

Memorandum of Agreement And Understanding

BETWEEN

Quebec Student Health Alliance Inc., conducting business as "studentcare.net/works"

AND

Federation of Students, University of Waterloo "FEDS"

PREAMBLE

Whereas the member students of the FEDS have agreed to implement a group dental benefit program (the Plan) through a referendum conducted in February 2005, and

Whereas FEDS determined to contract with studentcare.net/works for the provision of consulting and administrative services and management of the Plan, and

Whereas the Plan will be implemented effective September 1, 2005.

Therefore the following agreement represents the understandings and responsibilities of the parties:

DEFINITIONS:

"FEDS" is the Federation of Students, University of Waterloo.

"studentcare.net/works" is the Quebec Student Health Alliance Inc.

"University" is the University of Waterloo.

"Insurer" and "Insurance Company" is Sun Life Insurance Company of Canada.

"GSA" is the Graduate Student Association of the University of Waterloo.

"Plan" is the FEDS group dental benefit program provided by the FEDS to its members.

"Member" is a member of the Federation of Students, University of Waterloo as defined by its Constitution and bylaws.

"Data Sets" are electronic lists of students who have been billed for the Plan, in the format and containing the specific information agreed upon by studentcare.net/works, FEDS and the University. These Data Sets must include, at a minimum, the following information: last name, first name, student ID number, sex, date, month and year of birth. Eligible students are all students who are eligible to be covered by the FEDS Dental Plan, including those students originally assessed the fee but who then opt out.

"Blackout Period", if any, is the time period before an eligibility list is activated by the Insurer, during which students' claims cannot be adjudicated by the Insurer.

"Policy year" means September 1 through August 31 of each year in order to coincide with the academic year.

1.0 GENERAL

- 1.1 studentcare.net/works will be the exclusive agent/broker of record, consultant and administrator for the FEDS Dental Plan (the Plan)
- 1.2 studentcare.net/works and the FEDS will work together in good faith and make reasonable efforts to support the Plan for the benefit of the member students of the FEDS.
- 1.3 The Plan coverage and premium will be determined annually for each policy year. The coverage and underwriting arrangement for the first policy year September 1, 2005 to August 31, 2006 is attached as Appendix "A". Any subsequent revisions must have the approval of the FEDS.
- 1.4 For the initial 12-month period, Sun Life of Canada will be the insurance policy provider (insurer). The master policy will be issued to the FEDS by Sun Life.
- 1.5 In consideration of the services provided through this agreement, studentcare.net/works will be compensated by fees, included in the Plan costs as attached in Appendix A. These service fees will not exceed \$3.75 per member per 4-month academic term, or prorated thereof, not inclusive of applicable taxes, for the duration of this agreement.

2.0 RESPONSIBILITIES OF STUDENTCARE.NET/WORKS

2.1 Student Service Contact Centre

- 2.1.1 studentcare.net/works will provide at its expense a toll-free call centre, accessible from anywhere in North America, as a contact and resource for Plan members.

2.2 Web-Based Administration System

- 2.2.1 studentcare.net/works will provide at its expense a Web-based administration system to facilitate on-line management of the Plan including opt-outs.
- 2.2.2 Students will also have the option to opt-out by completing a manual form. In certain exceptional cases, such a manual opt-out may be required (e.g. late registration).
- 2.2.3 In addition to the opt-out procedure studentcare.net/works will also provide the following services as part of the web-based Administration System:
 - Information on Plan Coverage
 - Updated provider network directories
 - Downloading of enrolment forms for spouse / dependent
 - Downloading claim forms
 - Submission of service inquiries
 - Other such services as may be added from time to time
- 2.2.4 studentcare.net/works agrees that the Web-based Administration System will only be used for FEDS Plan Members and will not utilize the site for cross-marketing or any other use than that specified in this agreement.
- 2.2.5 studentcare.net/works will produce cheques refunding Plan costs to those members who opt out of the Plan in accordance with the opt-out procedure established in Appendix B, after required funds have been received by studentcare.net/works per section 4.1.3 of this agreement. Alternatively, if a credit arrangement can be implemented with the

University, studentcare.net/works will deliver an appropriate Data Set to the University under a mutually agreed protocol.

2.3 Campus service facility

- 2.3.1 studentcare.net/works shall operate a frontline service facility at the University of Waterloo during at least the first six weeks of each academic term to accommodate the Change of Coverage period.
- 2.3.2 The Campus Service Facility shall be staffed by an employee of studentcare.net/works, the hiring of whom shall be subject to approval by the FEDS.
- 2.3.3 The Campus Service Facility shall be the on-campus administrative contact point for opt-out, family enrolments, answering questions about the Plan, distributing communications materials etc.
- 2.3.4 The FEDS shall assist studentcare.net/works in allocating physical space to accommodate the temporary campus service facility.
- 2.3.5 GSA members shall be allowed to access the services of this campus facility.
- 2.3.6 The operating hours of this facility shall be 9:00 am to 5:00 pm, Monday to Friday, allowing for a 1 hour lunch period.

2.4 Data Management

- 2.4.1 studentcare.net/works will maintain the master eligibility data set and provide timely updates to the Insurer.
- 2.4.2 In the course of administering the Plan studentcare.net/works will receive and handle students' personal information. studentcare.net/works recognizes the importance of taking all reasonable means to protect students' privacy and confidentiality. studentcare.net/works will use students' information only for the purposes of Plan administration and in accordance with its Privacy Policy as attached in Appendix C.

2.5 Provider Networks

- 2.5.1 studentcare.net/works will create and manage a Dental Network including dentists located in the Waterloo region who agree to provide students with a 30% reduction in fees for check-ups and cleanings and 20% for other dental services.
- 2.5.2 studentcare.net/works will secure a minimum of 25 Network dentists in the Waterloo region for September 2005 including at least 10 within the City of Waterloo.
- 2.5.3 studentcare.net/works and /or the FEDS, acting reasonably and through consultation with the other party, will have the authority to veto membership in the Network.

2.6 Professional Services

- 2.6.1 studentcare.net/works will provide the FEDS with regular claims utilization reports, and quarterly claims analysis.
- 2.6.2 studentcare.net/works will provide full financial disclosure through the provision of a detailed annual report that will include operational issues, Plan use, fee and cost breakdowns, recommendations as to Plan changes as well as improvement to service, etc.

- 2.6.3 Upon reasonable notice, studentcare.net/works representatives shall attend Executive meetings and / or committee meetings on request, to provide information and reports and to answer questions as needed.
- 2.6.4 studentcare.net/works will conduct and prepare periodic surveys of plan members on Plan issues and report the results to the FEDS. Such surveys will be conducted, at minimum, on an annual basis.
- 2.6.5 When directed by the FEDS, studentcare.net/works will solicit quotations from insurance companies via a competitive bidding process and prepare an analysis and reports. studentcare.net/works will remind the FEDS of this possibility during each annual orientation, to ensure that new Executive are aware of such.

3.0 COMMUNICATION

- 3.1.1 studentcare.net/works and the FEDS will coordinate a communications program to facilitate students' awareness of the Plan.
- 3.1.2 studentcare.net/works will create brochures and/or information packages for members at the start of each policy year. studentcare.net/works will provide other communication materials such as advertisements, posters, etc. as required to support effective communication with students.
- 3.1.3 FEDS has the right of final approval of all communication materials distributed with reference to the Dental Plan.
- 3.1.4 FEDS will place advertising in campus media on behalf of studentcare.net/works. Charges for advertising will be at FEDS rates and will be invoiced to FEDS. studentcare.net/works will reimburse FEDS for these costs.

4.0 RESPONSIBILITIES OF THE FEDS

4.1 Plan Premiums and Data with University

- 4.1.1 The FEDS will be responsible for the arrangements necessary for the collection of the fees through the University from all eligible students. This shall include ensuring that the Plan fee is billed to eligible students through the University and that all fees collected for the Plan are forwarded to the FEDS for subsequent payment to studentcare.net/works. . During the initial policy year the costs outlined in Appendix "A" will apply.
- 4.1.2 The FEDS will designate a person to handle miscellaneous clerical tasks related to Plan administration, which may arise from time to time, and as a service contact for studentcare.net/works when the on-campus contact centre is not operational. Such tasks may include referring students to the studentcare.net/works website or call centre, distributing Plan booklets or shipping and receiving materials to and from studentcare.net/works.
- 4.1.3 The FEDS will forward to studentcare.net/works by the 1st day of the second month of each academic term (October 1st, February 1st, and May 1st) funds sufficient to pay reimbursement cheques for those FEDS members who opt out of the Plan in that term. studentcare.net/works will be responsible for providing an invoice to the FEDS for the required amount before this date. This transfer shall be separate from the premium amounts detailed below.

- 4.1.4 The FEDS will forward premiums to studentcare.net/works as per the schedule set-forth in Appendix B of this Agreement.
- 4.1.5 The FEDS is responsible for paying premiums for all students enrolled for coverage in the plan, which are all eligible students less valid opt-outs, as defined in Appendix A.

5.0 PERFORMANCE REQUIREMENTS

- 5.1 studentcare.net/works guarantees the participation of a minimum of 25 dentists in the Dental Network including a minimum of 10 within the City of Waterloo by September 1, 2005 and afterwards for the duration of this agreement. In the event that Dental Network participation falls below these thresholds, studentcare.net/works will pay a penalty of \$1,000 per annum, prorated monthly for the duration of the shortfall, for each member short of the threshold.
- 5.2 Opt-out refund cheques will be issued within 15 business days of the close of the blackout period or receipt of payment from the FEDS whichever is later. In the event that opt-out refund cheques are delayed, studentcare.net/works will pay a penalty of \$1,000 per week to the FEDS.
- 5.3 The online opt-out system will be active by the first day of the academic term, as determined by the University Undergraduate Calendar of each policy year and for the duration of the opt-out period, as long as studentcare.net/works has received Data Sets from the University in accordance with a mutually agreed data transfer protocol at least 10 business days prior to the first day of the academic term. studentcare.net/works will pay the FEDS a penalty of \$250 for each entire day that the web-based administration system is not active or experiences severe disruption. Following 1 week (7 consecutive days) of this system not being active, the penalty will increase to \$1000 each entire day that the inactivity persists.
- 5.4 studentcare.net/works shall expand the Dental Network annually in accordance to the Plan enrolment increases. The expansion shall be based on the following formula: for every 500 additional Plan members studentcare.net/works will add 1 additional dentist.
- 5.5 These amounts are a genuine pre-estimate of damages to be sustained by the FEDS, and studentcare.net/works agrees not to argue that the agreement to pay these amounts is not enforceable.

6.0 TERMINATION OF THIS AGREEMENT

- 6.1.1 Either party may elect to terminate this agreement at any time for breach of provisions contained herein, providing the other party has been issued written notification of the breach, and fails to correct within 30 calendar days of receipt of the notification. In case of termination, the party in breach of its obligations shall indemnify and save harmless the other party against all reasonable damages, losses and attorney fees incurred by reason of said breach.
- 6.1.2 In the event of termination of this agreement for breach of contract, the contractual relationship with the insurer will continue until the end of the policy year.
- 6.1.3 The agreement will also be terminated at the end of the effective policy year if the FEDS, via a decision in accordance with its Constitution, terminates the provision of a group dental plan for its members.

7.0 AMENDMENT

7.1.1 This agreement can be amended by the mutual written consent of both parties.

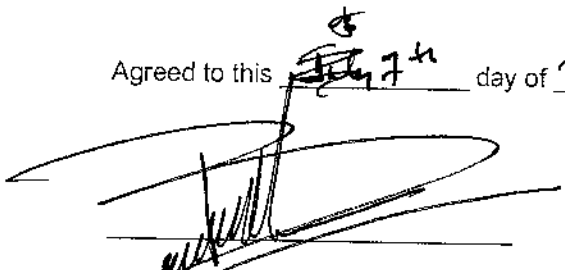
8.0 LAW APPLICABLE

8.1.1 This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

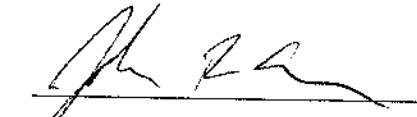
9.0 TERM

9.1.1 This agreement will be in effect until August 31, 2008.

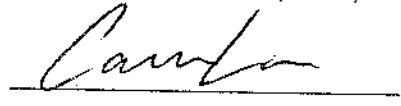
Agreed to this July 7th day of July, 2005.



Lev Bukhman, President
For Quebec Student Health Alliance Inc.
(studentcare.net/works)



John Andersen, President
For Federation of Students,
University of Waterloo (FEDS)



Carmen Lam,
Vice-President (Administration & Finance)
For Federation of Students,
University of Waterloo (FEDS)

APPENDIX A:

A.1. Plan Costs:

The following costs and coverage will be applicable for the initial policy year (September 1, 2005 – August 31, 2006). Premiums are guaranteed until August 31, 2006. Premiums for subsequent policy years may be adjusted to reflect claims experience; however, the FEDS must approve any premium and/or coverage change.

	Per 4-month Term	With Ontario Tax
Single	\$ 31.25	\$ 33.75
Spouse (common law or same-sex eligible)	\$ 31.25	\$ 33.75
Family (Spouse + Unlimited Dependents)	\$ 62.50	\$ 67.50

The above costs are based on a fully insured, prospectively rated plan, with no additional or contingent liability for the FEDS, and are payable for each member covered under the Plan.

The above costs include all insurer administration charges, taxes and studentcare.net/works fees.

A. 2. Coverage:

a) Dental Benefits

	INSURED	NETWORK	TOTAL
Diagnostic and Preventative services	70%	30%	100%
Minor restorative	50%	20%	70%
Basic services (oral surgery, endodontics, periodontics...)	50%	20%	70%
Recall Exams	1 per 12 months		
Insured Annual Maximum	\$750		

Coverage is based on the Ontario Dental Association Fee Guide for general practitioners.
Recall exams, bitewing x-rays, polishing, hygiene instruction and the application of fluoride are covered once per 12 months.
Scaling and occlusal equilibration/adjustment are covered up to a maximum of 8 units of 15 minutes per policy year.
Root planing is covered up to a maximum of 8 units per policy year.
A complete exam (sometimes called a new patient exam) is only covered once per 36 months.
A complete set of x-rays or panorex x-rays are covered once per 36 months.
Fillings in amalgam (metal) are covered for all teeth. Composite (white) fillings are covered for the front teeth and pre-molars only.

APPENDIX B:

Program set-up

- To be reviewed jointly with University, but will generally correspond to the eligibility, billing and timeline set-up of the Health Plan administered by the University.
- Issues to be addressed include:
 - o Fee collection from students commencing studies other than on September 1.
 - o Fee collection and/or eligibility of specific and/or exceptional categories of students
 - o Fee collection and eligibility in context of trimester system.
 - o Establishment of a Data Set transfer calendar and protocol (format, security, etc.)

Change of Coverage Period

A change of coverage period lasting not more than three weeks will be held at the start of the school year, the dates of which will be set annually by studentcare.net/works and the FEDS. Students will be able opt-out or enroll dependents only during this period.

In order to be valid, an opt-out transaction must be completed following the prescribed process and timeframe jointly established by studentcare.net/works and the FEDS.

Only students with extenuating circumstances will be able to decline coverage after the conclusion of the prescribed opt-out period. Late opt-outs will only be granted with valid reason and in no case after the end of the policy year. Under no circumstances can opt-outs be granted to students who have submitted claims during the applicable policy year.

Premium Payment

The FEDS will forward premiums to studentcare.net/works as follows:

(This is to be confirmed with the University administration and will be based on final fee assessment details.)

APPENDIX C:

STUDENTCARE.NET/WORKS' PRIVACY POLICY

studentcare.net/works administers the student health plan on behalf of student associations, in order to ensure that students receive the best service possible.

In our capacity as administrators, studentcare.net/works receives certain student information from various sources. This information is used exclusively for purposes related to the effective and efficient operation of the student health plan. The information is not used by studentcare.net/works or released to third parties for marketing or other commercial purposes.

This document outlines our commitment to keeping information private and confidential.

INFORMATION COLLECTED FROM THE STUDENT ASSOCIATION

Certain information is obtained by studentcare.net/works from the student association. This is limited to the information necessary to communicate and administer the details of the student health plan. This information is used for the following purposes:

Communication

The name, address and student identification number of every eligible registered student is obtained through the student association for the purpose of communicating important information about the student health plan. This is done in order to enable students to make informed choices, including how to use benefits and how to withdraw from the plan.

Claims processing

Certain information about students who remain covered under the group health plan is provided by studentcare.net/works to the insurance carrier to ensure effective benefit claims administration, including:

- Name
- Student ID number
- Day and/or month and year of birth
- Gender

In the course of submitting claims, students may be requested by the insurance carrier to provide certain additional information in order to verify the eligibility of a claim for health or dental care costs.

Confirmation of coverage to health care providers

In certain cases and at the student or dependent's request, health care providers may accept having an eligible claim assigned directly to the provider. In such cases, the provider may request studentcare.net/works to confirm that the student is actually covered. studentcare.net/works will confirm coverage to a health professional if the student authorizes the health professional to request such confirmation by providing his or her name and student number.

STUDENTCARE.NET/WORKS HANDLING OF INFORMATION

Storage of Information

Students' physical records are stored at our office in Montreal, Quebec. Electronic records are also stored on servers and/or electronic storage devices located at this location.

We ensure the physical, organizational and electronic security of personal information through the use of secure locks on filing cabinets and doors, restricted access to our information processing and storage areas, limited access to relevant information by authorized employees only, and through the use of passwords, personal identification numbers (PIN) and pass keys and the encryption (i.e. scrambling) of electronically transmitted information.

We have strict procedures in place when destroying, deleting or disposing of personal information when it is no longer required to prevent unauthorized access to such personal information.

Another of our security features is the installation of a product known as an Internet firewall. It is designed to prevent unauthorized access to our computer systems from external sources. As its name suggests, the firewall is an industrial-strength combination of hardware and software designed to securely separate the Internet from our internal computer systems and databases.

Even with the online opt-out system, only the data required to perform the transaction is available on our web. No unnecessary data is located outside our firewall.

Our Employees Responsibilities

The following types of employees may have access to students' files in the course of their ordinary duties:

- Administrative personnel
- Member Services Representatives

Our employees are responsible for maintaining the confidentiality of all personal information to which they have access. As a condition of employment, all employees are required to sign a confidentiality agreement binding them to this responsibility, which remains with them even if they leave our company.

We keep our employees informed about our policies and procedures for protecting personal information and reinforce the importance of complying with them. All employees are also required, as a condition of employment, to conform to these policies and procedures.

Students' Access to Information

Students can access information relating to them contained in our files, including the existence of the file, by submitting a written and signed request, accompanied by a photocopy of their student I.D. and a stamped, self addressed envelope to:

Attention: Information Request
studentcare.net/works
1134 Ste-Catherine Street West, Suite 700
Montréal (Québec) H3B 1H4

studentcare.net/works will return one transcript of the information contained in our files.
studentcare.net/works may charge a reasonable fee if further copies are requested.

If, after reviewing the transcript of his or her file, a student wishes to rectify any errors in the file, he or she may mail this request, detailing the identified errors to:

Attention: Information Correction
studentcare.net/works
1134 Ste-Catherine Street West, Suite 700
Montréal (Québec) H3B 1H4

STUDENTCARE.NET/WORKS INTERNET POLICY

This statement outlines the privacy practices which apply to users of the studentcare.net/works' website.

Information that studentcare.net/works collects and tracks

studentcare.net/works collects two types of information about users of this site: data that users provide through optional, voluntary participation; and data studentcare.net/works collects through aggregated tracking information derived mainly by tallying page views throughout our site. Such information may be used in the future to help us better understand the use of our site. studentcare.net/works will never divulge information about an individual user to a third party (except to comply with any applicable laws).

Healthplan.online

The use of *healthplan.online*, our web-based health plan administration system, requires users accept the following terms of use due to the sensitive nature of the information on that system:

"We take great care to ensure that the use of this web site and the services available through the web site are safe and secure.

I authorize studentcare.net/works to accept my personal identification number (PIN) and student number as equivalent to my signature to access the healthplan.online system and any subsequent requests (i.e. clicking the "submit request" button).

I recognize that studentcare.net/works, in order to protect the confidential nature of my information contained on this system, will monitor and record all transactions which occur on this system, including but not limited to information from the originating computer.

studentcare.net/works has implemented sophisticated security features on this web site which include both a hardware and software component. I agree to access the system using a web browser which supports, at a minimum a 40-bit encryption key. In addition, the security features of this site require the use of cookies.

I recognize the confidential nature of my PIN number and agree to not disclose it to anyone else. In addition, after completing a transaction, I agree to clear my cache, or turn off and re-start my browser. Should I undertake any transaction at the office of studentcare.net/works, those transactions will supersede any I undertake on this system.

I acknowledge that at no time will I be asked for my personal identification number (PIN) via email from anyone from studentcare.net/works.

I agree to not send messages to studentcare.net/works by e-mail which contain any personal information as they are outside areas of the Web site using encryption.

I agree to supply studentcare.net/works with a valid email address, at which they are authorized to contact me regarding my health plan status and any other important reminders.

If I do not, I will be held responsible for any information that I neglect to respond to or take action from. This may include communication about incomplete or ineligible transactions and/or important deadlines.

Use of *healthplan.online* is on a voluntary basis.

If studentcare.net/works decides to change its privacy policy, we will post those changes on this page so you are always aware of what information we collect, how we use it, and under what circumstances we disclose it.

Please forward any comments about this policy to webmaster@studentcare.net"