

Sun Par Protector & Sun Par Accumulator

ADVISOR GUIDE

What's inside:

- product information
- dividend options
- administrative information
- optional benefits

Life's brighter under the sun



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INTRODUCTION

Sun Life Financial participating permanent life insurance

Sun Par Protector and **Sun Par Accumulator** are powerful participating (par) permanent life insurance products that protect Canadians and can help them reach their long-term goals.

You can use this guide to help you understand the benefits and features of these products. It's intended to provide an in-depth look at the products, dividend options and optional benefits available with **Sun Par Protector** and **Sun Par Accumulator**. For complete details, including terms and conditions, please refer to the sample policy pages which can be found on the advisor website you use with Sun Life Financial.

Lifetime insurance protection

Clients can have peace of mind knowing that money will be available to provide for their family, continue their business or ensure their assets transfer intact to the next generation. Participating permanent life insurance provides a combination of permanent life insurance protection and an opportunity for tax-preferred investment growth. The base insurance protection is guaranteed for life, as long as the premiums are paid when they are due.

An investment for the future

With **Sun Par Protector** and **Sun Par Accumulator**, a client's policy may be credited with policyholder dividends, determined by Sun Life Financial's Board of Directors. With the dividend option selected, clients can choose to buy additional coverage, receive a cash payment, use them to reduce their annual premium or leave them on deposit with Sun Life Financial – the choice is theirs.

Both products have cash values that build up over time on a tax-preferred basis. Clients will be able to access this cash whenever they need it. They can also borrow against the cash value or use it to help pay their premiums. And if they ever decide to cancel their policy, we'll pay the total cash value of the policy at that time.

Customize clients' solutions

You can help a client custom-design their **Sun Par Protector** or **Sun Par Accumulator** participating policy. Clients can choose from a wide range of features and options. Both products can be tailored to meet clients' unique needs with innovative and cost-effective ways to maximize protection for their family, build tax-preferred cash values and increase the death benefit to keep pace with inflation. Depending on the dividend option chosen, a client's policy can grow as their needs change. With Sun Life Financial, clients have the confidence of knowing their protection meets their needs today and in the future.

SUN PAR PROTECTOR

Sun Par Protector provides higher long-term values in both total cash value and total death benefit than **Sun Par Accumulator**. With **Sun Par Protector**, clients can choose from three premium payment options and five dividend options. **Sun Par Protector** is suited for affluent clients interested in ensuring their estate transfers intact to their beneficiaries, or clients who are looking for the flexibility to access their policy's cash values to supplement their retirement income.

SUN PAR ACCUMULATOR

Sun Par Accumulator provides higher cash values in the early years than **Sun Par Protector**. With **Sun Par Accumulator**, clients can choose from two premium payment options and four dividend options. **Sun Par Accumulator** is suited for affluent clients interested in accessing cash values in the early years of their policy to bridge a retirement income gap, while ensuring there is a death benefit in place to protect their estate.

Clients can participate in their brighter future with policyholder dividends

When a client purchases a participating life insurance policy from Sun Life Financial, they have the opportunity to participate in any policyholder dividends. Along with the opportunity to be credited with dividends, their policy comes with guaranteed lifetime protection and cash values, for which they pay a guaranteed premium. The premium and other basic values are determined using long-term conservative assumptions for death claims, investment returns, expenses (including taxes), lapses and other factors.

Dividends may be credited to a client's policy when the experience in the Sun Life Participating Account is better than the assumptions we made for factors such as investment returns, mortality and expenses to support the guaranteed values in their policy. If the Board of Directors determines there is a surplus, a portion of this may be credited to the policy in the form of dividends. The amount available for dividends will increase or decrease depending how the actual experience differs from what we assumed. The amount available is also dependent on a number of other factors such as:

- the need to keep earnings as surplus to:
 - support financial security and stability of the participating account
 - finance new participating business growth
 - smooth fluctuations in experience (investment returns, mortality and expenses (including taxes), lapses and other factors)
- other practical considerations and limits
- legal requirements and industry practices

It is important to note that the Insurance Companies Act of Canada contains a number of provisions that will be followed in managing the participating account.

Advantages of participating life insurance from Sun Life Financial

Sun Life Financial has maintained a respected and trusted position in the financial services industry for over 140 years. Independent parties have recognized our organization around the world for our strength, sustainability and prudent financial management. We issued our first participating life insurance policy in 1871 and currently have over 1.6 million participating life policyholders. We are also backed by over \$16 billion in assets held in the Sun Life Participating Account. These well-established and well-managed par accounts are based on Sun Life Financial's effective management style. This style is critical to our overall profitability, competitive market positioning and long-term financial viability.

PRODUCTS AT A GLANCE

FEATURES

	Sun Par Protector	Sun Par Accumulator
Target markets	<p>May be suitable for clients looking for:</p> <ul style="list-style-type: none"> • affordable permanent participating coverage that provides guarantees with opportunities for growth and flexibility • estate protection • an opportunity for long-term, tax-preferred cash value growth • ways to enhance their cash flow during their retirement years 	<p>May be suitable for clients looking for:</p> <ul style="list-style-type: none"> • early cash values coupled with the benefits of long-term growth • protection for their business with the added benefit of high early cash values, coupled with premium flexibility <p>May be ideal for pre-retirees looking for:</p> <ul style="list-style-type: none"> • estate protection combined with cash value they can access throughout their lifetime
Guaranteed premium payment options and issue ages	<ul style="list-style-type: none"> • Life pay • Pay to age 65 • 20 pay 	<ul style="list-style-type: none"> • 0 - 80 • 0 - 44 • 0 - 65
Coverage options	<ul style="list-style-type: none"> • Single life • Joint first-to-die¹ • Joint last-to-die,¹ premiums to the last death • Joint last-to-die,¹ premiums to the first death 	
Premium bands	<ul style="list-style-type: none"> • \$50,000 - \$99,999 • \$100,000 - \$249,999 • \$250,000 - \$499,999 • \$500,000 - \$999,999 • \$1,000,000 - \$10,000,000² 	<ul style="list-style-type: none"> • \$250,000 - \$499,999 • \$500,000 - \$999,999 • \$1,000,000 - \$10,000,000²
Underwriting classes	<ul style="list-style-type: none"> • Non-smoker • Smoker 	
Dividend options	<ul style="list-style-type: none"> • Paid-up additional insurance • Annual premium reduction • Dividends on deposit • Cash payment • Enhanced insurance <ul style="list-style-type: none"> - 10-year guarantee - lifetime guarantee 	<ul style="list-style-type: none"> • Paid-up additional insurance • Annual premium reduction • Dividends on deposit • Cash payment

¹ Both lives must be 18 years of age or older.

² Special quotes are available for cases over \$10,000,000.

FEATURES *continued*

	Sun Par Protector	Sun Par Accumulator
Guaranteed cash values	<ul style="list-style-type: none"> Typically begin at the end of year five 	<ul style="list-style-type: none"> Typically begin at the end of year one
Policy loans	<ul style="list-style-type: none"> Up to 100% of the total cash value, less one year's interest, less any existing indebtedness may be borrowed 	
Non forfeiture options	<ul style="list-style-type: none"> Automatic premium loan available, following the grace period Reduced paid-up life insurance 	
Policy fee	<ul style="list-style-type: none"> \$50 per year or \$4.50 per month 	
Payment methods	<ul style="list-style-type: none"> Monthly pre-authorized cheque plan (PAC) Annual payments 	

BENEFITS

Living benefit	<ul style="list-style-type: none"> If the insured person is diagnosed with a terminal illness, an application can be made for a lump sum of 50% of the death benefit, to a maximum of \$100,000 (non-contractual).
Survivor and automatic survivor benefit	<ul style="list-style-type: none"> Available on joint first-to-die policies with an equivalent single age less than 65 Offers the surviving insured 31 days to apply for a new permanent life insurance policy, without providing evidence of insurability.

OPTIONAL BENEFITS

Plus premium	<ul style="list-style-type: none"> Available with all guaranteed premium payment options: <ul style="list-style-type: none"> - Life pay - Pay to age 65 - 20 pay Available with the following dividend options: <ul style="list-style-type: none"> - paid-up additional insurance - enhanced insurance 	<ul style="list-style-type: none"> Available with the Life pay guaranteed premium payment option Available with the paid-up additional insurance dividend option
Additional non-par benefits	<ul style="list-style-type: none"> Term insurance:³ 5-, 10-, and 20-year renewable convertible terms Child term insurance Accidental death benefit Total disability Total disability – juvenile <ul style="list-style-type: none"> - Automatically included when the base insured is between the ages of 0 to 17 as a future benefit, with premiums and coverage beginning at the insured's age 21 Owner waiver on disability Owner waiver on death Guaranteed insurability benefit 	<ul style="list-style-type: none"> Term insurance: 5-, 10-, and 20-year renewable convertible terms Child term insurance Accidental death benefit Total disability Owner waiver on disability Owner waiver on death Guaranteed insurability benefit

³ The term insurance benefit is not available if the base insured is less than 18 years of age.

Sun Par Protector and Sun Par Accumulator

Both **Sun Par Protector** and **Sun Par Accumulator** offer a variety of coverage options and guaranteed premium payment periods. This gives you the flexibility you need in a permanent participating insurance product to meet each client's unique needs.

Life insurance protection

As permanent participating life insurance products, **Sun Par Protector** and **Sun Par Accumulator** offer clients a combination of permanent participating life insurance with tax-preferred cash accumulation opportunities. They provide clients with insurance protection for life as long as all of the guaranteed premiums are paid when due. In addition, both products provide clients with a guaranteed death benefit as well as a guaranteed cash value. The life insurance protection provided by **Sun Par Protector** and **Sun Par Accumulator** is ideal for clients who are looking for stability, flexibility and the opportunity to earn policyholder dividends.

SUN PAR PROTECTOR

Sun Par Protector clients can choose to have a life insurance plan made up of all basic whole life insurance to provide long-term protection. Depending on the dividend option they choose, their life insurance protection can grow as their needs grow. Or, if clients are looking for more affordable protection, they can choose a mix of basic and enhanced insurance, available with the enhanced insurance dividend option.

SUN PAR ACCUMULATOR

Sun Par Accumulator provides clients with the opportunity to have a life insurance plan that provides high early cash values and insurance protection for their more immediate needs. The life insurance protection grows quickly in the early years and slows over the life of the policy, while still providing clients with a considerable estate benefit in the future.



TIP

Sun Par Protector may be ideal for clients who want long-term growth, coupled with guarantees and the opportunity to participate in their brighter future through the benefits of a participating life insurance policy.

Sun Par Accumulator may be ideal for business owners who are looking for insurance protection for key executives, with the flexibility to meet changing business needs.

GUARANTEED PREMIUM PAYMENT OPTIONS, ISSUE AGES, AND COVERAGE OPTIONS

The issue ages are based on the insured person's insurance age, or their age at their nearest birthday. For example, if your client is 48 years and 7 months, their insurance age will be 49 years old.

Life pay

- Premiums are payable to age 100

Sun Par Protector	Sun Par Accumulator
Single life: 0 - 80	Single life: 18 - 80
Joint first-to-die: ⁴ 18 - 80	Joint first-to-die: ⁴ 18 - 80
Joint last-to-die: ⁴ 18 - 80	Joint last-to-die: ⁴ 18 - 80

Pay to age 65 (available with Sun Par Protector only)

- Premiums are payable to age 65, after which premiums are no longer due and the client's base insurance amount is fully paid-up

SUN PAR PROTECTOR

- Single life: 0 - 44
- Joint first-to-die:⁴ 18 - 44
- Joint last-to-die:⁴ 18 - 44

20 pay

- Premiums are payable for 20 years; after that, no premiums are due and the client's base insurance amount is fully paid-up

SUN PAR PROTECTOR

- Single life: 0 - 65
- Joint first-to-die:⁴ 18 - 65
- Joint last-to-die:⁴ 18 - 65

SUN PAR ACCUMULATOR

- Single life: 18 - 65
- Joint first-to-die:⁴ 18 - 65
- Joint last-to-die:⁴ 18 - 65

The **equivalent single age (ESA)** is the age we use to determine the premiums for joint insurance coverage. ESA is based on the age, smoking status, and gender of both insured persons at the effective date of the policy.

⁴ On joint life policies, both insured people must be within the equivalent single age (ESA) range for the premium payment option selected.

Coverage options

Sun Par Protector and **Sun Par Accumulator** offer single and joint coverage options.

Single life

- Coverage is based on one insured person
- The death benefit is payable on the death of that insured person

Joint first-to-die

- Coverage is based on two insured persons
- The issue ages are based on the ESA, however each of the insured persons under this coverage option must meet the minimum and maximum ages applicable to the guaranteed premium payment option selected
- The death benefit is payable on the death of the first insured



TIP

Joint first-to-die is suitable for clients who need to cover financial obligations on the first death. Also, small business clients can benefit from this solution for funding a buy-sell agreement or even key person insurance in a partnership.

Joint last-to-die (premiums to the last death)

- Coverage is based on two insured persons
- Issue ages are based on the ESA, however each of the insured persons under this coverage option must meet the minimum and maximum ages applicable to the guaranteed premium payment option selected
- Premiums are payable to the earlier of the guaranteed premium payment option duration or the last insured person's death
- The death benefit is payable on the last death of the last insureds



TIP

This may be ideal for clients who need to cover financial obligations that occur on the second death, making this a desirable solution for estate preservation.

Joint last-to-die (premiums to the first death)

- Coverage is based on two insured persons
- Issue ages are based on the ESA and both insured persons must be between the ages of 18-80 for Life pay and 18-65 for 20 pay
- Premiums are payable to the first death of the insured person and the death benefit is payable on the last death of the insured person



TIP

For senior clients, premiums payable to the first death ensures the insurance will remain intact, while reducing the financial burden on the surviving spouse.

Did you know?

The survivor and automatic survivor benefits are automatically included in all joint first-to-die policies where the ESA is less than age 65. After one of the insured persons dies, the death benefit and any enhanced insurance amount is paid to the beneficiary. The surviving insured person has 31 days to apply for a new permanent life insurance policy without evidence of insurability.

If the first insured person dies before the policy anniversary nearest the 65th birthday of the oldest insured, Sun Life Financial may pay an additional amount. If the surviving insured person dies within 31 days of the first insured person and failed to apply for a new policy, we may pay the beneficiary an additional amount equal to the basic insurance death benefit and any enhanced insurance amount.

PREMIUMS

Clients may make monthly payments using the pre-authorized cheque (PAC) option or be billed annually. For each policy, the basic rate will vary by the plan type, rate band, issue age, risk class (non-smoker/smoker), gender and premium payment option.

The premiums for the basic **Sun Par Protector** or **Sun Par Accumulator** coverages are guaranteed for the duration of the premium payment period selected. If a client pays more than is required for the policy, we hold the excess in the withdrawable premium fund.

Any cash held within the withdrawable premium fund earns interest daily at a rate set by Sun Life Financial based on short-term interest rates. In addition, the interest earned in the withdrawable premium fund is subject to taxation. Clients can withdraw money from the withdrawable premium fund at any time, subject to our current administrative rules.

If a premium is not paid when it is due, we will first withdraw the unpaid amount from the withdrawable premium fund. If there is not enough money in the withdrawable premium fund to cover the unpaid premium, the premium will be paid using an automatic premium loan.

The automatic premium loan is only available to pay unpaid premiums and we will initiate this. This loan is borrowed against the cash value of the policy to pay the premiums owing and interest is charged daily, and compounded annually.



THINGS TO REMEMBER

If a client has scheduled plus premium benefit payments, these payments will also be covered by the automatic premium loan (APL) to ensure the plus premium benefit payments are paid. If a client does not want the plus premium benefit payments to be paid by automatic premium loan, they must notify Sun Life Financial in writing to stop the payment being made by APL.

Policy lapse

The policy will lapse if the premium is not paid when due and the indebtedness, due either to loans under the automatic premium loan provision or initiated by the client, is greater than the net cash value. Clients will need to make a payment to prevent the policy from lapsing.

Premium Bands

Band	Sun Par Protector	Sun Par Accumulator
1	\$50,000 - \$99,999	N/A
2	\$100,000 - \$249,999	N/A
3	\$250,000 - \$499,999	\$250,000 - \$499,999
4	\$500,000 - \$999,999	\$500,000 - \$999,999
5	\$1,000,000 - \$10,000,000 ⁵	\$1,000,000 - \$10,000,000 ⁵

⁵ Special quotes are available for insurance amounts over \$10,000,000.

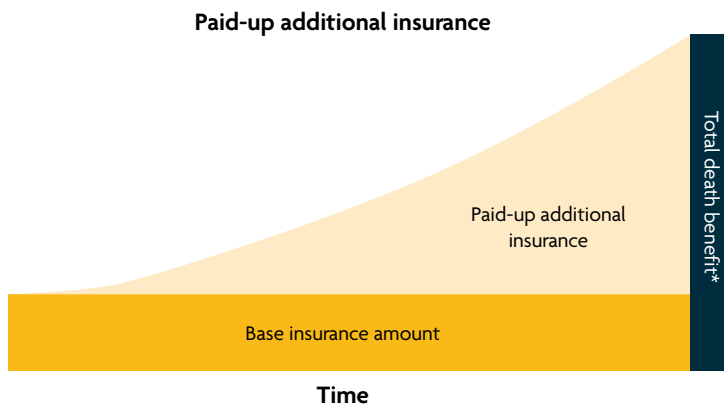
DIVIDEND OPTIONS

One of the attractive features available with **Sun Par Protector** and **Sun Par Accumulator** is the opportunity to earn policyholder dividends. This is a unique feature, available only through participating life insurance policies. With **Sun Par Protector** and **Sun Par Accumulator**, policyholders have the opportunity to earn dividends on the base insurance portion of their plan.

Sun Par Protector offers five attractive dividend options for clients to choose from based on their unique goals for protection now and in the future. **Sun Par Accumulator** offers clients access to all of the dividend options except for enhanced insurance. Policyholder dividends are paid annually, on the policy anniversary date, and are not guaranteed.

Paid-up additional insurance

Any dividends credited to the policy are used to purchase paid-up additional insurance. This paid-up additional insurance is added to the base insurance amount, creating another layer of permanent protection. This layer, as well as the base insurance amount is the basis for earning dividends, resulting in a compounding effect of dividend earning potential. The paid-up additional insurance has a cash value which accumulates over time on a tax-preferred basis.



* The total death benefit is not guaranteed.

If clients select one of the other four dividend options when they apply for insurance, and wish to change to paid-up additional insurance in the future, they will need to provide evidence of insurability when the request is made.

Enhanced insurance (available with Sun Par Protector only)

This dividend option enables clients to establish a permanent life insurance policy in a cost-effective manner. With this option, on each policy anniversary any policyholder dividend credited is used to purchase a combination (that we determine) of yearly term insurance and paid-up additional insurance. This combined amount of insurance is equal to the enhanced insurance amount set out in the client's policy. Any paid-up additional insurance purchased is added to the existing paid-up additional insurance.

This dividend option is appropriate for clients who want a guaranteed permanent insurance plan with an increasing death benefit. The paid-up additional insurance, purchased by policyholder dividends, provides an increase in the death benefit without the need to provide additional evidence of insurability or additional out-of-pocket costs.

The combination of the yearly term insurance and any paid-up additional insurance purchased by policyholder dividends is called **enhanced insurance**.

Dividend crossover point

At each policy anniversary, we replace a portion of the yearly term insurance with permanent paid-up additional insurance. The dividend crossover point occurs if and when all of the yearly term insurance has been replaced by paid-up additional insurance. Once the policy has reached this point, the dividend option automatically switches to paid-up additional insurance. Any future policyholder dividends credited to the policy are used to purchase paid-up additional insurance. This results in higher total cash values and total death benefit.

Enhanced insurance guarantees

Clients can choose between two types of guarantees with this dividend option: lifetime or 10-year guarantee.

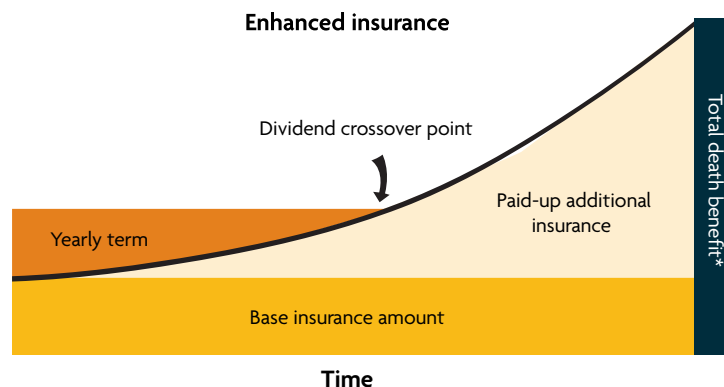
Lifetime guarantee

With the lifetime guarantee, the enhanced insurance amount is guaranteed for the life of the policy regardless of the policyholder dividend performance. In the future, if the policyholder dividends credited to the policy are insufficient to pay for the yearly term insurance required, we will surrender any previously purchased paid-up additional insurance for its cash value to make up the amount owing. This ensures that the total death benefit remains intact. Even if the combination of the dividend credited and cash value from surrendered paid-up additional insurance is insufficient to pay for the cost of the yearly term insurance, the lifetime guarantee will ensure the total death benefit remains intact.

The lifetime guarantee provides clients with the opportunity for a greater initial total death benefit, rather than purchasing all basic insurance. This can provide peace of mind because their total death benefit is guaranteed for life.

10-year guarantee

With the 10-year guarantee, the enhanced insurance amount is guaranteed for the first 10 years of the policy regardless of possible changes to the dividend scale. If the policyholder dividends credited to the policy are insufficient to pay for the yearly term insurance required, we will surrender any previously purchased paid-up additional insurance for its cash value to make up the amount owing. At any time during the first 10 years, if the combination of surrendered paid-up additional insurance and policyholder dividends can't cover the cost of the yearly term insurance, we guarantee the total death benefit will remain intact during that time.



* The total death benefit is not guaranteed.

Starting on the 11th policy anniversary, if the combination of policyholder dividends and surrendered paid-up additional insurance is not sufficient to cover the cost of yearly term insurance, we will reduce the remaining yearly term insurance to the amount that may be purchased at that time.

To maintain the original coverage, the policy owner may make additional payments in the form of plus premium benefit payments which we determine are enough to prevent a reduction to the enhanced insurance amount from occurring. Under these circumstances, these additional payments will not be subject to additional evidence of insurability. However, the policy owner will be limited to paying what is needed to maintain the yearly term insurance.

Conversion of the yearly term insurance

With the enhanced insurance dividend option, clients have the opportunity to convert the yearly term insurance to a permanent policy without providing new evidence of insurability. Clients can choose to convert the yearly term insurance portion of the enhanced insurance dividend option, up to the policy anniversary nearest the insured person's 70th birthday (or for joint life policies' ESA 70). Once the policy owner has decided to convert the yearly term insurance to a new policy, the dividend option on the original policy will automatically change to paid-up additional insurance and any subsequent policyholder dividends credited to the policy will be used to purchase paid-up additional insurance.



THINGS TO REMEMBER

Once the enhanced insurance amount is decreased, clients cannot increase it in the future.

The maximum enhanced insurance amount depends on:

- issue age
- smoking status
- coverage type
- enhanced guarantee period elected (lifetime or 10-year)
- substandard ratings



THINGS TO REMEMBER

The yearly term insurance can only be converted to a policy offering the same coverage type. For example, if a **Sun Par Protector** policy was a joint first-to-die policy, then the policy that the yearly term insurance is converted to must be a joint first-to-die policy on the same lives. In addition, conversions are not permitted while premiums are being waived under the total disability benefit.



TIP

For clients who want a cost-effective way to maximize the purchase of permanent participating life insurance, the enhanced insurance dividend option may be the right choice. With this option, clients can enjoy the benefits of a participating life insurance product with a higher death benefit at issue.

Annual premium reduction

This dividend option can provide clients with a cost-effective way to pay their premiums. We use any policyholder dividends credited to the policy to reduce the premium for the next policy year. If in the future the policyholder dividends exceed the annual premium, then the excess is held in the withdrawable premium fund. This dividend option is only available if the client is paying their premiums on an annual basis.



TIP

The withdrawable premium fund is like a savings account and earns interest daily. Clients can withdraw money from this account when they need it. This fund is subject to our minimum withdrawal rules; the interest rate set each day is based on current short-term interest rates, and any interest earned on the funds held in the withdrawable premium fund is taxable.

Dividends on deposit

With this dividend option, any policyholder dividends credited to the policy are automatically deposited into an account that is similar to a savings account with Sun Life Financial. The policyholder dividends in this account earn interest daily at a rate we determine. The interest is compounded annually and clients have access to these dividends at any time. Any interest earned is taxable.

When the policy owner dies, any remaining dividends on deposit are paid to the insured's beneficiary as part of the death benefit.



TIP

This dividend option may appeal to clients who are looking for a level permanent death benefit, as well as the opportunity to put away any policyholder dividends in an account that earns competitive interest rates.

Cash payment

This option gives clients the opportunity to receive their annual dividends in cash.

PREMIUM OFFSET

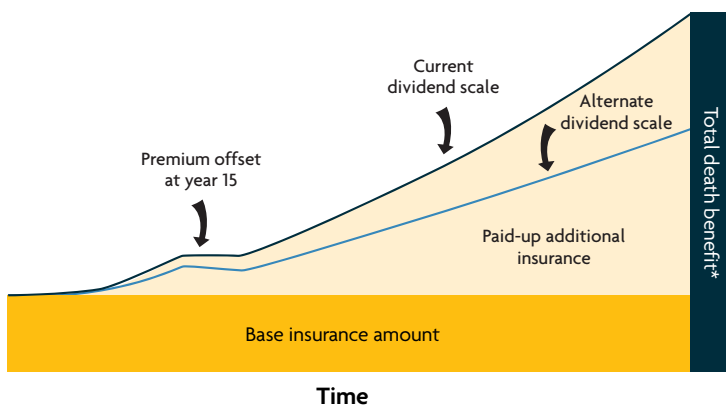
Premium offset is a non-contractual feature that may be available at some point in the future.

If a client chooses paid-up additional insurance or enhanced insurance with the 10-year guarantee as their dividend option, they may be eligible to select premium offset at some point in the future. After paying the required premiums for a number of years, the annual dividends we credit to the client's policy and the surrendering of paid-up additional insurance may be enough to pay the required premiums in future years.

Premium offset may occur when the base insurance amount and any paid-up additional insurance have created a base large enough to earn enough policyholder dividends, which in combination with the surrendering of paid-up additional insurance, are sufficient to cover the cost of future premiums.

If a client chooses paid-up additional insurance as their dividend option, the potential premium offset point may occur earlier than if they had selected enhanced insurance. This is because the policyholder dividends credited under the paid-up additional insurance dividend option are used entirely to purchase additional insurance. With enhanced insurance, the policyholder dividends purchase a combination of paid-up additional insurance and yearly term insurance. So, while changes in the dividend scale will have an impact on the premium offset point, regardless of the dividend option chosen, clients selecting enhanced insurance as their dividend option will likely experience a greater impact than those who selected paid-up additional insurance.

**Paid-up additional insurance
Premium offset in year 15
Current versus alternate dividend scenarios**



* The total death benefit is not guaranteed.

While premium offset provides clients with future flexibility for premium payments, it's important to remember that other values such as the increase in death benefit and cash value will not accumulate to the same extent as they would if the client continued to pay the premium. These values may decrease due to surrendering paid-up additional insurance to pay premiums.



THINGS TO REMEMBER

If the client is eligible and has chosen to go on premium offset and the dividend scale is reduced in the future, they may have to resume paying premiums to maintain their coverage. Or if they don't resume paying premiums, their policy death benefit will decrease.

Factors affecting premium offset

While the performance of policyholder dividends plays an important part in determining the future premium offset point, there are a number of other factors that should be taken into consideration. These factors include cash withdrawals, a change in dividend option and the addition of optional benefits to the policy.



THINGS TO REMEMBER

It is important to remember that **Sun Par Protector** and **Sun Par Accumulator** policies are eligible to earn dividends based on a variable scale set by Sun Life Financial each year. We will review the investment performance, expenses, mortality experience and other relevant factors for each class or group of participating policies to determine the annual dividend scale. Even small changes to the dividend scale will increase or decrease non-guaranteed values. In some cases these changes to values, including premium offset, could be significant.

PLUS PREMIUM BENEFIT

The plus premium benefit is an excellent way for clients to take advantage of the tax-preferred cash value growth available with **Sun Par Protector** and **Sun Par Accumulator**. The plus premium benefit is available with all guaranteed premium options available with **Sun Par Protector**. With **Sun Par Accumulator**, the plus premium benefit is only available if Life pay is the guaranteed premium option. This is because the 20 pay guaranteed premium option available with **Sun Par Accumulator** is designed to take full advantage of the policy's exempt limits, leaving no room for additional premiums.

The additional premiums paid under the plus premium benefit allow clients to increase the amount of paid-up additional insurance purchased. The result will be a more rapid accumulation of paid-up additional insurance and the cash value associated with it.

With **Sun Par Protector**, the plus premium benefit is only available if clients have selected either paid-up additional insurance or enhanced insurance as the dividend option for the policy. Since enhanced insurance is not available with **Sun Par Accumulator**, clients must choose paid-up additional insurance as their dividend option to add the plus premium benefit.

With enhanced insurance as the dividend option, the total death benefit will not increase immediately. Instead, the paid-up additional insurance purchased by the plus premium benefit will replace the yearly term portion of the enhanced insurance more rapidly. This will result in the policy reaching the dividend crossover point sooner. Once the dividend crossover point has been reached, the total death benefit will begin to increase.

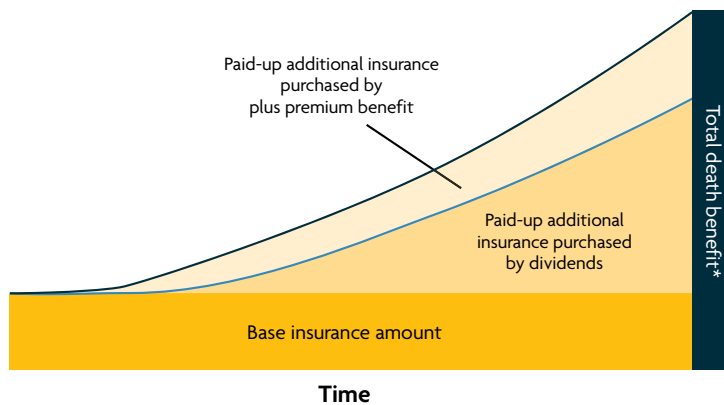
Clients may select the plus premium benefit at issue, or at sometime in the future. If clients want to add the plus premium benefit in the future, they will need to provide evidence of insurability at that time.

The plus premium benefit offers clients the opportunity to choose from two payment options. Clients can have a plus premium benefit that is based on regularly scheduled premiums. The payment of these premiums will follow the same annual or monthly payment method, that applies to the base plan. If clients have access to some additional funds, but do not want to commit to a regular additional payment, they can opt for the one-time single payment option.

Plus premium benefit – minimum premium amounts:

- \$90 for a scheduled monthly premium,
- \$1,000 for a scheduled annual premium, or
- \$1,000 for a single premium payment.

The power of plus premium benefit Paid-up additional insurance dividend option



THINGS TO REMEMBER

The purchase date for paid-up additional insurance occurs on the anniversary following the date the payment was made. Interest is credited on the plus premium benefit payment from the date applied to the policy, to the date the paid-up additional insurance is purchased. If a client elects to make monthly payments, we convert the monthly payment to an annual amount when we determine the amount of paid-up additional insurance that may be purchased.

Changes to plus premium benefit

Clients can apply to increase their plus premium benefit payments at any time, up to maximums set by Sun Life Financial. Any request for an increase in payments will require evidence of insurability on the insured person. In addition, clients can reduce their plus premium benefit payment as long as it meets the minimum required.

Clients can also stop making their scheduled plus premium benefit payments at any time by simply notifying us in writing. Clients may restart their plus premium benefit payments without evidence of insurability within the first two years of the date the plus premium benefits was stopped. After two years, clients may apply to restart the plus premium benefit payments provided the option is still available, and if their dividend option is either paid-up additional insurance or enhanced insurance. If clients choose to apply, evidence of insurability on the insured person is required.



THINGS TO REMEMBER

If the automatic premium loan provision is being used to pay premiums, plus premium benefit payments will also be loaned under the automatic premium loan provision. If the clients do not want the plus premium benefit payments to be paid under the automatic premium loan provision, they must notify us in writing.



DID YOU KNOW?

If the **Sun Par Protector** or **Sun Par Accumulator** policy has a total disability waiver on the insured person and premiums are being waived under that benefit, Sun Life Financial will stop plus premium benefit payments while the premiums are being waived. If premiums are no longer being waived, the plus premium benefit payments will automatically restart.



IMPORTANT TO NOTE!

If the policy owner wishes to go on premium offset at some time in the future, then the plus premium benefit is no longer available. Plus premium payments stop and they cannot be restarted while the policy is on premium offset.

With the plus premium benefit, clients will benefit from the increase in both cash value and paid-up additional insurance purchased. Even if a client chooses to stop the plus premium benefit payments at some time in the future, the paid-up additional insurance and its associated cash value are “vested” until they are surrendered or the client chooses to withdraw funds or go on premium offset. The plus premium benefit gives clients the security of purchasing additional whole life insurance with some of the flexibility associated with universal life insurance.

CASH VALUES

Access to cash value when a client needs it most is an important benefit provided with both **Sun Par Protector** and **Sun Par Accumulator**. The total cash value of these plans is made up of guaranteed cash values and cash values that are generated by dividends and by plus premium benefit payments (if the client has selected the optional plus premium benefit).

Guaranteed cash values

Guaranteed cash values are guaranteed values which are set out in the client's policy. With **Sun Par Protector**, guaranteed cash values typically begin at the end of year five and with **Sun Par Accumulator**, guaranteed cash values typically begin at the end of year one. Guaranteed cash values are not affected by the dividend option selected.

Non-guaranteed cash values

These cash values arise when dividends are used to purchase paid-up additional insurance or are left on deposit with Sun Life Financial. These cash values are available only if the dividend option is paid-up additional insurance, enhanced insurance or dividends on deposit.

Accessing the cash values

Policy loans

One way clients can access the cash value of the policy is through a policy loan. A client may take a policy loan at anytime while their policy is in force. The maximum loan value available is:

- 100% of the guaranteed cash value,
- plus the cash value of any paid-up additional insurance,
- plus any dividends on deposit,
- minus interest for one year at our current loan rates,
- minus any existing indebtedness.

The current minimum amount a client can borrow is \$1000.⁶

Sun Life Financial will set the interest rate and let the policy owner know the interest rate at the time they take the policy loan. Interest on these loans is charged daily. The accumulated interest is added to the loan balance at the end of each policy year that the loan is outstanding. At each policy anniversary, the interest rate charged on the policy loan is reset to the current loan interest rate we would charge on new loans on the policy at that time.

The policy owner can repay the policy loan at any time without penalty.

The balance of any policy loan is subtracted from the death benefit payable.

⁶ This amount is current as of April, 2014, and is subject to change.

? DID YOU KNOW?

While automatic premium loans are not subject to taxation since they are used solely to pay premiums, policy loans requested by the client may be subject to taxation to the extent that the loan exceeds the adjusted cost basis.

! TIP

Policy loans allow clients to take advantage of the cash accumulated in their policy. The higher total cash value in the policy, the more funds clients can borrow. Using the plus premium benefit will accelerate the growth of the cash value and the compounding effect of dividends. If clients want to access cash through policy loans to fund a future goal, you can suggest the plus premium benefit as a way to make this goal a reality.



THINGS TO REMEMBER

Withdrawals are not permitted if the dividend options are enhanced insurance, annual premium reduction or cash payments.

Withdrawals

Another way a client can access the cash value from their **Sun Par Protector** or **Sun Par Accumulator** policy is through withdrawals. If a client has selected either paid-up additional insurance or dividends on deposit as the dividend option for their policy, they can access the cash value arising from policyholder dividends through withdrawals.

If the dividend option is paid-up additional insurance, the cash withdrawals are made by surrendering paid-up additional insurance to access the policy's cash value. The total death benefit will be reduced by the amount of paid-up additional insurance surrendered for the withdrawal.

With dividends on deposit, withdrawals are made from an account similar to a savings account, which is held outside of the **Sun Par Protector** or **Sun Par Accumulator** policy.

Clients have access to the accumulated dividends and accrued interest at any time with this dividend option.



IMPORTANT TO NOTE

When surrendering paid-up additional insurance for its cash value, the death benefit will be reduced by more than the amount withdrawn because with paid-up additional insurance, one dollar of cash value results in more than one dollar of death benefit.

The current minimum withdrawal is \$1000.⁷

The only way to access money from the guaranteed cash values is by reducing the base insurance amount. In order to reduce the base insurance amount, the policy owner will need to request this change in writing to Sun Life Financial. Once the base insurance amount has been reduced, all other values will be changed to reflect the new base insurance amount.

⁷ This amount is current as of April, 2014, and is subject to change.

TAXATION

Both **Sun Par Protector** and **Sun Par Accumulator** are considered exempt life insurance policies under the Income Tax Act (Canada). With these types of policies, cash values within a policy can accumulate on a tax-preferred basis, within limits prescribed under the Income Tax Act (Canada).

Maintaining the exempt status of the policy

Sun Par Protector and **Sun Par Accumulator** are designed to be exempt life insurance policies under the Income Tax Act (Canada). However, if dividend scales increase in the future or the client reduces the base insurance amount, these changes may require Sun Life Financial to take the measures described below to ensure the policy maintains its exempt status.

At each policy anniversary, the policy's net cash value is compared to the tax-exempt limit. If the net cash value exceeds the tax-exempt limit, the cash value is reduced to the tax-exempt limit. To reduce the net cash value to the amount that will maintain the exempt status of the policy, we will apply any excess cash value to:

- reduce any outstanding policy loans,
- then any remaining amount will be applied to the withdrawable premium fund.

If a client has elected the plus premium benefit with their policy, the excess amounts will first be taken from all or part of any plus premium benefit payments made in the policy year. In addition, Sun Life Financial will also reduce the amount of paid-up additional insurance so that the net cash value is below the tax-exempt limit if the transfer of the excess amounts was not sufficient to maintain the policy's exempt status.

Taxation of dividends

Paid-up additional insurance

With this dividend option, any policyholder dividends credited to the policy are used to purchase paid-up additional insurance. This is considered an internal event to the policy. In this case, the adjusted cost basis (ACB) of the policy is reduced by the amount of the dividend credited but is then immediately increased by the same amount, as the dividend is re-paid to the policy as a premium to pay for the paid-up additional insurance. Under this dividend option, no gain is reported to the policy owner until a taxable disposition, such as a withdrawal, policy loan, or surrender occurs.

Enhanced insurance

Policyholder dividends credited to the policy are used to pay for the yearly term insurance. Any excess policyholder dividends are used to purchase paid-up additional insurance which replaces some of the yearly term insurance. This dividend option is treated the same way as paid-up additional insurance from a taxation standpoint. The transactions are considered internal and under this dividend option no gain is reported to the policy owner until a transaction that results in a taxable disposition occurs.



THINGS TO REMEMBER

The tax rules may change at any time and the administration of the policy and its features will change as required based on the new rules.

Annual premium reduction

Annually, any policyholder dividend is used to reduce and then potentially pay the premiums for the policy. As this dividend option uses the policyholder dividend to pay premiums, the ACB of the policy is first reduced by the amount of the dividend and then immediately increased by the amount of the dividend used to pay premiums. Using dividends to pay premiums doesn't change the policy's ACB unless the dividend exceeds the premium. When that happens, the amount of the dividend that exceeds the premium is transferred to the withdrawable premium fund. For tax purposes the excess is treated as a cash dividend and reduces the policy's ACB. The excess dividend is taxable to the extent it exceeds the ACB.

Dividends on deposit

Any policyholder dividends credited are left on deposit with Sun Life Financial and earn a competitive interest rate. Any interest earned on the dividends left on deposit is reported to the policy owner annually and is subject to annual tax reporting. Dividends paid reduce the policy's ACB. The dividend is taxable to the extent it exceeds ACB.

Cash payment

Dividends paid reduce the policy's ACB. The dividend is taxable to the extent it exceeds the ACB.

Taxation of cash withdrawals or policy loans

If paid-up additional insurance or enhanced insurance is the client's dividend option, they can access the cash held within the policy by making a withdrawal or taking a policy loan. When the client makes a withdrawal or takes a policy loan, a taxable disposition may occur.

For a policy loan, a **taxable disposition** will occur when the policy loan or cash withdrawal exceeds the ACB of the policy.

For a cash withdrawal, a **taxable disposition** will occur when the cash surrender value exceeds the ACB of the policy. The taxable amount is pro-rated based on the amount withdrawn.

ADMINISTRATIVE INFORMATION

Non-smoker classification

To qualify for non-smoker rates, the insured person must not have used any nicotine or tobacco products in the last 12 months before they signed their application. Nicotine or tobacco products include; cigarettes, cigarillos, small or large cigars, pipes, marijuana, hashish, betelnut, chewing tobacco and nicotine gum or patches. Occasional large cigar use may qualify for a non-smoker classification subject to a negative cotinine test.

For issue ages 0-17 juvenile rates are used until age nearest 18. To qualify for lower non-smoker rates, the juvenile must submit a declaration when they reach age nearest 18. If the juvenile insured qualifies for non-smoker rates, both the required premium and guaranteed cash values will decrease on the policy anniversary nearest their 18th birthday. Insured persons applying for **Sun Par Protector** at age nearest 17 are not required to submit a separate declaration to be considered for non-smoker rates at age 18 but must meet the criteria mentioned above.

Living benefit

This benefit is offered on Sun Life Assurance Company of Canada life insurance products and is a non-contractual arrangement that we may approve at our discretion on a case-by-case basis. If an insured person is diagnosed with a terminal illness, an application can be made by the policy owner for a lump-sum advance of 50 per cent of the death benefit, to a maximum of \$100,000. The lump sum, plus interest, is deducted from the death benefit when it is paid.

This benefit will follow the rules of the living benefit program in effect when the policy owner applies to receive the benefit.

Reinstatement

Once the policy has lapsed, clients may apply to put the policy back into effect within two years of the policy ending. To put the policy back into effect the client must:

- apply within two years of the policy ending,
- provide Sun Life Financial with new evidence of insurability that Sun Life Financial considers satisfactory, and
- make a payment that is equal to the reinstatement charge as set by Sun Life Financial.

If the application for reinstatement is not approved, we will refund the amount paid with the application to reinstate the policy.

Non-forfeiture options

Sun Par Protector and **Sun Par Accumulator** have two non-forfeiture options which can be useful to keep some coverage in force for the clients if they can't pay the required premiums.

Automatic premium loan

Automatic premium loan is the default option and is described in detail under the premium section of this guide. See page 10.

Reduced paid-up life insurance

Clients may request that their insurance coverage change to reduced paid-up life insurance if premiums are still payable under the policy. Once the policy has been changed to reduced paid-up insurance, premiums are no longer payable. The reduced paid-up life insurance may be eligible for dividends. If the dividend option on the original policy is either enhanced insurance or annual premium reduction, we will automatically change it to paid-up additional insurance. Once the client elects to have the policy become reduced paid-up life insurance, all other optional benefits that were attached to the base plan are terminated.

? DID YOU KNOW?

A client cannot change the policy to reduced paid-up life insurance if this change will make the policy become non-exempt for tax purposes or does not meet Sun Life Financial's minimums for reduced paid-up insurance.

Claims

You may assist a beneficiary in making a claim by calling 1-877-272-2020 to request claim forms. Completed forms, including proof of the insured person's death, need to be mailed to:

Life Claims Services
Sun Life Assurance Company of Canada
227 King St. S.
P.O. Box 1601, Station Waterloo
Waterloo ON N2J 4C5
Canada

Product disclosure requirements

You are responsible for providing clients with a copy of *Your guide to participating life insurance – Sun Par Protector, Sun Par Accumulator* and a product illustration. These can be found on the advisor website you use with Sun Life Financial. Other important product disclosure information, including sample policy pages, can be found on the advisor website as well.

ADDITIONAL NON-PAR BENEFITS

The optional benefits available with **Sun Par Protector** and **Sun Par Accumulator** allow you to further customize a client's plan to meet their individual protection needs. While the base insurance amount and any additional coverage provided through the dividend options are participating, the following optional benefits are considered to be non-par. The premiums for these benefits do not go into the par account and they are not taken into consideration when dividends are credited to the policy. This table outlines the optional benefits available based on the different coverage types and payment options.

Optional benefits	SUN PAR PROTECTOR			SUN PAR ACCUMULATOR	
	Life pay	20 pay	Pay to age 65	Life pay	20 pay
Term insurance: 5- and 10-year (base insured)	18 - 70 S	18 - 60 S	18 - 44 S	18 - 70 S	18 - 60 S
Term insurance: 20-year (base insured)	18 - 60 S	18 - 60 S	18 - 44 S	18 - 60 S	18 - 60 S
Term insurance: 5- and 10-year (additional insured)	0 - 70 S	N/A	N/A	0 - 70 S	N/A
Term insurance: 20-year (additional insured)	0 - 60 S	N/A	N/A	0 - 60 S	N/A
Child term insurance	16 - 55 ⁸ S	16 - 55 ⁸ S	16 - 44 ⁸ S	18 - 55 S	18 - 55 S
Accidental death benefit	0 - 65 S	0 - 50 S	0 - 44 S	18 - 65 S	18 - 50 S
Total disability ⁹	18 - 55 S/JF/JL ¹⁰	18 - 55 S/JF/JL	18 - 44 S/JF/JL	18 - 55 S/JF/JL	18 - 55 S/JF/JL
Owner waiver on disability	18 - 55 S	18 - 55 S	18 - 55 S	18 - 55 S	18 - 55 S
Owner waiver on death	18 - 60 S	18 - 60 S	18 - 60 S	18 - 60 S	18 - 60 S
Guaranteed insurability benefit	0 - 50 S	0 - 50 S	0 - 44 S	18 - 50 S	18 - 50 S

⁸ Minimum age is 18 in Quebec.

⁹ The maximum retention limit for the total disability benefit is \$50,000 annual premium or \$2.5M of face amount across all Sun Life Financial policies.

¹⁰ Note – base plan coverage type: S = single life; JF = joint first-to-die; JL = joint last-to-die

The information provided in this guide to describe the optional non-par benefits available with **Sun Par Protector** and **Sun Par Accumulator** is limited. For details on each of these benefits, please see the policy.

Term insurance benefit

Available at issue with both **Sun Par Protector** and **Sun Par Accumulator**, 5-, 10- and 20-year renewable and convertible term benefits provide additional protection the insured person may need on a temporary basis. Each insured person with a basic insurance benefit can include a term insurance benefit on another person such as a spouse, family member or business partner. The third party term insurance benefit is available at issue on single life coverage options where the insured is 18 years of age or older. If the client has selected the Life pay premium option and is age nearest 18 or older, they have the option of adding a third party term insurance benefit on a juvenile aged 0 - 17. This enables a parent and their child to be insured under the same plan.

The minimum face amount for a term insurance benefit is \$25,000. If the term insurance benefit is on the base life insured, the maximum amount of term insurance benefit that can be added is \$10,000,000 less the basic amount and any enhanced insurance, if applicable. The maximum amount of term insurance benefit that can be added for a third party is \$10,000,000.

This benefit is guaranteed to be renewable at the end of each term period listed in the chart below. This benefit can also be converted, prior to the conversion date listed below, to any eligible life plan offered by Sun Life Financial at the time of conversion.

TERM INSURANCE BENEFIT – BASE LIFE INSURED/THIRD PARTY INSURED

	Convertible to	Benefit ends
Life pay	• age 70	• age nearest 80
20 pay	• the earlier of year 15 or age 70	• year 20
Pay to age 65	• age 60	• age nearest 65

Child term insurance benefit (CTB)

The CTB is term insurance for the children of the person insured under either **Sun Par Protector** or **Sun Par Accumulator**. This benefit allows children and future children of the insured parent to be covered under the parent's life insurance policy until the child is 25 years old.

The parent who is the base life insured must be between the ages of 16 and 55 (18 to 55 in Quebec). The child term insurance benefit is available for children born or legally adopted by the insured person, who are 18 years of age or younger at the time of application, and a standard risk. Any children born or adopted after the date of application are automatically insured regardless of their risk class. Step-children can be included at the time of application. Clients can include step-children after the benefit is in effect by applying in writing and providing evidence of insurability.

- Minimum amount – \$10,000
- Maximum amount – \$20,000 (total per child combined CTB on all policies)

If the insured person dies, the children are covered under this benefit until age 25 or until they apply for a new life insurance policy as permitted under this benefit.

Between their 18th and 25th birthdays, children insured under this benefit will have the right to buy additional life insurance for up to five times the amount of the CTB.

The CTB will end on the earliest of either the child's 25th birthday or the policy anniversary nearest the insured person's 65th birthday.



DID YOU KNOW?

Premiums for CTB are payable until the policy anniversary nearest the insured person's 65th birthday for Life pay and Pay to age 65 plans. For 20 pay policies, the premiums will stop in 20 years, however the benefit will continue to the policy anniversary nearest the insured person's 65th birthday.

Accidental death benefit (ADB)

The accidental death benefit option pays out an additional death benefit to the beneficiary if the insured person's death was due to an accident.

This benefit is available on single life coverage options at the following issue ages, and ceases on the policy anniversary nearest the insured person's 70th birthday.

SUN PAR PROTECTOR			SUN PAR ACCUMULATOR	
Life pay	20 pay	Pay to age 65	Life pay	20 pay
0 - 65	0 - 50	0 - 44	18 - 65	18 - 50

Premiums for ADB are payable to the earlier of the ADB end date or the date that premiums for the base plan are no longer payable.

The minimum ADB insurance amount is \$10,000. The maximum ADB insurance amount is the policy face amount and is subject to the following issue and participation limits:

Issue age	Maximum	Participation limit ¹¹
0 - 14 ¹²	\$100,000	\$150,000
15 - 24	\$250,000	\$400,000
25 - 65	\$500,000	\$750,000

¹¹Maximum of all ADB insurance amounts with Sun Life Financial.

¹²ADB is not payable if death occurs before age five.

For details on exclusions for ADB, please see the policy.

To claim the **total disability benefit**, the insured person must be completely unable to carry out the essential duties of their own occupation as a result of injury or disease during the first two years following the date their disability begins. After the first two years, the insured person must not be able to carry out any occupation and the total disability must be continuous. Please see policy for complete details.

The maximum retention limit for the total disability benefit is \$50,000 annual premium or \$2.5M of face amount across all Sun Life Financial policies.

Total disability benefit (TDB) – issue ages 18 or older

This is an additional benefit that maintains coverage if the insured person becomes totally disabled and unable to earn an income between the policy anniversary nearest the insured person's 18th and 60th birthdays. The premiums for this benefit are based on each \$100 of premium to be waived. This benefit is available on single life plans, joint first-to-die, joint last-to-die premiums to the last death, and joint last-to-die premiums to the first death on either one or both of the lives insured.

With TDB, the premiums for the base insurance amount and additional benefits attached to the policy will be waived if the insured person under this benefit becomes disabled. If the policy has the plus premium benefit, payments due under this benefit will be stopped while we are waiving premiums.

? DID YOU KNOW?

When premiums are no longer being waived under TDB, the plus premium benefit payments will automatically restart.

Exclusions

We will not waive premiums if the total disability:

- continues for less than six months,
- is the result of self-inflicted injuries, or
- is the result of committing a criminal offence.

Please see the policy for other exclusions.

Making a claim

For clients to make a claim, notice must be given to us:

- during total disability, and
- before the policy anniversary nearest the insured person's 60th birthday.

Proof

Proof must be given to us:

- within six months of notice, and
- then, from time-to-time, as required by us.

Limitations

- Payments under this benefit will not be made for any period earlier than one year before notice of total disability is received by us.

Total disability benefit (TDB) – issue ages 0 - 17

Available with **Sun Par Protector** only, this TDB provides juveniles, ages 0 - 17, with a total disability benefit where the premiums and benefits begin on the policy anniversary nearest the insured person's 21st birthday. This benefit is only available with Life pay and Pay to age 65 premium options.

This benefit is automatically underwritten at issue and will automatically be included in the policy unless declined. The policy owner may choose to cancel this benefit after issue; however it cannot be added again once cancelled.

With TDB, the premiums for the base insurance amount and additional benefits attached to the policy will be waived if the person insured under this benefit becomes disabled. If the policy has the plus premium benefit, premiums due under this benefit will be stopped while we are waiving premiums.

Definition of total disability

The insured person must be completely unable, as a result of injury or disease, during the first two years following the date of their disability, to carry on with the essential duties of their own occupation, and thereafter to carry on any occupation. The total disability must be continuous.

If the insured person becomes disabled while they are a student, Sun Life Financial will consider them to be disabled if they are completely unable to attend or participate as a student in an education program, or perform any occupation within their education, training or experience. Please see the policy for complete details.

Exclusions

We will not waive premiums if the total disability:

- continues for less than six months,
- is the result of self-inflicted injuries, or
- is the result of committing a criminal offence.

Please see the policy for other exclusions.

Making a claim

For clients to make a claim, notice must be given to us:

- during total disability, provided the disability began after the policy anniversary nearest the insured person's 21st birthday, and
- before the policy anniversary nearest the insured person's 60th birthday.

Proof

Proof must be given to us:

- within six months of notice, and
- then, from time to time as required by us.

Limitations

- Payments under this benefit will not be made for any period earlier than one year before notice of total disability is received by us.

! IMPORTANT TO NOTE!

If the insured person under TDB issue ages 0 - 17 becomes totally disabled prior to the policy anniversary nearest their 21st birthday, we will not waive premiums under this benefit, even if the disability extends beyond the policy anniversary nearest the insured person's 21st birthday.

DID YOU KNOW?

When premiums are no longer being waived under these benefits, the plus premium benefit payments will automatically restart.

Owner waiver on disability benefit

This is an additional benefit that maintains coverage if the owner of the policy becomes totally disabled between the policy anniversary nearest the person insured's 18th and 60th birthdays. The premiums for this benefit are based on each \$100 of premium to be waived. This benefit is available on single life plans only. In addition, if the ownership of the policy is transferred, the benefits under this option are not transferrable and therefore the new owner will not qualify for the owner waiver on disability benefit.

Like the TDB, premiums for the base insurance amount and additional benefits attached to the policy will be waived if the person insured under this benefit becomes disabled. If the policy has the plus premium benefit, premiums due under this benefit will be stopped while we are waiving premiums.

Payments made by us under this benefit will end on the earlier of the date premiums are no longer payable under the policy or the policy anniversary nearest the 80th birthday of the owner insured under this benefit.

All other aspects of this benefit are the same as the TDB for ages 18 or older.

Owner waiver on death benefit

This is an additional benefit that maintains coverage if the owner of the policy dies between the policy anniversary nearest the owner insured's 18th and 70th birthdays. The premiums for this benefit are based on each \$100 of premium to be waived. This benefit is available on single life plans only. In addition, if the ownership of the policy is transferred, the benefits under this option are not transferrable and the new owner will not qualify for the owner waiver on death benefit.

With the owner waiver on death benefit, premiums for the base insurance amount and additional benefits attached to the policy will be waived if the person who is insured under this benefit dies. If the policy has the plus premium benefit, premiums due under this benefit will be stopped while Sun Life Financial is waiving premiums.

Payments made by Sun Life Financial under this benefit will end on the earlier of the date premiums are no longer payable under the policy or the policy anniversary nearest the 80th birthday of the owner insured under this benefit.

Exclusions

Premiums will not be waived if the owner insured under this benefit takes their own life, while sane or insane, within two years or the later of:

- the policy effective date, or
- the most recent date the policy was put back into effect, if it was reinstated.

Guaranteed insurability benefit (GIB)

GIB allows the policy owner to purchase additional insurance protection, on an attained age basis, without providing evidence of insurability. Sun Life Financial determines the type of life insurance the owner may apply for and the terms and conditions of the policy.

With GIB the policy owner has the option to purchase additional coverage every three years, or on significant family dates (marriage, birth or adoption of a child). This benefit is available at issue for ages 0 - age nearest 50. The amount purchased must be at least \$25,000 and the maximum amount of GIB coverage is the lesser of the original insurance amount (base insurance amount plus enhanced insurance if applicable) and \$250,000.

A maximum of eight elections are permitted giving a maximum of \$2,000,000 of GIB coverage. This maximum is reduced by any GIB amount on other policies issued by us covering the person insured under the GIB.

The first GIB election is available when the person insured under this benefit reaches age nearest 24. This benefit ceases on the policy anniversary nearest the insured person's 55th birthday.



TAKE A CLOSER LOOK

Premiums for GIB are payable to the policy anniversary nearest the insured person's 55th birthday for Life pay and Pay to age 65 plans. For 20 pay plans, the premiums will stop in 20 years, however the benefit will continue to the policy anniversary nearest the insured person's 55th birthday.

Why choose Sun Life Financial?

Sun Life Financial is a leading international financial services organization. In Canada, we started selling life insurance in 1871. Since then, our commitment to helping people achieve lifetime financial security through market-leading products, expert advice and innovative solutions has made us a household name – a name that people trust.

For the sixth straight year, we were voted by Canadians as the “Most Trusted Life Insurance Company” in the Reader’s Digest 2015 Trusted Brands Survey. In this survey, people were asked to consider whether the brands possessed several attributes including superior quality, excellent value, an understanding of its customers’ needs and whether they would recommend the brand to others. We’re honoured by this award and your continued trust in us.



It's important to meet with clients regularly to review their coverage and help them with any contractual conversions or renewals to ensure they have the protection that meets their needs.

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Life's brighter under the sun

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