



POLICY NO. 2

MEMBER BENEFITS TRUST

EXCESS CONTRIBUTION RESERVE WITHDRAWAL POLICY (Reviewed December 2014)

1. Introduction

Subparagraph 5.4 of the Member Benefits Trust (the "Trust") provides as follows:

In recognition of the fact that life insurance, dental care, accidental death and disability coverage, weekly indemnity benefits and extended health care may generally be purchased from financial institutions and others, **the Trustees will have the power, acting on any advice they consider reasonable in their sole discretion, to use the Trust Fund to purchase such benefits as they consider appropriate to achieve the general objective set out in clause 5.1 and also have the power to make direct payments out of the Trust Fund to the Beneficiaries in order to provide benefits to the extent the Trustees consider it reasonable to do so in their sole discretion, particularly with respect to benefits and services for which insurance or other coverage is not advisable.** Without limitation, the Trustees have the power to make arrangements and agreements, including reciprocal arrangements and agreements, with any Person which the Trustees have determined will fulfill the general objective set out in clause 5.1 and to terminate, modify and renew such arrangements and agreements, and to exercise and claim any rights and benefits granted to the Trustees under any such arrangement or agreement and generally to administer the provision of benefits and services under all such arrangements and agreements in a manner which the Trustees in their sole discretion consider to be the best use of the Trust Funds from time to time with the ultimate purpose being able to fulfill the general objective set out in clause 5.1.

Sub-paragraph 5.1 of the Trust is as follows:

The Trustees and the Union each declare that the general objective of this Trust is to provide or arrange health and welfare benefits and services, sometimes referred to as insurance benefits, for the Beneficiaries such as life insurance, dental care, accidental death and disability coverage, weekly indemnity benefits and extended health care as may be provided for in the Bylaws or Constitution (as applicable) of the Union.

The Trustees are authorized pursuant to the above-noted sub-paragraphs of the Trust to distribute funds from the Trust on a discretionary basis to beneficiaries ("MBT Union Members") in essence for health and welfare benefits for which insurance or other coverage is not available. This policy will describe the manner in which the Trustees have decided to exercise their discretion.



2. Consideration of Member Withdrawal Request

The Trustees will not consider a request from a MBT Union Member for a withdrawal from such member's excess contribution reserve account unless the balance of such member's excess contribution reserve account upon the date such request is made is equivalent to 2 times the member portion of the premium cost of such member's current insurance coverage (the "Minimum Reserve Amount"). For great clarity "member portion" means the portion of the premium cost which is covered by members and not subsidized by the Union of BC Performers. For those MBT Union Members who are a Class "0" or a Class "1", then the Trustees will not consider a request for a withdrawal unless the balance of such member's excess contribution reserve account upon the date such request is made is at least \$500 (the "Class "0" and "1" Minimum Reserve Amount").

For those MBT Union Members who are age 65 years or greater, the Trustees will not consider a request from such member for a withdrawal from such member's excess contribution reserve account unless the balance of such member's excess contribution reserve account upon the date such request is made is equivalent to the member portion of the premium cost of such member's current insurance coverage (the "Age 65 Minimum Reserve Amount").

For those MBT Union Members who are members who reside outside of Canada, the Trustees will not consider a request from such member for a withdrawal from such member's excess contribution reserve account unless the balance of such member's excess contribution reserve account upon the date such request is made is equivalent to the member portion of the premium cost of such member's current insurance coverage (the "Out of Country Reserve Amount").

For those MBT Union Members who are on maternity or paternity leave, the Trustees will consider a request from such member for a withdrawal from such member's excess contribution reserve account provided that at no time shall such member's excess contribution reserve account fall below the greater of \$2500 or such amount as is equivalent to two times the member portion of the premium cost of such member's current insurance coverage (the "Mat/Pat Leave Reserve Amount").

2. Requirement for Member to Waive One Class Drop Protection

If the requesting member meets the Minimum Reserve Amount, the Class "0" and Class "1" Minimum Reserve Amount, the Age 65 Minimum Reserve Amount, the Out of Country Reserve Amount, whichever is applicable, then the Trustees will require such member to execute a written waiver of such member's One-Class Drop protection (the "Waiver") in the form set out on Schedule "B". If the requesting member meets the Mat/Pat Leave Reserve Amount, then the Trustees will require such member to execute a Waiver in the form set out on Schedule "C". The Waiver is effective for all future coverage and may not be withdrawn.

3. Application Form

Once the requesting member meets the Minimum Reserve Amount, the Class "0" and "1" Minimum Reserve Amount, the Age 65 Minimum Reserve Amount, the Out of Country Reserve Amount, or the Mat/Pat Leave Reserve Amount, whichever is applicable, and executes the



Waiver, then the requesting member must complete and sign an application form requesting a specific withdrawal amount, indicating the purpose for the withdrawal, and attaching receipts (the "Application"). No Application will be considered if the receipts for which reimbursement is sought are older than one year.

4. Administrator's Application Review

Once an Application has been received, the Plan Administrator will review the Application. The Administrator will advise the requesting member if the Application is incomplete, and will indicate in writing what further information is required from the requesting member. Once the Application is, in the opinion of the Administrator, complete, then the Administrator will ensure that the Application is placed upon the agenda for review at the next meeting of the Trustees. If the Application falls within the category of items which may be approved by the Administrator set out in item 6 hereof, then the Administrator may process the withdrawal.

5. Administrator's Approval

Certain withdrawal items are straightforward and the Trustees have decided that, once an Application for such an item is complete, the Administrator may approve and process such withdrawal. The Administrator is required to provide a written report at Trustee meetings regarding all such withdrawals and must ensure that a copy of each such approved Application is placed in the member's file.

The Administrator may approve the following items for withdrawal:

- (a) prescriptions;
- (b) B.C. Medical premiums;
- (c) payment of optional MBT coverage;
- (d) laser eye surgery for vision correction; and
- (e) life insurance premiums
- (f) vitamins and food supplements (to an annual cap of \$1200.00);
- (g) prescription eyeglasses, contact lenses and eye examinations;
- (h) hearing aids;
- (i) any member co-payment for the extended health or dental plan or any non-covered eligible health plan expense which has been denied due to reaching the plan's maximum coverage limit.
- (j) Baseline Concussion Testing

6. Method of Payment

Members may only be reimbursed for items and services already purchased by the member for which such member has an official receipt. Applications for direct payment to third party service providers will be considered only if a Schedule 'E' Irrevocable Direction to Pay, has been completed. All approved Applications will be processed by the Administrator by the issuance of a cheque to the member or to an approved third party service provider debited against such member's excess contribution reserve account. The Administrator will photocopy the cheque and place a copy in the member's file and will thereafter make the cheque available for pick up by the member.



7. Trustees' Approval

The Trustees will endeavour to ensure that completed Applications are considered within 45 days of the completion of the Application. Applications will be considered at meetings of the Trustees. All decisions of the Trustees are final and there is no appeal.

The Trustees will follow the guidelines of the Canada Revenue Agency for Health and Welfare Trusts (the "Guidelines"), a copy of which is attached, such that no Application will be approved unless the request falls within the Guidelines.

If an Application requests an item or service which falls outside the Guidelines, the Trustees may, in their discretion, direct the Administrator to forward a certification in the form attached as Schedule "A" hereto to the member's physician (the "Certificate"). No Certificate will be acceptable if the certifying person is not a medical physician. If:

- (a) the member's physician certifies that the requested item or service is medically or therapeutically **required** by the individual; and
- (b) the member's physician certifies states that no other form of treatment or service will be able to provide the benefit anticipated by the requested item or service; then the Trustees may in their discretion approve the Application.

The Trustees may, in their discretion and at the MBT's cost, request the member to undergo an independent medical opinion to assist the Trustees in their decision prior to approving any such Application.

On occasion the Trustees receive requests for the withdrawal of funds for the purchase of hot tubs, saunas, enclosed showers, home spas and water-based therapeutic systems. If the withdrawal request otherwise meets the requirements of this paragraph 8 and is approved by the Trustees, a maximum amount of \$8000 is permitted to be withdrawn.

If the Trustees decide, in their discretion, to approve an Application, then the Application will be stamped with the official approval stamp and two Trustees will sign off on the Application. The approved Application must be kept within the member's file. A letter advising of the approval will be promptly forwarded to the member by the Administrator.

8. Applications for Dependents

Provided that a member meets the criteria established in sections 2 and 3 hereof, the member may make an Application on behalf of a dependent, whether or not such dependent has MBT coverage. The approval procedure set out in section 8 will be followed by the Trustees with respect to any such Application.

9. Declined Applications



If the Trustees decide in their discretion to decline an Application, then the administrator will promptly forward a letter to the member advising that the Application has been declined.

10. Minor Members

For those Members who are minors (under the age of 19), no withdrawals will be permitted from their excess contribution reserve accounts unless such minor Member provides a Certificate from his or her physician which clearly states that the condition for which the treatment or item for which a withdrawal is requested is serious or life threatening. In such case the Trustees may in their discretion permit a withdrawal from a minor Member's excess contribution reserve account in the manner set out in paragraph 8 hereof and provided that the criteria in section 2 and 3 is otherwise met.

11. Resigned, Withdrawn and Suspended Members

For those Members who, after commencement of the MBT insurance policy year, withdraw from the Union of B.C. Performers, then the coverage for such members ("Withdrawn Members") will continue.

For those Members who, after commencement of the MBT insurance policy year, are suspended from the Union of B.C. Performers ("Suspended Members"), then the coverage for such members will be maintained until the end of the policy year. If any such Suspended Member has not reinstated his or her status with the Union of B.C. Performers upon the date of the renewal of the MBT insurance policy, then such Suspended Member will not have insurance coverage for the next year.

For those Members who, after commencement of the MBT insurance policy year, resign from the Union of B.C. Performers ("Resigned Members"), then the coverage for such members will cease on the first day of the month immediately following the date of such resignation.

At any time that a Member is a Withdrawn Member or a Suspended Member, such member is not eligible for the one class drop protection or for any subsidy.

Upon the date which is 60 days after the date a Resigned Member's coverage is terminated, such Resigned Member may apply to the Trustees for the distribution of his or her excess contribution reserve account. The Trustees will charge a 10% administration fee, to a maximum of \$100.00, and thereafter the balance of such Resigned Member's excess contribution reserve account, if any, will be distributed to such Resigned Member.

Withdrawn Members and Suspended Members are not entitled to receive any withdrawals from their excess contribution reserve account.

12. Deceased Members

Paragraph 5.13 of the MBT provides that the contribution reserve account of a deceased member will be paid to such member's designated beneficiary, or to the personal representative of such deceased member's estate in cases where there is no such designation. The Trustees will levy a 10% administration fee, to a maximum of \$100.00, upon any such payout.



13. Disabled Members

For those Members who are disabled, the Minimum Reserve Amount is not applicable and the Trustees may in their discretion permit a withdrawal from a disabled Member's excess contribution reserve account upon an application made by such disabled Member in the manner described in paragraph 4. above. A Schedule "A" certificate is not required, however proof of disability satisfactory to the Trustees must be included with the application, along with the waiver attached hereto as Schedule "D".

[INSERT PHYSICIAN'S LETTERHEAD]

SCHEDULE "A"

PHYSICIAN CERTIFICATION

My patient, _____, has requested reimbursement for _____
[describe item or service].

In my professional judgment, I certify that this requested item or service is medically or therapeutically required by my patient to prevent, diagnose or treat an illness, injury, condition, disease or its symptoms and meet the accepted standards of medicine.

Further, in my professional opinion this item or service will provide the best form of treatment available for his/her condition.

Dated this _____ day of _____, 2016.

[print name and sign]



SCHEDULE "B"

CLASS DROP WAIVER

I, _____, have requested the Trustees of the Member Benefits Trust to pay a portion of my excess contribution reserve account to me for the specific purposes described in my Application, a copy of which is attached hereto.

In consideration of the Trustees exercising their discretion to pay a portion of my excess contribution reserve account to me, I hereby waive my entitlement to the One Class Drop Protection.

I understand that by signing this waiver that should my contributions to the Member Benefits Trust be such that my insurance coverage will decline a class or more, which means that I will be entitled to a lower level of benefits, that the Union of BC Performers, through the Member Benefits Trust, will not subsidize my coverage and maintain my benefits at my current level (the "One Class Drop Protection").

I further understand that this Waiver is effective for all future coverage and may not be withdrawn.

Dated this _____ day of _____, 20____.

SIGNED, SEALED AND DELIVERED by)
in the presence of:)

_____))
_____))
_____))
_____))

Name _____)

Address _____)

Occupation _____)

_____ (seal)



SCHEDULE "C"

MATERNITY/PATERNITY LEAVE WAIVER

I, _____, have requested the Trustees of the Member Benefits Trust to pay a portion of my excess contribution reserve account to me for the specific purposes described in my Application, a copy of which is attached hereto.

In consideration of the Trustees exercising their discretion to pay a portion of my excess contribution reserve account to me, I hereby waive my entitlement to the One Class Drop Protection.

I understand that by signing this waiver that should my contributions to the Member Benefits Trust be such that my insurance coverage will decline a class or more, which means that I will be entitled to a lower level of benefits, that the Union of BC Performers, through the Member Benefits Trust, will not subsidize my coverage and maintain my benefits at my current level (the "One Class Drop Protection").

I further understand that this Waiver is effective for all future coverage and may not be withdrawn.

Dated this _____ day of _____, 20____.

SIGNED, SEALED AND DELIVERED by)
in the presence of:)
)
)
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_____)
Name)
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_____)
Address)
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_____)
Occupation)
)
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_____ (seal)

