amended, or pursuant to any other employment or labour standards legislation. I further confirm that there are no amounts due and owing to me by the Corporation and that the execution of this Release precludes the consideration of any complaint to the Employment Standards Branch. In the event that I hereafter make any such claim, demand or complaint or commence or threaten to commence any action, claim or proceeding or to make a complaint against the Corporation, this Release may be raised as an estoppel and complete bar to any such action, claim, demand, complaint or proceeding.

9. PRIVACY

I release the Corporation from any liability for any past collection, use or disclosure of my personal information without my consent. I agree and undertake that I will not file any complaint or make any claim or demand against the Corporation to the Office of the Information and Privacy Commissioner of Alberta pursuant to the *Freedom of Information and Protection of Privacy Act* (Alberta), the *Personal Information Protection and Electronic Documents Act* (Canada), or any other provincial or federal privacy legislation. If I hereafter make any such claim, demand, or complaint or commence or threaten to commence an action, claim or proceeding or to make a complaint against the Corporation, this Release may be raised as an estoppel and complete bar to any such action, claim, demand, complaint or proceeding.

10. BENEFITS AND INSURANCE CLAIMS

I acknowledge and agree that the payment to me includes full compensation and consideration for loss of employment benefits and that all of my employment benefits have ceased on the date of termination of my employment. I fully accept sole responsibility to replace those benefits that I wish to continue and to exercise conversion privileges where applicable with respect to benefits. In the event that I become disabled, I covenant not to sue the Corporation for insurance or other benefits, or for loss of benefits. I hereby release the Corporation from any further obligations or liabilities arising from my employment benefits.

11. NON-DISCLOSURE

I agree that I will not divulge or disclose, directly or indirectly, the contents of this Release or the terms of settlement relating to the termination of my employment with the Corporation to any person, including but without limiting the generality of the foregoing, to employees or former employees of the Corporation, except my legal and financial advisors on the condition that they maintain the confidentiality thereof, or as required by law.

12. CONFIDENTIALITY

I recognize and acknowledge that during my employment with the Corporation I had access to certain confidential and proprietary information, the disclosure of which could be harmful to the interests of the Corporation. I acknowledge and agree that I have taken and will in future take appropriate precautions to safeguard the confidential information of the Corporation.

13. FURTHER CLAIMS

I agree not to make claim or take proceedings against any other person or Corporation that might claim contribution or indemnity under the provisions of any statute or otherwise against the Corporation.

14. FUTURE LITIGATION

I agree that I will, at the request of the Corporation, assist it in defending any threatened or actual litigation concerning the Corporation where I have in my possession or knowledge any facts or other matters which the Corporation reasonably considers is relevant to such legal proceedings (including but not limited to giving statements/affidavits, meeting with the Corporation's legal and other professional advisers, attending any legal hearing and giving evidence), provided that the Corporation reimburses me for reasonable expenses properly incurred by me in giving such assistance and pays me for each hour of work at a rate of two hundred and fifty (\$250) dollars per hour..

15. UNDERSTANDING

I hereby declare that I have had the opportunity to seek independent legal advice with respect to the matters addressed in this Release and the terms of settlement which have been agreed to by myself and the Corporation and that I fully understand this Release and the terms of settlement. I have not been influenced by any representations or statements made by or on behalf of the Corporation. I hereby voluntarily accept the said terms for the purpose of making full and final compromise, adjustment and settlement of all claims as aforesaid.

16. COMPLETE AGREEMENT

I understand and agree that this Release contains the entire agreement between the Corporation and me and that the terms of this Release are contractual and not a mere recital.

DATED at the City of Calgary, in the Province of Alberta, this ___ day of _____, _____.

Name of Witness

Address of Witness

Benjamin Chappell

Signature of Witness

SCHEDULE "B"



ALBERTA

Public Service Commission
Office of the Minister

**Ministerial Order
No. 07/2018**

MINISTERIAL ORDER No. 07/2018

**PUBLIC SERVICE COMMISSION
PROVINCE OF ALBERTA**

Reform of Agencies, Boards and Commissions Compensation Regulation

Ministerial Modifications and Exemptions for Designated Executives

I, Joe Ceci, President of Treasury Board, Minister of Finance, pursuant to section 11 of the Reform of Agencies, Boards and Commissions Compensation Regulation (Regulation), do hereby:

1. modify the following provisions of the Regulation with respect to the appointment of Benjamin Chappell as Chief Executive Officer of the Balancing Pool:
 - a. section 7(2)(a) is modified to allow for payment of severance in the amount of 52 weeks of base salary, irrespective of years of continuous service;
 - b. section 7(2)(b) is modified to allow for payment of 20% of the amount paid under section 7(2)(a), as modified; and
 - c. section 7(5)(b) is modified to allow for payment of severance in accordance with section 7(2), as modified, on December 31, 2020 if the Balancing Pool's mandate ends on this date.
2. exempt Benjamin Chappell, if appointed as Chief Executive Officer of the Balancing Pool, from the application of section 7(4) of the Regulation with respect to any amount paid under section 7, as modified.

DATED this 23 day of August, 2018.

Joe Ceci
President of Treasury Board, Minister of Finance

SCHEDULE "C"
OUTSIDE BUSINESS OPPORTUNITIES

None.