



Private Health Services Plan
Health and Welfare Trust

Documents for:

Company Name:

Address:

Effective Date:

Please have an authorized signing officer sign where indicated on pages 3 and 9, make a copy for your records and return one copy to us within 30 days.



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

Private Health Services Plan for:
(hereinafter referred to as the "Plan")

1.0 DEFINITIONS

- 1.1 **Board of Trustees** means the Trustees established by the Declaration of Trust, a copy of which is attached hereto as Schedule "A", to administer the Trust for the purpose of the Plan.
- 1.2 **Calendar Year** means the period from any January 1 to the following December 31, inclusive.
- 1.3 **Child** means any child of the Employee or his spouse, including any step-child, adopted child or foster child.
- 1.4 **Dependant** means:
- a) a spouse who is either:
 - i) legally married to the Employee; or
 - ii) a member of the opposite or same sex who is publicly represented as the Employee's spouse;
 - b) an unmarried dependant child who has not attained age 21;
 - c) an unmarried dependant child who is registered as a full-time student at an institute of higher learning and has not attained age 25;
 - d) an unmarried child who is incapable of supporting himself because of a mental or physical handicap
- 1.5 **Effective Date** means the effective date as set forth on the Execution Page hereof.
- 1.6 **Employee** means a person who is employed by an Employer, is a Director of an Employer, or who is retired from the service of an Employer, and who is designated by the Employer as eligible for coverage hereunder.
- 1.7 **Employer** means an Employer which has agreed, in writing, to contribute monies to the Trust for the purchase of group short term disability, and/or health and/or dental benefits for its Employees.
- 1.8 **Hospital** means a lawfully operated institution under the supervision of a staff of Physicians.
- 1.9 **Illness** means a bodily or mental disorder of any kind including an illness related to pregnancy.
- 1.10 **Injury** means an accidental injury which occurs while the person is covered under this Plan.
- 1.11 **Physician** means a licensed doctor or dentist practicing within the scope of his license.
- 1.12 **Plan** means this employee health and welfare trust.
- 1.13 **Service** means employment with an Employer.

2.0 INCLUDED EMPLOYERS

- 2.1 An Employer becomes included under this Plan on the Effective Date, being the date the Board of Trustees approves the Employer for inclusion.
- 2.2 The Plan may be terminated by either the Employer or by the board of Trustees by providing written notice of termination to the other not later than 30 days prior to the effective date of termination. In the event of termination or expiry of the Plan, Westmount Group Inc. shall have no further obligation under the Plan beyond paying the claims incurred and expenses of the Plan incurred to the date of termination or expiry. Any claims that are submitted more than 90 days after termination or expiry of the Plan will not be paid.

3.0 ELIGIBILITY

3.1 When An Employee is Eligible

An Employee and their Dependants shall be eligible to be covered under this Plan on the date the Employee's Employer becomes included under this Plan.

3.2 When An Employee's Coverage is Effective

Once an Employee is eligible to be covered under this Plan, his coverage shall be effective immediately, provided the Board of Trustees has been advised in writing of the Employee's desire to join the Plan, not later than 31 days following the date the Employee became eligible.

3.3 When A Dependant's Coverage is Effective

Once an Employee is eligible to be covered under this Plan, his Dependant's coverage shall be effective immediately.

4.0 TERMINATION OF COVERAGE

4.1 When an Employee's Coverage Terminates

An Employee's coverage will automatically terminate when:

- a) he ceases to be an eligible Employee;
- b) this Plan terminates;
- c) The Employer fails to make a payment of a required contribution;
- d) The Employer terminates the Employee's coverage under this Plan.

4.2 When a Dependant's Coverage Terminates

A Dependant's coverage terminates automatically when:

- a) the Employee's coverage terminates;
- b) the Dependant ceases to be eligible under the definition of Dependant.

5.0 DESCRIPTION OF EXPENSES COVERED

All reasonable expenses necessarily incurred for the health care of an Employee or eligible Dependant are covered by this Plan, except as listed under "Exclusions". Covered expenses included, but are not limited to any medical expense that is permitted by the *Income Tax Act*.

6.0 EXCLUSIONS

Expenses incurred for the following are not covered under this Plan:

- a) Service and Supplies:
 - i) furnished by or on behalf of any government, unless payment is legally required;
 - ii) to the extent to which any benefit is provided by any law, governmental program, or regulation of Canada or a of any of its provinces or territories, under which the individual is eligible for coverage; or
 - iii) to the extent the benefits are prohibited for such expense under a "private health services plan" by the *Income Tax Act*.
- b) Services and supplies provided by a dental or medical department maintained by the Employer, a mutual benefit association, labour union, trustee or similar type of group;
- c) Services and supplies not reasonably necessary for the medical Care of the patient's injury, sickness or condition. To be considered "reasonably necessary", the services or supply must be ordered by a Physician.

7.0 GENERAL PROVISIONS

7.1 Premium Payout

Premiums are due and payable on the day a claim is submitted to the Plan Administrator for reimbursement. Premiums under this Plan are payable by the Employer to the Board of Trustees at the office of Westmount Group Inc. on each premium due date. A grace period of fifteen (15) days is allowed for the payment of each premium.

7.2 Premium Computation

The premium due on each premium due date is the sum of the claim charges for the coverage then provided under the benefits of this Plan, plus applicable administration fees. If any premium is not paid within its grace period as provided in Section 7.1, coverage under the Plan will terminate at the end of the grace period.

7.3 Records – Information to be Furnished

Either the Employer or the Board of Trustees, as mutually agreed, shall keep a record of the covered Employees containing the essential particulars of the coverage. The Employer shall forward the information periodically required by the Board of Trustees in connection with the administration of the Plan. All records of the Employer which have a bearing on the coverage shall be open for inspection by the Board of Trustees at any reasonable time.

7.4 Amendment

The Plan may be amended at any time, by the giving of sixty (60) days written notice. Any such amendment shall be without prejudice to any claim arising prior to the date of change.

7.5 Claim Provisions

These provisions apply to each coverage under this Plan.

Written proof of the expense incurred under a coverage upon which claim may be based must be furnished to the Board of Trustees, within ninety (90) days after the date the expense was incurred.

Failure to furnish such proof within the required time shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible.

The Board of Trustees will not reimburse the Employee or their Dependents for any expenses or claims which have previously been satisfied, or may be satisfied, under a competing private or public health care plan. Should an eligible expenditure be covered under another plan, the expenditure must be submitted under the other plan first.

All benefits will be paid upon receipt of written proof covering the occurrence, character and extent of the event for which claim is made.

The Board of Trustees at its own expense shall have the right and opportunity to examine the person whose sickness or injury is the basis of claim when and so often as it may reasonably require during pendency of claim.

No action at law or in equity shall be brought to recover under the Plan prior to the expiration of sixty (60) days after written proof of the expense upon which claim is based has been furnished as required above. No such action shall be brought more than one (1) year after the expiration of the time within which proof of such expense is required.

In the event a claim for benefits under the Plan is not paid, in whole or in part, the Board of Trustees shall provide written notice to the Employee of the reason(s) for the rejection of all or part of the claim. The Employee may request that the Board of Trustees review their decision, however, the Board of Trustees shall have full authority to determine the eligibility of, or any part of a claim.

7.6 Individual's Statements As to Coverage Subject to Claim Provisions

All statements with respect to the benefits under such coverage, which are made by a person covered therefore, shall be deemed representations and not warranties. With respect to each amount of such benefit for which a person is covered, no such statement made for the purpose of effecting such benefit of the person shall be used in any contest to avoid the benefit with respect to which such statement was made, or to reduce benefits after such coverage has been in force prior to the contest or a period of two (2) years during his or her lifetime, nor unless such statement is contained in written application signed by the person and a copy of such application is or have been furnished to him or her.

The employee health and welfare program is hereby adopted by the company for the benefit of its designated employees, to be funded by a health and welfare trust established by the company pursuant to the to the provisions of the *Income Tax Act*, Canada.

7.7 The Contract – Incontestability of Documents

This Plan Document together with the Declaration of Trust, attached hereto as Schedule "A" and the Agency Agreement for Health and Welfare Trust with the Employer, attached hereto as Schedule "B", and the individual applications, if any, of the persons covered hereunder, constitute the entire Contract.

No agent or other person has authority to waive any conditions or restrictions of the Plan document: to extend the time for paying a premium; to make or modify a contract; or to bind the Board or Trustees by making any promise or representation or by giving or receiving any information.

Effective date:

Employer:

Per: _____

Address:

DECLARATION OF TRUST FOR HEALTH & WELFARE TRUST
SCHEDULE "A"

THIS DELCARATION OF TRUST is made on May 15, 2067

BY: **TOLCO Financial Strategies** hereinafter referred to as "the Agent"

1.0 DEFINITIONS

- 1.1 The Employer shall mean any employer that has established a plan for administration by the Trust.
- 1.2 Plan shall mean an employee private health services plan established by an employer or an employer-employee agreement, and which is administered by the Trust.
- 1.3 The Trust shall mean "TOLCO Financial Strategies. Health and Welfare Trust" established by this declaration.

2.0 ESTABLISHMENT OF TRUST

- 2.1 The Agent hereby establishes the "TOLCO Financial Strategies Health & Welfare Trust" for the purpose of administering private health services plans pursuant to the provisions of the Income Tax Act, Canada on behalf of any employer that appoints the Agent as its agent for this purpose.
- 2.2 The Trust shall consist of all contributions received by the Trust, made by each Employer or its employees under the plan.
- 2.3 For each Employer that as appointed the Agent as its agent of the purpose of participating in the Trust, the Agent shall advise the Trustee of the name of the Employer, and any other such other information as required by the Trust.

3.0 PLAN FUNDING

- 3.1 An Employer shall provide a copy of its plan to the Trust when the plan is established, and shall provide copies of any revisions when they are made.
- 3.2 The trust shall administer only "pay as you go" plans, unless it has otherwise consented to in writing.
- 3.3 The Trustees shall advise each Employer of the amount of contribution required to adequately fund the employer's plan, based on the plan and the nature of the benefits required.
- 3.4 The Employer shall contribute to the Trust according to the advice of the Trustee, and the trust shall be responsible to pay a benefit to an employee only after funding has been received by the Trust.
- 3.5 Money received for each plan may be placed into a common trust bank account, but shall be segregated and dealt with as a separate trust in the trust accounting records.
- 3.6 The Trustees shall not be responsible to check the legitimacy of any claim presented under a plan, but an employer and employee making a claim shall provide to the Trustee documentation required by the Trustee to properly meet the obligations of the Trustee under the *Income Tax Act*.
- 3.7 Funds in the trust shall be used only for providing health and welfare benefits under a private health services plan as defined in section 110(8) of the Income Tax Act, or similar provision as amended from time to time.

4.0 APPOINTMENT OF TRUSTEES

- 4.1 The Agent shall appoint three (3) Trustees to act under this Declaration.
- 4.2 A trustee's appointment shall not be effective until the trustee has signed an "**Acceptance of Trusteeship**" in the form attached to this Schedule.
- 4.3 A Trustee shall receive no compensation for their services, but shall be reimbursed for all expenses reasonably incurred in the performance of their duties.
- 4.4 The Agent appoints the following as the initial Trustees:
 - a) Michael H. Toller
 - b) Barbara J. Toller
 - c) Julia J. Toller
- 4.5 A Trustee shall continue to serve until their resignation, removal or death.
- 4.6 A Trustee may resign by giving at least thirty (30) days' notice to the Agent.

- 4.7 The Agent may remove a trustee by notice, which may be effective when served.
- 4.8 When a Trustee's appointment ends, the remaining Trustees shall continue their administration of the Trust in full.

5.0 MEETINGS OF THE TRUSTEES

- 5.1 Any Trustee may call a meeting by notice to the other Trustees, and the Trustee's meeting shall be governed by Robert's Rules of Order or such other rules as they may agree by majority vote.
- 5.2 A majority of the trustees shall constitute a quorum.

6.0 POWERS AND DUTIES AND TRUSTEES

- 6.1 The Trustees shall administer the Trust and the plans.
- 6.2 A Trustee shall act reasonably and in good faith, to discharge their obligations to the best of their ability.
- 6.3 The Trustees shall have all powers necessary to carry out their duties properly, and without limiting this general power, may:
 - a) appoint anyone or more of their number to sign any documents;
 - b) obtain advice as they may think fit, from any relevant source;
 - c) act and exercise all of their powers through agents, including the Agent, and may pay the agents reasonable fees for their services;
 - d) pay all reasonable and proper expenses;
 - e) pay all taxes or other assessments which the trust may be liable to pay;
 - f) request and collect contributions from the Employers under the plan;
 - g) invest the capital and income of the trust in such a manner as they in their sole discretion determine, subject to any applicable legislation, and any requirements of this declaration.
- 6.4 The Trustee shall keep trust records in accordance with generally accepted accounting principles.
- 6.5 The Trust records shall be open to inspection by the Agent, and by an Employer in regard to that employers plan, at all reasonable times and shall be carried out only by persons authorized in writing.
- 6.6 Within ninety (90) days of the end of each calendar year, the Trustee shall provide written accounting to each employer for contributions made during the prior calendar year.

7.0 LIABILITY OF TRUSTEES

- 7.1 A Trustee (herein referred to as the "Offending Trustee") shall be liable only for losses or expenses which result from:
 - a) an intentional breach of trust;
 - b) dishonesty by the Trustee; or
 - c) actions which are not carried out reasonably and in good faith.

However, the remaining Trustees, not party to such acts, shall not be held responsible for the Offending Trustee's impugned acts or omissions, or the consequences, losses or expenses arising therefrom.

8.0 LIABILITY OF EMPLOYER

- 8.1 Each Employer shall indemnify and save harmless the Trust and Trustees from:
 - a) any claim to which the Trust or Trustees may become liable by reason of the Trustees administering a plan on behalf of the Employer and;
 - b) which claim does not relate to liability for which a Trustee is otherwise responsible under this agreement.

9.0 AMENDMENT AND TERMINATION

- 9.1 The Agent may amend this declaration at any time by providing sixty (60) days' notice to the Trustees and to each Employer.
- 9.2 The Agent may terminate this declaration at any time by giving sixty (60) days' notice to the Trustees and to each Employer.

9.3 Upon termination, the Trustees shall take all steps required to terminate their administration of the Trust and shall provide an appropriate accounting to each of the participating Employers.

10.0 NOTICE

- 10.1 Unless otherwise specified, all notices given under this Declaration shall be in writing.
- 10.2 Notices need not be personally served, and may be delivered to the address for service.
- 10.3 be deemed to be seven days after the date of mailing, subject only to any interruption of postal service reasonably apparent to the person giving notice, in which case notice shall require proof of actual delivery to the address of service.
- 10.4 Each party may notify the other of a change in address for service, in the manner set out herein.
- 10.5 The address for the Trustee and for the service of the parties shall be as follows:
TOLCO Financial Strategies
4400 Parkwood Terrace
Victoria, BC V8X 4Z8

This declaration was executed by the Agent, at Victoria, BC on May 15th, 2013.

TOLCO Financial Strategies

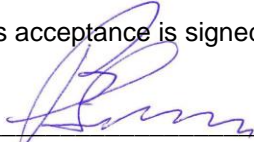
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ACCEPTANCE OF TRUSTEESHIP

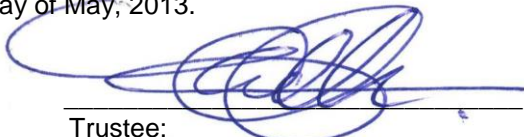
I, Michael H. Toller, of Victoria, BC, have read and understand the provisions of the TOLCO Financial Strategies Health & Welfare Trust dated May 15, 2013.

I accept the appointment as Trustee and will act reasonably and in good faith to discharge my obligations under the Trust to the best of my ability.

This acceptance is signed and shall be effective on the 15th day of May, 2013.



Witness



Trustee:

ACCEPTANCE OF TRUSTEESHIP

I, Barbara J. Toller, of Victoria, BC, have read and understand the provisions of the TOLCO Financial Strategies Health & Welfare Trust dated May 15, 2013.

I accept the appointment as Trustee and will act reasonably and in good faith to discharge my obligations under the Trust to the best of my ability.

This acceptance is signed and shall be effective on the 15th day of May, 2013.



Witness



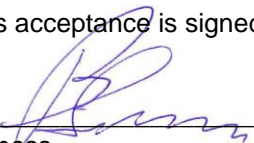
Trustee:

ACCEPTANCE OF TRUSTEESHIP

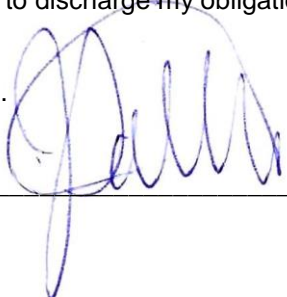
I, Julia J. Toller, of Victoria, BC, have read and understand the provisions of the TOLCO Financial Strategies Health & Welfare Trust dated May 15, 2013.

I accept the appointment as Trustee and will act reasonably and in good faith to discharge my obligations under the Trust to the best of my ability.

This acceptance is signed and shall be effective on the 15th day of May, 2013.



Witness



Trustee:

SCHEDULE "B"

AGENCY AGREEMENT FOR HEALTH & WELFARE TRUST

BETWEEN:

Identified on the execution page of this Agreement hereinafter referred to as "Employer"
-and-
TOLCO Financial Strategies hereinafter referred to as "TFS"

WHEREAS:

- A. The Employer desires to establish a private health services plan for its employees and their dependants (the "Plan") and TFS is in the business of establishing health and welfare trusts and providing financial administrative services;

NOW THEREFORE the parties hereto hereby covenant and agree as follows:

1.0 APPOINTMENT OF AGENT

- 1.1 The Employer hereby appoints TFS to act as agent for the Employer, for the establishment of a health and welfare trust pursuant to the provisions of the *Income Tax Act*, Canada (the "Trust").

2.0 DUTIES OF TFS

- 2.1 TFS shall establish and maintain the Trust on behalf of the Employer, and for this purpose may:
- a) establish the terms of the Trust in writing;
 - b) change the terms of the Trust from time to time as TFS sees fit, by giving sixty (60) days notice to the Employer;
 - c) appoint one or more trustees, change trustees, from time to time as TFS; sees fit; and
 - d) enter into agreements with the Trust, to provide and be paid for the services to the trust, which services may include any services required by the Trust to properly provide the benefits for which the Trust is established.
- 2.2 TFS shall act reasonably and in good faith in carrying out its duties.

3.0 THE TRUST

- 3.1 The Declaration of Trust, as of the date of this agreement, is marked as Schedule "A" hereto and shall form part of this Agreement.
- 3.2 The Trust shall administer, directly or through TFS and other agents, the Plan, pursuant to the provisions of the *Income Tax Act*, Canada.
- 3.3 TFS may, if requested, assist the Employer in creating the Plan, and shall be paid for its services as may be agreed between the parties at the time.
- 3.4 The Employer shall establish, and the Trust shall administer, only a "pay as you go" Plan unless the parties otherwise agree in writing.

4.0 THE FEE

- 4.1 The Employer shall, at the time of entering into this Agreement, pay to TFS a fee of \$200.00, or such other amount as may be requested by TFS, for TFS's services under this Agreement.
- 4.2 The Trust may use TFS to provide administrative services on behalf of the Plan, for the benefit of the Employer and the Employees, and the Employer shall pay for such services a percentage fee of 10% based on the amounts of such claim. If the trust is not utilized in any given calendar year, a service fee of one hundred (\$100.00) dollars may apply.
- 4.3 TFS may change the administrative percentage fee, for any subsequent calendar year, by giving notice to the employer at least sixty (60) days prior to the end of a calendar year.
- 4.4 All fees shall be subject to Federal GST, HST, Provincial Sales Tax and Provincial Premium Tax, if applicable.

5.0 TERMINATION

- 5.1 Either party may terminate this agreement at any time by giving thirty (30) days' notice to the other.
- 5.2 Upon termination, and in regard to any employee private health services benefit plan administered on behalf of the Employer:
 - a) the Trust shall finalize the administration of any funds or claims under its jurisdiction to the date of termination;
 - b) the Trust shall account for and make available any funds under its administration to be payable to a registered charity as directed by the Employer;
 - c) the Trust shall otherwise cease to be responsible to the Employer and its employees, and
 - d) the plan shall terminate on the date of termination, unless transferred to another trust by the Employer.

6.0 NOTICE

- 6.1 Unless otherwise specified, all notices given under this Declaration shall be in writing. Notices need not be personally served, and may be delivered to the address for service.
- 6.2 Service shall be deemed to be made if notice is sent by single registered mail. The date of services shall be deemed to be seven days after the date of mailing, subject only to any interruption of postal service reasonably apparent to the person giving notice, in which case notice shall require proof of actual delivery to the address of service.
- 6.3 Each party may notify the other of a change in address for service, in the manner set out herein.
- 6.4 The address for service of the parties shall be as follows:

Employer:

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

THIS AGREEMENT is effective

Executed by the parties hereto on the dates set out below:

Employer:

TOLCO Financial Strategies

Signed: _____

Signed:  _____

Date: _____

Date: