

Start your myFLEXplan today for

Self-Employed

This package contains:

1. FAQ Sheet
2. Application form
3. Instructions
4. Sample Director's Resolution (for incorporated individuals)

Further Information may be obtained from www.myHRmgr.com

1. List of Allowable Medical Expenses
2. CRA Interpretation Bulletins

If you are a proprietor of a small unincorporated business, according to Canada Revenue Agency requirements you MUST include 'an element of risk'. Therefore, the Emergency Travel Medical / Catastrophic Claim protection must be included (see item 7).

1. How often do I have to contribute to the plan?

You have control over contribution frequency. You can send in a deposit monthly, bi-monthly, quarterly, semi-annually or annually. In addition, you can remit funds on an 'as needed' basis. However, as you are the sole employee of the business, the preferred method is to have myFLEXplan automatically debit your business account for all claims and fees, then have the reimbursement payments made directly to your personal bank account by direct deposit.

2. How much do I have to contribute?

You have complete control over the amount of benefit entitlement. However, we caution you that the amount must be reasonable in view of the total compensation you receive from your business.

3. How much does it cost?

There is a one time set-up fee of \$200 for the company. There is NO ADDITIONAL cost to enroll as an employee; nor is there any annual administration fee. The only other fees are based upon any claim payments made. Please see our current fee guide for all pricing.

4. Can unused contributions be carried over?

Yes, at the end of a 'benefit year' if you have not used all of your available contributions, they may be carried over for one additional year. At the end of the second year, for those first year contributions that were carried over the funds can be left on deposit in the company's account to be used for future years.

5. Can we claim medical expenses from before we started the plan?

Yes, CCRA rules allow you to claim medical expenses incurred before the plan was established. You may go back to January 1st in the previous calendar year or the beginning of the previous benefit year, whichever is later. This is something that you would normally restrict to owners or key management personnel. However, it may be offered to any employee.

6. What types of expenses are covered?

An employee may use the myFLEXplan account for any medical expenses that are allowable under the income tax act. This is a very wide range of uses and will include many items that are not typically allowed under a normal group benefits plan. It may NOT be used for life insurance or disability insurance premiums, nor may it be used for business or educational expenses. Only medical-related expenses may be claimed. Use of funds for any other reason may invalidate the deductibility of even medical expenses.

7. Can we get additional benefits?

Yes, you can provide complete Emergency Travel Medical protection which will protect the employee for all out-of-country trips. In addition, this coverage includes Catastrophic Claim protection. Please refer to the separate documentation on this benefit.

8. How are claims reimbursed?

When an employee makes a claim it should be sent directly to TOLCO Financial Strategies for processing. The claim is normally adjudicated within 3 business days of being received. Payment is made in one of three ways:

- The employee can complete a direct deposit request form and have the funds deposited directly to their bank account. This is the preferred and fastest method. Direct deposits are made every Friday.
- A cheque will be issued (on a monthly basis) and sent directly to the employee. There may be additional charges for this service..

9. What kind of Internet access do I have?

You are automatically assigned an Administrator ID and password. This can be used to logon to www.myhrmgr.com for a variety of Administrator functions:

- Change enrollment information
- Update business banking information
- Display and print a variety of pal accounting reports

As well, you will be issued an Employee ID, Employee UserID and password. These permit you access to certain update and inquiry functions that are available:

- Update address, dependants and banking information.
- Current benefit allowance, amounts carried forward, used this year and remaining.
- List all claims and payments made.
- Print an Explanation of Benefits for any claim submitted.

10. What do we need to start the plan?

You must complete the Self-Employed Application form and include a cheque for the \$200 set-up fee. These should be sent to your referring advisor or directly TOLCO Financial Strategies Inc.

For more information, call:



TOLCO Financial Strategies
4400 Parkwood Terrace
Victoria, BC V8X 4Z8
778-433-1020

Administrative services provided by:

TOLCO Financial Strategies
4400 Parkwood Terrace
Victoria, BC V8X 4Z8

www.tolco.ca

Phone: 778-433-1020 Fax: 778-433-3020

Company

Name: _____

Business Address: _____ Office Phone: _____

_____ Office Fax: _____

City: _____ Province: _____ Postal Code: _____

Company eMail: _____ Proprietor: Incorporated:

Employee

Name: _____ Birth date: _____

Home Address: _____ Home Phone: _____

Same _____

City: _____ Province: _____ Postal Code: _____

Personal eMail: _____ Direct Deposit to Personal a/c (attach Bank info)

Dependent Name	Birthdate			Relationship
	Day	Month	Year	
				Spouse
				Dependent children may be natural, adopted or step-children. Must be unmarried and dependent on you for support. Under 21, or under 25 and attending post-secondary education, or dependent due to mental or physical infirmity.

Emergency Travel Medical and Catastrophic Loss Coverage

Single

Couple

Family

Waived

MUST sign waiver on reverse

1 - Deposits: Frequency: Monthly Quarterly Yearly As Required

Method: Cheque Pre-Authorized Debit to Company a/c (authorization required)

2 - Benefit year: Calendar year Company Year-End _____

3 - Carry-Forward Option: Carry forward unpaid claims Carry forward unused benefits

Benefit	Reimbursement	Maximum Claims per Year	Administration Fee
Health Spending Account	100 %	\$ unlimited	10 %
			Plan Number
Signature: _____			Date: _____

Company Pre-Authorized Debit (PAD) Authorization (a VOID cheque MUST be provided)

We authorize TOLCO Financial \$trategies (In Trust) to process a debit, in paper, electronic, or other form in amount of:

1) Fixed Amount \$ _____

OR:

2) A variable amount being stated on a statement mailed (in paper or electronically) to the company:

Beginning on: _____

Frequency: _____

Ending on: _____

We acknowledge that we have read, understand and accept all the provisions contained in the Pre-Authorized Banking Terms as posted on the internet site at www.myFLEXplan.ca

Signing Officer: _____
Please print name and title

Signature _____ Date: _____

Signing Officer: _____
Please print name and title

Signature _____ Date _____

Employee Authorized Direct Deposit

Please attach a VOID cheque (only if not available, complete below)

Bank Name: _____

Institution: _____ Transit: _____ Account: _____

We waive the Emergency Travel Medical / Catastrophic Loss coverage as my spouse has this coverage with their employer _____ under policy number _____

Signature: _____ Date: _____



Administrative services provided by:

TOLCO Financial \$trategies
4400 Parkwood Terrace
Victoria, BC V8X 4Z8
Phone: 778-433-1020
Fax: 778-433-3020
www.tolco.ca

my **FLEX**plan

What you need to know to help complete your Application form:

1. The top section **Company** is the business information under which you operate. If you are not incorporated, this is the operating name you use. This cannot be your personal name.
2. It is important to indicate if you are a proprietor or a corporation.
3. The second section **Employee** is your personal information. You **MUST** enter your name and birth date. If you operate from your home, simply tick the 'Same' box.
4. You need to list your dependants if you will be making any claims for expenses on their behalf. Same sex spousal relationships are permitted in accordance with the Canada Revenue Agency definition. Please make sure you enter the correct birth date for yourself and all dependants as this information is important for the Emergency Travel Medical / Catastrophic Loss coverage.
5. Emergency Travel Medical Catastrophic Loss coverage is mandatory for proprietors unless you have coverage under your spouse's plan. If this is the case, check 'Waived', provide the particulars of your spouse's coverage on the second page and sign the waiver. Please refer to our website for current pricing and a complete description of the plans.
6. Deposits - the normal method is to pay on an as-required basis. That is why the other options have been grayed out. We strongly recommend you provide a Pre-Authorized Debit (PAD) Authorization. This will enable us to process your claims quickly with a minimum of effort on your part.
7. Benefit Year – This will normally be your business year-end for incorporated companies and calendar year for proprietors. CRA allows you to carry-forward benefits or claims for a maximum of one year. This is important in this first year of plan operation. For example, if you start the plan on June 1st, 2014 but your company year-end is September 30th, in this first year, you can submit claims for expenses incurred any time after October 1st, 2013.
8. Items 3 & 4 should be left as shown for the default. This is what allows you to submit backdated claims as described in 8.
9. Reimbursement – You could reduce the benefit to less than 100%, but we are not sure why you would. This is a feature usually implemented for hired employees.
10. Maximum Claims per Year – This can be left as unlimited. However, we recommend establishing a high but still reasonable limit. For example, 20% of your estimated total income from the business. If you only draw \$48,000 from your business by way of salary, bonus and dividends CRA would question a benefit limit of \$30,000. **IMPORTANT** – We have included a sample Board of Director's Resolution for incorporated businesses. We urge you to pass a Resolution and keep it in your Minute Book together with the Plan Documents that will be provided.
11. Administration Fee – The standard administration fee is 10% of all claims paid (GST is applicable on this fee). If you provide a PAD for automatic withdrawals and an Authorized Direct Deposit (ADD) for claim there will be no additional fees for deposits or payments.

Once you have completed and signed the Application form and the Banking Authority form, they should be faxed to TOLCO Financial Strategies at 778-433-3020. Do not worry about the Set-Up fee. We will debit your account via PAD when we send you the Plan documents. We can then get started right away. However, please send the forms by mail (along with a cheque for the Set-Up fee if you do not provide us with a PAD) as we require an original signature for our records.

Once we have received the forms (by fax or mail) and processed your application (usually 2 business days) we will send you email with your Plan ID, Plan Documents, Administrator ID and Employee ID numbers. You must sign the Plan Documents and return them to us. If we do not receive them back within 30 days we will suspend the plan. As soon as you have your Plan ID you can begin to submit claims.

Please refer to www.myhrmgr.com for a current list of service fees.

Resolution of the Board of Directors of

(hereinafter referred to as "The Company")

Whereas

The Company has agreed to institute a Private Health Services Plan (hereinafter referred to as "The Plan") for the employees of the Company. This plan shall conform to the requirements as outlined by Canada Revenue Agency Interpretation Bulletin IT-339R2 and any subsequent amendments.

Be It Resolved That

The following classes of employee shall be eligible for benefits under The Plan:

1. Senior Executive
2. Hourly Employee
3. Contract Employee

Be It Resolved That

The Plan shall be administered under the terms and conditions of a Health and Welfare Trust as defined by Canada Revenue Agency Interpretation Bulletin IT-085 and any subsequent amendments.

The Plan shall be administered by TOLCO Financial Strategies in accordance with their policies and procedures for myFLEXplan.

The benefits to be provided may be determined from time to time in accordance with the policies that may be established by management of the Company.

Dated this _____ day of _____, _____

Signing Officer

Signing Officer