

HEALTHCARE BENEFIT TRUST

AMENDING AGREEMENT (No. 4)

This Amending Agreement is made the 11 day of April, ~~2017~~ 2018

BETWEEN:

HEALTH EMPLOYERS ASSOCIATION OF BRITISH COLUMBIA, a
society incorporated under the laws of the Province of British Columbia

(the “**HEABC**”)

AND:

THE TRUSTEES OF THE HEALTHCARE BENEFIT TRUST

(the “**Trustees**”).

WHEREAS:

- A. Pursuant to an Agreement and Declaration of Trust dated December 1, 1993 between HEABC and Gordon R. Anderson, A.H. (Bert) Gurney, Alice D. Laberge, Peter Lusztiq and D.J. Ian MacDonald (the “**Trust Agreement**”), a health and welfare trust fund and plan known as the Healthcare Benefit Trust (the “**Trust**”) was established;
- B. The Trustees are the current trustees appointed under and pursuant to the Trust Agreement and are vested with all of the powers, duties and discretions thereunder, as if they had originally been named as trustees;
- C. Paragraph 9.01 of the Trust Agreement provides that HEABC and the Trustees may amend the Trust Agreement at any time by written agreement;
- D. It is desirable to amend the Trust Agreement to provide benefit coverage to retired employees, to broaden HEABC and the Trustees’ power to terminate employers participating in the Trust and to specify the intention of the Trustees to always distribute all of the Trust’s income to the Trust’s beneficiaries so that the Trust has no income subject to tax under Part 1 of the *Income Tax Act* (Canada) in any taxation year;

NOW THEREFORE the parties agree that the Trust Agreement is amended as follows:

1. New Recital H is added after Recital G as follows:

“H. Pursuant to Amending Agreement (No. 4) this Agreement was amended to provide benefit coverage to retired employees, to broaden HEABC and the Trustees’ power to terminate employers participating in the Trust and to specify the intention of the Trustees to always distribute all of the Trust’s income to the Trust’s beneficiaries so that the Trust has no income subject to tax under Part 1 of the *Income Tax Act* (Canada) in any taxation year.”
2. The definition of “Permitted Employer” in paragraph 1.01 is amended by adding the following sentence to the end of the definition:

“Despite any other provision of this Agreement, any employer who becomes a Permitted Employer on or after January 1, 2017 must enter into an agreement in the form annexed as Schedule 4.”
3. Paragraph 1.07 is amended by adding the following to the end of the paragraph:

“Schedule 4 Permitted Employer Application”
4. Subparagraph 3.02(a) is amended by inserting the phrase “, and Participating Employees who retire from a Participating Employer” after the phrase “or eligible beneficiaries”.
5. Subparagraph 3.02(b)(i) is deleted in its entirety and replaced with the following:

“(i) for individuals who cease to be Participating Employees by virtue of retiring from a Participating Employer, their eligible dependents, or eligible beneficiaries; and”
6. A new paragraph 3.06 is inserted immediately after paragraph 3.05 as follows:


“3.06 **Distribution of Trust Income.** Since the Trust’s inception in 1993 it has qualified as a health and welfare trust, as described by Government of Canada Income Tax Folio S2-F1-C1 (as may be amended or superseded from time to time). Consistent with that status, since the Trust’s inception all of the Trust’s income and net taxable capital gains, as determined under the *Income Tax Act* (Canada), for each taxation year have been used to pay taxable Health and Welfare Benefits to the Trust’s beneficiaries, and it is the Trustees’ intention to and expectation that it will continue to distribute all of the Trust’s income to the Trust’s beneficiaries in that manner. As a result, since the Trust’s inception it has not had any income subject to tax under Part 1 of the *Income Tax Act* (Canada) in any taxation year, and it is the Trustees’ intention and expectation that the Trust will continue to have no income subject to tax under Part 1 of the *Income Tax Act* (Canada) in any taxation year.”
7. Subparagraph 10.01(b) is amended by deleting its title and replacing it with “Termination for Failure to Pay Contributions.”
8. A new subparagraph 10.01(c) is inserted immediately after subparagraph 10.01(b) as follows:

“(c) **Termination.** For any Participating Employer whose effective date for participating in the Plan is on or after January 1, 2017, HEABC and the Trustees may terminate such Participating Employer’s right to participate in the Plan for any reason, but such termination will not affect the rights of the Trustees under paragraphs 6.04 and 6.05 hereof.”

- 9. Paragraph 10.02 is amended by deleting the reference to “subparagraphs 10.01(a) and 10.01(b)” with the reference to “subparagraphs 10.01(a), 10.01(b) and 10.01(c)”.
- 10. The document attached to this Amending Agreement is added as Schedule 4 to the Trust Agreement.

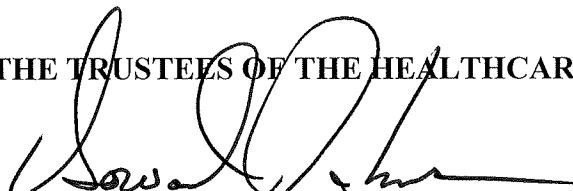
IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the date first written above.

**HEALTH EMPLOYERS ASSOCIATION
OF BRITISH COLUMBIA**



Authorized Signatory

THE TRUSTEES OF THE HEALTHCARE BENEFIT TRUST



Authorized Signatory

SCHEDULE 4

HEALTHCARE BENEFIT TRUST

PERMITTED EMPLOYER PARTICIPATION AGREEMENT (“Participation Agreement”)

Dated the day of , 20 .

AMONG:

The Board of Trustees of Healthcare Benefit Trust
(the “Trust”)

AND:

The employer seeking to participate in the Trust (the “Employer”)

AND:

Health Employers Association of British Columbia
(“HEABC”)

In consideration for HEABC and the Trust accepting the Employer’s application to participate in the Trust the Employer agrees as follows:

1. The Employer acknowledges receipt of a copy of the Agreement and Declaration of Trust for the Healthcare Benefit Trust (the “Trust Agreement”).
2. Capitalized terms used in this Participation Agreement and not defined in this Participation Agreement have the meanings given to them in the Trust Agreement.
3. The Employer hereby applies to participate in the Trust as a Participating Employer. The Health and Welfare Benefits to be provided under the Trust are limited to those approved by the Trust in writing. The coverage for which the Employer is applying and the requested effective date is set out on Schedule A attached hereto.
4. By the Employer executing this Participation Agreement, it:
 - 4.1 warrants and represents that:
 - (a) it has full and sufficient authority to enter into this Participation Agreement; and
 - (b) it provides healthcare or community services (or related services) or is a public sector

employer as defined under the Public Sector Employers Act.

- 4.2 agrees to provide to the Trust such information and documentation reasonably required to verify the truth and accuracy of the foregoing warranty and representation as of the date hereof and at any time in the future;
- 4.3 further agrees :
- (a) to pay and remit Contributions in accordance with the terms of the Trust Agreement;
 - (b) to pay interest on any outstanding Contributions or other amounts owed in accordance with the terms of the Trust Agreement and to pay to the Trust any audit and legal costs incurred by the Trust caused by the Employer's late or incorrect payment of Contributions;
 - (c) to furnish the Trust promptly with reports, payroll records, timesheets, accounting information, financial statements and any other information as the Trust may from time to time reasonably require;
 - (d) to be bound by all the terms and provisions of the Trust Agreement as amended from time to time;
 - (e) to duly perform all of the obligations and duties, and accept all the liabilities, imposed upon Participating Employers by the Trust Agreement and the Plan;
 - (f) to continuously maintain its operations so that the warranty and representation in section 4.1 (b) remains true and correct and to notify the Trust and HEABC immediately in writing if it no longer meets the criteria in section 4.1 (b);
 - (g) to provide to HEABC on request, copies of the Employer's financial statement;
 - (h) that the Employer's participation as a Participating Employer may be terminated upon 180 days' written notice being given by HEABC, it being understood and agreed that HEABC shall not be bound to provide reasons for termination; and
 - (i) that this Participation Agreement will be binding on the Employer and the Employer's successors.
5. The Trust agrees to provide HEABC with aggregate reporting on an annual basis for the pool in which the Employer-participates. Further the Trust agrees to provide an annual review of performance to the funding and contribution policies for the pool in which the Employer participates.

[NAME OF EMPLOYER]

Per: _____
 Authorized Signatory

Per: _____
Authorized Signatory

Trustees of the Healthcare Benefit Trust

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

Health Employers Association of British Columbia

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

SCHEDULE A

To: The Board of Trustees of the Healthcare Benefit Trust (the "Trust")

We acknowledge receipt of a copy of the Trust Agreement relating to the Trust (the "Trust Agreement").

Capitalized terms used in the application and not herein defined have the meanings given them in the Trust Agreement.

We hereby apply for acceptance for participation in the Healthcare Benefit Trust as a Participating Employer.

In consideration of your accepting us, we agree:

- (1) To pay Contributions promptly in such amounts and at such times as you from time to time decide;
- (2) To be bound by all the terms and provisions of the Trust Agreement;
- (3) To duly perform all of the obligations and duties, and accept all the liabilities, imposed upon Participating Employers by the Trusts Agreement; and
- (4) That the Health and Welfare Benefits to be provided under the Trust are limited to those which you approve in writing. The coverage for which we are now applying is:

| Group or Class of Employee Coverage | Group Life Insurance | AD&D | Long Term Disability | Extended Health Care | Dental |
|-------------------------------------|----------------------|------|----------------------|----------------------|--------|
| | | | | | |

REQUESTED EFFECTIVE DATE OF COVERAGE: _____

Note: the levels of benefits indicated above will be as dictated by the terms of the appropriate Collective Agreement, if any.

