

**Thamesview Centre for Family Medicine
Shared Costs Agreement**

THIS AGREEMENT made as of the ____ day of _____.

BETWEEN:

List of Physicians participating in the Shared Costs Agreement

(Collectively referred to as the “Physicians”)

and the

Thamesview Family Health Team

(hereby referred to as the “Thamesview FHT”)

WHEREAS each individual Physician, and the Thamesview FHT desire to enter into a Shared Costs Agreement (hereby known as “SCA”) in order to provide a suitable basis for the sharing of costs and expenses AND WHEREAS in constituting a Shared Costs Agreement, the parties hereto desire to set out certain administrative procedures and covenants of each of the parties which are fundamental to the implementation of the Shared Costs Agreement within the parameters of the FHO Agreement.

NOW THEREFORE THIS AGREEMENT WITNESS that, in consideration of the mutual covenants and agreements contained herein, the parties hereto covenant and agree with each other as follows:

ARTICLE 1. INTERPRETATION

1.01 Definitions.

In this Agreement, unless the context shall otherwise require, the following definitions shall apply:

- (a) “Physicians” means those physicians that are signatories to the Shared Costs Agreement; a physician’s membership is compulsory if they are leaseholders at the Thamesview Centre for Family Medicine and may be referred to as “Leaseholder Physicians”. A physician may join the Shared Costs Agreement voluntarily and may be referred to as a “Non-Leaseholder Physician”.

- (b) “Membership Fees” means the amount payable from a Physician and/or the Thamesview FHT to the Thamesview Centre for Family Medicine pursuant to Schedule “A”;
- (c) “Party” (or “Parties”) means a signatory(s) to this agreement, including a Physician and / or the Thamesview Family Health Team;
- (d) “SCA Administrator”, means the person appointed by the Parties from time to time to administer this agreement;
- (e) “Director”, means the Executive Director of the Thamesview Family Health Team;
- (f) “Termination Date” means such date as this Agreement is terminated in accordance with the terms thereof; and
- (g) “Withdrawal Date” with respect to any party means the date on which that party withdraws from participation in this Agreement in accordance with the terms hereof.

1.02 Capitalized Terms

Capitalized terms, not defined herein, shall have the meaning, if any, ascribed to them in the FHO Agreement.

1.03 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Ontario.

1.04 Gender

The use of the terms “he” and “his” shall also denote the feminine.

1.05 Interpretation

In the event of any inconsistencies or conflicts between the terms of this Agreement and the FHO Agreement, then the terms of the FHO Agreement will prevail.

ARTICLE 2. ESTABLISHMENT OF THE SCA

2.01 Purpose of the SCA

The Shared Costs Agreement specifically acknowledges that the Kent County FHO is not a partnership and that all members of the Kent County FHO shall continue to practice as sole practitioners for their own account.

The Shared Costs Agreement specifically acknowledges that the Thamesview Family Health Team is not a partnership and that all members of the Thamesview Family Health Team shall continue to practice as sole practitioners for their own account.

The Parties hereby agree to enter into a Shared Costs Agreement effective as of the date of this Agreement, upon and subject to the terms and conditions set forth in this Agreement. Each of the Parties acknowledges and agrees that this Agreement does not in any way establish or create a partnership. Parties may only act on behalf of the other Parties, as authorized under this Agreement, or by resolution of the undersigned of this Agreement.

No parties shall realize a profit from the Shared Costs Agreement.

2.02 Name

The name and style of this Agreement shall be the **Thamesview Centre for Family Medicine Shared Costs Agreement**, or such other name as the undersigned Physicians may from time to time unanimously agree upon.

2.03 Term

The Agreement shall continue until the Termination Date or until dissolved by a Special Majority Resolution and shall include any Party who has signed this Agreement and any other Physician who subsequently becomes a signatory to this Agreement pursuant to section 3.11. The admission or withdrawal of a Physician shall not cause the dissolution of this Agreement.

2.04 Signing Officers

- (a) The Physicians hereby irrevocably authorize the Lead Physician and Associate Lead Physician (the "Signing Officers") of the Kent County FHO to execute on behalf of the undersigned, this Agreement and any amendments thereto and such other documents as may be necessary or desirable to implement them, all as the Signing Officers consider appropriate. The Physicians hereby further irrevocably authorize either of the Signing Officers to execute any cheques, contracts or other instruments on behalf of the undersigned.
- (b) The Parties acknowledge that they are bound by the Shared Costs Agreement and any such further amendments or documents, in the form executed by the Signing Officers, to the same extent as if the undersigned had executed the documents in person.
- (c) The Parties hereby acknowledge that this is a continuing power of attorney which may be exercised during any incapacity on the part of the undersigned.

ARTICLE 3. MANAGEMENT OF THE SHARED COSTS AGREEMENT

3.01 SCA Administrator

- (a) The SCA Administrator shall be responsible for providing administrative support as required by the Director and Lead Physicians in terms of the day to day management of the Agreement.
- (b) The SCA Administrator shall be responsible for the SCA bank account, known by the name “**Thamesview Centre for Family Medicine**” subject to the direction of the Parties as described in this Article Three.
- (c) The SCA Administrator shall have authority to sign cheques and execute contracts on behalf of the Parties having an individual value of not more than \$2,000 for any item listed in Schedule “A”. This amount may be changed at any time through a special majority vote of the Parties.
- (d) The SCA Administrator shall have authority to sign cheques and execute contracts on behalf of the Parties having an individual value of not more than \$1,000 for expenses not outlined in Schedule “A”. This amount may be changed at any time through a special majority vote of the Parties.
- (e) The SCA Administrator shall be responsible for preparing a statement of income and disbursements at the end of each fiscal year and at such other times as may be required by the Director or the Parties. The said statements shall be prepared not later than three months after the year-end.
- (f) The SCA Administrator shall be responsible for reconciling all member accounts once per calendar year and reimburse surplus funds, if any.
- (g) The SCA Administrator shall be responsible to reimburse any surplus funds to a member within 6 months of that member’s withdrawal from the SCA Agreement.

3.02 Director

- (a) The Director shall be responsible for managing operational functions as required by the Lead Physician in terms of the day to day management of the SCA Agreement.
- (b) The Director shall have authority to sign cheques and execute contracts on behalf of the Parties having an individual value of not more than \$2,000 for any item listed in Schedule “A”. This amount may be changed at any time through a special majority vote of the Parties.

- (c) The Director shall have authority to sign cheques and execute contracts on behalf of the Parties having an individual value of not more than \$1,000 for expenses not outlined in Schedule “A”. This amount may be changed at any time through a special majority vote of the Parties.
- (d) The Director shall vote on behalf of the Thamesview FHT pursuant to Sections 3.04 (c) and (d).

3.03 Bank Account

The SCA Administrator shall establish a Bank account or accounts at such Bank as the Parties can mutually agree upon. All monies received from time to time on account of the SCA shall be paid into the Thamesview Centre for Family Medicine bank account in the same drafts, cheques, bills or cash in which they are received and all disbursements on account of the SCA Agreement shall be made by cheque or electronic transfer on such Bank.

3.04 Meetings Regarding the Shared Costs Agreement

- (a) Each Leaseholder Physician shall be entitled to ONE VOTE on all SCA business.
- (b) Each Non-Leaseholder Physician shall be entitled to ONE VOTE on amendments to this Agreement as well on all SCA business, with the exception of such items concerning expenditures in which they will not incur any costs or expenses. In the event of such exceptions, the Non-Leaseholder Physician shall not be entitled a vote.
- (c) The Thamesview FHT shall be entitled to the number of votes equal or lesser to the proportion of lease amount paid, as calculated below.
 - $(\$ \text{ lease amount paid by the Thamesview FHT per month}) \div (\$ \text{ lease amount paid per Leaseholder Physician per month})$, rounded down to the closest whole number.
 - i.e.: If each physician pays \$2400 per month and the Thamesview FHT pays \$9040 per month, the calculation would be:

$$\mathbf{\$9040 \div 2400 = 3.77, \text{ rounded down to } 3}$$

therefore, the Thamesview FHT would receive 3 votes.

- (d) The Thamesview FHT shall be entitled to vote on amendments to this Agreement as well as on all SCA business, with the exception of such items concerning expenditures in which they will not incur any costs or expenses. In the event of such exceptions, the

Thamesview FHT shall not be entitled a vote.

- (e) Any Party may request a meeting upon not less than fifteen days prior written notice to each of the other Parties. Any such notice shall specify the date and place of such requested meeting and shall include an agenda.
- (f) The agenda for any meeting regarding the Shared Costs Agreement shall clearly identify the decisions to be made and the type of decision.
- (f) Any business relating to the SCA may be discussed and voted upon during regular Kent County FHO meetings.

3.05 Majority Decisions

During the term hereof, no decision or action shall be taken with respect to any of the following matters without a written resolution of a majority of the Parties:

- (a) any expenditures, other than those outlined in Schedule "A", in an amount not exceeding \$2000;
- (b) the resolution of any disputes except as set out in section 4.05;
- (c) the appointment or dismissal of the SCA Administrator;
- (d) the appointment or dismissal of the Director as an Administrator of the SCA.

3.06 Special Majority Decisions

During the term hereof, no decision or action shall be taken with respect to any of the following matters without an authorized written resolution of a two-thirds majority of the Parties:

- (a) the termination of the Shared Costs Agreement;
- (b) the termination or amendment of any other contract referred to in Section 2.04(c);
- (c) the amendment or modification of this Agreement pursuant to section 4.01; and
- (d) the establishment of and setting rates for the Membership Fees.
- (e) Expenditures in an amount greater than \$2,000.00 but not exceeding \$5000.

3.07 Unanimous Decisions

During the term hereof, none of the following actions shall be taken without an authorizing written resolution of all of the undersigned Parties:

- (a) changing the name of the Shared Costs Agreement;
- (b) admitting a new Non-Leaseholder Physician to the Shared Costs Agreement.
- (c) the establishment, or alteration of a capital contribution requirement for the Physicians and / or the Thamesview FHT; and
- (d) expenditures in an amount greater than \$5,000.00.

3.08 Parties' Obligations

Each Party hereby agrees to pay to the Association his Membership Fee as required under section 3.09;

3.09 Membership Fees

- (a) Each Party shall be responsible for the payment of his SCA membership fees. The Membership Fees will be used for administrative, operational and miscellaneous expenses which have been incurred on behalf of all the Parties. The Membership Fee shall be paid by each Party monthly, at the amount set by the Parties in accordance with section 3.06(d).
- (b) Each Party shall be responsible for paying his Membership Fee on a monthly basis within 15 days of the month-end.
- (c) If a Physician fails to pay his Membership Fees, that amount shall be deducted from his "Physician's Special Payment" (also called "Access Bonus"), and/or any other payments made through the Kent County FHO.
- (d) If that payment is not enough to cover the cost of his Membership Fees, the Physician shall be invoiced to pay the owing amount within a two month time period. The failure by a Physician to pay this invoiced amount within this two month period shall be deemed to be at default under the terms of the Shared Costs Agreement and notification of such default shall be given to all Parties. If he is a Non-Leaseholder Physician to this agreement, failure to pay this invoiced amount shall be good and sufficient grounds to terminate the Physician's participation in the Agreement.
- (e) Accounts will be reconciled once per year and surplus fees, if applicable, will be reimbursed.

- (f) Excess Membership Fees paid by a Party will be refunded within 6 months of said Party's withdrawal from the CAS.

3.10 Year End Review

The SCA Administrator shall provide to each Party a statement of income and disbursements at the end of each fiscal year. The said statements shall be prepared not later than three months after the year-end.

3.11 Membership, Withdrawal and Termination

- (a) Membership in this Agreement is compulsory for all Thamesview Centre for Family Medicine lease holders.
- (b) Membership in this Agreement is voluntary for physicians who are not leaseholders at the Thamesview Centre for Family Medicine. Participation is subject to Section 3.07(b) and is effective on an agreed upon date between the Director and himself.
- (c) A Physician's participation in the SCA Agreement shall be immediately terminated upon the occurrence of any of the following events:
 - (i) mental or physical disability of a Physician such that he is incapable of conducting his practice, for a continuing period of at least six months.
 - (ii) death;
 - (iii) bankruptcy or insolvency of a Physician;
 - (iv) loss of a licence to practice medicine in Ontario; or

3.12 Books and Records

Each of the Parties shall be entitled to examine and make copies or take extracts from all books and records of the SCA during normal business hours on reasonable notice.

3.13 Indemnification

- (a) Each signatory Party shall be held harmless from and against any and all claims, losses, liabilities or damages incurred by reason of an act performed or omitted to be performed by a Party in good faith and in a manner reasonably believed by such Party to be within

the scope of the authority conferred upon him by this Agreement in the best interests of the Parties, provided that any act or omission giving rise to such claim, loss, liability or damage does not amount to negligence or wilful misconduct;

- (b) It is acknowledged and agreed by each of the Parties that this document is intended to be a Shared Costs Agreement only and not in any way is it intended to establish or create a partnership. Nonetheless, there may be joint liabilities incurred for which each individual Party could be exposed or responsible for an obligation of another Party. In the event that their respective obligations and liabilities pertaining to the Agreement are several as to their respective interest, each Party shall indemnify and save harmless the other Parties (the “Indemnified Parties”) from any and all claims, losses or liability whatsoever in excess of the Indemnified Parties’ pro-rata share. Any Party whose negligence or wilful misconduct has given rise to such claims, losses or liability shall not be entitled to the benefit of the protections provided in this paragraph.

3.14 Fiscal Year

The fiscal year as it pertains to this Agreement shall end on the last day of December in each year.

3.15 Sickness, Scheduled and Unscheduled Absences

During any period of scheduled or unscheduled absence, each party will continue to be responsible for his membership fees as allocated.

ARTICLE 4. MISCELLANEOUS

4.01 Amendments

The terms and conditions of this Agreement may be amended or modified. For an amendment or modification to be made to this Agreement, a Special Majority decision pursuant to section 3.06(c) is required.

4.02 Notice

Any notice required or permitted to be given hereunder shall be in writing and shall be effectively given if (i) personally delivered, (ii) sent by prepaid courier service or mail, or (iii) sent prepaid by facsimile, telecopier, telex or other similar means of electronic communication (confirmed on the same or following day by prepaid mail) addressed;

in the case of notice to Dr. ●

if addressed to him as follows:

●

and in the case of notice to Dr. ●

if addressed to him as follows:

●

and in the case of notice to the Thamesview FHT. ● if addressed to him as follows:

●

and in all cases so delivered personally or by courier or so sent by means of electronic communication (so confirmed). Any notice so given shall be deemed conclusively to have been given and received when so personally delivered or sent by facsimile, telex, telecopier or other electronic communication or on the second day following the sending thereof by private courier or mail. Any party hereto or others mentioned above may change any particulars of its address for notice by notice to the others in the manner aforesaid.

4.04 Entire Agreement

This Agreement constitutes the entire Shared Costs Agreement among the individual Physicians and the Thamesview FHT and except as herein stated and in the instruments and documents to be executed and delivered pursuant hereto, contains all of the representations and warranties of the respective parties. There are no oral representations or warranties among the parties of any kind. This Agreement may not be amended or modified in any respect except by written instrument signed by all Parties.

4.05 Disputes and Arbitrations

All disputes in relation to this agreement and to the affairs of the business shall be referred to the arbitration of a single arbitrator if the Parties hereto agree upon one; otherwise to three arbitrators, one to be appointed by each Party and a third to be chosen by the first two named before they enter upon the business of arbitration. The award and determination of such arbitrator or arbitrators, or any two of such three arbitrators, shall be binding upon the parties hereto, their respective heirs, executors, administrators and assigns. The *Arbitrations Act, 1991*, as amended from time to time, shall apply to all such arbitrations.

4.06 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

4.07 Severability

In the event that any one or more of the provisions of this Agreement shall be held to be invalid or unenforceable by a court of competent jurisdiction, such provision(s) shall be deemed not to have been written and shall not affect the validity or enforceability of any other provisions of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto.

Signed, sealed and delivered on this ____ day of _____, in the presence of:

) Dr. _____
)
) TFHT Executive Director: _____

Schedule “A”

Thamesview Centre for Family Medicine Shared Costs Agreement

Membership Fees

Group A:

Expenses included in the Membership Fees of **lease holder physicians and Thamesview FHT** include all costs associated with:

- (a) Phone
- (b) Shredding of Documents
- (c) Internet
- (d) Social & Coffee Fund
- (e) Other office supplies and equipment
- (f) Other medical supplies and equipment

The above costs and expenses will be borne 60% by the lease holder Physicians and 40% by the Thamesview FHT. The 60% Physician’s share shall be divided evenly amongst the lease holder Physicians.

Group B:

Whereby the Thamesview FHT does not utilize the following items, the following expenses are included in the Membership Fees of the **Leaseholder Physicians and / or the Non-Leaseholder Physicians** only, and include all costs associated with:

- (a) Liquid Nitrogen Guns
- (b) Liquid Nitrogen
- (c) Other office supplies and equipment
- (d) Other medical supplies and equipment

The above costs and expenses will be borne 100% by the Leaseholder Physicians and / or the Non-Leaseholder Physicians and will be divided evenly amongst them.

Group C:

Expenses included in the Membership Fees of all Parties include all costs associated with:

- (a) Office Paper
- (b) Other office supplies and equipment
- (c) Other medical supplies and equipment

The above costs and expenses will be borne 60% by the Physicians and 40% by the Thamesview FHT. The 60% Physician's share shall be divided evenly amongst the Physicians.

Schedule “B”

Leaseholder Physician Membership Declaration to the Thamesview Centre for Family Medicine Shared Costs Agreement

TO: **All current members of the Shared Costs Agreement** (hereinafter referred to as the “Parties”)

I, _____, a Leaseholder Physician at the Thamesview Centre for Family Medicine, hereby declare and agree as follows:

1. I have been provided with a copy of the Thamesview Centre for Family Medicine Shared Costs Agreement dated ● (hereinafter referred to as the “SCA”). I have read the SCA, understand it and have had the opportunity to obtain independent legal advice with respect to it.
2. I hereby agree that I will be bound by all terms of the SCA as of the date below written.
3. I will fulfil all “Parties' Obligations” listed in the SCA.

IN WITNESS WHEREOF this Membership Declaration has been executed by myself on this day of _____, 20__.

Signed, sealed and delivered)
in the presence of)
)
_____) DR. ●

Schedule “C”

Non-Leaseholder Physician Membership Declaration to the Thamesview Centre for Family Medicine Shared Costs Agreement

TO: **All current members of the Shared Costs Agreement** (hereinafter referred to as the “Parties”)

I, _____, a Non-Leaseholder Physician, hereby declare and agree as follows:

- 3. I have been provided with a copy of the Thamesview Centre for Family Medicine Shared Costs Agreement dated ● (hereinafter referred to as the “SCA”). I have read the SCA, understand it and have had the opportunity to obtain independent legal advice with respect to it.
- 4. I hereby agree that I will be bound by all terms of the SCA as of the date below written.

Without limiting the generality of the foregoing obligation, I also agree as follows:

- 3. I will fulfil all “Parties' Obligations” listed in the SCA.
- 4. In the event that I breach any one of the terms of the SCA, the Parties shall have the rights set out in Section 3.11(b) of this agreement to terminate my membership in the SCA.
- 5. If I choose to withdraw from the SCA, I shall provide the Director with at least two months’ notice.

IN WITNESS WHEREOF this Membership Declaration has been executed by myself on this day of _____, 20__.

Signed, sealed and delivered)
in the presence of)
)
_____) DR. ●