


The *Smart* Business Owner Benefits Plan

For companies with 1 to a handful of people.

AS AN ENTREPRENEUR YOU CAN HAVE A BENEFITS PLAN THAT'S RIGHT FOR YOU, YOUR FAMILY, AND YOUR EMPLOYEES.

NO MEDICAL EVIDENCE REQUIRED.



Business owners often think that they're too small to qualify for employee benefits.

The Smart Business Owner Benefits Plan allows you to set up a plan for just you or a few people –
with no medical evidence



TABLE OF CONTENTS

SECTION

- | | | |
|----|---|---|
| 01 | ▶ | About the Plan |
| 02 | ▶ | Coverage for Owners |
| 03 | ▶ | Coverage for Employees |
| 04 | ▶ | Calculate Your Plan's Cost |
| 05 | ▶ | Plan Enrollment Forms |
| 06 | ▶ | Application Checklist & Submission Guidelines |
| 07 | ▶ | How the Plan Works |
| 08 | ▶ | Plan Details (The Fine Print...) |

ABOUT THE PLAN

You own the company. Set up a benefits plan that works for you.

1. This plan covers all your eligible expenses without any limits, deductions, or maximums.
2. If you have employees, you shouldn't have to worry about claims making your plan unaffordable. We have you covered there too.
3. Every dollar you pay into the plan is a fully tax deductible business expense.

Aren't I too small to have a group benefits plan?

No. We created this plan for companies like yours, with one to a handful of employees.

Am I eligible?

Yes, if you own and operate a profitable business in Canada (incorporated or not).

What are the advantages of setting up a benefits plan for my small business?

You already pay for medical and dental expenses for you and your family, so doesn't it make sense to pay them through your business in the most tax-effective way possible?

All your health and dental care expenses are covered when administered through a benefits plan and 100% of the cost of the plan is a tax deductible business expense. It's a no-brainer. You'll save money and gain protection for your family.

What if there is more than 1 owner?

No problem. Our plan can accommodate all owners such as a practice with multiple business partners. You have the option to set an equal annual amount for each owner or to set up unlimited 100% coverage with no maximums. If you choose to have unlimited coverage, a report can be provided at year end for cost sharing purposes that shows the total claimed by each owner.

If we grow, will I outgrow this plan?

No. As your company grows, we will help you transition to a more suitable plan at every stage of your success. We're with you all the way.

We have plans that cover:



You to a Few



A Few to a Bunch



A Bunch to a Lot

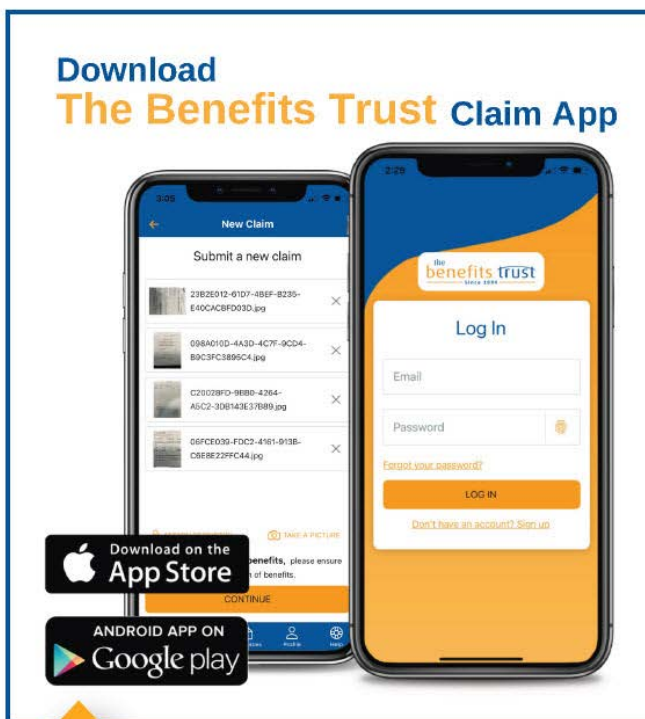
COVERAGE OPTIONS FOR SMALL BUSINESS OWNERS

The Smart Business Owners Benefit Plan provides you with the most comprehensive health and dental coverage possible. **Your best option depends on whether you want unlimited coverage.**

	Do You Want Unlimited Coverage?	
	YES	NO
Type of Coverage	Unlimited Coverage	Healthcare Spending Account
Why is this Ideal ?	<p>As the owner(s), you want to make sure all your CRA eligible health and dental expenses are going through the business.</p> <p>You get 100% coverage with no limits.</p> <p>You pay a fixed monthly contribution based on your estimated annual health and dental expenses, which can be changed throughout the year. You own any surpluses or deficits.</p>	<p>If your spouse has a plan, this option allows you to submit to that plan first. This plan will pick up any portion or expense that is not paid by your spouse's plan.</p> <p>All CRA eligible expenses will be paid at 100% up to a set limit which can be changed at renewal.</p> <p>Another reason to choose this plan is if your company structure is such that you require a set limit for total cost control.</p>
Benefits Card	Yes, every plan member receives a benefit card.	
Pay-direct Drug Card	Yes	No
Monthly Detailed Billing	Yes	Yes
Direct Submission from Dentist	Yes	Yes
Online or Smartphone App Claim Submission?	Yes, with 1-3 day claims reimbursement.	
Minimum Contribution	\$3,000 per year total in Health and Dental contributions for all plan members combined.	\$3,000 per year total for all Healthcare Spending Account contributions combined.
Administration Fee	<ul style="list-style-type: none"> 15% of contributions (includes commissions). No setup fees, annual fees, per claim fees, or fees for booklets. Includes monthly detailed billing and customer service. 	

Health & Dental Coverage	<ul style="list-style-type: none"> • Prescription Drugs • Dental including Orthodontia & Implants • Vision including Laser Eye Surgery • Expenses related to physical & learning disabilities (including tuition) • Paramedical / Registered Therapists • Private Hospital Room • Medical Cannabis • Nursing Care • Spousal Benefits Premiums • And More...
Insurance Coverage	<ul style="list-style-type: none"> • 60 Day Emergency Travel Insurance (with no deductible). • Catastrophic Drug Coverage with deductible starting at \$7,500. • \$1 Million lifetime maximum. Covers new conditions that present after start date. • \$25,000 Life Insurance. No medical evidence required. • \$25,000 Accidental Death & Dismemberment (AD&D). • Dependent Life Insurance. \$10,000 (Spouse) / \$5,000 (Child).

Regardless of your type of plan, claiming is easy through our **Mobile App** and you get paid quickly through direct deposit.



The Benefits Trust Mobile Claims App is the easiest way to submit claims, check your Healthcare Spending Account balance (if your plan includes one), and contact us.

Download it on the App Store or Google Play Today!

COVERAGE FOR EMPLOYEE(S)

Owners can easily provide coverage for employees under the plan. Give employees the flexibility they want with complete cost control for you with a Healthcare Spending Account.

Type of Coverage	Healthcare Spending Account
Why is this Ideal?	Provides complete flexibility to the employee to use the funds as needed, and total cost control to the owner. You never have to worry about your premiums increasing due to excessive claims.
Benefits Card	Yes
Pay-direct Drug Card	No
Monthly Detailed Billing	Yes
Direct Submission from Dentist	Yes
Online or Smartphone App Claim Submission?	Yes, with 1-3 day claims reimbursement.
Coverage Amount	<ul style="list-style-type: none"> Fixed amount that you set for employees that can only be changed at annual renewal. Offer different amounts by class of employee. All CRA eligible expenses will be paid at 100% up to set limit.
Administration Fee	<ul style="list-style-type: none"> 15% of contributions (includes commissions). No setup fees, annual fees, per claim fees, or fees for booklets. Includes monthly detailed billing and customer service.
Health & Dental Coverage	<ul style="list-style-type: none"> Prescription Drugs Dental including Orthodontia & Implants Vision including Laser Eye Surgery Expenses related to physical & learning disabilities (including tuition) Paramedical / Registered Therapists Private Hospital Room Medical Cannabis Nursing Care And More...
Insurance Coverage	<ul style="list-style-type: none"> 60 Day Emergency Travel Insurance (with no deductible). Catastrophic Drug Coverage with deductible starting at \$7,500. \$1 Million lifetime maximum. Covers new conditions that present after start date. \$25,000 Life Insurance. No medical evidence required. \$25,000 Accidental Death & Dismemberment (AD&D). Dependent Life Insurance. \$10,000 (Spouse) / \$5,000 (Child).

3 or More People (you and your employees combined)? You may be eligible to add:

- **Critical Illness**
- **Long-Term Disability**
- **Virtual Healthcare**
- **Employee Assistance Program**

Contact us to discuss your options toll free at 1-800-487-2993 or by email at join@thebenefitstrust.com

CALCULATE YOUR PLAN'S COSTS ON THE NEXT PAGE

CALCULATE YOUR PLAN'S COST

See explanation below and calculate your monthly contribution by downloading our Premium Calculation Worksheet at: www.thebenefitstrust.com/sbp-worksheet

SECTION A: COVERAGE FOR OWNERS

Choose Option 1 or Option 2 for Health & Dental Coverage.

Option 1: Unlimited Health & Dental Coverage for Owners

- Estimate your family's expected medical and dental expenses for the next year. You must fund more than \$3,000 in annual Medical & Dental contributions for you and your family combined to be eligible.
- Include in your estimate: repeat prescription drug expenses, regular dental check-ups, orthodontics or dental implants, eye glasses, contact lenses, or laser eye surgery, chiropractic and massage therapy expenses, and any other expected medical or dental expenses.

Option 2: Healthcare Spending Accounts (HSA) for Owners

- Typically chosen when your spouse has a plan and you will claim health and dental expenses through that plan first, and make your plan the second payor for claims reimbursement.
- Estimate your family in full expected medical and dental expenses for the next year that will not be paid in full by your spouse's plan such as orthodontics, dental implants, and any other CRA approved healthcare related expenses, including benefits premiums paid under your spouse's plan.

SECTION B: COVERAGE FOR EMPLOYEES

Single Option for Health & Dental Coverage.

Healthcare Spending Accounts (HSA) for Employees

- Choose an annual HSA amount to provide to each class of employee.
- You can offer different benefits to the different groups within your group (e.g. managers, admin staff, based on years of service, etc.). If you need more than 3 employee classes, please contact us.

SECTION C: MONTHLY PREMIUM FOR CATASTROPHIC COVERAGE

- Includes Out of Country Emergency Medical Care and Excess Medical Stop Loss.
- Mandatory for owners. Optional for employee classes.

	Under Age 70	Age 70 to 79
Single Coverage	\$36.55 per month	\$70.70 per month
Family Coverage (Couple 70-79)	\$75.90 per month	\$141.40 per month

Prices valid from January 1, 2023 until December 31, 2023.

Family coverage includes spouse and dependent children

SECTION D: ADDITIONAL COVERAGE OPTIONS

- Optional for owners and employee classes

	Coverage Amount	Monthly Premium
Life Insurance	\$25,000	\$17.00
Accidental Death & Dismemberment	\$25,000	\$1.68
Dependent Life	\$10,000 Spouse / \$5,000 Child	\$3.80

Prices valid from January 1, 2023 until December 31, 2023.

PRICING WORKSHEET

Download worksheet at <https://thebenefitstrust.com/sbp-worksheet>

Smart Small Business Benefits Plan
Premium Calculation Worksheet

the benefits trust

Name of Business: Administration Fee 15%

SECTION A: COVERAGE FOR OWNERS (Complete Option 1 OR Option 2)

	Under Age 70	Over Age 70	
Single	0	0	Owners covering only themselves
Family	0	0	Owners also covering their family

Option 1: Unlimited Health & Dental Coverage for Owners

Anticipated Health Claims for the upcoming year: \$0.00 (Yearly estimate for all owners)

Anticipated Dental Claims for the upcoming year: \$0.00 (Yearly estimate for all owners)

A: Monthly Health & Dental Care Contributions (Including Admin Fees): \$0.00

APPLY TODAY.
SUBMIT THE FORMS ON THE NEXT PAGE

Administration Fee 15% of HSA Contributions: 0.00 Total HSA per Month x 15%: 0.00

A: Monthly Healthcare Spending Account Contributions (Including Admin Fees): \$0.00

SECTION B: COVERAGE FOR EMPLOYEES (Healthcare Spending Accounts)

Number of Employees: Single Family Total

Health Care Spending Accounts for Employees: Amount as determined by the plan sponsor

	Annual HSA amount	Monthly amount	x	# Employees	=	Monthly Contribution
Class B	0.00	0.00	x	0	=	\$0.00
Class C	0.00	0.00	x	0	=	\$0.00
Class D	0.00	0.00	x	0	=	\$0.00

Administration Fee 15% of HSA Contributions: 0.00 Total HSA per Month x 15%: 0.00

B: Monthly Healthcare Spending Account Contributions (Including Admin Fees): \$0.00
(Administration Fee is added on top of your HSA contributions)

SECTION C: CATASTROPHIC COVERAGE (POOLED INSURANCE)
Mandatory for Owners. Optional for Employees, but if chosen, all employees (within a class) must be included

Plan Enrollment Forms

Section 5

Smart Business Benefits Plan Application

Applicant Information

Legal Company Name: _____

Effective Date Requested

(Month) _____ (Day) 01 (Year) _____

Operating as (if different): _____

Benefit Year _____

(if different from effective year)

Address: _____

City: _____

Province: _____

Postal Code: _____

Administrator Name: _____

Title: _____

Phone: _____

Fax: _____

Email: _____

Executive Contact (if different): _____

Title: _____

Phone: _____

Fax: _____

Email: _____

Applicant's Declaration

The applicant hereby declares that, to the best of the applicant's knowledge, the statements and answers contained herein are full, complete and true as of the date hereof and expressly agrees and acknowledges that: (1) such statements and answers will form part of the group contract or policy issued by The Benefits Trust and/or its insurance partners; (2) the benefits coverage under the group contract or policy shall become effective in accordance with and subject to the terms of the group contract or policy issued to the applicant; (3) in no case shall coverage become effective until the later of the payment of the initial deposit and approval of this application by The Benefits Trust; and (4) The Benefits Trust will not be liable to the applicant or to any of the applicant's employees or any other persons proposed to be covered under this application until it has been approved. The attached Schedule of Benefits forms part of the application.

The initial deposit of \$ _____ is included with this application. Negotiation of the deposit will not, of itself, constitute approval of the application. The deposit will be applied against the first month's contribution statement from The Benefits Trust.

Dated at _____ this _____ day of _____,

by _____

(Applicant's signature)

(Title)

Take via Pre-Authorized Payment (PAP)

(Please complete the enclosed PAP form)

(Applicant's printed name)

Broker / Agent Information and Declaration

Send New Plan ID Cards to:

Client

Broker

Broker / Agent Name: _____

Title: _____

Broker / Agent Corporate Name: _____

Address: _____

City: _____

Province: _____

Postal Code: _____

Phone: _____

Fax: _____

Email: _____

I have advised the applicant: (1) not to terminate any existing coverage until notice has been received in writing that the coverage being applied for is accepted; and (2) no coverage is in existence until this application is approved by The Benefits Trust.

By: _____ Date: _____

For internal use only

Agent Number: _____

Commission Scale: _____

Business Information

Number of Employees: _____

Nature of Business: _____

Number of Years in Operation: _____ Ownership: Corporation Partnership Sole Proprietorship

Name(s) of Owner(s) If partnership or Sole Proprietorship: _____

Plan Guidelines

- Eligible Employees must work a minimum of 24 hours per week in order to be eligible for insurance coverage (but not HSA).
- Standard waiting period for Full Time Employees is three (3) months unless waived by the Employer upon enrollment. Waiting period does not apply to Eligible Employees currently on payroll as of effective date of benefits plan. You may choose a non-standard waiting period and you can set different waiting periods for different classes of employees.
- The benefit year will be the 12 month period following the effective date. If you want your benefit year to match your fiscal year, you can pro-rate the benefit for employees and run a shortened first year.
- Coverage for owners ceases at age 80 or earlier retirement. Coverage for employees ceases at age 70 or earlier retirement unless otherwise requested.

Class	Class Description
-------	-------------------

Extended Health Care

Benefit Year: 12 month period following effective date

Deductible: Nil

Prescription drugs: 100% (pay-direct prescription drug card)

In province hospitalization: 100% for Private room

Nursing care: 100%

Ambulance, laboratory and out patient: 100%

Paramedical Care: 100%

Appliances: 100%

Orthopaedics: 100%

Physician's Services: 100%

Vision Care: 100%

Hearing aids: 100%

Dental accident: 100%

Travel assistance: 100%

Out of Canada emergency care: 100%

Maximums: \$1,000,000 lifetime benefit per Covered Person for in-Canada Health Care claims.

\$5,000,000 lifetime benefit per Covered Person Out of Canada emergency care.

Termination Age: 80 or earlier retirement.

Dental Care

Benefit Year: 12 month period following effective date.

Deductible: Nil.

Fee Guide: Submitted fees for General Practitioners and Specialists in the province where treatment is rendered.

Part A Services: 100% for Preventative, Diagnostic, Emergency, Palliative, Restorative or Minor Surgical Services, including Denture repair, reline and rebase.

Part B Services: 100% for Endodontic or Periodontic Services.

Part C Services: 100% for Prosthodontic or Major Restorative Services.

Part D Services: 100% for Orthodontic Services including services for adults.

Recall Period: As frequently as recommended by treating dentist.

Maximum: Unlimited per Covered Person per benefit year.

Termination Age: 80 or earlier retirement.

Smart Business Benefits Plan

Owner Enrollment Form - 1 per Owner



Corporate Information

Company Name _____

Choose Your Plan: Unlimited Coverage Healthcare Spending Account \$ _____ per benefit year

Personal Information

Last Name: _____ First Name: _____ Sex: M F

Address: _____ Apt. # _____

City: _____ Province _____ Postal Code: _____

Date of Birth: (Month) _____ (Day) _____ (Year) _____ Email: _____

Marital Status Single Married Separated Divorced Common Law Length of C/L Relationship _____

Dependant Information

Please list all dependants including your spouse, common-law spouse (relationship of at least one year), and/or children. Children are eligible if under age 21, or under age 26 and attending school full time, or disabled and completely dependent on you for support. Complete an "Overage Dependant" form if applicable.

Spouse's Last Name	First Name		(Month)	(Day)	(Year)
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____

Child's Last Name	First Name		(Month)	(Day)	(Year)
-------------------	------------	--	---------	-------	--------

1. _____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____
----------	-------	---	-------	-------	-------

2. _____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____
----------	-------	---	-------	-------	-------

3. _____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____
----------	-------	---	-------	-------	-------

4. _____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____
----------	-------	---	-------	-------	-------

Does your spouse have benefits coverage through his/her employer's plan? No Yes If Yes: Single Family

Revocable Beneficiary Designation

If your beneficiary is a child under age 18, you must also complete a "Declaration Appointing Trustee" form. If you make any changes or corrections in this section, you must initial the change or correction.

Beneficiary's Last Name	First Name	Relationship (e.g. spouse, child)	Age (If a child)
_____	_____	_____	_____

For Quebec residents: the appointment of a spouse as Beneficiary is considered "IRREVOCABLE" unless the word "REVOCABLE" is written after the spouse's name.

Member's Authorization

I hereby apply for the benefits for which I am or may become eligible, subject to any waiver indicated, under the Participation Agreement issued by The Benefits Trust and authorize that any required contributions be deducted from my earnings. In addition, I authorize The Benefits Trust and its administrators to use my social insurance number, if applicable, for identification purposes in the administration of the benefits plan. On behalf of myself and my dependents, I also authorize The Benefits Trust (including its affiliates and/or insurance partners) to exchange the information detailed in this Enrollment and any other benefit related information contained in files regarding me or my dependents, now or in the future, for the purposes of administration and/or management of the Participation Agreement issued by The Benefits Trust. I have not received tax advice from The Benefits Trust, its administrators, or any of its agents.

Member's Signature: _____ Date: (Month) _____ (Day) _____ (Year) _____

This form must be completed in full.

EMPLOYEE COVERAGE:

Healthcare Spending Accounts



Note: Changes in benefit amount due to seniority take effect at the start of the benefit year, and will not be pro-rated over the year.

Type (Choose Only One): Balance Carry Forward (Default) Expense Carry Forward No Carry Forward

Note: See carry forward explanation in Section 8.

Do you want employee coverage?

Choose up to 3 classes below

Classes allow you to provide different HSA amounts to different groups of employees (managers, admins, by years of service, etc.)

Class	Class Description
_____	_____
Benefit Amount: _____	per benefit year Waiting Period (Standard 3 months): _____
Termination Age: _____	Survivor Benefits (24 months)

Catastrophic Event Insurance

Select Coverage below(See Section 4 for Pricing)

Out of Country and Excess Medical Stop Loss Life Insurance AD & D Dependent Life

Class	Class Description
_____	_____
Benefit Amount: _____	per benefit year Waiting Period (Standard 3 months): _____
Termination Age: _____	Survivor Benefits (24 months)

Catastrophic Event Insurance

Select Coverage below(See Section 4 for Pricing)

Out of Country and Excess Medical Stop Loss Life Insurance AD & D Dependent Life

Class	Class Description
_____	_____
Benefit Amount: _____	per benefit year Waiting Period (Standard 3 months): _____
Termination Age: _____	Survivor Benefits (24 months)

Catastrophic Event Insurance

Select Coverage below(See Section 4 for Pricing)

Out of Country and Excess Medical Stop Loss Life Insurance AD & D Dependent Life

Smart Business Benefits Plan

Employee Enrollment Form - 1 per Employee



Corporate Information (To be Completed by Employer)

Company Name _____

Class: _____ Annual HSA Amount _____

Hire Date: (MM) _____ (DD) _____ (YY) _____

Personal Information (To be Completed by Employee)

Last Name: _____ First Name: _____ Sex: M F

Address: _____ Apt. # _____

City: _____ Province: _____ Postal Code: _____

Date of Birth: (Month) _____ (Day) _____ (Year) _____ Personal Email: _____

Marital Status: Single Married Separated Divorced ☐ Common Law Length of C/L Relationship: _____

Dependant Information

Please list all dependants including your spouse, common-law spouse (relationship of at least one year), and/or children. Children are eligible if under age 21, or under age 26 and attending school full time, or disabled and completely dependent on you for support. Complete an "Overage Dependant" form if applicable.

Spouse's Last Name		First Name		(Month)	(Day)	(Year)
_____		_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	/	_____ / _____
Child's Last Name		First Name		(Month)	(Day)	(Year)
1. _____	_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	/	_____ / _____
2. _____	_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	/	_____ / _____
3. _____	_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	/	_____ / _____
4. _____	_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	/	_____ / _____

Does your spouse have benefits coverage through his/her employer's plan? No Yes If Yes: Single Family

Revocable Beneficiary Designation

If your beneficiary is a child under age 18, you must also complete a "Declaration Appointing Trustee" form. If you make any changes or corrections in this section, you must initial the change or correction.

Beneficiary's Last Name	First Name	Relationship (e.g. spouse, child)	Age (If a child)
_____	_____	_____	_____

For Quebec residents: the appointment of a spouse as Beneficiary is considered "IRREVOCABLE" unless the word "REVOCABLE" is written after the spouse's name.

Member's Authorization

I hereby apply for the benefits for which I am or may become eligible, subject to any waiver indicated, under the Participation Agreement issued by The Benefits Trust and authorize that any required contributions be deducted from my earnings. In addition, I authorize The Benefits Trust and its administrators to use my social insurance number, if applicable, for identification purposes in the administration of the benefits plan. On behalf of myself and my dependents, I also authorize The Benefits Trust (including its affiliates and/or insurance partners) to exchange the information detailed in this Enrollment and any other benefit related information contained in files regarding me or my dependents, now or in the future, for the purposes of administration and/or management of the Participation Agreement issued by The Benefits Trust. I have not received tax advice from The Benefits Trust, its administrators, or any of its agents.

Member's Signature: _____ Date: (Month) _____ (Day) _____ (Year) _____

This form must be completed in full.

**PAYOR'S AUTHORIZATION FOR
PRE-AUTHORIZED DEBITS
FOR BUSINESS PURPOSES**



1. Payor's Name and Address – please print

We warrant and represent that the following information is accurate.

Company Name		
Street		
Town	Postal Code	Telephone No.

Name of Payor's Financial Institution (the "Processing Institution")			
Street			Town
Postal Code	Bank No.	Transit No.	Account No.

We have attached a specimen cheque marked "VOID" to this payor authorization (the "Authorization").

We will inform the Payee, in writing, of any change in the information provided in this section of the Authorization prior to the next due date of the PAD.

2. Payee's Name and Address – please print

Name of Payee (the "Payee") The Benefits Trust		
Street: 3800 Steeles Avenue West, Suite #102W		
Town: Vaughan, Ontario	Postal Code: L4L 4G9	Tel: (905) 264-8990

3. We acknowledge that the Authorization is provided for the benefit of the Payee and the Processing Institution and is provided in consideration of the Processing Institution agreeing to process debits against our account, as listed above, (the "Account") in accordance with the Rules of the Canadian Payments Association.
4. We warrant and guarantee that all persons whose signatures are required to authorize withdrawals from the Account have signed the Authorization and that all persons signing this Authorization are our authorized signing officers and are empowered to enter into this agreement.
5. We hereby authorize the Payee to issue Pre-Authorized Debits (as defined in Rule H4 of the Rules of the Canadian Payments Association) (the "PAD") drawn on the Account, for the following purpose:
 - payment of group employee benefit plan.
6. We may cancel the Authorization at any time upon providing written notice to the Payee.

7. We acknowledge that provision and delivery of the Authorization to the Payee constitutes delivery by us to the Processing Institution. Any delivery of the Authorization to the Payee, regardless of the method of delivery, constitutes delivery by us.
8. Unless otherwise agreed to in writing, the Payee will provide to us, at the address provided in Section 1:
- a) with respect to fixed amount PADs, written notice of the amount to be debited (the "Payment Amount") and the date(s) on which the Payment Amount debited will be posted to our Account (the "Payment Date"), at least 10 calendar days before the Payment Date of the first PAD, and such notice shall be provided every time there is a change in the Payment Amount or the Payment Date(s);
 - b) with respect to variable amount PADs, written notice of the Payment Amount and the Payment Date(s), at least 10 calendar days before the Payment Date of every PAD; and
 - c) with respect to a PAD plan that provides for the issuance of a PAD in response to a direct action of ours (such as, but not limited to, a telephone instruction) requesting the Payee to issue a PAD in full or partial payment of a billing received by us for a payment obligation that meets the requirements of Section 2 or Rule H4, no notice is required.
9. The Payee may issue a PAD **monthly including deposit (unless binder cheque is included)** in a dollar amount as presented to the Payor and may vary with usage and taxes.
10. We acknowledge that the Processing Institution is not required to verify that a PAD has been issued in accordance with the particulars of the Authorization including, but not limited to, the amount, or that any purpose of payment for which the PAD was issued has been fulfilled by the Payee as a condition to honouring a PAD issued by the Payee on the Account.
11. Revocation of the Authorization does not terminate any contract for goods or services that exists between us and the Payee. The Authorization applies only to the method of payment and does not otherwise have any bearing on the contract for goods or services exchanged.
12. We may dispute a PAD only under the following conditions:
- (i) the PAD was not drawn in accordance with the Authorization;
 - (ii) the Authorization was revoked; or
 - (iii) pre-notification, as required under Section 8 was not received.
- We acknowledge that in order to be reimbursed a declaration to the effect that either (i), (ii) or (iii) took place, must be completed and presented to the branch of the Processing Institution holding the Account up to and including 10 business days after the date on which the PAD in dispute was posted to the Account.
- We acknowledge that when disputing any PAD beyond the time allowed in this section, it is a matter to be resolved solely between us and the Payee, outside the payment system.
13. We agree that the information contained in the Authorization may be disclosed to the Payee's Financial Institution as required to complete any PAD transaction.
14. We understand and accept the terms of participating in this PAD plan.

(COMPANY NAME)

(AUTHORIZED SIGNATURE)

(AUTHORIZED SIGNATURE)

APPLICATION CHECKLIST & SUBMISSION GUIDELINES

Complete applications received at The Benefits Trust on or before the 10th of the month will take effect the first of the following month.

NOTE: Incomplete applications will not be processed until all materials and funds are received at The Benefits Trust.

The following materials are enclosed (☐) with this submission:

Premium Calculation Worksheet (Required)

Premium Deposit for \$ _____ (as per Worksheet)

If a cheque is not provided, the deposit will be taken electronically.

Master Application, completed and signed by authorized company representative.

Payor's Authorization for Pre-Authorized Debit Form and void company cheque.

Enrollment Forms for each owner and employee. Number enclosed:

Void cheque or a direct deposit printout from your financial institution for each owner and employee.

How to Submit Your Documents

1. Scan and email the documents above to: join@thebenefitstrust.com

or

2. Submit via regular mail to:

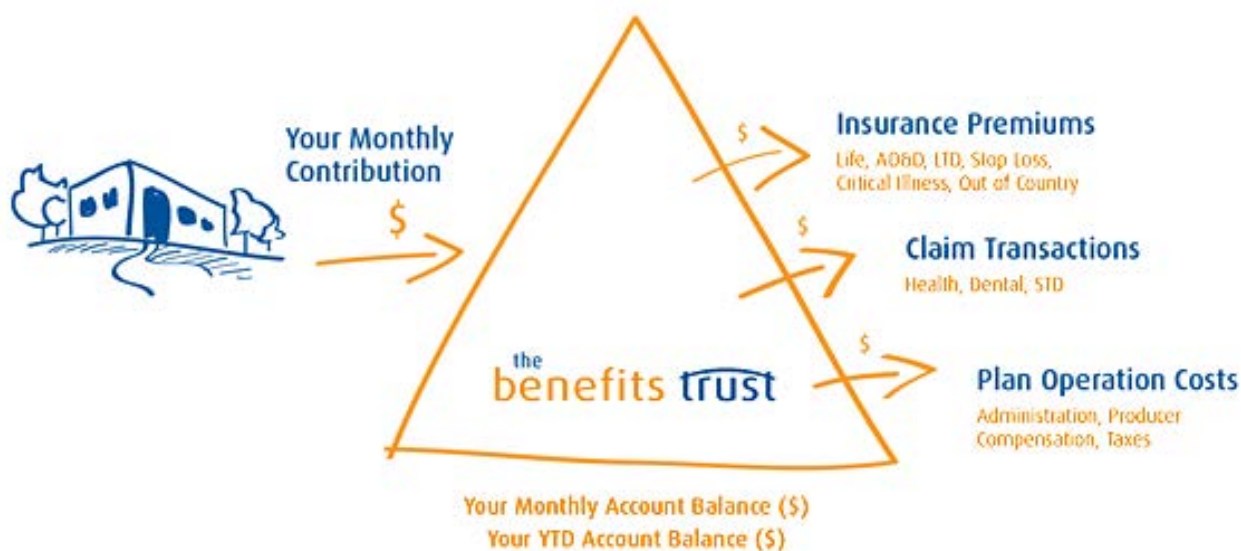
The Benefits Trust
3800 Steeles Avenue West, Suite 102W
Vaughan, Ontario L4L 4G9

HOW THE PLAN WORKS

To understand how it works, you need to understand that Employee Benefit coverage is generally composed of three elements:

1. **Catastrophic Coverage:** This is true insurance for benefits like emergency travel coverage. We work closely with Canada's top 25 insurance providers so we're able to add you to existing insurance pools and purchase coverage in bulk. This allows us to pass additional savings to you.
2. **Dental & Health Expenses:** These are transactional expenses. Traditional plans charge you inflated premiums to cover your actual expenses and often have restrictive annual limits. If your actual expenses exceed the premiums you pay, your premiums skyrocket the following year. However, they rarely decrease if you spend less than what you pay in premiums. With our plan, you only pay for what you use. No inflated premiums that pad insurer profits and no voodoo math.
3. **Administration:** These fees are the cost to manage the plan. With traditional plans, the smaller you are, the more you pay – often in excess of 30% of your premiums. With our plan, you pay a flat 15% (including commissions) of your contributions with no hidden or extra costs whatsoever.

The Smart Business Owner Benefits Plan combines these three elements in a customized approach that makes it accessible for businesses with 1 to a handful of people.



PLAN DETAILS (THE FINE PRINT...)

- Monthly contributions are based on anticipated expenses and the plan operates on a **budgeted** Administrative Services Only (self-funded) basis. In other words, you will pay the same amount each month. Your costs do not fluctuate with your claims.
- Unlimited Coverage: If contributions exceed claims at the end of the year, there is a surplus in your account. If claims exceed contributions at the end of the year, there is a deficit in your account. The surplus or deficit belongs to you and will be reconciled at the end of the benefit year. If deficit exceeds 15% of annual contributions, we reserve the right to request a deficit payment.
- Healthcare Spending Account (HSA) Coverage: If your contributions exceed claims at the end of the year, your funds will carry forward for 1 year. If claims exceed your HSA amount, the employee will have to pay out-of-pocket for additional expenses.
- There are no internal maximums, (i.e. massge to a maximum of \$500), deductibles or coinsurance.
- Every month you will receive a financial statement so that you can see how your plan is performing. You will never be surprised at the annual renewal.
- Minimum annual contribution \$3,000 for all employees.
- Deposit the first month's contribution plus the appropriate taxes and administration charges into your specific trust account, which is maintained and administered by The Benefits Trust. A worksheet is included with this package.
- Ongoing monthly contributions will be automatically withdrawn from your bank account. A pre-authorized payment form is included with this application.
- Claims can be submitted at any time and for any amount throughout the benefit year.

PLAN COVERAGE DETAILS

1. CATASTROPHIC COVERAGE (POOLED INSURANCE):

You (and eligible employees, if any) must work a minimum of 24 hours per week in order to be eligible for catastrophic insurance. Part time employees may be offered standalone HSAs.

Out of Country Emergency Medical Care

- Insurance coverage for reasonable and customary charges in the area where the emergency occurred, in the event of a sudden, unexpected illness or injury during the first 60 days of travel for business or pleasure. This plan includes hospital care, physician's services, and other appropriate standard medical treatment.
- Maximum \$5,000,000 per covered person per trip.
- Supplementary Travel Assist Services are provided for personal or medical emergencies.
- Underwritten by Green Shield Canada.

Excess Medical Stop Loss Insurance

- Available from \$7,500.
- Supplemental Insurance protection for catastrophic in-Canada Health Care claims in excess of the stop loss attachment level per person per year. Coverage includes Semi-Private Hospital Room, Private Duty Nursing and Prescription Drugs. This plan also covers each person for recurring treatments.
- A standard 12/24 month pre-existing conditions clause applies to all participants of this plan. If in the 12 months prior to joining the plan, a person has been: a) diagnosed with, b) treated for, or c) has shown symptoms of a disease for which a reasonable person would have sought medical treatment; and the person incurs expenses relating to this condition in the first 24 months after joining the plan, these expenses will not be eligible for Stop Loss coverage at any time. Expenses will be paid to the Pre-Existing Condition limit and may continue to be paid on a self-funded basis thereafter.
- Maximum \$1,000,000 per covered person in their lifetime.
- Underwritten by Lions Gate.

Additional Optional Pooled Coverage

- Life Insurance: A tax-free payment to the employee's beneficiary. No medical evidence is required. 50% Reduction at age 65. Termination at age 70.
- Accidental Death & Dismemberment (AD&D): A tax-free payment to the employee's beneficiary if the employee's death is the result of an accident (in addition to the Life Insurance payment, if included). 50% Reduction at age 65. Termination at age 70.
- Dependent Life: A tax-free payment to the employee in the event that a covered dependent dies. This amount is traditionally used to cover funeral expenses.

2. HEALTH & DENTAL ELIGIBLE EXPENSES INCLUDE:

- **Paramedical Practitioners:** such as Acupuncturist, Chiropracist, Podiatrist, Chiropractor, Clinical Counsellor, Dietician, Massage Therapist, Naturopath, Occupational Therapist, Osteopath, Physiotherapist, Psychologist, Social Worker & Speech Therapist.
- **Vision Care:** including Laser Eye Surgery, Contact Lenses, Glasses & Examinations.
- **Medical Facilities:** including Hospitals, Convalescent Homes & Substance Abuse Facilities.
- **Medical Devices:** such as Orthotics, Hearing Aids & CPAP machines.
- **Nursing Care:** to help you recuperate in the comfort of your own home.
- **Expenses Related to Disabilities:** including special program tuition, tutoring and home or vehicle modifications.
- **Dental Services:** Orthodontic & Major Services, including Dental Implants.
- **Out of Country Expenses:** for non-emergency expenses while travelling.
- **Prescription Drugs:** excluding only over-the-counter medication.

You must contribute at least \$3,000 in annual Medical & Dental expenses for the plan as a whole in order to be eligible. There is no minimum funding requirement for employees (if applicable).

3. HEALTHCARE SPENDING ACCOUNTS (HSA)

The HSA option is a pre-determined amount of money provided to owners or employees at the beginning of each benefit year for coverage of their medical and dental expenses. Eligible expenses are paid at 100% up to the total dollar amount available in the HSA. At the beginning of each benefit year, you decide the amount of HSA dollars available for you and your employees. Healthcare Spending Accounts ensure controlled benefit costs for the employer and complete claim flexibility for the employees.

Any item that qualifies for the CRA Individual Medical Tax Credit is eligible for coverage through an HSA. This definition of eligible expenses allows for the broadest coverage of any benefits plan in Canada.

You must contribute at least \$3,000 in annual Healthcare Spending Account contributions combined (owners and employees).

HSA CARRY FORWARD OPTIONS

Employers can customize their HSA plan to best meet their business goals. These plans can be structured in one of three ways:

1. BALANCE CARRY FORWARD

Balance carry forward is the most popular structure for HSA plans. With this plan design, any remaining balance an employee has at the end of year one will be carried forward and added to their balance for year two.

If the employee has carry-forward funds from year one remaining at the end of year two, the remaining carry-forward amount is returned to the employer. However, if an employee exhausts their full HSA balance, additional expenses cannot be carried forward to the next year under Income Tax Act guidelines.

This type of plan allows the employee to plan and budget for large expenditures, such as orthodontic expenses, over a two year period by saving some funds from the previous year. Balance carry forward plans are a great option for employers looking to empower employees to make their own decisions about their benefits dollars, and to allow employees the longest time period to make use of their HSA funds.

2. EXPENSE CARRY FORWARD

Expense carry forward plans allow expenses that remain unclaimed at the end of the benefit year to be carried forward and reimbursed from the next year's funds. However, if the employee does not use their HSA funds within the benefit year, the funds are returned to the employer and may not be carried forward.

Entrepreneurs or small business owners may appreciate the flexibility in budgeting that an expense carry forward plan allows. If they incur an unanticipated expense during the benefit year which is too large for the current HSA funding to cover, that expense can be carried forward and paid from the following year's funds.

3. NO CARRY FORWARD

Plans with no carry forward operate on a "use it or lose it" principle. Employees have 12 months to use their HSA funds, after which any unspent funds are returned to the employer. Neither funds nor expenses can be carried forward to the next benefit year.

TAXATION DETAILS

- 100% of the deposits into the Smart Business Owner Benefits Plan, Healthcare Spending Account, and insurance, including administration and applicable taxes, are tax deductible business expenses.
- All benefits received are non-taxable to the individual.
- Billed taxes (Ontario): 2% premium tax charged on Healthcare Spending Account contributions and Health & Dental contributions. 8% provincial insurance tax charged on Healthcare Spending Account contributions, Health & Dental contributions and insurance premiums. 13% HST charged on administration fee and premium tax.
- Please contact our office with any questions about applicable taxes in other provinces.



About The Benefits Trust

We help successful business owners build a better benefits plan than they can get anywhere else.

Since 1994, The Benefits Trust has provided Third Party Administration services for employer groups of one or more. **We are the largest independent Third Party Administrator (TPA) in Canada** with longstanding business relationships with more than 20 insurance companies.

Typical insured benefits plans come as a take-it-or-leave-it package. We unbundle the package and let businesses choose the options that they want, discarding the rest.

We offer custom group benefits solutions with self-insured and insured options for small and mid-sized businesses in Canada. Our full suite of benefits plan services includes:

- Drug, Medical and Dental Plans
- Life, AD&D, Disability, Critical Illness, Group Travel, and EAP billing
- Hybrid Benefit Plans
- Health Care Spending Accounts
- Executive Benefit Plans
- Stop Loss attachment levels from \$7,500 and up
- Telus Health virtual care
- And more!

**We help successful business owners
build a better benefits plan than they
can get anywhere else.**



the benefits trust

3800 Steeles Avenue West
Suite #102W
Vaughan, Ontario
L4L 4G9

Phone: (416) 498-7723
Toll Free: (800) 487-2993
Fax: (905) 264-1123

www.thebenefitstrust.com

For more information contact:

Mike Ignatz
The Benefits Trust
mignatz@thebenefitstrust.com
1-800-487-2993 x 302

Robert W. Crowder
The Benefits Trust
wcrowder@thebenefitstrust.com
1-800-487-2993 x 328