

## Group Tax Free Savings Account (TFSA) through the Royal Bank of Canada (RBC) Covenant Health Group Number: 18271

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- Q. If I am eligible for the Flex Spending Account (FSA) may I allocate a portion or all of my FSA credits to a Group TFSA?**
- A. If you are eligible, based on your position and/or bargaining unit for a Group TFSA, you may allocate a portion or all of you FSA credits to your group TFSA.
- Q. Do I need to set up my Group TFSA account through the Royal Bank of Canada (RBC)?**
- A. Yes. A Group TFSA must be set up under Group #18271 through RBC within 14 days of allocation; prior to the first deposit.
- Q. How do I set up a RBC Group Tax Free Savings Account?**
- A. To open a Group TFSA account, you can either visit your local RBC branch or phone 1-888-769-2566 and ask for a group TFSA to be opened under Group #18271.
- Note:** RBC can only provide employees with an immediate active account confirmation if the employee opens the account in person at the branch. (Covenant Health does not require the account confirmation unless the contribution has been rejected due to the account being inactive). The confirmation document would be for your personal record.
- Q. Who can I contact if I am having trouble opening up a Group TFSA?**
- A. Employees should contact Donna Lefebvre by email at [donna.lefebvre@rbc.com](mailto:donna.lefebvre@rbc.com) or call 780-288-5599 if any issues arise while trying to open a Group TFSA. Should you require Donna's assistance, please let her know you are a Covenant Health employee.
- Q. Do I need to open an additional Group TFSA if one was done the preceding year?**
- A. You should confirm your Group TFSA account status annually with RBC. You do not need to open an additional Group RBC TFSA account unless:
- You transferred the funds to another investment provider or withdrew all funds. RBC will automatically close an account with no funds unless the employee asks that the account remains open.

# frequently asked questions

- Q. How can I verify my RBC Group TFSA was set up within 14 days if I set up my account over the phone?**
- A. RBC will mail an account confirmation to participants that opened their account over the phone.
- Q. When should I contact RBC if I am unsure if the Group TFSA contributions went through?**
- A. If you wish to confirm your Group TFSA contributions were received by RBC, please access your on-line banking or, alternatively, call RBC Client Services at 1-888-769-2566. Processing time can take up to 30 days following the credit effective date.
- Q. What happens to my Group TFSA if the funds are returned to Covenant Health from RBC as a result of an inactive Group TFSA (#18271) within the 14 day deadline?**
- A. For a UNA employee enrolled with the UNA 2% matched contribution; the contribution will be reversed/refunded to the employee/employer via payroll processing and the Group TFSA deduction will be changed to “waive” in e-People so that future contributions will not occur. Please note, retroactive adjustments will not be processed.
- For all rejected FSA allocations to the Group TFSA; the contribution will default to the Flex Spending Health – Canada account retroactive to the FSA effective date and those FSA credits will not be eligible for reallocation.
- Q. I am a UNA employee, after setting up my RBC Group TFSA how are the contributions transferred to RBC through Covenant Health?**
- A. As soon as your Group TFSA through RBC has been initiated an enrolment form **must** be completed and submitted to HR Shared Services (HRSS) via [general.documents@covenanthealth.ca](mailto:general.documents@covenanthealth.ca) .
- Please access the form on compassionNET via the path provided below:
- CompassionNET>Employee Centre>My Compensation>My Pay>e-People>e-People Forms>Group RRSP Payroll Deduction Amendment- UNA only
- The date of enrollment will be based on the date HRSS receives the application **unless** your Group RBC TFSA (#18271) is not active.
- Q. Are the FSA Group TFSA credits allocated as a lump sum deposit?**
- A. No. Your allocation towards your Group TFSA is divided into equal monthly deposits up to December 31.

# frequently asked questions

- Q. What happens to my monthly FSA Group TFSA deposit if I terminate employment or transfer to a position no longer eligible for benefits?**
- A. If you allocate to a Group TFSA and terminate employment or transfer to a position no longer eligible for benefits, you will forfeit any remaining Group TFSA balance.
- Q. If I allocate my Flex Credits to a Group TFSA how will this affect my paycheque and my T4?**
- A. Employer contributions to a Group TFSA for an employee is considered a taxable benefit. The employee will pay additional tax, CPP and EI on the contributions. The taxable benefit is included in Box 14 and 40 of the employee's T4.
- Q. Can I split my contribution so one amount goes to a spousal and the remainder goes to a personal account?**
- A. No. The Group TFSA is only available for employees.
- Q. Can I make additional contributions to my Group TFSA?**
- A. Yes. You have the option of making additional contributions directly through RBC.
- Q. Does Covenant Health monitor allowable annual Group TFSA contribution room?**
- A. No. You are expected to ensure your remitted amounts are coordinated with your annual Group TFSA contribution and other Canada Revenue Agency regulations.
- Q. Can I designate a beneficiary for my Group TFSA?**
- A. Yes. It is recommended you designate one or more individuals as the beneficiary of your TFSA. Important: The person(s) must be identified by their legal name(s).
- Q. When should I review my beneficiary designates?**
- A. The election of a beneficiary is an important part of Estate planning and should be reviewed after any life changing events such as separation, death, inheritance, new child etc.
- Q. What happens if no beneficiary is listed?**
- A. If a beneficiary is not designated, the proceeds of the Group TFSA will default to your Estate in the event of your death.

**Q. Does RBC require the original beneficiary form?**

A. Yes. RBC requires the original, signed beneficiary form on file. The beneficiary designation is *not* valid until the original signed form is received by RBC.

**Q. What happens to my Group TFSA contributions while I am on an unpaid leave?**

A. If you allocated to your Group TFSA via the FSA, your TFSA contributions will continue to be deposited on a monthly basis.

If you are a UNA employee and your Group TFSA was set up as a 2% matched contribution, the deposits will cease when there are no earnings and recommence when you return to work.

**Q. How do I update my Group TFSA after my application has been processed?**

A. Please contact RBC Client Services at 1-888-769-2566 for the following services:

- Address changes
- Book appointments
- Check balances
- Investment changes

Please visit an RBC branch for the following:

- Name Changes
- Beneficiary designations and/or changes
- Investment changes,
- Open your Group TFSA