



# **Sun *Limited Pay* Life**

STATEMENT GUIDE



To help you better understand your Sun *Limited Pay Life* statement, you can use this guide to walk through some of the key areas on your annual or quarterly statement. Some of the highlighted areas include: who is covered on your policy, your investment details and your investment mix.

Remember that with Sun *Limited Pay Life* you have lifelong insurance protection without lifelong payments. Also, by making additional payments to your plan you can take advantage of our full range of investment options. By walking through your statement with your advisor, you can ask questions unique to your individual needs and discuss your financial goals to see if they are on track.

## Your statement: a step-by-step guide

### A Contact information

On the first page of your statement you will find your advisor’s contact information and/or our Customer Care Centre number, so you can reach one of our Sun Life Financial representatives.

### B My current coverage

Under “*Who is insured on the policy?*” you’ll see all of the people who are insured on your policy, plus the type of coverage, any additional benefits and the corresponding insurance amount.

For an explanation of these benefits please refer to your policy or speak with your advisor. Your advisor will be able to explain your coverage and benefits, and answer any questions you may have.

If you have questions about your policy, you will need your **policy number** when you call our toll free number, 1 877 SUN-LIFE / 1 877 786-5433. You can find your policy number in the top right hand corner of your statement, under ‘*My insurance policy statement*’.

If the mailing address on your statement is about to change, it’s important you let us know so we may stay in contact with you.

Sun *Limited Pay Life*
My insurance policy statement  
Policy number: 012345678

Jane Doe  
227 King St. 5  
Waterloo, ON N2J 4C5

**Contact information**  
Jane Doe, CRM, CLU, ChFC  
Tel: (000) 123-4567 ext. 1234

Or call our Customer Care Centre  
toll free at 1 877 SUN-LIFE /  
1 877 786-5433

**B My current coverage**  
Statement period: December 8, 2009 to December 7, 2010

Who owns the policy?	Who is insured on the policy?	Type of coverage	Insurance amount(s)
Jane Doe	Sally Doe	Single Life Total Disability Benefit to age 39	\$400,000

**Policy summary**

**Policy effective date:**  
December 8, 2009

**Total policy death benefit:**  
\$402,924

**Beneficiary:**  
John Doe

**Tax-exempt status maintenance:**  
Retain insurance amount

**Cost of insurance payment period:**  
10 years

**Planned periodic payment:**  
\$6,072 annually

**Policy rate of return since policy effective date:**  
X.X%

As the **owner**, you can direct who we will pay the insurance benefits to on the death of the **insured person(s)**. You are responsible for all payments required to keep the policy in effect.

A **beneficiary** is who you choose (in writing) to receive the death benefit when the insured person(s) dies, while your policy is still in effect.

The **planned periodic payment** is the amount you chose to pay into the policy at set periods of time. While we fully guarantee the policy's cost of insurance rate, we don't guarantee your payment amount and there may be times when you have to make additional payments to keep your policy in effect. For example, if you have chosen indexed or managed accounts and interest earned is negative, additional payments may be needed.

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### Tip!

Throughout your statement we have included definitions of different terms used to describe your policy. Look for these to help you better understand your statement, or go to the ‘*Some terms used in your statement*’ section for clarification.

### C My investment details

Your statement includes a summary of the activity in your policy fund throughout the statement period. You'll also see a summary of your investments' performance over the statement period.

Additionally, you will see the opening and closing value of your policy as of the dates specified. You can also review your total payments, interest earned, total cost of insurance and other transactions that might apply.

### D Current policy fund breakdown and investment mix

On your statement you may see two different charts. The first chart shows your policy fund composition. The percentages show the value of each of your investment accounts, representing the total value of your policy fund at the end of your statement period.

The second chart shows your current investment mix. With this chart you can see how you've chosen to allocate payments to each of your investment accounts by percentage.

The purpose of these charts is to show you how much weight each investment has and identify your investment mix. This way you and your advisor can discuss how your policy is meeting your personal financial goals.

### E Maturing guaranteed interest account(s)

If any of your guaranteed interest account(s) will mature within one year of your statement they will be listed in this section. Take this opportunity to talk to your advisor about your options for these account(s) at maturity.

### F My cash surrender summary

Take a look at your cash surrender value to see the amount of money that may be available to you, if you need to take a withdrawal from or loan against your policy. This is the amount that you may have access to as of the statement date, and may be the amount you will receive if you cancel or surrender your policy.

Sun Limited Pay Life

My insurance policy statement  
Policy number: 012345678

#### C My investment details

We use the money in your **policy fund** to pay your policy's insurance benefits. This is made up of your payments, less premium tax. Payments go into your policy fund and then earn interest based on the investment accounts you've chosen.

Policy fund summary		
<b>Opening value as of Dec. 8, 2009</b> <span style="float: right;">\$46</span>		
Plus	Payments	\$6,072
	Interest earned	\$28
<b>Total money in</b>		<b>\$6,100</b>
Less	Total cost of insurance for the statement period	\$2,600
	Premium tax	\$121
<b>Total money out</b>		<b>\$2,721</b>
<b>Closing value on Dec. 7, 2010</b>		<b>\$3,425</b>

The **cost of insurance (COI)** is your monthly cost to cover the basic insurance death benefit(s) and any additional benefits included in your policy. We base it on factors like the insured person's age, health, smoking status, amount of insurance and the benefits you've chosen. You can see your policy's benefits listed on the first page of this statement.

Also, the interest rate from the **rate of return** of your investment is based on the rate only covers the statement period. The policy rate of return on the front page is effective from the policy effective date and is converted to an annual rate.

#### D Current policy fund breakdown

This shows the value of each of your investment accounts, expressed as a percentage of the total value of the policy fund at the end of the statement period.

<b>Activity accounts</b>	15%	
Loan account	15%	
<b>Guaranteed accounts</b>	85%	
1 Yr GIA - compound	85%	

#### Current investment mix

Your **current investment mix** shows how you've chosen to assign your payments to each of your investment accounts.

<b>Guaranteed accounts</b>	100%	
1 Yr GIA - compound	100%	

To have a conversation about your investment mix, please contact your advisor today.

#### E Maturing guaranteed interest account(s)

The following chart includes the **guaranteed interest account(s) (GIAs)** that are maturing within one year of your statement period.

GIA Account	Current value as of Dec. 7, 2010	Maturity date	Reinvestment instructions
1 Yr GIA - Compound	\$2,925	08 Feb 11	same GIA

#### F My cash surrender summary

The **cash surrender value** is the amount of money in your policy that you may have access to. You can choose to use it to take a withdrawal or policy loan. If you choose to cancel your policy – also known as surrendering your policy – the cash surrender value is the amount you will receive from us. Here is your cash surrender value as of your statement date.

Cash surrender value		
<b>Policy fund value as of Dec. 7, 2010</b> <span style="float: right;">\$3,425</span>		
Plus	Guaranteed cash value	\$1,550
Less	Loans, including interest	\$501
<b>Cash surrender value as of Dec. 7, 2010</b>		<b>\$4,474</b>

The cash surrender value may be taxable upon withdrawal or policy surrender.

## G My policy loan summary

If you have taken a loan against your policy fund – or borrowed against your guaranteed cash value – then you will be able to see that activity in this section. The summary will show any new or outstanding loans, and any payments made within the statement period.

This section provides you with information on the maximum policy loan that may be available to you, as of your statement date. Talk to your advisor if you would like more information on whether a policy loan is the best fit for your plans.

## H Some terms used in your statement

Towards the end of your statement, you will find a glossary of terms. These definitions are meant to help provide you with clarity, but do not outline all of the details. For further definitions or clarification please refer to your policy. If there are any inconsistencies, the terms of your policy will apply.

## G My policy loan summary

### Loan against the policy fund

You have the option of taking a **loan against your policy fund**. The maximum you can borrow against the policy fund, as of your statement date, is shown below. You may repay your loan at any time. On the death of the insured person(s), we will deduct any outstanding loan balance from the death benefit.

Loan balance as of Dec. 8, 2009		\$0
Plus	Loan this period	\$500
Plus	Loan interest	\$1
Loan balance as of Dec. 7, 2010		\$501

The loan interest rate at Dec. 7, 2010 is 2%  
Maximum loan against the policy fund: \$1,421

## Sun Limited Pay Life

My insurance policy statement  
Policy number: 012345678

## H Some terms used in your statement

For further definitions or clarification please refer to your policy. If there are any inconsistencies, the terms of your policy will apply.

### Types of accounts

#### Activity account

Money held in this account is used to pay for the cost of insurance. The balance is held until you build up enough funds to meet the minimum amount required for transfers to your selected investment accounts. The Activity account is not part of your investment mix. The daily interest earned on this account will never be negative.

#### Investment accounts

You have a variety of investment accounts to choose from:

- Daily interest account (DIA)
- Guaranteed interest accounts (GIAs)
- Accounts that are based on the performance of various indices
- Accounts that are based on the performance of various managed funds
- Long-term managed portfolio account

#### Policy effective date

This is the date your policy began.

#### Tax-exempt status maintenance

If the value of your policy fund exceeds the tax-exempt limit, we make an adjustment to your policy to retain the amount of all basic insurance benefits. This means we will transfer any excess fund remaining in the policy fund at the policy anniversary date to you or to your service account, depending on the option you've chosen.

#### Total policy death benefit

This is the amount we'll pay on the death of the insured person as defined in your policy at the statement date.

#### Total rate of return - policy fund, service account

We calculate the rates of return monthly using time-weighted methodology. With this methodology, rate of return is calculated at the end of each month based on the opening balance, closing balance and cash flow activity for the month. This method is used by other financial institutions as well.

## Quarterly statements

If you receive a quarterly statement, here is a summary of some of the information that you will find.

### My quarterly activity details

The details show you all of the transactions within the activity account and any investment accounts on a quarterly basis. This includes your monthly cost of insurance, payments made and interest. After the cost of insurance is paid, the remaining funds are transferred according to your investment mix – if they meet the minimum transfer requirements.

### Service account activity

We will show the service account activity over the statement period. If you do not have a balance in your service account you will still see the fund name on your statement.

## Questions? We're here to help.

Talk to your advisor about Sun Life Financial today!

### For more information:

Visit [www.sunlife.ca](http://www.sunlife.ca)

Call 1 877 SUN-LIFE / 1 877 786-5433

We're dedicated to helping you achieve lifetime financial security.

Life's brighter under the sun