

## Who is Funding the Benefit?

| YOUR CORPORATE INFORMATION   |   |              |
|--|---|--------------|
| Company Name:  |   |              |
| Address:   |   |              |
| City:  | Province:   | Postal Code: |
| Corporate Contact:   |   |              |
| Phone number:  | E-mail address:                                   |              |
| Incorporated: <b>Yes</b> <input type="radio"/> <b>No</b> <input type="radio"/> | Effective Date of the Plan:<br>day / month / year |              |

**Your Registration number will be assigned after your application has been processed.**

**Note:** Health expenses are only eligible once the plan is in effect. To ensure expenses are paid, it's important to get your plan set up right away. Expenses incurred before the effective date are not eligible. The application cannot be back dated.

### Administration Fees

| Annual Benefit     | Annual Cost Per Employee |
|--------------------|--------------------------|
| Up to \$1,500      | \$149                    |
| \$1,501 to \$3,000 | \$199                    |
| \$3,001 to \$5,000 | \$299                    |

### Our Value Guarantee

**We will not collect our annual administration fee until *after* an executive submits an eligible expense.**

**Now that's value!**

## Who is Eligible & Amount of Benefit

Which Employees are You Covering?

Annual Benefit

|          |       |
|----------|-------|
| 1. _____ | _____ |
| 2. _____ | _____ |
| 3. _____ | _____ |
| 4. _____ | _____ |
| 5. _____ | _____ |
| 6. _____ | _____ |

### "Pay-as-You-Go"

**Your company does not send us any contributions until after the expense has been incurred and submitted. We do not collect your funds in advance.**

## Automatic Renewal

The term of this agreement is for one year, commencing on the effective date of the plan. The plan is automatically renewed at the same contribution levels, unless the Administrator receives written notification of contribution changes or plan termination 30 days before the anniversary date of the plan.

I, on behalf of my company, authorize Wellknit Services Inc. to deduct plan administration fees and plan contributions from my Corporate Bank Account. A copy of a voided corporate cheque is attached. I certify that the information is complete and accurate. I authorize Wellknit Services Inc. to proceed and implement the Plan

By signing below, we agree to the terms and conditions of the Registered Health Spending Account as described in this application including Appendix 1, entitled the Terms and Conditions of the Registered Health Spending Account.

Signature \_\_\_\_\_

Date \_\_\_\_\_



## Appendix 1

# Terms and Conditions of the Registered Health Spending Account

### Wellknit Services' Responsibilities

Wellknit Services (the Administrator) agrees to manage your company's RHSA, which is called a "Private Health Services Plan" in the Income Tax Act. The Administrator agrees to perform adjudication services to confirm that claims qualify as a health benefit as defined by Canada Revenue Agency (CRA), and more specifically includes the following functions on behalf of your company for the operation of a Private Health Services Plan:

1. Maintain enrolment records and other necessary records to determine whether particular group coverage is in force and whether a particular employee is covered.
2. The plan is effective starting on the date the application is signed. If the effective date is signed on the first of the month, the plan anniversary date is 12 months later. If the effective date is after the first of the month, the plan anniversary will be the first of the 13th month and every 12 months thereafter.
3. Wellknit Services agrees to not collect the annual administration fee for any employee that did not submit claims in that year. Once an employee has submitted claims the company will be invoiced for that individual's annual fee.
4. Host employee communication material on our website.
5. Collect administration fees.
6. Process claims.
7. Adjudicate claims in compliance with CRA regulations. Claims must be incurred during the plan year to be eligible for payment. After the end of the plan year, employees won't have access to unused funds. Eligible employees have up to 60 days after the plan year to submit expenses.
8. Collect claims contributions as required from your company.
9. Provide payment to your eligible employees using electronic funds transfer.
10. Provide a payment explanation for each claim processed. Employees can review their claims on our secure web site.
11. Collect the claim processing fee of \$5.00 per submitted claim from each employee's account. This fee will be assessed to the individual employee's account, not the company account.
12. Provide an account balance history for each employee on our secure web site.



## Your Company's Responsibilities

1. Ensure that eligible employees complete and return their enrolment form.
2. If your company has more than one employee, ensure that at least one non-significant shareholder has equal or greater funding than the shareholder employees.
3. Advise Wellknit Services when employees have been terminated. Terminated employees' coverage will end when Wellknit Services is advised of their termination. Claims can be submitted for up to 60 days from the date of notification; however claims must have been incurred prior to their termination date to be eligible for payment. Terminated employees do not have rights to any unused balances.
4. Advise Wellknit Services of new eligible employees. New employees can be added to the plan at your discretion.
5. Your company agrees to fund all eligible claims plus applicable taxes and administration fees. No claim payments will be made to eligible executives until the corresponding contributions have been deposited into Wellknit Services' bank account.
6. You agree that nothing in this application constitutes Wellknit Services as an insurer.
7. The annual benefit is earned monthly. This means that if an employee leaves your company before the end of the plan year and has spent more benefits than they have earned, you have the right to recoup the cost of the unearned benefits from their last pay.
8. If you require changes to the annual benefit you'll notify us of those changes at least 30 days before your anniversary date.
9. You will provide us 30 days notice of changes to your banking information.
10. You will authorize pre –authorized debits for the collection of administration expenses and the claim contribution expenses as attached (this is the form required by Royal Bank of Canada).

### PRE-AUTHORIZED DEBITS (PAD) FOR A PRIVATE SERVICES HEALTH PLAN

|  |              |                 |
|--|--------------|-----------------|
| Name of Company's Financial:<br>Institution (the "Processing Institution") |              |                 |
| Street:  |              |                 |
| Town:  | Postal Code: | Account Number: |

1. We have attached a specimen cheque marked "VOID" to this payor authorization (the "Authorization").
2. We will inform the Administrator, in writing, of any change in the information provided in this section of the Authorization prior to the next due date of the PAD at the address below:

**Wellknit Services Inc.**  
 1-1331 Crestlawn Drive  
 Mississauga, ON L4W 2P9

3. We acknowledge that the Authorization is provided for the benefit of the Administrator 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 Administrator to issue Pre-Authorized Debits (PAD), as defined in Rule H4 of the Rules of the Canadian Payments Association, drawn on the Account, for the purpose of contributing to the Private Health Services Plan



6. We may cancel the Authorization at any time upon providing written notice to the Administrator.
  7. We acknowledge that provision and delivery of the Authorization to the Administrator constitutes delivery by us to the Processing Institution. Any delivery of the Authorization to the Administrator, regardless of the method of delivery, constitutes delivery by us.
  8. 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 Administrator as a condition to honouring a PAD issued by the Administrator on the Account.
  9. Revocation of the Authorization does not terminate any contract for goods or services that exists between us and the Administrator. The Authorization applies only to the method of payment and does not otherwise have any bearing on the contract for goods or services exchanged.
  10. 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.
- We acknowledge that in order to be reimbursed, a declaration to the effect that either (i), or (ii) 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 Administrator, outside the payment system.
11. We agree that the information contained in the Authorization may be disclosed to Royal Bank of Canada as required to complete any PAD transaction.
  12. We understand and accept the terms of participating in this PAD plan.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**Please return your completed application to:** **Dan Lawrie Insurance Brokers Ltd.**  
**105 Main St. E., 14th Floor,**  
**Hamilton ON L8N 1G6**  
**Fax: 905-521-7989**  
**Email: jjackson@danlawrie.com**

**This program managed by:**



**My Advisor is:** \_\_\_\_\_

**For office use only**

Date received: \_\_\_\_\_ Registration Number : \_\_\_\_\_

Wellknit Services Inc. • www.wellknit.ca • 416-850-4833