

# LTD PLAN ADMINISTRATION SERVICES AGREEMENT

THIS AGREEMENT is dated for reference the **1st** day of **June, 2018**.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister responsible for the BC Public Service Agency

(the "Province")

OF THE FIRST PART

AND:

THE GREAT-WEST LIFE ASSURANCE COMPANY, a body corporate incorporated under the laws of Canada and registered in the Province of British Columbia under Registration No. 0038811, and having its head office at 100 Osborne Street North, Winnipeg, MB R3C 3A5

(the "LTD Plan Carrier")

OF THE SECOND PART

WHEREAS:

- A. The Province has adopted a Plan for the benefit of its employees (the "Employees");
- B. The Province issued the Request for Proposals ON-003111 ("RFP") to procure the Services and the LTD Plan Carrier was the successful proponent under that process;
- C. This Agreement is being entered into by the Province and the LTD Plan Carrier pursuant to the RFP for the purpose of implementing certain provisions of the Plan for the Employees; and
- D. The LTD Plan Carrier has agreed to adjudicate Claims to which the Employees are entitled under the Plan and to provide additional services on the terms and conditions contained in this Agreement.

NOW THEREFORE in consideration of the premises and good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Parties), the Parties agree as follows:

## ARTICLE 1

### DEFINITIONS AND INTERPRETATION

- 1.01 In this Agreement and Schedules, unless the context otherwise requires, the following capitalized terms will have the following meanings:

- (a) **"Business Day"** means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;
- (b) **"Change Order"** means an approved Change Request as contemplated in Articles 14.03 and 14.04 of this Agreement;
- (c) **"Change Order Process"** means the process described in Articles 14.03 (Province Change Request) and 14.04 (LTD Plan Carrier Change Request) of this Agreement;
- (d) **"Change Request"** means a written request for any of the changes described in Article 14.02 and initiated by either Party;
- (e) **"Claimant"** means an Employee who applies for long term disability benefits under the Plan;
- (f) **"Claims"** means claims under the Plan;
- (g) **"Employee"** means an employee eligible to be covered by the Plan as described in the Regulation;
- (h) **"Event of Default"** has the meaning provided in Article 15;
- (i) **"Incorporated Material"** means any material in existence prior to the start of the Term or developed independently of this Agreement, and that is incorporated or embedded in the Produced Material by the LTD Plan Carrier or a Subcontractor;
- (j) **"LTD Payments"** or **"LTD Plan Benefit Payments"** means the benefit amounts paid in accordance with the Plan to or on behalf of the Employees;
- (k) **"LTD Plan Carrier"** means the service provider described as the LTD Plan Carrier in this Agreement and who is acting as the Province's Claims-paying agent in respect of Claims under the Plan;
- (l) **"LTD Plan Carrier Employee"** means any person that is an employee, consultant, officer, director, agent or Subcontractor of the LTD Plan Carrier, or an employee, consultant, officer, director or agent of a Subcontractor;
- (m) **"Material"** means the Produced Material and the Received Material;
- (n) **"Operational Changes"** has the meaning provided in Article 14.01 of the Agreement;
- (o) **"Performance Standard"** means a performance standard to be met by the LTD Plan Carrier, as further described in Section 5 of Schedule "A" (Services);
- (p) **"Plan"** or **"LTD Plan"** means the Long Term Disability Plan established by the Province, as amended from time to time, under which it has agreed to provide the Employees with certain long term disability benefits and which is described in the Regulation ;



- (q) **"Produced Material"** means records, software and other material, whether complete or not, that, as a result of this Agreement, are produced by the LTD Plan Carrier or a Subcontractor and includes all information relevant to the ongoing management of a Claim and any files created or maintained by the LTD Plan Carrier during the performance of the Services, including all data, records, reports, documents, files and material whether complete or otherwise that have been produced, received or acquired by, or provided by or on behalf of the Province to, the LTD Plan Carrier for the exclusive purpose of the Plan and as a result of this Agreement, including all information relevant to the ongoing management of a Claim and any files created or maintained by the LTD Plan Carrier during the performance of the Services, and the Incorporated Material;
  - (r) **"Proposal"** means the LTD Plan Carrier's written proposal submitted March 14, 2018 in response to the Province's Request for Proposal ON-003111;
  - (s) **"Received Material"** means records, software and other material, whether complete or not, that, as a result of this Agreement, are received by the LTD Plan Carrier or a Subcontractor from the Province or any other person, including all data, records, reports, documents, files and material whether complete or otherwise that have been produced, received or acquired by, or provided by or on behalf of the Province to, the LTD Plan Carrier for the exclusive purpose of the Plan and as a result of this Agreement, including all information relevant to the ongoing management of a Claim and any files created or maintained by the LTD Plan Carrier during the performance of the Services;
  - (t) **"Regulation"** means the Long Term Disability Regulation (B.C. Reg. 409/97) made pursuant to the *Public Service Benefit Plan Act*, or such other similar legislation as may be enacted by the Province;
  - (u) **"Renewal Term"** means the First Renewal Term and any Second Renewal Term as defined in Article 2.02 of the Agreement;
  - (v) **"Request for Proposal"** means the Province's Request for Proposal ON-003111 for Long Term Disability Administration and Services dated February 2, 2018;
  - (w) **"Services"** has the meaning provided in Schedule "A" (Services);
  - (x) **"Statement of Work"** has the meaning provided in Schedule "A" (Services);
  - (y) **"Subcontractor"** means (i) any person retained by the LTD Plan Carrier to perform obligations under this Agreement and (ii) any person retained by a person described in subparagraph (i) to perform those obligations; and
  - (z) **"Term"** means the Initial Term and any Renewal Terms.
- 1.02 The definition of "record" in the *Interpretation Act* is incorporated into this Agreement and "records" will bear a corresponding meaning.
- 1.03 Unless the context otherwise provides, a reference to an Article means an Article in this Agreement, and a reference to a Schedule or Appendix means a schedule or appendix attached to this Agreement.

## ARTICLE 2

### TERM

- 2.01 Regardless of the date of execution or delivery of this Agreement, the initial term of this Agreement will be deemed to commence on **June 1, 2018** for a period of four (4) years and will end on **May 31, 2022** (the "Initial Term"), unless extended in accordance with Article 2.02 or terminated earlier in accordance with Article 14.
- 2.02 The Province may, in its sole discretion, extend the Term of this Agreement on the same terms and conditions (except as to this provision for extension and subject to any changes to the Fees as described in Schedule "B") for one (1) additional two (2) year period (the "**First Renewal Term**") and one (1) further additional one (1) year period ((the "**Second Renewal Term**") by giving at least sixty (60) days' written notice to the LTD Plan Carrier before the expiration of the Initial Term or the First Renewal Term.
- 2.03 The Province provides no assurances, expressed or implied that the Province will extend this Agreement beyond the Initial Term or any Renewal Term. The LTD Plan Carrier acknowledges and agrees that it has arranged or will arrange its business affairs on the assumption that this Agreement will terminate at the end of the Initial Term.

## ARTICLE 3

### APPOINTMENT

- 3.01 The LTD Plan Carrier is appointed as the Province's servicing agent for the purposes of this Agreement only and the LTD Plan Carrier accepts that appointment. The LTD Plan Carrier will not act, purport to act or represent that it is authorized to act as the Province's agent except as expressly provided for in this Agreement or as otherwise authorized by the Province in writing.

## ARTICLE 4

### SERVICES

- 4.01 The LTD Plan Carrier will provide the Services to the Province during the Term in accordance with the provisions of this Agreement, including the Performance Standards.
- 4.02 As part of the scope of Services to be provided under this Agreement, the LTD Plan Carrier will adjudicate Claims only in accordance with the relevant provisions of the Plan and this Agreement.
- 4.03 The provisions in this Agreement relating to eligibility and the LTD Payments will be as set out in the Plan.
- 4.04 Unless the Province otherwise approves in writing, the LTD Plan Carrier will supply and pay for all labour, materials, equipment, tools, facilities, licenses and approvals necessary or advisable for the LTD Plan Carrier to provide the Services.

- 4.05 Unless otherwise specified in this Agreement, the LTD Plan Carrier will perform the Services to a standard of care, skill and diligence maintained by persons providing, on a commercial basis, services similar to the Services.
- 4.06 The LTD Plan Carrier will ensure that all persons it employs or retains to perform the Services are qualified and competent to perform them and are properly trained, instructed and supervised.
- 4.07 The Province may from time to time give the LTD Plan Carrier reasonable instructions (in writing or otherwise) as to the performance of the Services. The LTD Plan Carrier will comply with those instructions but, unless otherwise specified in this Agreement, the LTD Plan Carrier may determine the manner in which the instructions are carried out.
- 4.08 If the Province provides an instruction under Article 4.07 other than in writing, the LTD Plan Carrier may request that the instruction be confirmed by the Province in writing, which request the Province must comply with as soon as it is reasonably practicable to do so.
- 4.09 Requesting written confirmation of an instruction under Article 4.08 does not relieve the LTD Plan Carrier from complying with the instruction at the time the instruction was given.
- 4.10 In the performance of the LTD Plan Carrier's obligations under this Agreement, the LTD Plan Carrier will comply with all applicable laws.
- 4.11 The LTD Plan Carrier will comply with all promises, commitments and assurances made by it in its Proposal except to the extent that to do so would be contrary to an express provision of this Agreement.

## ARTICLE 5

### REPRESENTATIONS AND WARRANTIES

- 5.01 The LTD Plan Carrier represents and warrants to the Province that on execution of this Agreement and at all times during the Term:
  - (a) if the LTD Plan Carrier is a corporation, society, limited partnership or limited liability partnership, that it,
    - (i) is duly organized to do business in British Columbia, and duly organized and validly existing under the laws of Canada, and
    - (ii) is in good standing;
  - (b) it has the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement;
  - (c) all necessary corporate or other proceedings have been taken and done by it to authorize it to execute and deliver this Agreement, and this Agreement has been legally and properly executed by the LTD Plan Carrier and is legally binding upon and enforceable against the LTD Plan Carrier in accordance with its terms, except

as enforcement may be limited by bankruptcy, insolvency or other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction;

- (d) all information, statements, documents and reports furnished or submitted by the LTD Plan Carrier to the Province in connection with this Agreement, including the Proposal, are true and correct to the best of the LTD Plan Carrier's knowledge;
- (e) it has no knowledge of any fact that materially adversely affects or, so far as it can foresee, might materially adversely affect its ability to fulfill its obligations under this Agreement;
- (f) it has sufficient trained staff, facilities, materials and appropriate equipment in place and available to enable it to fully perform the Services;
- (g) it and its Subcontractors, as applicable, hold all permits, licenses, approvals and statutory authorities issued by any government or government agency that are necessary for the performance of the LTD Plan Carrier's obligations under this Agreement;
- (h) its observance and performance of the terms and conditions of this Agreement will not constitute a breach by it of or a default by it under
  - (i) any statute, regulation or bylaw of Canada, British Columbia or any regional or municipal government, applicable to or binding on the LTD Plan Carrier,
  - (ii) its constating documents, or
  - (iii) any contract or agreement to which it is a party;
- (i) it is not a party to and has no knowledge of any legal claims against it that would materially affects its undertaking or financial condition;
- (j) it has filed all tax, corporate information and other returns required to be filed by the laws of British Columbia and Canada and any other applicable laws of other jurisdictions and has complied with all workers compensation legislation and other similar legislation to which it may be subject and has paid all taxes, fees and assessments calculated to be due by it pursuant to those laws as of the effective date of this Agreement; and
- (k) it is not in breach of any statute, regulation or bylaw applicable to it or its operations.

5.02 All representations and warranties made in this Agreement are material and will conclusively be deemed to have been relied upon by the Province, notwithstanding any prior or subsequent investigation by the Province.

5.03 All statements contained in the Proposal and in any certificate or other document delivered to the Province by or on behalf of the LTD Plan Carrier with respect to this Agreement (including as part of any competitive process resulting in this Agreement being entered into) or in connection with any of the transactions contemplated by this

Agreement are deemed to be representations and warranties of the LTD Plan Carrier under this Agreement.

- 5.04 The provisions of Articles 5.01 to 5.03 will continue in full force and effect despite the fulfillment by the LTD Plan Carrier of any or all of its obligations under this Agreement or the payment by the Province to the LTD Plan Carrier of any or all of the fees that the Province becomes liable to pay to the LTD Plan Carrier under this Agreement.

## **ARTICLE 6**

### **PERFORMANCE STANDARDS**

- 6.01 The LTD Plan Carrier is committed to and agrees to maintain the levels of performance and to operate in accordance with the Performance Standards.
- 6.02 The Parties will meet on an annual basis or on request to review the overall performance of the LTD Plan Carrier in meeting the Performance Standards, the quality of the relationship between the Province and the LTD Plan Carrier, Claims, general administration and any other issues arising with respect to the Services and this Agreement.
- 6.03 If the LTD Plan Carrier fails to provide the Services to the Province's satisfaction in accordance with Schedule "A" (Services),
- (a) the Province will first discuss with the LTD Plan Carrier, the LTD Plan Carrier's non-performance and the nature of the Province's concerns; and
  - (b) if discussion pursuant to subparagraph (a) does not resolve the matter, the Parties will resolve the matter pursuant to Article 7 (Governance, Issues Management and Dispute Resolution).
- 6.04 Nothing in this Article 6 (Performance Standards) prevents the Province from exercising its discretion to terminate this Agreement pursuant to Article 15 (Termination).

## **ARTICLE 7**

### **GOVERNANCE, ISSUES MANAGEMENT AND DISPUTE RESOLUTION**

#### *Governance*

- 7.01 The Parties acknowledge and agree that their contractual relationship under this Agreement includes meeting the following objectives:
- (a) providing the Services to Claimants in a flexible, progressive and efficient manner;
  - (b) working together to create cost-effective and efficient methods for delivering the Services and administering the Plan;
  - (b) monitoring and evaluating changes and trends in long term disability plan



administration and services, evaluating new and available technologies and innovations, participating in applicable business planning processes of the Province and identifying and recommending service level enhancements and efficiencies that add value, reduce costs and increase customer satisfaction.

- 7.02 The Province and the LTD Plan Carrier will establish a joint executive committee ("Joint Executive Committee") comprised of representatives from each of the Province and the LTD Plan Carrier that will meet at least on an annual basis and more frequently as mutually agreed by the Parties.
- 7.03 The responsibilities of the Joint Executive Committee will include overseeing the overall business relationship between the Province and the LTD Plan Carrier, overall management of this Agreement, and engaging in effective strategic planning with an ongoing focus on process improvements and other continuous improvements, keeping in mind the mutual objectives outlined in Article 7.01.

*Issues Management and Dispute Resolution*

- 7.04 In the event of any dispute between the Parties arising out of or in connection with this Agreement, the following dispute resolution process will apply unless that Parties otherwise agree in writing:
- (a) the Parties will initially attempt to resolve the dispute through collaborative negotiation between the Parties' respective contract account managers;
  - (b) if the dispute is not resolved under subparagraph (a) within ten (10) Business Days, the Parties may refer the dispute to the next higher level of management for each Party, who will meet within ten (10) Business Days of the reference, or such other time as may be agreed by the Parties, to attempt to resolve the dispute;
  - (c) if the dispute is not resolved under subparagraph (b) within ten (10) Business Days, the Parties will refer the dispute to the next higher level of management for each party, who will meet within ten (10) Business Days of the reference, or such other time as may be agreed by the Parties, to attempt to resolve the dispute;
  - (d) if the dispute is not resolved under subparagraph (c) within fifteen (15) Business Days, or such other time as may be agreed by the Parties, the Parties will then attempt to resolve the dispute through mediation under the rules of the Mediate BC Society; and
  - (e) if the dispute is not resolved under subparagraph (d) within thirty (30) Business Days of the commencement of mediation, the dispute will be referred to and finally resolved by arbitration under the *Arbitration Act*, but if that Act does not apply, then by the British Columbia International Commercial Arbitration Centre under its then current rules.
- 7.05 Unless the Parties otherwise agree in writing, an arbitration or mediation under Article 7.04 will be held in Victoria, British Columbia.



- 7.06 Unless the Parties otherwise agree in writing or, in the case of an arbitration, the arbitrator otherwise orders, the Parties will share equally the costs of a mediation or arbitration under Article 7.04 other than those costs relating to the production of expert evidence or representation by counsel.
- 7.07 Each Party agrees not to unreasonably refuse any request by the other Party to consolidate similar ongoing disputes as a result of this Agreement for resolution under a single arbitration.
- 7.08 With respect to any arbitral award, neither Party waives its rights to apply to the court in any of the circumstances set out in section 30 and 31 of the *Arbitration Act*.
- 7.09 Nothing in Articles 7.04 through 7.07 will restrict, at any time while the above dispute resolution procedures are in progress or before or after they are invoked, either Party's freedom, subject to the *Crown Proceeding Act* (British Columbia), to commence legal proceedings to:
- (a) pending resolution of the dispute, to obtain any interim or provisional relief to protect any Personal Information, Confidential Information, Sensitive Information (as defined in the Security Schedule attached as Schedule "E") or any intellectual property rights;
  - (b) defend any legal proceedings involving third parties; or
  - (c) preserve any legal right or remedy from expiring due to a limitation period.
- 7.10 During all negotiations prior to and during mediation, the Parties will make bona fide efforts to resolve any dispute amicably and provide frank, candid and timely disclosure of all relevant facts, information and documents to facilitate those negotiations, which will be conducted in confidence and on a "without prejudice basis" and may not be introduced into evidence in any arbitration or legal proceedings. However, evidence that is independently admissible or discoverable will not be rendered inadmissible or non-discoverable by virtue of its use during the negotiations. Nothing in this section obliges a Party to disclose any information subject to solicitor-client privilege or otherwise protected by applicable law, including the FOIPPA.
- 7.11 Provided that the Province continues to pay any fees payable to the LTD Plan Carrier under this Agreement (other than those that the Province may be disputing) and does not instruct otherwise, the LTD Plan Carrier will continue to provide the Services in accordance with this Agreement while the dispute is being resolved.

## ARTICLE 8

### GENERAL COVENANTS OF THE PROVINCE

- 8.01 The Province will promptly provide the LTD Plan Carrier with any amendment to the Plan.
- 8.02 The Province will provide the LTD Plan Carrier with correct and complete existing information which may lawfully be released by the Province and which the Province, acting reasonably, considers is pertinent to the LTD Plan Carrier's performance of the Services.

## ARTICLE 9

### REPORTS AND RECORDS

- 9.01 The LTD Plan Carrier will establish and maintain accurate books of account, records and files relating to the Services (including supporting documents) to the reasonable satisfaction of the Province.
- 9.02 The LTD Plan Carrier will upon the request, from time to time, of the Province:
- (a) fully inform the Province of work done and to be done by the LTD Plan Carrier in connection with provision of the Services;
  - (b) permit the Province, subject to applicable law, at all reasonable times to inspect and copy any Material; and
  - (c) meet the reporting obligations set out in Schedule "A" (Services).

## ARTICLE 10

### AUDIT

- 10.01 The LTD Plan Carrier will perform an annual audit, including CSAE 3419 reporting, to ensure LTD Payments have been correctly issued, and will provide the Province with the results of such audit in a form and manner satisfactory to the Province.
- 10.02 Without limiting Articles 10.01, 10.03 and 10.04, the LTD Plan Carrier will fully co-operate with the Province and any auditor appointed under section 15 of the *Public Service Benefit Plan Act* (the "PSBPA") in the conduct of an audit under section 15 of the PSBPA, including, without limitation, by providing access to the LTD Plan Carrier's premises, records and staff for the purpose of an audit.
- 10.03 In addition to any other rights the Province may have to obtain information under this Agreement, statute or otherwise, the Province may review and audit the LTD Plan Carrier's performance of its obligations under this Agreement, including the right to inspect and take copies of the records of the LTD Plan Carrier relating to the Services, upon at least five (5) Business Days' notice and at reasonable times, and the right to engage an external third party auditor to audit the LTD Plan Carrier in relation to the Services.
- 10.04 The LTD Plan Carrier will fully co-operate with the Province and with any third party auditors in the conduct of audits under this Article.

## ARTICLE 11

### OWNERSHIP & MATERIALS

- 11.01 The Province exclusively owns all property rights in the Material which are not intellectual property rights. Subject to applicable law, the LTD Plan Carrier will deliver any Material to the Province immediately upon the Province's request. For greater certainty, the LTD Plan Carrier may copy and retain any Materials as reasonably necessary to perform, or to document its performance of, the Services.
- 11.02 The Province exclusively owns all intellectual property rights, including copyright, in:
- (a) Received Material that the LTD Plan Carrier receives from the Province; and
  - (b) Produced Material, other than any Incorporated Material.
- 11.03 Upon the Province's request, the LTD Plan Carrier will deliver to the Province documents satisfactory to the Province that irrevocably waive in the Province's favour any moral rights which the LTD Plan Carrier or any LTD Plan Carrier's Employees may have in the Produced Material and that confirm the vesting in the Province of the copyright in the Produced Material, other than any Incorporated Material.
- 11.04 Upon any Incorporated Material being embedded or incorporated in the Produced Material and to the extent that it remains so embedded or incorporated, the LTD Plan Carrier grants to the Province:
- (a) a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to exercise, in respect of that Incorporated Material, the rights set out in the *Copyright Act* (Canada), including the right to use, reproduce, modify (excluding any registered or unregistered trademarks or identifying trade dress of the LTD Plan Carrier), publish and distribute that Incorporated Material; and
  - (b) the right to sublicense or assign to third-parties any or all of the rights granted to the Province under subparagraph (a).
- 11.05 Without limiting Article 11.01, the Material will be delivered by the LTD Plan Carrier to the Province as soon as possible following the end of this Agreement. For greater clarification, nothing in this Agreement transfers or assigns to the LTD Plan Carrier any right, title or ownership to or in any Materials relating to an Employee or including any Employee data or information.
- 11.06 For greater certainty, the LTD Plan Carrier may retain copies of any Materials as reasonably necessary to perform, or to document its performance of, the Services.

## ARTICLE 12

### CONFIDENTIALITY, ACCESS AND SECURITY

- 12.01 The LTD Plan Carrier will treat as confidential and will not, without the prior written consent of the Province, publish, release or disclose or permit to be published, released or disclosed either before or after the expiration or sooner termination of this Agreement, all information in the Material and any information supplied to, obtained by, accessed by or which comes to the knowledge of the LTD Plan Carrier or a Subcontractor as a result of this Agreement (collectively, the "Confidential Information") except:
- (a) as necessary to enable the LTD Plan Carrier to fulfill its obligations under this Agreement or to comply with applicable law, including, without limitation, the *Freedom of Information and Protection of Privacy Act*;
  - (b) if it is information that is generally known to the public other than as result of a breach of this Agreement;
  - (c) if it is information in any Incorporated Material; or
  - (d) to the LTD Plan Carrier's auditors or legal advisors.
- 12.02 The LTD Plan Carrier will comply with the Privacy Protection Schedule attached as Schedule "D".
- 12.03 The LTD Plan Carrier will:
- (a) make reasonable security arrangements to protect the Material from unauthorized access, collection, use, disclosure, alteration or disposal; and
  - (b) comply with the Security Schedule attached as Schedule "E" (Security).
- 12.04 When used in Schedules "D" (Privacy Protection) and "E" (Security), the term "Contractor" means the "LTD Plan Carrier", as defined in this Agreement.
- 12.05 If the LTD Plan Carrier receives a request for access to any of the Material or other Confidential Information from a person other than the Province, and this Agreement does not require or authorize the LTD Plan Carrier to provide that access, the LTD Plan Carrier will advise the person to make the request to the Province.
- 12.06 Any public announcement relating to this Agreement will be arranged by the Province and, if such consultation is reasonably practicable, after consultation with the LTD Plan Carrier.
- 12.07 The LTD Plan Carrier will not, without the prior written approval of the Province, refer for promotional purposes to the Province being a customer of the LTD Plan Carrier or the Province having entered into this Agreement.

## ARTICLE 13

### FEES & LTD PAYMENTS

- 13.01 In consideration of the LTD Plan Carrier providing the Services, the Province will pay to the LTD Plan Carrier the fees and expenses plus any applicable taxes payable by the Province under law or agreement with the relevant taxation authorities on the fees, and will reimburse the LTD Plan Carrier for LTD Payments made by the LTD Plan Carrier in accordance with the Plan, in the amounts and in the manner set out in Schedule "B" (Fees, Expenses & LTD Payment Reimbursement) and any Statements of Work (if applicable).
- 13.02 The Province is not obliged to pay the LTD Plan Carrier for the provision of the Services or anything else the LTD Plan Carrier may do under this Agreement more than the amounts specified in Schedule "B" (Fees, Expenses & LTD Payment Reimbursement) and any Statements of Work (if applicable).
- 13.03 In order to obtain payment of any fees and expenses under this Agreement, the LTD Plan Carrier will submit written statements of account to the Province in a form satisfactory to the Province at times described in Schedule "B" (Fees, Expenses & LTD Payment Reimbursement).
- 13.04 Despite any other provision of this Agreement, the payment of money by the Province to the LTD Plan Carrier under this Agreement is subject to:
- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act* (the "FAA") to enable the Province, in any fiscal year or part thereof when any payment of money by the Province to the LTD Plan Carrier falls due under this Agreement, to make that payment; and
  - (b) the Treasury Board, as defined in the FAA, not having controlled or limited expenditure under any appropriation referred to in subparagraph (a) of this Article.
- 13.05 The Province may withhold from any payment due to the LTD Plan Carrier under this Agreement, an amount sufficient to indemnify, in whole or in part, the Province and its employees and agents against any liens or other third-party claims that have arisen or could arise in connection with the provision of the Services.
- 13.06 If the LTD Plan Carrier is not a resident in Canada, the LTD Plan Carrier acknowledges that the Province may be required by law to withhold income tax from the fees described in Schedule "B" (Fees, Expenses & LTD Payment Reimbursement) and any Statements of Work (if applicable) and then to remit that tax to the Receiver General of Canada on the LTD Plan Carrier's behalf.
- 13.07 The LTD Plan Carrier will not in relation to performing the LTD Plan Carrier's obligations under this Agreement commit or purport to commit the Province to pay any money except as may be expressly provided for in this Agreement.
- 13.08 The LTD Plan Carrier will:
- (a) apply for, and use reasonable efforts to obtain, any available refund, credit, rebate or remission of federal, provincial or other tax or duty imposed on the LTD Plan



Carrier as a result of this Agreement that the Province has paid or reimbursed to the LTD Plan Carrier or agreed to pay or reimburse to the LTD Plan Carrier under this Agreement; and

- (b) immediately on receiving, or being credited with, any amount applied for under subparagraph (a), remit that amount to the Province.

## ARTICLE 14

### CHANGE MANAGEMENT

14.01 The Parties acknowledge and agree that there may be ordinary operational adjustments to the Services within the scope of this Agreement which do not result in additional costs payable by the Province ("**Operational Changes**") and for which a formal Change Order is not required, but that may still result in the Parties entering into an amendment to this Agreement to reflect such changes.

14.02 The Parties acknowledge and agree that certain changes, over and above Operational Changes, may be required or desirable which may have an impact on the delivery and performance of the Services, and in some cases, on the cost of providing the Services. Such changes may include, without limitation, the following:

- (a) changes to the Services as described in this Agreement;
- (b) changes to a Performance Standard; and
- (c) any other matter that is subject to the Change Order Process under this Agreement or that the Parties may agree to as properly being the subject matter of a Change Order.

14.03 *Province Change Request:*

- (a) The Province may initiate the Change Order Process by submitting a Change Request to the LTD Plan Carrier that includes all relevant information reasonably required for the proper consideration of the Change Request.
- (b) If required, the Parties will meet together to clarify the Change Request, including details regarding the time and cost estimate for the services described therein.
- (c) The LTD Plan Carrier will provide a price estimate for the services requested in the Change Request, with supporting details, within ten (10) Business Days of receipt of the Change Request, or other time period mutually agreed upon by the Parties.
- (d) Upon receipt of the LTD Plan Carrier's price estimate, the Province will provide the LTD Plan Carrier with a written response within ten (10) Business Days, or



other time period mutually agreed upon by the Parties, indicating the Province's acceptance, counter proposal or rejection of the same.

- (e) If the Province approves the LTD Plan Carrier's price estimate, the Parties will finalize the details of the change or work to be done or services to be provided, and cost, in a Change Order to be attached as a schedule to this Agreement or alternatively by way of an amendment to the Agreement.

#### 14.04 *LTD Plan Carrier Change Request*

- (a) The LTD Plan Carrier may initiate the Change Order Process by submitting a Change Request to the Province's Manager of Disability Benefits Administration, or such other Province representative as designated by the Province in writing from time to time, that includes all relevant information reasonably required for proper consideration of the Change Request, including details regarding the impact which the proposed change is anticipated to have upon
  - (i) the rights and obligations of the Parties under this Agreement,
  - (ii) the Services, including cost savings to the Province,
  - (iii) the Performance Standards,
  - (iv) the fees payable under this Agreement, and
  - (v) the other terms of this Agreement.
- (b) The Parties will meet together to clarify the Change Request.
- (c) Upon receipt of a Change Request from the LTD Plan Carrier, the Province will provide the LTD Plan Carrier with a written response within twenty (20) Business Days, or other time period as mutually agreed upon by the Parties, indicating the Province's acceptance, counterproposal or rejection of the same.
- (d) If the Province approves the Change Request, the Parties will finalize the details of the change or work to be done or services to be provided, and cost, in a Change Order to be attached as a schedule to this Agreement.

### ARTICLE 15

#### TERMINATION

- 15.01 Despite any other provision of this Agreement and in addition to the Province's right to terminate this Agreement under Article 15.03(c), the Province may terminate this Agreement for any reason at any time, in the Province's sole discretion, by delivery of not less than 120 days' written notice to the LTD Plan Carrier.

15.02 Despite any other provision of this Agreement, any of the following events will constitute an "Event of Default" by the LTD Plan Carrier, whether that event is voluntary, involuntary or results from the operation of law or any judgment or order of any court or administrative or government body:

- (a) the LTD Plan Carrier fails to observe, perform or comply with any material provision of this Agreement that the LTD Plan Carrier is obligated to observe, perform or comply with;
- (b) the LTD Plan Carrier fails to provide the Services in accordance with this Agreement;
- (c) any representation or warranty made by the LTD Plan Carrier and contained in the Proposal or this Agreement is untrue or incorrect;
- (d) any information, statement, document, certificate or report furnished or submitted by or on behalf of the LTD Plan Carrier under or as a result of the Proposal or this Agreement is materially untrue or incorrect;
- (e) an order is made, a resolution is passed or a petition is filed, for the LTD Plan Carrier's liquidation or winding up;
- (f) a change occurs with respect to any one or more of the LTD Plan Carrier's assets, condition (financial or otherwise), business, or operations that, in the Province's opinion, materially affects the LTD Plan Carrier's ability to fulfill any of the LTD Plan Carrier's obligations under this Agreement;
- (g) the LTD Plan Carrier becomes insolvent, commits an act of bankruptcy, makes an assignment for the benefit of the LTD Plan Carrier's creditors or otherwise acknowledges the LTD Plan Carrier's insolvency;
- (h) a bankruptcy petition is filed or presented against the LTD Plan Carrier or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made by the LTD Plan Carrier;
- (i) a compromise or arrangement is proposed in respect of the LTD Plan Carrier under the *Companies' Creditors Arrangement Act* (Canada);
- (j) a receiver or receiver-manager is appointed for any of the LTD Plan Carrier's property;

- (k) the LTD Plan Carrier permits any sum that it does not dispute to be due to it to remain unpaid after legal proceedings have been commenced to enforce the payment of such sum;
- (l) the LTD Plan Carrier ceases, in the Province's reasonable opinion, to carry on business as a going concern;
- (m) any action is taken to enforce any security interest, charge or encumbrance granted, created or issued by the LTD Plan Carrier that materially affects its ability to carry on business or operations as a going concern; or
- (n) the LTD Plan Carrier fails to notify the Province, with particulars, that any of the events listed in (a) to (m) has occurred or is occurring.

15.03 On the occurrence of an Event of Default, or at any time thereafter, the Province may, at its option, elect to do any one or more of the following:

- (a) by written notice to the LTD Plan Carrier, require that the Event of Default be remedied within a time period specified in the notice;
- (b) pursue any remedy or take any other action available to it at law or in equity;
- (c) by written notice to the LTD Plan Carrier, terminate this Agreement with immediate effect or on a future date specified in the notice, subject to the expiration of any time period specified under subparagraph (a);
- (d) suspend, while the Event of Default continues, payment of any amount that is due or that becomes due to the LTD Plan Carrier pursuant to Article 13.01 and Schedule "B" (Fees, Expenses & LTD Payment Reimbursement) and any Statements of Work (if applicable), provided, however, that an amount withheld under this section will be promptly paid by the Province to the LTD Plan Carrier upon the basis for suspending the payment having been fully resolved to the satisfaction of the Province;
- (e) pursue a resolution pursuant to Article 7; and
- (f) waive the Event of Default.

15.04 No failure or delay on the part of the Province to exercise its rights in relation to an Event of Default will constitute a waiver by the Province of such rights.

15.05 In the Province terminates this Agreement pursuant to Article 15.01 or Article 15.03(c):

- (a) the LTD Plan Carrier will continue to process Claims for which it had received complete information prior to termination and which are due and payable prior to termination, except where requested not to do so by the Province; and
- (b) the LTD Plan Carrier will be entitled to any unpaid fees due for the Services it has performed prior to the effective date of termination and pursuant to Article 15.05(a) if applicable, and the Province will be under no further obligation to the LTD Plan Carrier under this Agreement.

- 15.06 If the Province fails to make timely payment as described in Schedule "B" (Fees, Expenses & LTD Payment Reimbursements) and any Statements of Work (if applicable), the LTD Plan Carrier may suspend the provision of the Services until such time as the Province makes the payment to the LTD Plan Carrier.
- 15.07 If the Province fails to pay a statement of account for fees payable under this Agreement within sixty (60) days after such payment becomes due in accordance with Schedule "B" (Fees, Expenses & LTD Payment Reimbursement) and any Statements of Work (if applicable), the LTD Plan Carrier may terminate this Agreement on ninety (90) days written notice to the Province.
- 15.08 If the LTD Plan Carrier becomes aware that an Event of Default has occurred or anticipates that an Event of Default is likely to occur, the LTD Plan Carrier will promptly notify the Province of the particulars of the Event of Default or anticipated Event of Default. A notice under this Article as to the occurrence of an Event of Default will also specify the steps the LTD Plan Carrier proposes to take to address, or prevent recurrence of, the Event of Default. A notice under this Article as to an anticipated Event of Default will specify the steps the LTD Plan Carrier proposes to take to prevent the occurrence of the anticipated Event of Default.

## ARTICLE 16

### INDEMNIFICATION

- 16.01 The LTD Plan Carrier will indemnify and save harmless the Province and the Province's employees and agents from any loss, claim (including any claim of infringement of third-party intellectual property rights), damage award, action, cause of action, cost or expense that the Province or any of the Province's employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, (each a "**Loss**") to the extent the Loss is directly or indirectly caused or contributed to by:
- (a) any act or omission by the LTD Plan Carrier or by any of the LTD Plan Carrier's Employees in connection with this Agreement; or
  - (b) any of the LTD Plan Carrier's representations or warranties being or becoming untrue or incorrect.

## ARTICLE 17

### INSURANCE

- 17.01 The LTD Plan Carrier will comply with the insurance requirements under Schedule "C" of this Agreement.
- 17.02 Without limiting the generality of Article 4.10, the LTD Plan Carrier will comply with, and will ensure that any Subcontractors comply with, all applicable occupational health and safety laws in relation to the performance of the LTD Plan Carrier's obligations under this Agreement, including the *Workers Compensation Act* in British Columbia or similar laws in other jurisdictions.

- 17.03 Within 10 Business Days of being requested to do so by the Province, the LTD Plan Carrier will provide the Province with evidence of the LTD Plan Carrier's compliance with Article 17.02.

## **ARTICLE 18**

### **ASSIGNMENT & SUBCONTRACTING**

- 18.01 The LTD Plan Carrier will not assign, directly or indirectly, this Agreement or any right under this Agreement without the prior written consent of the Province.
- 18.02 The LTD Plan Carrier will not subcontract any of its obligations under this Agreement without the prior written consent of the Province, which will not be unreasonably withheld, excepting persons listed in Schedule F (Approved Subcontractors) or in a Statement of Work (if applicable).
- 18.03 The appointment of Subcontractors by the LTD Plan Carrier will not relieve the LTD Plan Carrier of its responsibility hereunder. The LTD Plan Carrier will ensure that every Subcontractor fully complies with this Agreement and all Schedules, in performing any subcontracted obligation.
- 18.04 The LTD Plan Carrier will not knowingly or intentionally do anything that would result in any LTD Plan Carrier Employees being considered to be the Province's employees. It is understood and agreed that, in respect of those employees who will be providing the services pursuant to this Agreement, the LTD Plan Carrier will continue to be:
- (a) the employer of such employees;
  - (b) responsible for the payment of remuneration and employee benefits to such employees; and
  - (c) responsible for all legal proceedings that may be commenced in respect of the employment of such employees, including proceedings in connection with the termination of their employment.

## **ARTICLE 19**

### **NOTICES**

- 19.01 Any notice, document, waiver, statement, report or demand that either Party may desire or be required to give or deliver to the other will be in writing and conclusively deemed validly given or delivered to and received by the addressee:
- (a) if delivered personally, on the date of delivery;
  - (b) if mailed, on the third Business Day after mailing the same in British Columbia by prepaid post;
  - (c) if transmitted by facsimile transmission, on the date the transmission is confirmed received through the transmission report unless transmitted after the normal

business hours of the addressee or on a day that is not a Business Day, in which case it will be deemed to be received on the next following Business Day; or

- (d) if emailed, on the date of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a Business Day, in which case it will be deemed to be received on the next following Business Day;

addressed, as the case may be, to the Province:

BC Public Service Agency  
2<sup>nd</sup> floor – 810 Blanshard Street  
Victoria, BC V8W 2H2

Attention: Rhonda McGinnis, Manager Disability Benefits Administration  
Facsimile Transmission Number: 250-387-8230  
Email Address: Rhonda.McGinnis@gov.bc.ca

or to the LTD Plan Carrier:

The Great-West Life Assurance Company  
Suite 1500 – 1177 West Hasting Street  
Vancouver, BC  
V6E 2K3

Attention: Bryan Briere, Sr. Account Executive  
Facsimile Transmission Number: 604-688-9762  
Email Address: Bryan.Briere@gwl.ca

- 19.02 Either Party may, from time to time, give to the other Party written notice of any changes of address, facsimile transmission number or email address of the Party giving such notice and from and after the giving of such notice the address, facsimile transmission number or email address therein specified will, for purposes of the preceding Article, be conclusively deemed to be the address, facsimile transmission number or email address, as the case may be, of the Party giving such notice.

## **ARTICLE 20**

### **NON-WAIVER**

- 20.01 No breach by the LTD Plan Carrier of any provision of this Agreement will be considered to have been waived by the Province unless such waiver is given in writing by the Province.
- 20.02 The written waiver by the Province of any breach by the LTD Plan Carrier of any provision of this Agreement will not be deemed a waiver of such provision or of any subsequent breach by the LTD Plan Carrier of the same or any other provision of this Agreement.



## **ARTICLE 21**

### **CONFLICT**

- 21.01 The LTD Plan Carrier will not, during the Term, provide any services to any person in circumstances which, in the reasonable opinion of the Province, could give rise to a conflict of interest between the LTD Plan Carrier's duties to that person and the LTD Plan Carrier's obligations under this Agreement.

## **ARTICLE 22**

### **GENERAL**

- 22.01 Time is of the essence of this Agreement.
- 22.02 This Agreement constitutes the entire agreement between the Parties, and no understandings, representations or agreements, oral or otherwise, exist between the Parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement.
- 22.03 Each of the Parties will, upon the reasonable request of the other, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better or more perfect and absolute performance of the terms and conditions of this Agreement.
- 22.04 If any provision of this Agreement is found to be invalid, illegal or unenforceable, it will be severable from this Agreement and the remaining provisions will not be affected thereby and will be valid, legal and enforceable.
- 22.05 All provisions of this Agreement in favour of either Party and all rights and remedies of either Party, either in law or equity, will survive the expiration or sooner termination of this Agreement.
- 22.06 This Agreement will enure to the benefit of and be binding upon the Province and its permitted assigns and the LTD Plan Carrier and its successors and permitted assigns.
- 22.07 This Agreement may be amended only by further written agreement of the Parties.
- 22.08 A reference to a statute in this Agreement, whether or not that statute has been defined, means a statute of the Province of British Columbia unless otherwise stated and includes every amendment to it, every regulation made under it and any enactment passed in substitution therefor or in replacement thereof.
- 22.09 Unless the context otherwise requires, any reference to "this Agreement" means this instrument and all of the Schedules attached to it and any reference to any Article or subsection by number is a reference to the appropriate Article or subsection in this Agreement.
- 22.10 The headings in this Agreement are inserted for convenience only and do not form part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.

- 22.11 In this Agreement, wherever the singular is used it will be construed as if the plural, as the case may be, had been used where the context or the Parties so required.
- 22.12 Each Schedule attached to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 22.13 Unless otherwise specified, all dollar amounts expressed in this Agreement refer to lawful currency of Canada.
- 22.14 This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.

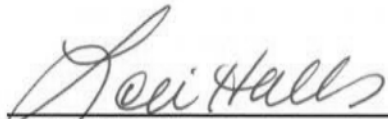
## ARTICLE 23

### COUNTERPARTS

- 23.01 This Agreement (or any modification thereof) may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Either party may deliver an executed copy of this Agreement by fax or by email in scanned PDF format to the other party.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written:

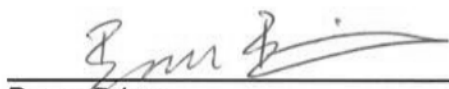
SIGNED on behalf of Her Majesty )  
the Queen in right of the Province )  
of British Columbia by the )  
Minister responsible for the BC Public )  
Service Agency, or by a duly )  
authorized representative )  
)  
)  
)



Lori Halls  
Deputy Minister, BC Public Service Agency

Date: May 29/2018

SIGNED on behalf of the Great-West Life )  
Assurance Company by a duly authorized )  
representative )  
)  
)  
)



Bryan Briere  
Sr. Account Executive

Date: May 28/18

## SCHEDULE "A"

### SERVICES

#### 1 DEFINITIONS

##### 1.1 In this Agreement:

- (a) **"Additional Support Services"** means additional support services as described in the Request for Proposal, i.e., support services related to the Plan that will assist with and/or support case management and that will expedite the recovery, rehabilitation, and return to work process for Claimants;
- (b) **"BCGEU Contract"** means the Master Agreement between the Province, represented by the Agency, and the B.C. Government and Service Employees' Union, as may be amended from time to time;
- (c) **"Claims Review Committee"** or **"CRC"** means the committee established under the BCGEU Contract composed of three medical doctors who have the jurisdiction to review declined decisions by the LTD Plan Carrier's Claims-paying agent regarding a Claim;
- (d) **"Core Services"** means the services in relation to the administration of the Plan specifically described in Section 3 of this Schedule and any other services to be provided by the LTD Plan Carrier under this Agreement that are not the Other Services;
- (e) **"Early Intervention and Return to Work"** means supports provided to employees and managers, as they work together, to facilitate a safe, timely and sustainable return to work for employees who have been absent due to illness or injury;
- (f) **"ICBC"** means the Insurance Corporation of British Columbia;
- (g) **"Long Term Disability"** means the type of disability described in Part II of Appendix 4 ('Short Term and Long Term Disability') to the BCGEU Contract, and mirrored in the terms and conditions of employment for excluded employees and appointees;
- (h) **"Occupational Health and Rehabilitation"** or **"OHR"** means the sub-group within the WHS Branch that provides occupational medical advice and Early Intervention and Return to Work supports, and assists managers in managing health issues at work as well as providing medical assessments for safety sensitive occupations;
- (i) **"Occupational Health Nurses"** or **"OHNs"** means specialists within OHR providing the nursing function of the employer;
- (j) **"Other Services"** means the Recovery and Rehabilitation Support Services and any Additional Support Services;
- (k) **"Recovery and Rehabilitation Support Services"** means illness and injury recovery and rehabilitation support services provided as part of the overall Claims

management process to LTD Claimants upon Claim acceptance in the TD Own period, and throughout the TD Any period, which may entail any or all of the following:

- (i) working with Employees and their health teams to monitor the recovery trajectory such as clinical follow up, estimated absence durations, as well as the severity of the disability and the related level of treatment being provided;
  - (ii) providing recovery coaching as appropriate and assisting the Employee to navigate the public health care system;
  - (iii) supporting the Employee and their health teams to proactively identify issues that may delay recovery and treat secondary condition(s) regardless of whether this is the main condition disabling the Employee from work;
  - (iv) arranging for cognitive behavioural therapy; physical activation and strengthening programs and other supports for recovery with a focus on early gainful return to suitable work as indicated by the clinical picture;
  - (v) arranging for required assessments, where appropriate, to evaluate level of function, limitations and restrictions and if present collaborate with their health teams on any further treatment suggestions;
  - (vi) coordinating with treatment providers to promote early return to modified work, treatment scope and progression and facilitate readiness for work return;
  - (vii) partnering with the WHS Branch OHNs and, if necessary, physicians to:
    - identify Claimants working in safety sensitive occupations;
    - coordinate plans when necessary to evaluate safety clearance for return to work; and
    - track safety clearance and return to work progress;
  - (viii) partnering with the RTW Specialists to:
    - provide timely updates on rehabilitation status, anticipated clearance dates and expected permanent impairments; and
    - identify the optimal time to integrate the Employee back to work in a safe, timely and sustainable job role;
  - (ix) providing adjudication and regularly scheduled case reviews and identifying and communicating unrecognized opportunities for rehabilitation and early intervention; and
  - (x) working in partnership with the WHS Branch to initiate, plan, facilitate and monitor timely and suitable transitional work or permanent accommodation, including early involvement of the WHS Branch in 'change of definition' (i.e., TD Own to TD Any) cases to ensure a well-coordinated, timed and executed accommodation plan;
- (l) **"Rehabilitation Committee"** means the rehabilitation committee established under Part III of Appendix 4 ('Short Term and Long Term Disability') to the BCGEU Contract;

- (m) **“RTW Specialists”** means specialists within OHR providing Early Intervention and Return to Work supports;
- (n) **“Services”** means the Core Services and the Other Services described in this Schedule and in any Statement of Work;
- (o) **“Short Term Illness and Injury Plan”** or **“STIIP”** means the Province’s short term disability benefits plan described in the BCGEU Contract which continues to pay part of an employee’s earnings in the event that they are unable to work due to illness or injury up to a maximum period of 6 calendar months with no additional discretionary days;
- (p) **“Statement of Work”** means a statement of work for Additional Support Services in substantially the form and containing the terms, conditions and information set out in Schedule “G” to this Agreement;
- (q) **“Totally Disabled - Own Occupation”** or **“TD Own”** means the complete inability, because of an accident or illness, to perform all the duties of an Employee’s own occupation for the first 25 months of a Long Term Disability (note: time may vary according to various contractual agreements);
- (r) **“Totally Disabled – Any (gainful) Occupation”** or **“TD Any”** means the period of time following the own occupation period where Employees are unable by reason of education, training or experience to perform the duties of a gainful occupation for which the rate of pay is not less than 75% of the current rate of pay of their regular occupation;
- (s) **“Transition-Out Period”** means the period described in Section 3.2 of this Schedule;
- (t) **“Transition-Out Services”** means the services described in Section 3.2 of this Schedule; and
- (u) **“Workplace Health and Safety Branch”** or **“WHS Branch”** means the Branch within the Province’s BC Public Service Agency responsible for Occupational Health and Rehabilitation, disability benefits administration, and safety and health promotion.

## 2 GENERAL REQUIREMENTS

- 2.1 The LTD Plan Carrier will provide the Core Services and the Additional Services in relation to the Plan as described in this Schedule “A” and any Statement of Work (if applicable), using the processes and Plan document interpretations as set by the Province where required, and in accordance with any applicable legislation, including the *Public Service Benefit Plan Act* and the Regulation.
- 2.2 In providing the Services, the LTD Plan Carrier will ensure that it understands and incorporates the Province’s requirements and operational philosophy regarding Claims management into its day-to-day operations.

### **3 CORE SERVICES**

#### **3.1 LTD Plan Administration**

The LTD Plan Carrier will provide the following services in relation to the administration of the Plan:

##### **3.1.1 Claims Submission**

In relation to Claims submission, the LTD Plan Carrier will:

- (a) trigger the Claims process by notifying employees who are identified by the Province as having been on Short Term Illness and Injury Plan (STIIP) for two consecutive months. The LTD Plan Carrier will notify such employees in writing of the LTD Plan application practices, deadlines, requirements, and any other information required by the Province to be included in such notification, by three months of STIIP. The LTD Plan Carrier will use a format approved by the Province for such notification;
- (b) at the 210 hour point of the STIIP period, direct employees to complete the LTD Plan application form (such form to be provided by the Province to the LTD Plan Carrier);
- (c) liaise with the WHS Branch to gather information and transfer files obtained in the STIIP period in a proactive manner to facilitate timely and accurate adjudication;
- (d) receive, prioritize and process Claims applications from Claimants; and
- (e) engage new Claimants in a process to proactively obtain necessary information for a timely adjudication decision, using best efforts to do so before the end of the six month STIIP period.

##### **3.1.2 Claims Adjudication and Control**

In relation to Claims adjudication and control, the LTD Plan Carrier will:

- (a) in accordance with the Regulation, adjudicate Claims to determine the qualification of each Claimant for entitlement to LTD Payments, including by investigating medical evidence, the essential duties of the Claimants' occupation, and previous health history for Claimants with possible pre-existing conditions;
- (b) communicate initial Claim decisions, next steps and ongoing Claims activities with the Claimant and WHS Branch;
- (c) provide Claims control practices and case evaluation to manage adjudication and entitlement to LTD Plan Benefit Payments, including:
  - (i) independent medical examinations;
  - (ii) narrative medical reports from attending physicians and other sources;
  - (iii) such other measures as may be required; and
  - (iv) communicating ongoing Claim activities, decisions and next steps effectively with the Claimant and the WHS Branch;
- (d) monitor and evaluate Claims to ensure ongoing eligibility and appropriateness of Claims, including:
  - (i) necessary investigation of Claims to determine their legitimacy;



- (ii) investigative reports;
  - (iii) reviewing Claims identified by the Province to determine application of the successive disability provisions of the Plan;
  - (iv) performing such other measures as may be required; and
  - (v) communicating ongoing Claim activities, decisions and next steps effectively with the Claimant and the WHS Branch (including, where applicable, pursuing third party coverages which may offset Claimants' LTD Plan Benefit Payments, for example from WorkSafe BC, Canada Pension Plan, ICBC, private disability insurance, etc.);
- (e) where rehabilitation potential is achieved, coordinate back with the WHS Branch to allow timely return to work planning; and
- (f) in respect of the ongoing control of Claims in the TD Own and TD Any periods:
- (i) quantify limitations and restrictions and evaluate readiness for return to work;
  - (ii) interface with attending physicians and health care professionals to build buy-in and support;
  - (iii) provide a realistic evaluation of a positive outcome;
  - (iv) communicate non-participation to the WHS Branch's Corporate Advisor; and
  - (v) specify any supports that would be provided in the workplace to enable the manager and Employee to achieve a successful rehabilitation outcome.

### **3.1.3 Claims Payment**

In relation to making LTD Payments, the LTD Plan Carrier will:

- (a) ensure accurate and timely issuance of LTD Payments through electronic fund transfer for all Claimants;
- (b) process and communicate LTD Plan benefit adjustments, as required due to negotiated salary or benefit increases, cost of living increases or other benefit increases identified by the Agency;
- (c) in conjunction with the WHS Branch, coordinate and integrate LTD Payments with other benefits and settlements, e.g., from the ICBC, Canada Pension Plan and WorkSafe BC;
- (d) recover benefit overpayments as a result of retroactive ICBC, Canada Pension Plan, WorkSafe BC or other disability income payments, including overpayments related to the STIIP period;
- (e) administer the annual flexible benefits enrolment process for excluded Employees' health and life insurance benefits and set up the necessary deductions or credits to LTD Payments;
- (f) calculate and remit all LTD Payment related taxes to the Canada Revenue Agency (CRA); and
- (g) prepare and submit all required documentation to the CRA.

### **3.1.4 Reporting**

The LTD Plan Carrier will provide regular Claims and financial reports as described in the following subsections.

- (a) **Claims Reports:** The LTD Plan Carrier will make the following Claims-related reports available to the Province throughout the Term as indicated in the table below:

TYPE OF REPORT	FREQUENCY		
	Monthly (these reports must be updated no later than 10 days after the end of each month during the Term)	Quarterly (these reports must be updated no later than 10 days after the end of each quarter during the Term)	Ad hoc (these reports to be provided as, if and when requested by the Province)
a) Claims distribution by diagnosis, age, gender, organization, employer group, stage of Claim (TD Own or TD Any)	X		
b) Closed Claims duration and details (i.e. list of terminated Claims as of month end) by diagnosis	X		
c) Claim incidence (new Claims in a given period of time) by gender, age and diagnosis		X	
d) Period summary of Claims activity	X		
e) LTD Payment details and summary	X		
f) Service standards reports		X	
g) Claims management report (i.e. details on current status of Claims, number in maintenance, expected returns to work, Claims management details)	X		
h) Claims decision by period			X
i) Three year trend reports			X
j) Disabled life reserve details	X		
k) Benefits reports (MSP, Dental etc.)	X		X
l) Return to Work Plans (duration, details, outcome)		X	
m) Claim Listing – Financial and Claims Management Information	X		
n) LTD Payment Listing	X		
o) Overpayment Report		X	
p) Any other statistical reports as may be reasonably			X

required by the WHS Branch			
-------------------------------	--	--	--

- (b) **Financial Reports:** The LTD Plan Carrier will provide the following financial reports to the Province electronically, in Excel format or as otherwise directed by the WHS Branch, within the first 5 Business Days of each month following a fiscal quarter-end, and within the first 8 Business Days of each month otherwise, during the Term:
- (i) Monthly expense statement (summary of account);
  - (ii) Monthly tax statement (summary);
  - (iii) Monthly reconciliation of Claims expense transactions by division;
  - (iv) Monthly tax details by division;
  - (v) Monthly statement of initial and ongoing Claims expenses by Employee by division;
  - (vi) Monthly medical expenses by Employee by division;
  - (vii) Monthly legal costs by Employee by division;
  - (viii) Monthly reconciliation of payments received to Claims paid;
  - (ix) Monthly statement of manual adjustments;
  - (x) Monthly EFT/cheque register; and
  - (xi) Monthly Claim detail.

### 3.1.5 Systems Access

The LTD Plan Carrier will provide the WHS Branch with access to the following information from its case management system (or other systems) as required, with access granted and limited based on specific role and employer groupings as identified by the WHS Branch:

- (a) Current status information on all Claimants;
- (b) Payment transactions including offsets;
- (c) Updates on change of status, awaiting medical, forms, etc.;
- (d) Medical updates (for OHN and doctors in the WHS Branch only);
- (e) Return to work tracking and associated earnings;
- (f) Pensionable service coverage for Claimants;
- (g) Taxable benefit tracking and T4 production;
- (h) Group life coverage premium calculations; and
- (i) Other relevant information which may be available.

### 3.1.6 Information Sharing and Communication

The LTD Plan Carrier will provide a secure pathway for the transfer of data to the Province using a secure File Transfer Protocol facility.

## **3.2 Transition Services**

The LTD Plan Carrier will provide the following services in relation to transition:

### **3.2.1 Transition-Out Period**

If, at the end of the Term, the LTD Plan Carrier is not expected to provide substantially similar services under a new contract, the LTD Plan Carrier will provide transition-out services to ensure a smooth transition between service providers without disruption to the provision of the Services. The transition-out period will begin at the end of the Term for a period of 120 days (the "**Transition-Out Period**"). The LTD Plan Carrier will not unreasonably refuse to agree to extend the Transition-Out Period if requested by the Province.

### **3.2.2 Continuation of Services**

During the Transition-Out Period, the LTD Plan Carrier will continue to provide the Services as, if and when requested by the Province, on the same terms and conditions as set out under this Agreement.

### **3.2.3 Transition-Out Services**

In addition, the LTD Plan Carrier will provide transition-out services as required by the Province, including but not limited to the following (the "**Transition-Out Services**"):

- (a) work cooperatively with the Province and, if applicable, the incoming service provider to achieve a smooth transition without disruption to the provision of the Services, including participation in knowledge transfer activities and transition plan implementation;
- (b) develop a transition-out plan, with the Province's approval, which must be capable of being implemented;
- (c) provide information in the LTD Plan Carrier's control or possession which the Province may reasonably require to assist in the development of a procurement process for services substantially similar to the Services;
- (d) with respect to existing Claims, ensure last payment has been made and prepare all documents and materials pertaining to the decision and ongoing management of existing Claims before transfer of the Claims files to the new service provider;
- (e) with respect to new Claims, prepare all documentation and material pertaining to all new Claims and successive disability claims for transition to the new service provider;
- (f) with respect to closed Claims, transfer those files to the new service provider;
- (g) arrange for and pay all costs associated with the shipping or electronic transfer (as directed by the Province) of all Claims files in a secure manner to the new service provider or to the Province, as the case may be;
- (h) maintain compliance with all of the LTD Plan Carrier's security and privacy obligations under this Agreement.

### 3.2.4 Transition Fees

If the Province requires the full scope of the Services to continue during the Transition-Out Period, the fees payable to the LTD Plan Carrier for such Services will be the fees in effect immediately prior to the commencement of the Transition-Out Period (the "**Current Fees**"). If the Province requires the LTD Plan Carrier to provide a reduced scope of Services during the Transition-Out Period, the fees payable to the LTD Plan Carrier during the Transition-Out Period will be the Current Fees reduced by a proportion commensurate with such reduced scope. Unless otherwise agreed to by the Parties, the terms and conditions in effect at the end of the Term will continue to apply during the Transition-Out Period.

### 3.3 General Requirements

The LTD Plan Carrier will:

- (a) have designated business hours that run from, at a minimum, 8 am to 5 pm Pacific Standard Time on Business Days;
- (b) work with the WHS Branch as required to update policy, procedures and guidelines for adjudicating Claims and working collaboratively with the Province's teams;
- (c) in the event of appeals, provide timely and complete disclosure of relevant Claims information to the Claims Review Committee (CRCs), including three (3) complete copies of each relevant Claims file together with the rationale for the decision to deny the Claim;
- (d) be solely responsible for obtaining its own legal services and advice in respect of the Services as may be required;
- (e) attend regular in-person quarterly and annual meetings (as well as on an ad hoc basis\* as required by the Province) and provide data and reports to illustrate:
  - (i) Claims experience;
  - (ii) Trending;
  - (iii) Comparison to industry, book of business or national benchmarks; and
  - (iv) Adherence to Performance Standards(\*where possible, the WHS Branch prefers to use available technology (e.g. Live Meeting) to conduct ad hoc meetings. Travel expenses for the LTD Plan Carrier's employees to attend any in-person meetings will not be reimbursed by the Province); and
- (f) work cooperatively with the WHS Branch and auditors as required.

## **4 OTHER SERVICES**

### **4.1 Recovery and Rehabilitation Support Services**

#### **4.1.1 LTD Plan Carrier Obligations**

As, if and when requested by the Province, the LTD Plan Carrier will provide Recovery and Rehabilitation Support Services as directed by the Province and any such Recovery and Rehabilitation Support Services will require that the LTD Plan Carrier:

- (a) identify and prioritize cases for support;
- (b) develop case plans where necessary or appropriate;
- (c) respond to unidentified diagnoses as they become apparent;
- (d) maintain ongoing communication with Claimants;
- (e) coordinate efforts with OHNs and RTW Specialists in the WHS Branch; and
- (f) engage and coordinate support with primary care givers in the public medical care system; and
- (g) identify actionable updates and return to work progress.

#### **4.1.2 Province Obligations**

To assist in the delivery of the Recovery and Rehabilitation Support Services, the Province will:

- (a) identify any safety sensitive job, or medically safe clearance issues to be managed throughout the Claim, via case management reports from the OHN in the LTD Plan application process; and
- (b) indicate which new LTD Plan cases will remain under WHS Branch's case management during the LTD period (anticipating that this will include cases where return to work plans are currently underway, are imminent, or where actively managed cases and safety sensitive cases are likely to resolve and return to work).

### **4.2 Additional Support Services**

The Province may wish to retain and the LTD Plan Carrier may wish to provide certain Additional Support Services during the Term. The Parties agree that the following process will govern the addition of such Additional Support Services:

#### **4.2.1 Service Proposal**

At any time during the Term, the Province may submit to the LTD Plan Carrier a written proposal to the LTD Plan Carrier requesting the provision of certain Additional Support Services (each, a "**Service Proposal**").

#### **4.2.2 Statement of Work**

- (a) Upon the LTD Plan Carrier's receipt of a Service Proposal, the Parties will work in good faith to negotiate the terms of a statement of work in substantially the form and containing the terms, conditions and information set out in Schedule "G" to this



Agreement in respect of the Additional Support Services contemplated in such Service Proposal.

- (b) Upon finalization of any such statement of work to the satisfaction of the Province, the Parties will execute such statement of work and each such duly executed statement of work will become a Statement of Work under this Agreement.
- (c) If the Parties proceed with a Statement of Work, then the Statement of Work will constitute an amendment to this Agreement. From and after the commencement of the term of a Statement of Work, this Agreement will be interpreted as amended by the Statement of Work, and this Agreement, as so amended, will continue in full force and effect for the remainder of the Term.

#### 4.2.3 LTD Plan Carrier Obligations

The LTD Plan Carrier will perform any Additional Support Services as described in any Statement of Work, including in accordance with any Performance Standards outlined in such Statement of Work, and will comply with all the terms and conditions set out in each Statement of Work.

## 5 PERFORMANCE STANDARDS

The Performance Standards to be met by the LTD Plan Carrier as described in this Agreement are outlined in the table below. The LTD Plan Carrier will meet such Performance Standards by complying with the performance measures described below:

Performance Category		Performance Standard	Metrics
a)	Claim Responsiveness: Turn-around time from receipt of information to communication of further requirements.	14 calendar days	90% of the time
b)	Claim Responsiveness: Time from complete file information to decision communication.	40 calendar days	90% of the time
c)	Claims Payment: Accurate and timely payment of monthly LTD Plan benefits to Claimants.	Payment to be made within 30 calendar days of a Claimant's first date of LTD Plan eligibility. <i>This performance standard will not be applied to applications received after the first date of LTD Plan eligibility.</i>	90% of the time
d)	Overall Claims control assessed by auditing a specific number of audited claims per year during the Term.	25 Claims audited for overall management and 75 Claims audited for financial accuracy. <i>The audit will include a review of quality responsiveness, accuracy and decisions.</i>	90% of the time
e)	Claims Payment – accuracy and timeliness of LTD Plan benefits payments– assessed through a percentage of audited claims.	Compliance with CSAE 3416	100% of the time

f)	Response times when dealing with WHS Branch to the Province's teams.	24 hours to respond	90% of the time
g)	Reporting obligations.	As set out in Section 3.1.4 of this Schedule	90% of the time
h)	Claims Review Committee decisions: Produce required relevant Claims information as described in Section 3.3.3(c) of this Schedule.	Within 14 Business Days of being notified of the appeal	100% of the time
i)	Any performance standards outlined in a Statement of Work	As set out in the applicable Statement of Work	As set out in the applicable Statement of Work

## SCHEDULE "B"

### FEES, EXPENSES & LTD PAYMENT REIMBURSEMENT

#### Maximum Amount Payable

1. Despite the other provisions below with respect to fees, the maximum amount payable by the Province under this Agreement will be the maximum amount that the Province is obliged to pay to the LTD Plan Carrier for Fees and Expenses and reimbursement of LTD Payments, as calculated in accordance with this Schedule (exclusive of any applicable taxes, if any) and any Statement of Work.

#### Definitions

2. In this Schedule,
  - (a) **"Additional Support Services"** has the meaning provided in Schedule "A" (Services);
  - (b) **"BC CPI"** means the British Columbia Consumer Price Index determined by Statistics Canada;
  - (c) **"Core Services"** has the meaning provided in Schedule "A" (Services);
  - (d) **"Expenses"** means the expenses described in paragraph 5 of this Schedule and in any Statement of Work;
  - (e) **"Fees"** means the fees calculated under paragraph 3 of this Schedule and in any Statement of Work;
  - (f) **"Recovery and Rehabilitation Support Services"** has the meaning given to it in Schedule "A" (Services); and
  - (g) **"Subrogation and Overpayment Core Services"** means the Core Services specifically described in Sections 3.13(c) and (d).

#### Calculation of Fees

3. The following fees will be payable by the Province to the LTD Plan Carrier for providing the Services during the Term:
  - (a) A flat monthly all-inclusive fee for providing the Core Services in the following amounts:
    - (i) **\$110,157** per month, as may be adjusted in accordance with paragraph 3.1 of this Schedule (the **"Initial Term Monthly Fee"**), during the Initial Term, which amount the Parties agree is apportioned as follows:
      - i. Subject to paragraph 3.1 of this Schedule, **\$8,570** per month for providing the Subrogation and Overpayment Core Services (the **"Subrogation Amount"**); and
      - ii. **\$101,587** per month for providing all other Core Services;

- (ii) the then-effective Initial Term Monthly Fee adjusted by an amount not exceeding the fiscal year BC CPI percent change for 2021/2022 (the **"2022/2023 Monthly Fee"**) per month during the first year of the First Renewal Term;
    - (iii) the then-effective 2022/2023 Monthly Fee adjusted by an amount not exceeding the fiscal year BC CPI percent change for 2022/2023 (the **"2023/2024 Monthly Fee"**) per month during the second year of the First Renewal Term; and
    - (iv) the 2023/2024 Monthly Fee adjusted by an amount not exceeding the fiscal year BC CPI percent change for 2023/2024 per month during the Second Renewal Term; and
  - (b) An hourly rate for providing the Recovery and Rehabilitation Support Services as follows:
    - (i) \$151 per hour (the **"Initial Term Hourly Fee"**) during the Initial Term;
    - (ii) the Initial Term Hourly Fee adjusted by an amount not exceeding the fiscal year BC CPI percent change for 2021/2022 (the **"2022/2023 Hourly Fee"**) during the first year of the First Renewal Term;
    - (iii) the 2022/2023 Hourly Fee adjusted by an amount not exceeding the fiscal year BC CPI percent change for 2022/2023 (the **"2023/2024 Hourly Fee"**) during the second year of the First Renewal Term; and
    - (iv) the 2023/2024 Hourly Fee adjusted by an amount not exceeding the fiscal year BC CPI percent change for 2023/2024, during the Second Renewal Term; and
  - (c) Fees for providing the Additional Support Services as set out in each Statement of Work.
- 3.1 The Subrogation Amount (as defined in paragraph 3(a)(i).i. of this Schedule) will be audited and, if agreed to between the Parties, adjusted annually after the end of each policy year during the Term. The LTD Plan Carrier will provide to the Province an audited reconciliation report by May 31 of each year during the Term, comparing the LTD Plan Carrier's actual costs associated with the performance of the Subrogation and Overpayment Core Services during the previous policy year to the amount paid by the Province to the LTD Plan Carrier in respect of such services. If the amount paid by the Province exceeded the LTD Plan Carrier's actual costs in a policy year, the LTD Plan Carrier will credit back to the Province the amount by which the fees paid for such services exceeded the costs.
4. If:
- (a) the population of Employees increases or decreases by more than 20% during the Term; or
  - (b) the scope of Services required to be provided by the LTD Plan Carrier is reduced as a result of a legislative change (including but not limited to a change to the Regulation),

the Parties will work in good faith to negotiate adjustments to the Fees, including how the Fees are calculated under paragraph 3 of this Schedule.

### **Expenses**

5. In all years during the Term of this Agreement, the Province will reimburse the LTD Plan Carrier for the following expenses:
  - (a) up to a maximum of **\$200,000.00** per year (or such greater amount as may be approved in advance in writing by the Province and notified in writing to the LTD Plan Carrier) for independent medical examinations, vocational assessments, medical reports and surveillance charges;
  - (b) \$0.51 (as adjusted by BC CPI for any Renewal Terms as described in Section 3(b) of this Schedule) per kilometer for travel required to provide the Recovery and Rehabilitation Support Service, up to a maximum of **\$10,000.00** per year (or such greater amount as may be approved in advance in writing by the Province and notified in writing to the LTD Plan Carrier); and
  - (c) any expenses outlined in a Statement of Work.
6. All expenses billed to the Province must be supported by appropriate documentation retained on file by the LTD Plan Carrier and available for audit, as required by the Province. All expenses claimed by the LTD Plan Carrier under this paragraph will exclude goods and services tax ("GST") or other applicable tax paid or payable by the LTD Plan Carrier on such expenses to the extent that the LTD Plan Carrier is entitled to claim credits (including GST input tax credits), rebates, refunds or remissions of the tax from the relevant taxation authorities.

### **Payment of Fees and Expenses**

7. In order to obtain payment of any Fees and Expenses under this Agreement for a period from and including the 1<sup>st</sup> day of a month to and including the last day of that month (each, a "Billing Period"), the LTD Plan Carrier will deliver to the Province on a date after the Billing Period, a written statement of account in a form satisfactory to the Province containing:
  - (a) the LTD Plan Carrier's legal name and address;
  - (b) the date of the statement, and the Billing Period to which the statement pertains;
  - (c) the LTD Plan Carrier's calculation of the Fees claimed for that Billing Period, including a declaration by the LTD Plan Carrier of all Services provided during the Billing Period for which the LTD Plan Carrier claims Fees and a description of the applicable Fee rates;
  - (d) a chronological listing, in reasonable detail, of any Expenses claimed by the LTD Plan Carrier for the Billing Period with receipts attached, if applicable, and, if the LTD Plan Carrier is claiming reimbursement of any GST or other applicable taxes paid or payable by the LTD Plan Carrier in relation to those Expenses, a description of any credits, rebates, refunds or remissions the LTD Plan Carrier is entitled to from the relevant taxation authorities in relation to those taxes;

- (e) the LTD Plan Carrier's calculation of any applicable taxes, if any, payable by the Province in relation to the Services for the Billing Period;
  - (f) a description of this Agreement;
  - (g) a statement number for identification; and
  - (h) any other billing information reasonably requested by the Province.
8. The Province will pay the LTD Plan Carrier the Fees and Expenses claimed in the statement of account within 30 days after receipt of the statement of account by the Province if they are in accordance with this Schedule.

#### **Reimbursement for LTD Payments**

9. The Province will be responsible for the actual amount of LTD Payments properly paid by the LTD Plan Carrier to Claimants under the Plan, in accordance with Section 10 below.
10. The Province will make payments to the LTD Plan Carrier in respect of such LTD Payments as follows:
- (a) in order to be reimbursed for Claims Payments, the LTD Plan Carrier must deliver to the Province on every Monday (or, in the event that a Monday is not a Business Day, on the first Business Day following such Monday), an email (the "**Weekly Report**") setting out the amount of the LTD Payments paid by the LTD Plan Carrier during the previous week (the "**Weekly Amount**"); and
  - (b) subject to the Province's approval of such Weekly Report, the Province must pay the Weekly Amount to the LTD Plan Carrier within four (4) Business Days of the Province's receipt of such Weekly Report.
11. The LTD Plan Carrier must prepare and submit to the Province, by May 31<sup>st</sup> of each year during the Term, a final annual statement showing all LTD Payments and Weekly Amounts paid up to and including March 31<sup>st</sup> of that year (the "**Final Annual Statement**").

#### **Interest on Overdue Amounts**

12. Interest on any payments due under this Agreement which are past due shall be payable by the Province to the LTD Plan Carrier at times and using rates described in the *Interest on Overdue Accounts Payable Regulation*, B.C. Reg. 215/83, as amended.

#### **Penalty**

13. Failure by the LTD Plan Carrier to meet any one of the Performance Standards may result in a penalty of up to 2% of the monthly fee for Core Services for the month in which the failure occurred. Each failure will be treated as a separate event and the applicable penalty may be applied, to a maximum of \$50,000 per calendar year during the Term.



**SCHEDULE "C"**  
**INSURANCE**

1. The LTD Plan Carrier must, without limiting its obligation or liabilities and at its own expense, purchase and maintain throughout the Term the following insurances with insurers licensed in Canada in forms and amounts acceptable to the Province:
  - (a) Commercial General Liability in an amount not less than two million dollars (\$2,000,000) inclusive per occurrence against bodily injury, personal injury and property damage and including liability assumed under this Agreement and this insurance must include a cross liability clause, the Province as additional insured, and be endorsed to provide the Province with 30 days advance written notice of cancellation or adverse material change;
  - (b) If applicable, "All Risk" (replacement cost) Property insurance against physical loss or damage, including the perils of Earthquake and Flood, which will cover business contents, electronic data processing equipment and media, and coverage for extra expenses necessarily incurred by the LTD Plan Carrier to continue normal operations which are interrupted as a result of an insured property loss. Such policy of insurance will contain a waiver of subrogation against the Province;
  - (c) Professional (Errors and Omissions) Liability insuring the LTD Plan Carrier's liability resulting from errors or omissions in the performance of the Services in an amount per claim and in the aggregate of not less than ten million dollars (\$10,000,000);
  - (d) A Blanket Position Fidelity Bond (Employee Dishonesty) covering any or all persons used or employed by the LTD Plan Carrier for the provision of Services under this Agreement in an amount not less than one million dollars (\$1,000,000.00) per claim arising out of any dishonest or fraudulent act that results in the loss of money, securities or other property of the Province, and this insurance must protect the Province by way of a "third party endorsement" and be endorsed to provide the Province with 30 days advance written notice of cancellation or adverse material change;
  - (e) Automobile Liability on all vehicles owned, operated or licensed by or on behalf of the LTD Plan Carrier in an amount not less than \$2,000,000 per occurrence, and where applicable the Contractor may show evidence of this insurance using an ICBC Confirmation of Insurance Coverage (APV-47) form in place of the requirement for the BC Certificate of Insurance; and
  - (f) Network Security and Privacy Breach Liability in an amount not less than five million dollars (\$5,000,000) per occurrence, including coverage for cyber liability, breach of confidential or personal information and the loss, damage, destruction, distortion, erasure, corruption or alteration of electronic data (including but not limited to computer virus) or loss of use, reduction in functionality, cost, expense resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, and this insurance must include the Province as additional insured, and be endorsed to provide the Province with 30 days advance written notice of cancellation or adverse material change.
2. All insurance described in paragraph 1 of this Schedule must:

- (a) be primary; and
  - (b) not require the sharing of any loss by any insurer of the Province.
- 3. The LTD Plan Carrier must provide the Province with evidence of all required insurance as follows:
  - (a) within 10 Business Days of commencement of the Services, the LTD Plan Carrier must provide the Province with evidence of all required insurance in the form of a completed Province of British Columbia Certificate of Insurance;
  - (b) if any required insurance policy expires before the end of the Term the LTD Plan Carrier must provide the Province within 30 days of the policy's expiration, evidence of a new or renewal policy meeting the requirements of the expired insurance in the form of a completed Province of British Columbia Certificate of Insurance; and
  - (c) despite paragraph (a) or (b) above, if requested by the Province at any time, the LTD Plan Carrier must provide to the Province certified copies of the required insurance policies.
- 4. When insurers are unable to endorse any required policy of insurance to provide prior written notice to the Province of reduction in limits or other adverse material change, cancellation or non-renewal, the LTD Plan Carrier will provide thirty (30) days prior written notice to the Province of any reduction in limits, cancellation, non-renewal or other adverse material change for any such policy.
- 5. The LTD Plan Carrier must obtain, maintain and pay for any additional insurance which it is required by law to carry, or which it considers necessary to cover risks not otherwise covered by the insurance specified in this Schedule in the LTD Plan Carrier's sole discretion.
- 6. The LTD Plan Carrier may make a written proposal to the Province if the LTD Plan Carrier wishes to self-insure or make other alternative risk financing arrangements in substitution of any of the required insurance policies under this Schedule, and if the Province accepts such a proposal in writing, the LTD Plan Carrier must maintain such accepted plan for the duration of the Term. If the LTD Plan Carrier's proposal is not accepted by the Province, the LTD Plan Carrier must purchase and maintain the policies of insurance required under this Schedule.

## SCHEDULE "D"

### PRIVACY PROTECTION SCHEDULE

#### Definitions

1. In this Schedule,
  - (a) "**access**" means disclosure by the provision of access;
  - (b) "**Act**" means the *Freedom of Information and Protection of Privacy Act*;
  - (c) "**contact information**" means information to enable an individual at a place of business to be contacted and includes the name, position name or title, business telephone number, business address, business email or business fax number of the individual;
  - (d) "**personal information**" means recorded information about an identifiable individual, other than contact information, collected or created by the Contractor as a result of the Agreement or any previous agreement between the Province and the Contractor dealing with the same subject matter as the Agreement but excluding any such information that, if this Schedule did not apply to it, would not be under the "control of a public body" within the meaning of the Act; and
  - (e) "**privacy course**" means
    - a. the Province's online privacy and information sharing training course, or
    - b. another course on the subject of privacy and sharing of information about individuals, that addresses, at a minimum, the following topics:
      - i. the identification and reporting of privacy breaches and other incidents in relation to that information;
      - ii. the appropriate access, use, disclosure and handling of that information;
      - iii. applicable principles relating to that information, including the principles of "need to know" and "least-privilege"; and
      - iv. reasonable security measures and other security arrangements in relation to that information..

#### Purpose

2. The purpose of this Schedule is to:
  - (a) enable the Province to comply with the Province's statutory obligations under the Act with respect to personal information; and
  - (b) ensure that, as a service provider, the Contractor is aware of and complies with the Contractor's statutory obligations under the Act with respect to personal information.

### **Collection of personal information**

3. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor may only collect or create personal information that is necessary for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.
4. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must collect personal information directly from the individual the information is about.
5. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must tell an individual from whom the Contractor collects personal information:
  - (a) the purpose for collecting it;
  - (b) the legal authority for collecting it; and
  - (c) the title, business address and business telephone number of the person designated by the Province to answer questions about the Contractor's collection of personal information.

### **Privacy Training**

6. The Contractor must ensure that each person who will provide services under the Agreement that involve the collection or creation of personal information will complete, at the Contractor's expense, the privacy course prior to that person providing those services.
7. The requirement in section 6 will only apply to persons who have not previously completed the privacy course.

### **Accuracy of personal information**

8. The Contractor must make every reasonable effort to ensure the accuracy and completeness of any personal information to be used by the Contractor or the Province to make a decision that directly affects the individual the information is about.

### **Requests for access to personal information**

9. If the Contractor receives a request for access to personal information from a person other than the Province, the Contractor must promptly advise the person to make the request to the Province unless the Agreement expressly requires the Contractor to provide such access and, if the Province has advised the Contractor of the name or title and contact information of an official of the Province to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

### **Correction of personal information**

10. Within 5 Business Days of receiving a written direction from the Province to correct or annotate any personal information, the Contractor must annotate or correct the information in accordance with the direction.
11. When issuing a written direction under section 10, the Province must advise the Contractor of the date the correction request to which the direction relates was received by the Province in order that the Contractor may comply with section 12.
12. Within 5 Business Days of correcting or annotating any personal information under section 10, the Contractor must provide the corrected or annotated information to any party to whom, within one year prior to the date the correction request was made to the Province, the Contractor disclosed the information being corrected or annotated.
13. If the Contractor receives a request for correction of personal information from a person other than the Province, the Contractor must promptly advise the person to make the request to the Province and, if the Province has advised the Contractor of the name or title and contact information of an official of the Province to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

### **Protection of personal information**

14. The Contractor must protect personal information by making reasonable security arrangements against such risks as unauthorized access, collection, use, disclosure or disposal, including any expressly set out in the Agreement.

### **Storage and access to personal information**

15. Unless the Province otherwise directs in writing, the Contractor must not store personal information outside Canada or permit access to personal information from outside Canada.

### **Retention of personal information**

16. Unless the Agreement otherwise specifies, the Contractor must retain personal information until directed by the Province in writing to dispose of it or deliver it as specified in the direction.

### **Use of personal information**

17. Unless the Province otherwise directs in writing, the Contractor may only use personal information if that use is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.

### **Disclosure of personal information**

18. Unless the Province otherwise directs in writing, the Contractor may only disclose personal information inside Canada to any person other than the Province if the disclosure is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.



19. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must not disclose personal information outside Canada.

#### **Notice of foreign demands for disclosure**

20. In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.2 of the Act, if in relation to personal information in the custody or under the control of the Contractor, the Contractor:
- (a) receives a foreign demand for disclosure;
  - (b) receives a request to disclose, produce or provide access that the Contractor knows or has reason to suspect is for the purpose of responding to a foreign demand for disclosure; or
  - (c) has reason to suspect that an unauthorized disclosure of personal information has occurred in response to a foreign demand for disclosure

the Contractor must immediately notify the Province and, in so doing, provide the information described in section 30.2(3) of the Act. In this section, the phrases "foreign demand for disclosure" and "unauthorized disclosure of personal information" will bear the same meanings as in section 30.2 of the Act.

#### **Notice of unauthorized disclosure**

21. In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.5 of the Act, if the Contractor knows that there has been an unauthorized disclosure of personal information in the custody or under the control of the Contractor, the Contractor must immediately notify the Province. In this section, the phrase "unauthorized disclosure of personal information" will bear the same meaning as in section 30.5 of the Act.

#### **Inspection of personal information**

22. In addition to any other rights of inspection the Province may have under the Agreement or under statute, the Province may, at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect any personal information in the possession of the Contractor or any of the Contractor's information management policies or practices relevant to the Contractor's management of personal information or the Contractor's compliance with this Schedule and the Contractor must permit, and provide reasonable assistance to, any such inspection.

#### **Compliance with the Act and directions**

23. The Contractor must in relation to personal information comply with:
- (a) the requirements of the Act applicable to the Contractor as a service provider, including any applicable order of the commissioner under the Act; and
  - (b) any direction given by the Province under this Schedule.
24. The Contractor acknowledges that it is familiar with the requirements of the Act governing personal information that are applicable to it as a service provider.



### **Notice of non-compliance**

25. If for any reason the Contractor does not comply, or anticipates that it will be unable to comply, with a provision in this Schedule in any respect, the Contractor must promptly notify the Province of the particulars of the non-compliance or anticipated non-compliance and what steps it proposes to take to address, or prevent recurrence of, the non-compliance or anticipated non-compliance.

### **Termination of Agreement**

26. In addition to any other rights of termination which the Province may have under the Agreement or otherwise at law, the Province may, subject to any provisions in the Agreement establishing mandatory cure periods for defaults by the Contractor, terminate the Agreement by giving written notice of such termination to the Contractor, upon any failure of the Contractor to comply with this Schedule in a material respect.

### **Interpretation**

27. In this Schedule, references to sections by number are to sections of this Schedule unless otherwise specified in this Schedule.
28. Any reference to the "Contractor" in this Schedule includes any subcontractor or agent retained by the Contractor to perform obligations under the Agreement and the Contractor must ensure that any such subcontractors and agents comply with this Schedule.
29. The obligations of the Contractor in this Schedule will survive the termination of the Agreement.
30. If a provision of the Agreement (including any direction given by the Province under this Schedule) conflicts with a requirement of the Act or an applicable order of the commissioner under the Act, the conflicting provision of the Agreement (or direction) will be inoperative to the extent of the conflict.
31. The Contractor must comply with the provisions of this Schedule despite any conflicting provision of this Agreement or, subject to section 32, the law of any jurisdiction outside Canada.
32. Nothing in this Schedule requires the Contractor to contravene the law of any jurisdiction outside Canada unless such contravention is required to comply with the Act.

**SCHEDULE "E"**  
**SECURITY SCHEDULE**

**Definitions**

1. In this Schedule, unless the context otherwise requires:
  - (a) **"Confidential Information"** means Personal Information and information the Contractor must treat as confidential under this Agreement, whether or not in record form;
  - (b) **"Contractor's Systems"** includes Systems of third parties that the Contractor authorizes its Services Workers to use in providing the Services (for example, the portable computing device of a Services Worker employed by the Contractor who is authorized to use that device pursuant to the Contractor's work at home or bring your own device to work policy or a data storage service used by the Contractor to back-up data);
  - (c) **"Facilities"** means the facilities used in providing the Services, including those housing Systems (including Systems awaiting disposal) or Confidential Information;
  - (d) **"Information Incident"** means an unwanted or unexpected event or series of events that threaten privacy or security of Confidential Information, including its unauthorized access, collection, use, disclosure, alteration, storage or disposal, whether or not in record form and whether accidental or deliberate;
  - (e) **"Personal Information"** has the meaning given in the Privacy Protection Schedule;
  - (f) **"Sensitive Information"** means, whether or not in record form:
    - (i) Personal Information, and
    - (ii) Confidential Information marked or identified when disclosed as "High Sensitivity", "Cabinet Confidential", "Sensitive Information" or the like;
  - (g) **"Services Worker"** means an individual involved in providing the Services for or on behalf of the Contractor, including:
    - (i) the Contractor or a Subcontractor if an individual, or
    - (ii) an employee or volunteer of the Contractor or of a Subcontractor; and
  - (h) **"Systems"** means the equipment or interconnected systems or subsystems of equipment, including software, hardware and networks, used in the acquisition, storage, manipulation, management, movement, control, display, switching, interchange, emission, transmission or reception of:
    - (i) Confidential Information, or
    - (ii) information, whether or not in record form, used in providing the Services.

**Schedule contains additional obligations**

2. The obligations in this Schedule are in addition to other obligations in this Agreement relating to security (if any), including in the Privacy Protection Schedule.

### **Services Worker confidentiality agreements**

3. The Contractor must not permit a Services Worker who is an employee or volunteer of the Contractor to have access to either Confidential Information through Systems supplied by the Services Worker or Sensitive Information unless the Services Worker is contractually bound to the Contractor in writing to keep that information confidential on terms no less protective than applicable to the Contractor under this Agreement.

### **Services Worker security screening**

4. The Contractor may only permit a Services Worker who is an employee, volunteer or subcontractor of the Contractor to have access to Sensitive Information, the Province's Systems or, subject to applicable laws and any express exception in this Agreement, otherwise be involved in providing the Services if, after having subjected the Services Worker to the Contractor's personnel security screening requirements, which must be no less stringent than the requirements in Appendix 1 and any additional security requirements the Contractor may consider appropriate, the Contractor is satisfied that the Services Worker does not constitute an unreasonable security risk. Subject to applicable laws, the Contractor must retain records of its compliance with Appendix 1. If the Contractor is an individual, the Province may subject the Contractor to the screening requirements in Appendix 1.

### **Services Worker information security training**

5. The Contractor is responsible for ensuring Services Workers are aware of the requirements of the *Freedom of Information and Protection of Privacy Act* as it relates to this Agreement and any other enactment in effect from time to time relating to handling information. Without limiting the foregoing, the Province may require particular Services Workers to complete any relevant information security awareness, education and training provided by the Province online or otherwise before those Services Workers may provide specific Services or receive or access particular Confidential Information or particular Systems or Facilities of the Province and may require the Contractor to keep records tracking such training.

### **Access controls**

6. The Contractor must apply security controls to:
  - (a) limit access to the Contractor Facilities where practicable and Contractor's Systems to those persons authorized by the Contractor to have that access and for the purposes they are authorized, which security control must include measures to verify the identity of those persons and to revoke access when conditions for authorization cease;
  - (b) limit access to records containing Sensitive Information to those Services Workers authorized by the Contractor to have that access and for the purposes they are authorized to perform the Contractor's obligations under this Agreement, which must include measures to verify the identity of those Services Workers and to revoke access when conditions for the Services Worker's authorization cease; and
  - (c) limit the performance of all maintenance on the Contractor's Systems where a plausible risk exists that records containing Sensitive Information could be accessed by the performers of maintenance, despite the Contractor's efforts to

comply with paragraph (b), to either authorized Services Workers or, if those records cannot be removed first, other persons who are bound by similar confidentiality agreements and meet similar security screening requirements.

#### **Access audit logs**

7. The Contractor must keep in accordance with sections 8 and 9 detailed records logging and monitoring access to records containing Sensitive Information transported or stored on the Contractor's Systems, except as this Agreement or the Province in writing may instruct otherwise.
8. The records described in section 7 must include the following details for each event when appropriate for the technology:
  - (a) Services Worker identification;
  - (b) date, time and details of event;
  - (c) subject matter accessed; and
  - (d) details of unauthorized access or tampering.
9. The Contractor must keep and protect the records described in section 7 from unauthorized access, alteration or destruction for no less than two years after the end of the calendar year ending December 31<sup>st</sup> in which the records are created unless the Province agrees in writing to a different period. This includes applying security controls to prevent individuals from being able to alter, erase or deactivate records of their own access.

#### **Contractor's Systems and Facilities protection controls**

10. The Contractor must apply security controls to protect the Contractor's Systems and Contractor's Facilities from loss, damage or other occurrence, including from fire and environmental hazards and power interruptions, which may result in them being unavailable when required to provide the Services.
11. If this Agreement limits the processing, transporting or storing of any records containing Confidential Information to particular Contractor's Systems or Contractor's Facilities or their specified location or Services carried on them, the Contractor must, before it makes any change to those Systems or Facilities or Services carried on them that risks reducing the security of those records or to their location to different Systems or Facilities, obtain the Province's written agreement or confirmation that a security threat and risk assessment ("STRA") or privacy impact assessment ("PIA") or both do not need to be performed or updated. Before agreeing, the Province may require the Contractor, at the Contractor's expense, to:
  - (a) perform or update, or assist the Province or a mutually acceptable third party in performing or updating, a STRA or PIA, or both, in accordance with Province policies, standards, procedures and guidelines, for review by the Province, and
  - (b) submit a plan and remediate or otherwise address any security threats or risks or privacy impacts of concern to the Province identified in the STRA or PIA within a reasonable time.

### **Integrity and availability of records**

12. The Contractor must apply security controls to maintain the integrity and availability of records containing Confidential Information or other information under the Province's control while possessed, accessed or processed by the Contractor. This includes controls to protect such records on the Contractor's Systems from malicious code (including viruses, disabling or damaging codes, trap doors, listening devices, computer worms and Trojan Horses), including as appropriate:
  - (a) ensuring regularly updated software designed to scan for, detect and provide protection from malicious code is installed with real-time scanning and periodic scanning of all discs enabled,
  - (b) maintaining and following business continuity plans to recover from malicious code incidents,
  - (c) scanning backup media prior to restoration so that malicious code is not introduced or re-introduced into such Systems, and
  - (d) installing critical security patches and updates to all installed software.
13. For section 12, maintaining the integrity of Confidential Information means that, except as this Agreement or the Province may instruct otherwise, the Confidential Information has:
  - (a) remained as accurate and complete as when it was obtained or accessed by the Contractor; and
  - (b) not been altered in any material respect.

### **Additional security controls for Sensitive Information**

14. The Contractor must apply security controls to:
  - (a) ensure that records (including backup copies) containing Sensitive Information in transit or stored on the Systems or Contractor's Systems (including portable computing and storage devices) are secure and encrypted in accordance with the Province's "Cryptographic Standards for Information Protection" (as may be accessed from the website of the Office of the Chief Information Officer at [http://www2.gov.bc.ca/gov/content/governments/services-for-government/policies-procedures/im-it-standards/find-a-standard#it\\_sec](http://www2.gov.bc.ca/gov/content/governments/services-for-government/policies-procedures/im-it-standards/find-a-standard#it_sec)), except as this Agreement may specify other cryptographic standards;
  - (b) protect and limit access to the Contractor's Systems that will transport or store Sensitive Information through the following means when appropriate for the technology:
    - (i) segregating or partitioning Systems to separate and restrict access to Sensitive Information from other records (for example, storing Sensitive Information on a computer or server in a separate, password-protected, encrypted virtual disk or folder),
    - (ii) storing and transporting portable storage devices safely,
    - (iii) protecting the Systems with a physical locking, restraint or security mechanism,
    - (iv) ensuring network perimeters and network traffic control points are



- established or firewalls are installed and enabled,
- (v) having appropriate log-in procedures to the Systems and Sensitive Information stored on the Systems, such as:
    - (1) requiring user identifiers that are unique and personal for log-in,
    - (2) requiring complex passwords or personal identification numbers (PINs) that are not shared, default or blank and that require changing at predetermined intervals and are encrypted (not displayed) when entered, biometric accesses, keys, smart cards or other logical or physical access controls or combinations of them,
    - (3) applying locking screen-savers and session time-out mechanisms,
    - (4) applying limits on unsuccessful attempts to log-in, and
    - (5) logging unauthorized changes to system security settings and controls that may enable unauthorized access or tampering,
  - (vi) disabling unneeded ports, protocols and services, and
  - (vii) performing any remote management in a secure manner, using encrypted communication channels and adequate access controls; and
- (c) ensure records (including backup copies) containing Sensitive Information are not disclosed, accessed from, or stored (including on any Services Worker's portable computing device or third party data storage service) outside Canada without the Province's prior written consent, except as may be in a written direction under the Privacy Protection Schedule if attached.

#### **Documentation of security controls, including changes**

- 15. Unless this Agreement specifies otherwise, the Contractor must keep detailed records documenting, and logging any changes to, security controls to support compliance with sections 6, 10, 12 and 14.
- 16. The Contractor's security control documentation and records required to support compliance with this Schedule, including the records described in sections 4, 5, 7 and 15, which may be subject to privacy protection laws governing the private sector, but excluding the log described in section 23, are or are deemed to be the sole property of the Contractor and under Contractor control and not Produced Material.

#### **Province's Systems and Facilities**

- 17. If the Province makes available any of the Province's Facilities or Systems for use in providing any Services, the Contractor must comply with:
  - (a) section 12.3.1 (Appropriate Use of Government Resources) of the Province's "Core Policy and Procedures Manual", Chapter 12 (Information Management and Information Technology Management) (as may be accessed from the website of the Office of the Comptroller General through <http://www.fin.gov.bc.ca>) as it relates to Systems; and
  - (b) other policies, standards and procedures provided by the Province, if any, on acceptable use, protection of, and access to, such Facilities or Systems,



in addition to other applicable provisions of this Agreement and only permit its authorized Services Workers who have been instructed to comply with such policies, standards, procedures and provisions to have such access.

18. The Province has the rights to:

- (a) not make the Province's Facilities or Systems available before the Contractor or Services Worker or both agree to a form of agreement acceptable to the Province on acceptable use, protection of, and access to, such Facilities or Systems;
- (b) not permit particular Systems to connect to the Province's Systems until satisfied with the security controls to be applied;
- (c) keep access and other audit logs and monitor and analyze use of the Province's Facilities and Systems to verify compliance, investigate suspected or actual breaches or Information Incidents and protect the Province's assets, including records, in compliance with laws, including the *Freedom of Information and Protection of Privacy Act* and *Information Management Act*, and the Province's policies; and
- (d) limit or revoke access, in addition to any other rights the Province may have.

**Notice of demands for disclosure**

19. If, after complying with any applicable obligations under this Agreement relating to responding to requests for Material or Personal Information, the Contractor is still required to produce, provide access to or otherwise disclose any Sensitive Information pursuant to any enactment or any subpoena, warrant, order, demand or other request from a court, government agency or other legal authority, the Contractor must immediately notify and provide reasonable assistance to the Province so the Province may seek a protective order or other remedy to prevent or limit the disclosure.

**Notice of Information Incidents**

20. In addition to any requirement imposed under the *Freedom of Information and Protection of Privacy Act* or other law, if, during or after the Term, the Contractor discovers a suspected or actual Information Incident, the Contractor must:
- (a) immediately report the particulars of the Information Incident to, and follow the instructions of, the Province, confirming any oral report with a notice in writing to the Province as soon as reasonably practicable (if unable to contact the Province's contract manager or other designated contact for this Agreement, follow the procedure for reporting and managing information incidents on the website of the Office of the Chief Information Officer at <http://www2.gov.bc.ca/gov/content/governments/services-for-government/information-management-technology/information-security/information-incidents> or through <http://www.gov.bc.ca>);
  - (b) make every reasonable effort to recover the Confidential Information or records containing Confidential Information if appropriate in the circumstances and contain the Information Incident, following such instructions as the Province may give.

### **Review of Information Incidents**

21. The Province may review any Information Incident (whether or not reported under section 20) and, if requested, the Contractor must participate in that review and follow any instructions for remediation and prevention to the extent reasonably practicable.

### **Retention, destruction and delivery of records**

22. Subject to written instruction by the Province to retain for a different period or deliver any records, the Contractor must retain records in the Contractor's possession that contain Confidential Information until their delivery or disposal as provided in this Agreement. Except as this Agreement or the Province may instruct otherwise:
- (a) backup, transient and extra copies of records (including configuration data) that contain Confidential Information must be securely destroyed when no longer needed to perform this Agreement;
  - (b) records that contain Confidential Information, other than those destroyed in accordance with paragraph (a), must be securely delivered to the Province when no longer needed to perform this Agreement; and
  - (c) if, despite the delivery or disposal of electronic records of Sensitive Information in accordance with this section, any Sensitive Information remains on the storage media used, the storage media must be securely destroyed.
23. The Contractor must keep records logging the dates, particulars, format and means of the delivery or disposal of records that contain Confidential Information and deliver any such log records on request from the Province.

### **Additional security terms and conditions**

24. The Contractor must comply with the additional terms and conditions in Appendix 2 if appended.

### **Inspection**

25. In addition to any other rights of inspection the Province may have under this Agreement or under statute, the Province has the rights, at any reasonable time and on reasonable notice to the Contractor, to:
- (a) request the Contractor to verify compliance with this Schedule to keep security control documentation or records to support compliance; and
  - (b) subject to applicable law, enter on the Contractor's premises to inspect and, at the Province's discretion, copy:
    - (i) any records in the possession of the Contractor containing Confidential Information or other records under Province control, or
    - (ii) any of the Contractor's information management practices, security control documentation or records required to support compliance with this Schedule relevant to and for the purpose of determining the Contractor's compliance with this Schedule and any other information management requirements under this Agreement

and the Contractor must permit, and provide reasonable assistance to, the Province to exercise the Province's rights under this section. If any non-compliance or deficiency is

found, the Province may (in addition to any other rights it may have) require the Contractor, at the Contractor's expense, to develop and implement a corrective action plan within a reasonable time.

#### **Standard for security controls**

26. Except as this Agreement may specify otherwise, the Contractor must apply security controls to manage Confidential Information, the Contractor's Systems and Contractor's Facilities, and the Services and related deliverables, that are reasonable and, either:
- (a) documented in policies, standards or procedures (with such records remaining or being the sole property of the Contractor and under the Contractor's control and not Produced Material) based on ISO/IEC 27002:2013 "Information technology — Security techniques — Code of practice for information security management" and reviewed periodically; or
  - (b) compliant with all applicable policies, standards and procedures in the following documents, including any referenced documents (the "Policies"):
    - (i) the Province's "Information Security Policy" (<http://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/services-policies-for-government/policies-procedures/information-security-policy/isp.pdf>) (as may be accessed from the website of the Office of the Chief Information Officer at <http://www2.gov.bc.ca/gov/content/governments/services-for-government/policies-procedures/information-security-policy>); and
    - (ii) the Province's "IM/IT Standards" (as may be accessed from the website of the Office of the Chief Information Officer at <http://www2.gov.bc.ca/gov/content/governments/services-for-government/policies-procedures/im-it-standards>).
27. Security policies, standards and procedures of the Province are subject to change in the Province's discretion and without notice. However, no additional requirement (including a higher standard) will form part of the Policies unless added in accordance with the applicable change process, if any, in this Agreement. If none, the following change process will apply as between the Contractor (but not a Subcontractor) and the Province:
- (a) upon notice of the additional requirement by the Province, the Contractor will have 15 days, or such longer time as the Province may give or agree in writing, to give notice:
    - (i) that the Contractor can comply with the additional requirement without amendment to this Agreement, upon which it will form part of the Policies, or
    - (ii) with supporting detail, including an estimate of the incremental costs that would be incurred, where applicable, that the changes required to implement the additional requirement would:
      - (1) not be technically feasible using existing Facilities and Systems available to the Contractor,
      - (2) result in material costs being incurred not recoverable through the fees agreed to be paid by the Province under this or another

agreement with the Province and would not otherwise be implemented by the Contractor within six months of the Contractor's notice or for the Contractor to comply with law, or

- (3) affect the dates, time frames or other obligations of the Contractor under this Agreement;
  - (b) if notice under paragraph (a)(ii) is received, the Province may agree to amend this Agreement or refer any disagreement on the feasibility or impact of the additional requirement to the dispute resolution process under this Agreement or exercise any other rights it may have; and
  - (c) if notice under paragraph (a) is not received within the period given, the additional requirement will be considered added to the Policies without need to amend this Agreement.
28. If the Province agrees to pay any costs of the Contractor to implement changes to comply with an additional requirement to the Policies, the Contractor must not charge the Province an amount more than:
- (a) once, to implement the same change to comply with the same additional requirement under different agreements between the parties, despite any provision in any agreement to the contrary; and
  - (b) Province pre-approved, material, incremental costs actually incurred.
29. For greater certainty, the obligations in sections 17 and 18 will not be subject to any change process.

#### **Privacy and security contact**

30. If the Contractor is not an individual and not provided elsewhere in this Agreement, the Contractor (but not a Subcontractor) must provide in writing to the Province contact information for a Services Worker who will coordinate the Contractor's and Subcontractors' compliance and act as a direct contact for the Province on matters related to this Schedule and the Privacy Protection Schedule if attached.

#### **Termination of Agreement**

31. In addition to any other rights of termination the Province may have under this Agreement or at law, the Province may, subject to any applicable provision in this Agreement setting a mandatory cure period for default, terminate this Agreement on written notice to the Contractor if the Contractor fails to comply with this Schedule in a material respect.

#### **Interpretation**

32. In this Schedule, unless otherwise specified, references to sections are to sections of this Schedule.
33. Unless otherwise specified, any reference to the "Contractor" in this Schedule includes any subcontractor or agent involved in providing the Services, including any further sub-subcontractor of the Contractor and the Contractor must ensure that any such subcontractors or agents comply with this Schedule.

34. If there is a conflict between a provision in an appendix to this Schedule and any other provision of this Schedule, the provision in the appendix is inoperative to the extent of the conflict unless the appendix states that it operates despite a conflicting provision of this Schedule.
35. If there is a conflict between:
- (a) a provision of this Agreement, this Schedule or an appendix to this Schedule;  
and
  - (b) a documented security control required by this Schedule to be followed by the Contractor,
- the provision of this Agreement, Schedule or appendix will prevail to the extent of the conflict.

Sections 20 to 25 of this Schedule and any other obligations of the Contractor in this Schedule (including any appendix) which, by their terms or nature, are intended to survive the completion of the Services or termination of this Agreement, will continue in force indefinitely even after this Agreement ends.



## SCHEDULE E – Appendix E1 – Security screening requirements

The personnel security screening requirements set out in this Appendix E1 are for the purpose of assisting the Contractor to determine whether or not a Services Worker constitutes an unreasonable security risk.

### Verification of name, date of birth and address

1. The Contractor must verify the name, date of birth and current address of a Services Worker by viewing at least one piece of "primary identification" of the Services Worker and at least one piece of "secondary identification" of the Services Worker,\* as described in the table following this section. The Contractor must obtain or create, as applicable, Records of all such verifications and retain a copy of those Records. For a Services Worker from another province or jurisdiction, reasonably equivalent identification documents are acceptable.

Primary Identification	Secondary Identification
<p><b>Issued by ICBC:</b></p> <ul style="list-style-type: none"><li>• B.C. driver's licence or learner's licence (must have photo)</li><li>• B.C. Identification (BCID) card</li></ul> <p><b>Issued by provincial or territorial government:</b></p> <ul style="list-style-type: none"><li>• Canadian birth certificate</li></ul> <p><b>Issued by Government of Canada:</b></p> <ul style="list-style-type: none"><li>• Canadian Citizenship Card</li><li>• Permanent Resident Card</li><li>• Canadian Record of Landing/Canadian Immigration Identification Record</li></ul>	<ul style="list-style-type: none"><li>• School ID card (student card)</li><li>• Bank card (only if holder's name is on card)</li><li>• Credit card (only if holder's name is on card)</li><li>• Passport</li><li>• Foreign birth certificate (a baptismal certificate is not acceptable)</li><li>• Canadian or U.S. driver's licence</li><li>• Naturalization certificate</li><li>• Canadian Forces identification</li><li>• Police identification</li><li>• Foreign Affairs Canada or consular identification</li><li>• Vehicle registration (only if owner's signature is shown)</li><li>• Picture employee ID card</li><li>• Firearms Acquisition Certificate</li><li>• Social Insurance Card (only if has signature strip)</li><li>• B.C. CareCard</li><li>• Native Status Card</li><li>• Parole Certificate ID</li><li>• Correctional Service Conditional Release Card</li></ul>

\*It is not necessary that each piece of identification viewed by the Contractor contains the name, date of birth and current address of the Services Worker. It is sufficient that, in combination, the identification viewed contains that information.

### Verification of education and professional qualifications

2. The Contractor must verify, by reasonable means, any relevant education and professional qualifications of a Services Worker, obtain or create, as applicable, Records



of all such verifications, and retain a copy of those Records.

**Verification of employment history and reference checks**

3. The Contractor must verify, by reasonable means, any relevant employment history of a Services Worker, which will generally consist of the Contractor requesting that a Services Worker provide employment references and the Contractor contacting those references. If a Services Worker has no relevant employment history, the Contractor must seek to verify the character or other relevant personal characteristics of the Services Worker by requesting the Services Worker to provide one or more personal references and contacting those references. The Contractor must obtain or create, as applicable, Records of all such verifications and retain a copy of those Records.

**Security interview**

4. The Contractor must allow the Province to conduct a security-focused interview with a Services Worker if the Province identifies a reasonable security concern and notifies the Contractor it wishes to do so.

## **SCHEDULE "F"**

### **APPROVED SUBCONTRACTORS**

1. The LTD Plan Carrier has retained each of the subcontractors listed in Appendix F1 to perform the Services identified in that Appendix on its behalf.
2. Subject to section 3, acknowledging that the provision of the following services may require entering into ad hoc subcontracts in respect of which prior written consent would be impractical, the Province hereby approves of the LTD Plan Carrier's retention of Subcontractors for the following services without obtaining the prior written consent of the Province:
  - (i) Independent medical examinations;
  - (ii) medical consultation services;
  - (iii) functional capacity examinations; and
  - (iv) other services related to the administration, adjudication and management of individual LTD claims.
3. The Contractor must provide written notice to the Province of any Subcontractors it retains under section 2.

## **SCHEDULE F – Appendix F1 – List of approved subcontractors**

- **Xpera Risk Mitigation and Investigation:** This vendor will conduct investigations (which could include an investigation for the purpose of gathering information to assist in the adjudication of a Claimant's entitlement to disability benefits, or claims for health care services and supplies, life insurance benefits or accidental death and dismemberment benefits), field visits, or missing person searches.
- **Reed Research Limited:** This vendor will conduct investigations (which could include an investigation for the purpose of gathering information to assist in the adjudication of a Claimant's entitlement to disability benefits, or claims for health care services and supplies, life insurance benefits or accidental death and dismemberment benefits), and field visits.
- **Odyssey Health Services:** Odyssey Health Services provides assessment and rehabilitation services for selected Claims, in an effort to facilitate recovery and return to employment.
- **United Therapies Rehabilitation Centre Inc.:** United Therapies Rehabilitation Centre provides assessment and rehabilitation services for selected Claims, in an effort to facilitate recovery and return to employment.
- **LifeMark Health Management Inc.:** LifeMark Health Management provides assessment and rehabilitation services for selected Claims, in an effort to facilitate recovery and return to employment.
- **Prima Canada Inc.:** Prisma Canada provides assessment and rehabilitation services for selected Claims, in an effort to facilitate recovery and return to employment.
- **J Marlin & Associates Inc.:** J Marlin & Associates provides assessment and rehabilitation services for selected Claims, in an effort to facilitate recovery and return to employment.
- **Claim Analytics Inc.:** Claim Analytics provides a predictive model that will improve Claims categorization for by providing an instantly recognizable, objective indicator of a Claimant's probable return to work potential.
- **Medical Access Associates Limited:** Medical Access Associations Limited (Medaca) uses its network of psychiatrists throughout Canada to assess and provide treatment recommendations for Claimants suffering from mental health issues.
- **Working Solutions LLC:** The consultant assists the LTD Plan Carrier's case managers to better manage behavioral health claims with the goal of improving efficiency and getting claims resolved in a shorter period of time.
- **Meducation Services Professional Corporation:** Meducation Services Professional Corporation provides services to assist Claimants with their appeal for CPP disability benefits.
- **Medaca Health Group:** Medaca uses its network of psychiatrists throughout Canada to assess and provide treatment recommendations for Claimants suffering from mental health issues.
- **GeneYouIn Inc. (Pillcheck service):** The supplier will be performing genetic testing on selected Claimants in order to analyze the best pharmaceutical options for the Claimant.

- **Morneau Shepell Ltd.:** Absence Services is an uninsured product/service for absence and short term disability management. Absence Services delivery involves a fully integrated process between Great-West and Morneau Shepell's disability management operations. Essentially it brings to the client the resources and capabilities of the combined GWL/MS organizations.

Through our partnership with Morneau Shepell, the following disability management services are provided:

- Ergonomic assessments – Worksite assessment to resolve physical workplace barriers and to evaluate the functional demands of a job
- Return to Work Facilitation – Service to support the resolution of non-medical barriers for return to work.
- Work Assist - Psychological counselling focused on return to work
- i-CBT - Cognitive Behavioural Therapy that is guided by a licenced therapist and delivered through a digital platform.

## **SCHEDULE "G"**

### **ADDITIONAL SUPPORT SERVICES STATEMENT OF WORK**

This Statement of Work is made under the LTD Plan Administration Services Agreement between Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister responsible for the BC Public Service Agency (the "**Province**") and The Great-West Life Assurance Company (the "**LTD Plan Carrier**") dated June 1, 2018 as may be amended from time to time (the "**Agreement**").

#### **WHEREAS:**

- A. The Province and the LTD Plan Carrier (the "**Parties**") entered into the Agreement which contemplates the provision by the LTD Plan Carrier of certain Additional Support Services (as defined in the Agreement) in accordance with certain terms and conditions, set out in a Statement of Work once it has been agreed upon and executed by both Parties; and
- B. The Parties now wish to enter a Statement of Work as contemplated in the Agreement.

**NOW THEREFORE** in consideration of these premises and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each Party), the parties agree as follows:

#### **Agreement:**

- 1. Any amendments to the Agreement set out in this Statement of Work only apply to this Statement of Work and do not apply to or vary the Agreement for any other purposes, including in relation to other Statements of Work that the Parties may enter into.

#### **Term:**

- 2. The term of this Statement of Work commences on [INSERT START DATE] and ends on [INSERT END DATE].

#### **Services:**

- 3. The LTD Plan Carrier will provide the following Additional Support Services described in this Statement of Work:
  - (a) [Insert Services to be provided]
  - (b)
  - (c)
  - (d)

#### **Reporting:**

- 4. [INSERT ANY REPORTING REQUIREMENTS]

#### **Performance Standards:**

- 5. [INSERT ANY PERFORMANCE STANDARDS]

**Fees and Expenses:**

6. \$ [REDACTED] (CDN) is the maximum amount which the Province is obliged to pay to the LTD Plan Carrier for fees and expenses under this Statement of Work (exclusive of any applicable taxes described or referenced in the Agreement).
7. Fees payable for the Additional Support Services described in this Statement of Work will be as follows:  
[INSERT FEES].
8. [INSERT ANY EXPENSES].

**Subcontractors:**

9. [REDACTED] is/are named as an approved Subcontractor for the purposes of this Statement of Work.

**Ratification of Agreement:**

10. The Agreement, as amended by this Statement of Work, is ratified and confirmed.

**Execution and Delivery of Statement of Work:**

11. This Statement of Work may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Either Party may deliver an executed copy of this Agreement by fax or by email in scanned PDF format to the other Party.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written:

SIGNED on behalf of Her Majesty )  
the Queen in right of the Province )  
of British Columbia by the )  
Minister responsible for the BC Public )  
Service Agency, or by a duly )  
authorized representative )  
)  
)

\_\_\_\_\_  
[NAME and TITLE]

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

SIGNED on behalf of the Great-West Life )  
Assurance Company by a duly authorized )  
representative )  
)



\_\_\_\_\_  
(name and title)

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

This is to certify that the Policy(ies) of insurance listed below ("Policy" or "Policies") have been issued to the Named Insured identified below for the policy period(s) indicated. This certificate is issued as a matter of information only and confers no rights upon the Certificate Holder named below other than those provided by the Policy(ies).

Notwithstanding any requirement, term, or condition of any contract or any other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the Policy(ies) is subject to all the terms, conditions, and exclusions of such Policy(ies). This certificate does not amend, extend, or alter the coverage afforded by the Policy(ies). Limits shown are intended to address contractual obligations of the Named Insured.

Limits may have been reduced since Policy effective date(s) as a result of a claim or claims.

## Certificate Holder:

Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister responsible for the BC Public Service Agency  
2nd Floor - 810 Blanshard Street  
Victoria, BC V8W 2H2

Attn.: Rhonda Gluns

## Named Insured and Address:

Great-West Lifeco Inc. and/or The Great-West Life Assurance Company and/or Great-West Life & Annuity Insurance Company and/or Putnam Investments, LLC and/or PanAgora Asset Management Inc., London Life Insurance Company, The Canada Life Assurance Company and its affiliated, subsidiary and associated companies and/or corporations, including the interest of others in joint ventures and/or co-partnerships and/or financially controlled as now exist or may hereafter be constituted or acquired.  
Suite 1500 - 1177 West Hastings Street  
Vancouver, BC V6E 3Y9

## Evidence of Insurance

Type(s) of Insurance	Insurer(s)	Policy Number(s)	Effective/Expiry Dates	Sums Insured Or Limits of Liability	
COMMERCIAL GENERAL LIABILITY • Including Cross Liability, Contractual Liability, Personal Injury, Non-Owned Automobile, Tenants Legal Liability	Chubb Insurance Company of Canada	CGL523963	Jun 01, 2018 to Jun 01, 2019	Each Occurrence	CDN 5,000,000
				Aggregate with respect to Products & Completed Operations	CDN 5,000,000
				General Aggregate	CDN 5,000,000

## Additional Information:

Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister responsible for the BC Public Service Agency, is included as an Additional Insured. But the insurance provided for such Additional Insured is restricted to apply solely to liability arising out of the premises or operations referred to under said contract, and only for the location/event listed above.

## Notice of cancellation:

Should any of the policies described herein be cancelled before the expiration date thereof, the insurer(s) affording coverage will endeavour to mail 30 days written notice to the certificate holder named herein, but failure to mail such notice shall impose no obligation or liability of any kind upon the insurer(s) affording coverage, their agents or representatives, or the issuer of this certificate.

## Marsh Canada Limited

120 Bremner Boulevard  
Suite 800  
Toronto, ON M5J 0A8  
Telephone: 1-844-990-2378  
Fax: (416)-3494506  
realestatecertrequests@marsh.com

Marsh Canada Limited

By:



Kendall Peart