

**Sun Limited Pay Life
(one insured person)**

Policy number: LI-1234,567-8

Owner: John Doe

SAMPLE

The following policy wording is provided solely for your convenience and reference. It is incomplete and reflects only some of the general provisions that may be found in some of our insurance policies. We periodically make changes to policy wording and therefore this incomplete sample may not duplicate the wording of any actual issued policy. It is not to be construed or interpreted in any manner as a contract or an offer to contract. The actual policy issued to any given client will govern that relationship.

Table of contents

Policy particulars	3
Guaranteed monthly cost of insurance schedule	5
Guaranteed cash value schedule	6
If you change your mind within 10 days.....	7
Contesting the policy	7
About your Sun Limited Pay Life policy	8
Activity account	8
Paying for the cost of insurance	8
Proportional withdrawal order	8
Death benefit.....	9
Making a claim for the death benefit	10
Investment accounts.....	10
Maintaining the tax-exempt status of your policy.....	13
Service account	13
Market value adjustment (MVA) for guaranteed interest accounts	14
Withdrawing money from your policy.....	14
Borrowing money from your policy	15
Automatic payment loan	16
When your policy will end.....	16
Putting your policy back into effect.....	17
Applying for changes to your policy.....	17
Your right to cancel this policy.....	17
Other information about your policy	18
Insurance terms	19
Additional benefits	
Total disability benefit	21
Owner waiver benefit.....	25
Guaranteed insurability benefit.....	29
Child term insurance benefit.....	30

Policy particulars

In this document, *you* and *your* mean the owner of this policy. *We, us, our,* and *the company* mean Sun Life Assurance Company of Canada.

Your policy is issued and underwritten by Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies.

It's important that you read your entire policy carefully. It sets out the benefits payable and has exclusions and limitations. To help you understand insurance terms, refer to the explanations described under the heading, *Insurance terms*.

Sun Limited Pay Life

This is a permanent life insurance policy that provides protection for the entire lifetime of the insured person. The cost of insurance is payable for a limited period of time, according to the payment period you selected when you applied for this policy.

Starting on September 17, XXXX the cost of insurance is no longer payable.

Your policy number is:

LI-1234,567-8

Your policy date is:

September 17, 2012

Monthly anniversary day:

the 17th of every month

The owner is:

John Doe

The insured person is:

Mary Doe
born on March 10, 1990
Age nearest on the policy date: XX
Risk classification: non-smoker

The beneficiary is:

named on your application, unless you make a change in writing to us.

Principal insurance death benefit:

\$XXX,XXX on Mary Doe
We also pay any policy fund value as described later.

[\(optional benefit\)](#)

Total disability benefit:

Date this benefit ends:

on Mary Doe
September 17, XXXX

[\(optional benefit\)](#)

Owner waiver benefit:

Date this benefit ends:

To qualify for this benefit, the terms and conditions described later in this policy must be satisfied.

The end date for this benefit is described under the heading, *Owner waiver benefit*.

Policy particulars (continued)

(optional benefit)

Guaranteed insurability benefit:

on Mary Doe
\$XXX,XXX of additional insurance may be purchased
in each 5-year period as described under the heading,
Guaranteed insurability benefit.
September 17, XXXX

Date this benefit ends:

(optional benefit)

Child term insurance benefit:

\$XX,XXX on each insured child, as described under the
heading, *Child term insurance benefit.*
September 17, XXXX

Date this benefit ends:

Transfers and withdrawals are processed in the proportional withdrawal order, which may not be changed.

This is not a participating policy. You are not eligible to receive policyholder dividends.

SAMPLE

Guaranteed monthly cost of insurance schedule

We determine the cost of insurance for this policy from the table below. These amounts are guaranteed. The first column shows the monthly cost of insurance for the principal insurance death benefit. Any remaining columns show the monthly cost of insurance for additional benefits in your policy. We determine the total monthly cost of insurance by adding the columns together.

Starting on September 17, XXXX the cost of insurance is no longer payable.

Each monthly anniversary day, we deduct money from the activity account to pay the following guaranteed monthly cost of insurance.

- (1) Principal insurance death benefit
- (2) Total disability benefit
- (3) Guaranteed insurability benefit
- (4) Child term insurance benefit

Beginning on	(1)	(2)	(3)	(4)
17 Sept XXXX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
17 Sept XXXX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
17 Sept XXXX	0.00	0.00	0.00	0.00

Minimum first year payment for this policy

Monthly payments should be made on the monthly anniversary day. When we receive a payment, it is added to the activity account and premium tax is deducted. The premium tax for this policy is 2%. The minimum first year monthly payment is \$XXX.XX.

To guarantee minimum payments, select an investment account option(s) with a guaranteed minimum interest rate. If you choose index or managed accounts and interest earned is negative, or if you make any withdrawals, loans or changes to your policy, then additional payments may be required to keep your policy in effect.

E12001A

If you change your mind within 10 days

You may send us a written request to cancel your policy within:

- 10 days of receiving it from us, or
- 60 days after the policy is issued, whichever date is earlier.

You are considered to have received your policy 5 days after it's mailed from our office, or on the date your advisor delivers it to you.

When we receive your written request we'll refund any amount paid. This is called rescission.

Your decision to cancel your policy is your personal right. When we receive your request to cancel it, all of our obligations and liabilities under this policy end immediately. The cancellation is binding on you and any person entitled to make a claim under this policy, whether their entitlement is revocable or irrevocable.

To cancel your policy, send your request in writing to:

Sun Life Assurance Company of Canada
227 King Street South
PO Box 1601, Stn. Waterloo
Waterloo ON Canada N2J 4C5

E12003A

Contesting the policy

The incontestability provisions set out in the provincial or territorial insurance legislation applicable to this policy apply.

Limit on contesting

We cannot challenge the validity of the policy after it has been in effect continuously for two years from the later of the date it took effect and the date it was last reinstated. If the policy is amended to increase or change a benefit or improve a rating, we cannot challenge the validity of the amendment after it has been in effect continuously for two years from the later of the date the amendment took effect and the date the policy was last reinstated.

Exception to the limit on contesting

We can challenge the validity of the policy or an amendment at any time in cases of fraud or cases involving a disability benefit.

E01500C

About your Sun Limited Pay Life policy

Sun Limited Pay Life is a permanent life insurance policy that provides protection for the entire lifetime of the insured person. The cost of insurance is payable for a limited period of time, according to the payment period you selected when you applied for this policy. After the cost of insurance is no longer payable, you may continue to make payments and we will transfer them to your investment accounts if the conditions described below are met.

Payments must be made to Sun Life Assurance Company of Canada to keep your policy in effect and are subject to a minimum and maximum limit that we determine. We reserve the right to refuse cash payments.

The activity account is used to manage policy transactions. Interest is earned on the activity account and the investment accounts you selected. Excess amounts may be transferred to a service account to keep your policy tax-exempt.

We do not charge for the first two of either policy transactions or policy changes, in each policy year. We may charge a fee for additional policy transactions and policy changes. If we charge a fee, it will never be more than \$100.

Your policy fund value is the total amount in the activity account plus the total of your investment accounts including accumulated interest.

Activity account

When we receive a payment, money is added to the activity account as long as the total of the payments made during the policy year is below the annual maximum amount for that year to keep the policy tax-exempt. A 2% premium tax is deducted from all amounts that go into the activity account. Premium tax is determined by government legislation. The premium tax for this policy is 2% and is guaranteed to never increase.

This account earns daily interest at the rate we set. The interest rate is subject to change at any time. The guaranteed minimum interest rate will be at least 90% of the Government of Canada 30-day Treasury Bill rate in effect on the day we set the interest rate, less a management fee of 1.75 percentage points. Under no circumstances will the rate be less than 0%.

E01520B

Paying for the cost of insurance

Each monthly anniversary day, we deduct money from the activity account to pay for the cost of insurance. The amounts we deduct are determined from the *Guaranteed monthly cost of insurance schedule*. If there is not enough money in the activity account to pay for the cost of insurance, we will transfer money from your investment accounts according to the withdrawal order you selected. The order may not be changed.

Proportional withdrawal order

Proportional order means money is transferred in proportion to the value of your investment accounts on the day of the transfer.

If we transfer money from a GIA layer to pay for the cost of insurance, there is no market value adjustment. Money will be taken from the GIA layer closest to maturity and interest will be credited up to the date of the transfer.

If there is not enough money in the activity account and investment accounts, we will transfer money from the service account, if included in this policy, to pay for the cost of insurance. If there is insufficient money in the service account, any remaining unpaid cost of insurance may be paid by automatic payment loan as described later in this policy.

If you have money in an account based on the performance of indices or an account based on the performance of managed funds, and the rate of return negatively impacts your policy fund value, then you may need to make additional payments to ensure there is enough money in the policy fund to pay the required cost of insurance and a 2% premium tax.

E01550D

Death benefit

We pay the death benefit to the beneficiary if the insured person dies while this policy is in effect. The amount we pay is determined as of the date the insured person died. This amount is:

- the principal insurance death benefit shown under the heading, *Policy particulars*
- **plus** the policy fund value
- **minus** the amount of any loan against the policy fund, including interest
- **minus** the amount of any loan against the guaranteed cash value, including interest
- **minus** the amount of any automatic payment loan, including interest.

We also pay to the beneficiary an amount equal to any cost of insurance deducted after the date the insured person dies.

The policy ends on the date the insured person dies. At that time, if there's any amount in the service account, we pay it to the beneficiary who receives the death benefit at the time the policy ends.

When we will not pay the death benefit (exclusions and limitations)

We will not pay the principal insurance death benefit if the insured person dies before reaching the age of 15 days.

We will not pay the death benefit if the insured person takes their own life, while sane or insane, within 2 years of the later of:

- the most recent date an application for this policy was signed
- the policy date shown under the heading, *Policy particulars*, or
- the most recent date your policy was put back into effect, if your policy has been reinstated.

The policy ends and instead of paying the death benefit we pay the beneficiary:

- the policy fund value as of the date the insured person dies
- **plus** the total cost of insurance we have deducted
- **minus** the amount of any loan against the policy fund, including interest
- **minus** the amount of any loan against the guaranteed cash value, including interest
- **minus** the amount of any automatic payment loan, including interest.

If the policy was reinstated, the cost of insurance included in the amount paid to the beneficiary is limited to the cost of insurance we deducted since the most recent date the policy was reinstated.

If this policy is the result of a replacement of insurance

If the death benefit is the result of a replacement of life insurance that was issued by us, we determine the amount payable for the part that is a replacement based on the effective date or dates of your previous insurance and any additional benefits.

Making a claim for the death benefit

To make a claim, contact us at the toll free phone number shown at the beginning of this policy. We will then send the appropriate form to be completed. The person making the claim must complete the form and give us the information we need to assess the claim, including proof that the insured person died while their coverage was in effect.

There may be a fee from a physician to complete certain forms. The person making the claim is responsible for any fee for this information.

Before we pay the death benefit, the insured person's date of birth must be verified. If the date of birth given on the application is incorrect, we adjust the amount we pay to reflect the insured person's correct age.

[E01570F](#)

Investment accounts

Several investment accounts are included in your policy: daily interest account (DIA), guaranteed interest accounts (GIAs), long-term managed portfolio account, accounts based on the performance of indices and accounts based on the performance of managed funds. Your investment mix is the investment accounts and the percentages you selected for those accounts. You may change the accounts or percentages or both at any time by sending us notice of your request to change. A transaction fee may be charged for this change.

Each of your investment accounts must have a minimum amount of \$250. All subsequent transfers to each account must also be at least \$250.

Transfers to your investment accounts

Provided the cost of insurance has been paid, money will be transferred from the activity account after the minimum amount for all selected accounts is met according to your investment mix. Transfers are also processed on a monthly anniversary day if the minimum amount for all accounts is met.

Example 1: assume the investment mix is American Equity 50% and Canadian Bond 50%

- A minimum of \$500 must be in the activity account to meet the minimum required amount for this investment mix before a transfer can be made to the two selected investment accounts.
- Once \$500 is in the activity account, then \$250 (50% of \$500) will be transferred to the American Equity account and \$250 (50% of \$500) will be transferred to the Canadian Bond account.

Example 2: assume the investment mix is American Equity 10% and Canadian Bond 90%

- A minimum of \$2,500 must be in the activity account to meet the minimum required amount for this investment mix before a transfer can be made to the two selected investment accounts.
- Once \$2,500 is in the activity account, then \$250 (10% of \$2,500) will be transferred to the American Equity account and \$2,250 (90% of \$2,500) will be transferred to the Canadian Bond account.
- If \$2,490 was in the activity account, money would not be transferred from the activity account to the selected accounts. With the investment mix of American Equity 10% and Canadian Bond 90% there is only \$249 (10% of \$2,490) available to be transferred to the American Equity account and that does not meet the minimum requirement of \$250 for all selected accounts.

Daily interest account (DIA)

This account earns daily interest at the rate we determine. The interest rate is subject to change at any time. The guaranteed minimum interest rate will be at least 90% of the Government of Canada 30-day Treasury Bill rate in effect on the day we set the interest rate, less a management fee of 1.75 percentage points. Under no circumstances will the rate be less than 0%.

Guaranteed interest accounts (GIAs)

Guaranteed interest accounts are available in terms of 1, 3, 5, 10 and 20 years. Each time money is transferred to a GIA, we establish a new layer for that amount with a specific maturity date and interest rate. The interest rate remains in effect for the full term of that account and interest is credited daily. Interest is compounded annually.

For each GIA, the guaranteed minimum interest rate will be at least 90% of the Government of Canada Bond rate with the same term, less a management fee of 1.75 percentage points. Under no circumstances will the rate be less than the guaranteed minimum interest rate shown in the table below.

If Government of Canada Bonds with the same term are not available, we will use our best estimate to determine what the rate would be if a bond with the same term were available.

GIA accounts	Guaranteed minimum interest rate
1-year term account	0%
3-year term account	0%
5-year term account	0.5%
10-year term account	1.5%
20-year term account	1.5%

When a GIA layer matures we follow your instructions:

- we apply the balance of the GIA layer to a new GIA account for the same term, or
- we transfer the value including interest at the maturity date to the activity account. Money will be transferred from the activity account after the \$250 minimum amount for all your investment accounts is met according to your investment mix.

We may change GIA accounts available to you at any time. If you have money in a discontinued account we'll notify you. We will continue to follow your investment instructions except that money that would otherwise be transferred to a discontinued GIA account will be transferred to a GIA account with the next shortest term. We will always offer a GIA account with a 1.5% guaranteed minimum interest rate.

Long-term managed portfolio account

This account earns daily interest at the rate we determine. The interest rate is subject to change at any time. It is based on the average yield of a variety of investments including bonds, mortgages, common stocks and real estate. Under no circumstances will the rate be less than 1.5%.

Accounts based on the performance of indices

You may put money into one or more index accounts shown in the table below. These accounts reflect the performance of the indices on which they are based.

Each business day we subtract a daily management fee. The daily management fee is equal to the annual management fee divided by the expected number of business days within the current calendar year. The annual management fee is shown in the table below.

Index accounts	Indices they are based on	Annual management fee
FPX Income	FPX Income	2.00%
FPX Balanced	FPX Balanced	2.00%
FPX Growth	FPX Growth	2.00%
Canadian Equity	S&P /TSX 60 Total Return	1.50%
American Equity	S&P 500 Total Return	2.00%
Canadian Bond	DEX Universe Bond Index	2.00%

FPX means Financial Post Index

FPX Income Index, FPX Growth Index and FPX Balanced Index are trade-marks of The National Post Company.

Standard and Poor's, S&P and S&P 500 are trade-marks of The McGraw-Hill Companies, Inc.. TSX is a trade-mark of The Toronto Stock Exchange.

DEX Universe Bond Index is a trademark of TSX Inc., in Canada.

Sun Limited Pay Life is not endorsed, sold or promoted by any of the above mentioned organizations and / or trade-mark owners.

Each business day we determine the percentage change in the value of each index for the previous business day. On days when an index on which one of your investment accounts is based gains or loses value, the percentage change in the value of the index for that day will be either positive or negative. Money will be added to or deducted from that account according to the change in the value of the index. On a day other than a business day, the percentage change is zero. The daily value of the index is the latest value available to us.

As part of the above calculation, any index that is not valued in Canadian dollars is converted to an equivalent Canadian dollar value daily. This means that changes in exchange rates will affect the total amount in your index accounts.

We may change the index accounts or the indices on which they are based at any time. If we discontinue any of the investment choices, we'll notify you in advance and provide information about other accounts that are available. If you do not reply within the time specified in the notice, then the amount of any discontinued account will be transferred to either an account with a similar investment objective or to the activity account if there is no account with a similar investment objective. If money is transferred to the activity account and the \$250 minimum amount is met for all remaining selected accounts, the money will then be transferred according to your investment mix.

We will maintain the index accounts which are based on the Canadian and American equity markets and the Canadian bond market, and we will maintain the management fees for those accounts as described above unless after the policy date there is a material change in:

- the investment environment for monitoring and replicating an index accounts, or
- the legislation that applies to life insurance policies that have accounts based on the performance of indices.

Accounts based on the performance of managed funds

The accounts offer returns based on the performance of designated funds managed by a third party (fund manager) that we select. Account balances will be adjusted daily. Each daily adjustment may increase or decrease the balance of the account, depending on the rate of return.

We may change, merge, or withdraw accounts at any time. If we change or merge accounts in which you have a balance, we will tell you.

If we withdraw an account in which you have a balance, we will transfer the balance for that account to another account with similar investment objectives and notify you. If there are no accounts with similar investment objectives, a transfer will be made to the activity account and your funds will be invested based on your then current investment mix.

The daily rate of return for this account on a business day is:

- the Canadian dollar rate of return on the designated fund, which reflects the fund manager's expenses and fund distributions
- **minus**, if applicable, an additional annual management fee we charge, divided by the number of expected business days within the calendar year. This additional management fee may change from time to time.

The rate of return is not guaranteed and may be positive or negative. We reserve the right to revise or correct any rate of return that was based on incorrect information provided by the fund manager.

On a day other than a business day, the daily rate of return is 0%.

[E01580B](#)

Maintaining the tax-exempt status of your policy

According to current Canadian tax law, the money in your policy fund is not taxed if it is below the tax-exempt limit and it remains in your policy fund. This limit changes annually on the policy anniversary.

If a payment would cause your policy fund value to exceed the tax-exempt limit, then depending on the method you chose to maintain your policy's tax-exempt status, the excess amount of that payment will be:

- refunded to you immediately, or
- transferred to the service account. Premium tax is not deducted from excess amounts transferred to the service account.

At each policy anniversary, we compare the policy fund value to the tax-exempt limit. Depending on the method you chose, if the policy fund value exceeds the tax-exempt limit, then the excess amount will be:

- refunded to you immediately, or
- transferred to the service account.

[E01590B](#)

Service account

You have a service account if you applied for this method to maintain your policy's tax-exempt status. It is not part of the policy fund value.

This account earns interest according to the investment option you selected for the service account. The long-term managed portfolio account is not available as an investment option for the service account. Interest earned on the service account is taxable. We may set a maximum amount you may have in the service account.

At each policy anniversary the tax-exempt limit for your policy may increase. At that time, we will transfer as much money as the tax-exempt limit allows from the service account to the activity account. This minimizes the tax you pay on the service account. A 2% premium tax is deducted from the amount transferred from the service account to the activity account.

E01600A

Market value adjustment (MVA) for guaranteed interest accounts

There is no MVA when money is transferred from:

- any investment account to the activity account to pay for the cost of insurance
- any investment account to the service account, or
- the service account to the activity account.

We may deduct an MVA when you:

- withdraw money from this policy
- borrow money from the policy fund, or
- transfer money between investment accounts.

For these transactions, we deduct an MVA if:

- money is withdrawn or transferred from a GIA layer before it matures, and the current interest rate for a new GIA layer with the same term is greater than the interest rate of the existing GIA layer
- money is withdrawn or transferred from the long-term managed portfolio account, and the latest yield available to us for Government of Canada long term bonds is greater than the current interest rate for the long-term managed portfolio account.

Guaranteed interest account (GIA)

$$\text{The MVA} = W \times \{ 1 - \text{the lesser of 1 and } [(1 + J)^D \div (1 + K)^D] \}$$

where:

W = amount withdrawn or transferred from the GIA layer

D = number of days to maturity in the existing GIA layer divided by 365

J = actual interest rate for the existing GIA layer

K = current interest rate for a new GIA layer with the same term as the existing GIA

Long-term managed portfolio account

$$\text{The MVA} = W \times \{ \text{the lesser of 1 and } [10 \times \text{the greater of } (0 \text{ and } \{ A - B \})] \}$$

where:

W = amount withdrawn or transferred from the long-term managed portfolio account

A = the latest yield available to us for Government of Canada long term bonds

B = current interest rate for the long-term managed portfolio account

If the latest yield for Government of Canada long term bonds is not available, we will use our best estimate to determine what the yield would be.

E01610A

Withdrawing money from your policy

You may withdraw money from your policy at any time. The minimum withdrawal amount is \$250. We may charge a transaction fee for withdrawals.

Unless you tell us otherwise we withdraw money from the service account if included in this policy, then from the activity account and then if necessary according to your withdrawal order. When money is withdrawn from a GIA it will be taken from the layer closest to maturity. Any withdrawals from GIAs or the long-term managed portfolio account may be subject to a market value adjustment.

In the first policy year, the maximum amount you may withdraw from the policy fund is:

- the balance in the activity account
- **plus** the total of your investment accounts including accumulated interest
- **minus** any market value adjustment that may apply to GIAs or the long-term managed portfolio account
- **minus** the cost of insurance for 12 months.

After the first policy year, the maximum amount you may withdraw is:

- the balance in the activity account
- **plus** the total of your investment accounts including accumulated interest
- **minus** any loan against the policy fund, including interest
- **minus** any market value adjustment that may apply to GIAs or the long-term managed portfolio account.

You may have to pay tax on withdrawals from your policy fund.

[E01620C](#)

Borrowing money from your policy

You may borrow money from your policy by taking a loan against:

- the policy fund, and
- the guaranteed cash value.

Loan against the policy fund

After the first policy year, you may borrow money from your policy fund. The minimum amount you may borrow is \$500. We may charge a transaction fee.

The maximum amount you may borrow is:

$[(1 - \text{loan interest rate}) \times (\text{policy fund value} - \text{market value adjustments})] - (\text{all previous loans against the policy fund including interest})$

The amount you borrow will be transferred to the activity account from all your investment accounts according to the withdrawal order you selected.

When money is withdrawn from a GIA it will be taken from the layer closest to maturity. Any transfers from GIAs or the long-term managed portfolio account may be subject to a market value adjustment.

We charge interest on the loan each day. The interest is compounded annually. This means the interest accumulates and we add it to the balance of the loan at the end of the policy year. We set the interest rate and may change it at any time.

You may repay your loan against the policy fund at any time. If the loan is outstanding at the time the insured person dies, the loan plus interest will be deducted from the amount we pay to the beneficiary.

Loan against the guaranteed cash value

You may take a loan against the guaranteed cash value if there is no policy fund value available to support a loan. The minimum amount you may borrow is \$500. We may charge a transaction fee.

The maximum amount you may borrow is:

$[(1 - \text{loan interest rate}) \times (\text{the current guaranteed cash value})] - (\text{all previous loans against the guaranteed cash value and automatic payment loans, including interest})$

We charge interest on the loan each day. The interest is compounded annually. This means the interest accumulates and we add it to the balance of the loan at the end of the policy year. We set the interest rate at the time the loan is taken and notify you of the interest rate charged on the loan. At each policy anniversary, we change the interest rate charged on the loan to the rate we would charge on new loans on your policy at that time whether a new loan is taken or not.

You may repay your loan against the guaranteed cash value at any time. If the loan is outstanding at the time the insured person dies, the loan plus interest will be deducted from the amount we pay to the beneficiary.

E01630B

Automatic payment loan

The automatic payment loan is initiated by us and is used to pay the cost of insurance when there is insufficient money in your policy fund. The amount of the automatic payment loan plus accrued interest cannot be more than the guaranteed cash value reduced by any loans against the guaranteed cash value.

We charge interest on the loan each day. The interest is compounded annually. This means the interest accumulates and we add it to the balance of the loan at the end of the policy year. We set the interest rate at the time the loan is taken and notify you of the interest rate charged on the loan. At each policy anniversary, we change the interest rate charged on the loan to the rate we would charge on new loans on your policy at that time whether a new loan is taken or not.

You may repay an automatic payment loan at any time. If the loan is outstanding at the time the insured person dies, the loan plus interest will be deducted from the amount we pay to the beneficiary.

E01640A

When your policy will end

Your policy will end 31 days after a monthly anniversary day if on that day:

- the policy fund value minus any loans against the policy fund including interest, is not enough to pay the cost of insurance for the next month, and
- we cannot initiate an automatic payment loan because the guaranteed cash value, less any outstanding automatic payment loans and loans against the guaranteed cash value including interest, is not enough to pay the outstanding cost of insurance.

Your policy will also end 31 days after we tell you that the total of the policy fund value and the guaranteed cash value is not enough to cover:

- loans against the policy fund, including interest
- loans against the guaranteed cash value, including interest, and
- automatic payment loans, including interest.

If your policy ends this way, it has lapsed.

To prevent your policy from ending we must receive the required payment before the end of the 31st day. We will tell you the amount you are required to pay to keep the policy from ending.

E01650C

Putting your policy back into effect

If your policy ended because it lapsed, you may apply to put it back into effect if the insured person is alive. This process is called reinstatement.

If you want to put your policy back into effect, you must:

- apply within 2 years of the policy ending
- give us new evidence of insurability that we consider satisfactory
- make a payment equal to the monthly cost of insurance plus a 2% premium tax on the date of reinstatement multiplied by 2 if you pay monthly, or multiplied by 12 if you pay annually, and
- make a payment equal to the reinstatement charge.

The reinstatement charge is equal to:

- the cost of insurance, including interest, owing on the date the policy ended
- **plus** the cost of insurance, including interest, from the date the policy ended to the date of reinstatement
- **plus** a 2% premium tax
- **plus** the guaranteed cash value on the date the policy ended, plus interest accumulated to the date of reinstatement.

If we don't approve your application, we'll refund the amount you paid when you applied to put your policy back into effect.

Applying for changes to your policy

You may apply in writing to decrease the principal insurance death benefit. Approval is based on our rules about the minimum amount of insurance required for the age of the insured person at the time you apply. If we approve your application, the death benefit will be decreased on the next monthly anniversary. The cost of insurance will be based on the reduced amount of insurance and on the rates in effect on the policy date. The guaranteed cash value will be decreased based on the reduced amount of insurance and we will put any resulting excess value in the policy fund.

We may charge a transaction fee for changes to your policy.

E01700B

Your right to cancel this policy

You may cancel your policy at any time. Your decision to cancel your policy is your personal right. The cancellation is binding on you and any person entitled to make a claim under this policy, whether their entitlement is revocable or irrevocable.

All of our obligations and liabilities under this policy end immediately on the date we receive your request to cancel your policy or on any later date you indicate in your request.

To cancel your policy, send your request in writing to:

Sun Life Assurance Company of Canada
227 King St. S.
PO Box 1601, Stn Waterloo
Waterloo ON Canada N2J 4C5

If you apply to cancel your policy within the first 10 days of receiving it from us, we will treat this as a rescission. This is described under the heading, *If you change your mind within 10 days*.

Cash surrender value

If you cancel your policy after the 10th day of receiving it from us, we'll pay the cash surrender value to you. The amount we pay is:

- the policy fund value
- **plus** the guaranteed cash value
- **minus** any market value adjustment that may apply to GIAs or the long-term managed portfolio account
- **minus** the amount of any loan against the policy fund, including interest
- **minus** the amount of any loan against the guaranteed cash value, including interest
- **minus** the amount of any automatic payment loan, including interest.

In addition, we will pay you any amount in the service account, if included in this policy.

The amount we pay is determined on the business day following the day we receive your request or any later date you indicate.

[E12059A](#)

Other information about your policy

Information about our contract with you

Once your policy is in effect, the following documents make up our entire contract with you:

- your application for insurance, including any evidence of insurability, and
- this policy, including any amendments.

All of our obligations to you are contained in the documents described above. Any other document or oral statement does not form part of this contract. This policy or any part of this policy may not be amended or waived except by a written amendment signed by two authorized signing officers of the company.

Time limit for recovery of insurance money

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act or the provincial or territorial legislation that applies to this policy.

Currency of this policy

All amounts of money referred to in this policy are in Canadian dollars.

Transferring your policy (assignment)

You may be able to transfer your rights under this policy to someone else by assigning the policy. We are not responsible for ensuring that the assignment of your policy is legally valid. If you transfer this policy, send a notice of the assignment to:

Sun Life Assurance Company of Canada
227 King St. S.
PO Box 1601, Stn. Waterloo
Waterloo ON Canada N2J 4C5

Insurance terms

The following explanations describe insurance terms that may or may not apply to this policy.

Age

Age means a person's age on their birthday nearest to a particular date. This is known as "age nearest". A person's age at the policy date means their age on their birthday nearest to that date. A person's age at any date after the policy date is their age on their birthday nearest to that date and is known as their attained age.

Beneficiary

The person or persons you name in writing to receive the death benefit.

Business day

For the purposes of this policy, a business day is a day when our administrative offices are open for business and the Toronto Stock Exchange (or other stock exchange or securities market that we may designate) is open for business.

Contingent owner

The person or persons you name in writing to take ownership of this policy if you die before the date this policy ends.

What happens if no contingent owner is named when a policy owner dies?

- If there is only one policy owner at the time of death, then the policy owner's estate becomes the new policy owner.
- If there are two or more policy owners at the time of death, then the deceased policy owner's estate along with the surviving policy owner(s) own the policy.

Cost of insurance

This is the amount you pay to cover the cost of the principal insurance and any additional benefits included in the policy.

Evidence of insurability

This may include medical, financial, lifestyle, and family medical history information and other personal history information needed to approve your application for life insurance.

Guaranteed cash value

The guaranteed cash value is used to pay the cost of insurance when there is insufficient money in the policy to pay for the cost of insurance. It is part of the cash surrender value that is paid if you cancel this policy.

Policy date

The policy date is the start date of your insurance policy. This date is shown under the heading, *Policy particulars*.

Monthly anniversary day

This is the day each month on which transactions described in this policy may be processed. This date is shown under the heading, *Policy particulars*.

Policy anniversary

The month and day every year that is the same as your policy date.

Policy year

The 12 month period that runs from one policy anniversary to the next policy anniversary.

Permanent insurance

A type of insurance that provides protection for the entire lifetime of the insured person.

Policy transaction

Examples of policy transactions are payments, withdrawals, loans and transfers of money between accounts.

Premium tax

An insurer is required to pay tax for all amounts that go into the activity account. This is known as premium tax and it's an amount you must pay in addition to the cost of insurance.

SAMPLE

Additional benefits

E00414C (optional benefit)

Total disability benefit

The insured person for this benefit and the end date for this benefit are shown under the heading, *Policy particulars*. The end date is the earlier of:

- the date the cost of insurance is no longer payable, or
- the policy anniversary nearest the insured person's 60th birthday.

If the insured person becomes disabled as described below, and the disability continues for more than 6 consecutive months they may qualify for this benefit.

If the insured person qualifies, then for the duration of the disability, we waive the cost of insurance for this policy.

Qualifying for this benefit

Unable to perform own occupation

We consider the insured person to be disabled if, as a result of injury or disease, they are completely unable, during the first 2 years following the date of their disability, to carry on the essential duties of their own occupation.

Unable to perform any occupation

After the first 2 years, we consider the insured person to be disabled if they are unable, as a result of injury or disease, to perform any occupation, for remuneration or profit, within their education, training or experience.

In determining whether or not the insured person is able to perform any occupation, we do not take into account whether a suitable occupation is actually available. In addition, we do not consider whether a suitable occupation would provide a level of remuneration comparable to the one the insured person had before becoming disabled.

Disabled while unemployed

If the disability begins while the insured person is unemployed or is not engaged in any occupation for remuneration or profit, this benefit will only be available if the insured person is unable as a result of injury or disease, to perform the duties of any occupation for remuneration or profit within their education, training or experience.

Disabled while a student

If the insured person is a student at the time they become disabled, we consider them to be disabled if they are unable as a result of injury or disease to:

- attend or participate as a student in an education program during the entire time they are disabled, or
- perform any occupation for remuneration or profit within their education, training or experience.

Disabled before policy anniversary nearest 18th birthday

If the insured person is disabled as a result of injury or disease and they continue to be disabled on the policy anniversary nearest their 18th birthday, you may apply to have the cost of insurance waived. We consider the insured person to be disabled if, as a result of injury or disease, they are completely unable to attend or participate as a student in an education program, or perform the duties of any occupation within their education, training or experience.

When we will not waive the cost of insurance (exclusions and limitations)

We will not waive the cost of insurance before the policy anniversary nearest the insured person's 18th birthday. If the insured person is disabled on the policy anniversary nearest their 18th birthday, we will not waive the cost of insurance if the disability started before their 5th birthday.

We will not waive the cost of insurance if the insured person's disability begins after the end date of the *Total disability benefit* shown under the heading, *Policy particulars*.

We will not waive the cost of insurance if the disability is directly or indirectly caused by or associated with the insured person operating a vehicle while their blood alcohol level is more than 80 milligrams of alcohol per 100 milliliters of blood. A vehicle includes any form of ground, air or marine transportation that can be put into motion by any means, including muscular power. We do not take into account whether or not the vehicle is in motion.

We will not waive the cost of insurance if the disability is directly or indirectly caused by or associated with the insured person:

- committing or attempting to commit a criminal offence
- attempting to take their own life, while sane or insane
- causing themselves bodily injury, while sane or insane
- taking any drug, unless the drug was taken as prescribed by a licensed medical practitioner
- inhaling or ingesting any poisonous substance, whether voluntarily or otherwise, or
- inhaling any type of gas, whether voluntarily or otherwise.

We will not waive the cost of insurance if the insured person's disability is directly or indirectly caused by or associated with civil disorder or war, whether declared or not.

We do not consider the insured person to be disabled unless:

- they are under the active, continuous and medically appropriate care of a physician, or other health care practitioner acceptable to us, and
- they are following the treatment prescribed and any other recommendations made by a physician or health care practitioner.

Making a claim for this benefit

While this benefit is in effect, you may submit a claim if the insured person's disability began before the end date of the *Total disability benefit*.

To make a claim for this benefit, contact us at the toll free phone number shown at the beginning of this policy for the appropriate form.

Before we approve the claim, the insured person's date of birth must be verified.

We must receive proof of the disability:

- while the insured person is alive
- after the insured person's disability continued for more than 6 consecutive months, and
- within 1 year of the date the disability began.

We'll consider a late claim exception if we receive proof of disability no later than 1 year following the end date of this benefit. If we receive proof of the disability more than 1 year after it starts and the insured person qualifies for this benefit, we consider the disability to have started 1 year before we received the proof. This means that we will only waive the cost of insurance starting from 1 year before we received the proof, regardless of when the disability actually started.

You must pay any cost associated with supplying proof of the disability.

We may also require the insured person to authorize us to gather and use additional information from other insurers or government agencies.

When we waive the cost of insurance

The cost of insurance continues to be deducted until we notify you that we've waived it. At that time, we waive the cost of insurance effective on the monthly anniversary after the insured person's disability started.

If any cost of insurance is deducted from the activity account and later waived, we credit that amount to your activity account. If an automatic payment loan was used to pay the cost of insurance and the cost of insurance was later waived, we will reduce the loan by the amount waived.

How to continue qualifying for this benefit

We continue to waive the cost of insurance as long as the insured person:

- continues to be disabled
- is under the continuous care of a physician
- follows a prescribed treatment program for the disability, and
- makes reasonable efforts to use any appropriate rehabilitation program.

From time to time, we will ask for proof, that we consider satisfactory, that the insured person is still disabled. You must pay any cost associated with supplying this proof.

We may require the insured person to be examined by any health care practitioners that we appoint. These may be licensed physicians, physiotherapists, occupational therapists, psychiatrists, psychologists or others. We pay for the cost of these examinations.

The physicians, specialists or health care practitioners who provide information to us may not be the owner of this policy, any person insured under this policy, anyone entitled to make a claim under this policy, or any relative or business associate of these people.

We may also require the insured person to authorize us to gather and use information from other insurers or government agencies.

Continuation of a previous disability claim

You may apply to have the cost of insurance waived without having to wait another 6 months if there is a continuation of the previous disability. We consider the disability to be a continuation of the previous one if:

- the cost of insurance had been waived
- the disabled insured person recovers from their disability and then becomes disabled again from the same cause within 6 months from the date we stopped waiving the cost of insurance, and
- the insured person is disabled as described under the heading, *Qualifying for this benefit*.

We waive the cost of insurance from the date the disability started again.

When we stop waiving the cost of insurance

We stop waiving the cost of insurance on the date the insured person:

- is no longer disabled
- takes part in any occupation for remuneration or profit
- takes part in any educational program as a student without our approval
- fails to submit any required proof of disability
- refuses to attend any examinations or rehabilitation programs without a valid medical reason, or
- fails to meet any other requirements to have the cost of insurance waived.

When your policy may be put back into effect if it ended while the insured person was disabled

We will not put your policy back into effect if you cancelled it. However, if your policy ended for any other reason while the insured person was disabled, you may apply to have it put back into effect, without giving us new evidence of insurability. This process is called reinstatement.

We will put your policy back into effect if it ended:

- while the insured person was disabled and the disability continued for more than 6 consecutive months
- after the policy anniversary nearest the insured person's 18th birthday, and
- before the end date of this benefit.

If you want to put your policy back into effect, you must:

- apply while the insured person is alive
- apply within 1 year of the policy ending, and
- give us proof, that we consider satisfactory, of the disability and the length of time the insured person was disabled.

The date this benefit ends

This benefit automatically ends on the earliest of:

- the date the insured person for this benefit dies
- the date this benefit ends, or
- the date this policy ends.

SAMPLE

Owner waiver benefit

If the insured person's age nearest on the policy date is 17 or younger, this benefit is automatically included in your policy. However, this benefit only applies if the insured person's parent or grandparent is the owner on the policy date and the same parent or grandparent is the owner on the date a claim is made. All conditions described below must be met.

If you change the ownership of this policy by transferring your rights under this policy to another person, the new owner will not qualify for this benefit.

If the owner qualifies for this benefit, we waive the cost of insurance while this benefit is in effect, as described below.

This benefit automatically ends on the earliest of:

- the policy anniversary nearest the insured person's 18th birthday
- the policy anniversary nearest the owner's 60th birthday
- the date the cost of insurance is no longer payable
- the date the insured person dies, or
- the date this policy ends.

Qualifying for this benefit

To qualify for this benefit:

- the insured person must be born to or legally adopted by the owner, or be a grandchild of the owner before a claim is made for this benefit
- the policy must be owned by only 1 person at the time a claim is made for this benefit, and
- the owner must be age nearest 55 or younger on the policy date.

The owner must work for remuneration or profit for a minimum of 30 hours each week, for 3 consecutive months from the later of:

- the most recent date an application for this policy was signed
- the policy date shown under the heading, *Policy particulars*, or
- the most recent date your policy was put back into effect, if your policy has been reinstated.

The owner's disability must occur before the policy anniversary nearest the insured person's 18th birthday. The owner must become disabled before the policy anniversary nearest their 60th birthday and the disability must continue for more than 6 consecutive months.

If the owner dies while this benefit is in effect, to qualify for this benefit, the death must occur before the policy anniversary nearest the insured person's 18th birthday.

When we consider the owner disabled

Unable to perform own occupation

We consider the owner to be disabled if, as a result of injury or disease, they are completely unable during the first 2 years following the date of their disability, to carry on the essential duties of their own occupation.

Unable to perform any occupation

After the first 2 years, we consider the owner to be disabled if they are unable to perform any occupation for remuneration or profit within their education, training or experience as a result of injury or disease.

In determining whether or not the owner is able to perform any occupation, we do not take into account whether a suitable occupation is actually available. In addition, we do not consider whether a suitable occupation would provide a level of remuneration comparable to the one the owner had before becoming disabled.

Disabled while unemployed

If the disability begins while the owner is unemployed or is not engaged in any occupation for remuneration or profit, this benefit will only be available if the owner is unable as a result of injury or disease to perform the duties of any occupation for remuneration or profit within their education, training or experience.

When we will not waive the cost of insurance (exclusions and limitations)

We will not waive the cost of insurance if the owner takes their own life, while sane or insane, within 2 years of the later of:

- the most recent date an application for this policy was signed
- the policy date shown under the heading, *Policy particulars*, or
- the most recent date your policy was put back into effect, if your policy has been reinstated.

We will not waive the cost of insurance if the owner's disability begins after the end date for the *Owner waiver benefit* described above.

We will not waive the cost of insurance if the disability is directly or indirectly caused by or associated with the owner operating a vehicle while their blood alcohol level is more than 80 milligrams of alcohol per 100 milliliters of blood. A vehicle includes any form of ground, air or marine transportation that can be put into motion by any means, including muscular power. We do not take into account whether or not the vehicle is in motion.

We will not waive the cost of insurance if the owner's disability is directly or indirectly caused by or associated with the owner:

- committing or attempting to commit a criminal offence
- attempting to take their own life, while sane or insane
- causing themselves bodily injury, while sane or insane
- taking any drug, unless the drug was taken as prescribed by a licensed medical practitioner
- inhaling or ingesting any poisonous substance, whether voluntarily or otherwise, or
- inhaling any type of gas, whether voluntarily or otherwise.

We will not waive the cost of insurance if the owner's disability is directly or indirectly caused by or associated with civil disorder or war, whether declared or not.

We do not consider the owner to be disabled unless:

- they are under the active, continuous and medically appropriate care of a physician, or other health care practitioner acceptable to us, and
- they are following the treatment prescribed and any other recommendations made by a physician or health care practitioner.

Making a claim for this benefit

To make a claim for this benefit, contact us at the toll free phone number shown at the beginning of this policy for the appropriate form.

Before we approve a claim, the date of birth of the insured person and the owner must be verified.

If the owner is disabled

While this policy is in effect, you may submit a claim if the owner's disability began before the end date of the *Owner waiver benefit*.

We must receive proof of the disability:

- before the policy anniversary nearest the insured person's 18th birthday
- while the owner is alive
- after the owner's disability continued for more than 6 consecutive months, and
- within 1 year of the date the disability began.

We'll consider a late claim exception if we receive proof of disability no later than the end date of this benefit. If we receive proof of the disability more than 1 year after the start of the disability and no later than the end date of this benefit and the owner qualifies for this benefit, we consider the disability to have started 1 year before we received the proof. This means that we will only waive the cost of insurance starting from 1 year before we received the proof, regardless of when the disability actually started.

You must pay any cost associated with supplying proof of the disability.

We may also require you to authorize us to gather and use additional information from other insurers or government agencies.

If the owner dies

The person making the claim must give us any information we need to assess the claim, including proof that the owner died while this benefit was in effect.

If the owner dies and we approve the claim, we waive the cost of insurance until the earlier of:

- the policy anniversary nearest the 18th birthday of the insured person.
- the policy anniversary nearest the 65th birthday of the owner
- the date the cost of insurance is no longer payable, or
- the date the insured person dies.

When we waive the cost of insurance

The cost of insurance continues to be deducted until we notify you that we've waived it. At that time, we waive the cost of insurance from the monthly anniversary after the owner became disabled or died.

If any cost of insurance is deducted from the activity account and later waived, we credit that amount to your activity account. If an automatic payment loan was used to pay the cost of insurance and the cost of insurance was later waived, we will reduce the loan by the amount waived.

How to continue to qualify for this benefit if the owner is disabled

We continue to waive the cost of insurance as long as the owner:

- continues to be disabled
- is under the continuous care of a physician
- follows a prescribed treatment program for the disability, and
- makes reasonable efforts to use any appropriate rehabilitation program.

From time to time, we will ask for proof, that we consider satisfactory, that the owner is still disabled. You must pay any cost associated with supplying this proof.

We may require the owner to be examined by any health care practitioners that we appoint. These may be licensed physicians, physiotherapists, occupational therapists, psychiatrists, psychologists or others. We pay for the cost of these examinations.

The physicians, specialists or health care practitioners who provide information to us may not be the owner of this policy, any person insured under this policy, anyone entitled to make a claim under this policy, or any relative or business associate of these people.

We may also require you to authorize us to gather and use additional information from other insurers or government agencies.

Continuation of a previous disability claim for the owner

You may apply to have the cost of insurance waived without having to wait another 6 months if there is a continuation of the previous disability. We consider the disability to be a continuation of the previous one if:

- the cost of insurance had been waived
- the disabled owner recovers from their disability and then becomes disabled again from the same cause within 6 months from the date we stopped waiving the cost of insurance, and
- the owner is disabled as described under the heading, *Qualifying for this benefit*.

We waive the cost of insurance from the date the disability started again.

When we stop waiving the cost of insurance

We stop waiving the cost of insurance on the date the owner:

- is no longer disabled
- takes part in any occupation for remuneration or profit
- fails to submit any required proof of disability
- refuses to attend any examinations or rehabilitation programs without a valid medical reason, or
- fails to meet any other requirements to have the cost of insurance waived.

In addition, we stop waiving the cost of insurance on the date this benefit ends.

When your policy may be put back into effect if it ended while the owner was disabled

If this policy ended during a time when the owner would have qualified for this benefit, we may put your policy back into effect.

If the owner was disabled when this policy ended

We will not put your policy back into effect if you cancelled it. However, if your policy ended for any other reason while the owner was disabled, you may apply to have it put back into effect. This process is called reinstatement.

We will put your policy back into effect if it ended:

- while the owner was disabled and the disability continued for more than 6 consecutive months
- before the policy anniversary nearest the insured person's 18th birthday
- before the policy anniversary nearest the owner's 60th birthday, and
- before the end date of this benefit.

If you want to put your policy back into effect, you must:

- apply while the owner and insured person are alive
- apply within 1 year of the policy ending, and
- give us proof, that we consider satisfactory, of the disability and the length of time the owner was disabled.

Guaranteed insurability benefit

The insured person for this benefit and the end date for this benefit are shown under the heading, *Policy particulars*.

You may buy additional life insurance on the life of the insured person at various points in time without giving us new evidence of insurability. The maximum amount of additional life insurance that may be bought in a 5-year period is shown under the heading, *Policy Particulars*. The 5-year periods start on the insured person's 15th, 20th, 25th, 30th, 35th and 40th birthdays. You must wait at least 2 years between each application to buy additional insurance under this benefit.

If you apply for additional life insurance

We determine the type of life insurance policy you may apply for and the terms and conditions of that policy. The new policy we offer to you will:

- be determined by the information about the insured person in the application for this benefit
- depend on our rules about the age of the insured person and the amount of insurance, and
- not contain any additional benefits, except, in the circumstances described below, a *Total disability benefit* on the insured person.

Your application must be in a form acceptable to us and satisfy our administrative rules. If we approve the new application, the new policy takes effect on the date we approve the application.

If this policy includes a *Total disability benefit* on the insured person, a disability benefit may only be included in the new policy if:

- you request a disability benefit when you apply for the new policy
- we offer a disability benefit on the new policy at the time you apply, and
- the insured person is not disabled when you apply for the new policy.

Paying for the new life insurance policy

The amount you are required to pay for each new policy will be based on:

- the same evidence of insurability we used to determine the cost of insurance for this policy
- the rates we charge for the new insurance at the time you apply for the new policy, and
- the age of the insured person on the effective date of the new policy.

When this benefit ends

This benefit automatically ends on the earliest of:

- the date the insured person died
- the date this benefit ends, or
- the date this policy ends.

Child term insurance benefit

The children insured under this benefit are those named on the application for this benefit, unless we tell you that we will not insure a child you have named. The children insured must be:

- born to the insured person
- legally adopted by the insured person, or
- step-children of the insured person.

Children born to or legally adopted by the insured person after the date you applied for this benefit are automatically insured under this benefit. We may ask you to prove the child's relationship to the insured person. To insure a step-child after this benefit is in effect, you must apply in writing and evidence of insurability that we consider satisfactory may be required. Your application must be in a form acceptable to us.

If a child dies while insured under this benefit, we pay the child term insurance benefit shown under the heading, *Policy particulars*. We pay this benefit to you, the owner of this policy.

We will pay the Child term insurance benefit even if the insured child takes their own life, while sane or insane.

If all children insured have had their 25th birthday before the date this benefit ends

The date this benefit ends is shown under the heading, *Policy Particulars*. If all children insured have had their 25th birthday before the date this benefit ends, you may want to cancel the benefit. You can cancel the benefit and stop paying the premiums for it by sending us your written request to cancel it.

When we will not pay the child term insurance benefit (exclusions and limitations)

We will not pay a child term insurance benefit if the insured child dies:

- before they are 15 days old, or
- after they are 25 years old.

When we pay a reduced child term insurance benefit

If an insured child dies after age 14 days and before age 180 days and we approve a claim for this benefit, the maximum amount we pay is 25% of the child term insurance benefit.

Making a claim for this benefit

To make a claim when an insured child dies, contact us at the toll free phone number shown at the beginning of this policy. We will then send you the appropriate form to be completed. The person making the claim must give us any information we need to assess the claim, including proof that the insured child died while this benefit was in effect.

Physicians may charge a fee to complete certain forms. The person making the claim is responsible for any fees for this information.

Before we pay this death benefit, the child's date of birth must be verified.

Your right to buy life insurance on the insured children

You may buy a separate life insurance policy on each of the insured children, without giving us new evidence of insurability. However, you must give us proof of each child's date of birth at the time you apply for insurance.

You can apply to buy a separate life insurance policy on the life of an insured child on any date after their 18th birthday and before their 25th birthday. The child must have been insured under this benefit for at least 3 years before you apply for a new policy.

Within the 30 days immediately before the date this benefit ends, as shown under the heading, *Policy particulars*, you may buy a separate life insurance policy on an insured child:

- before their 18th birthday, or
- on or after their 18th birthday if they have not been insured for 3 years under this benefit. You may not buy a separate life insurance policy for an insured child on or after their 25th birthday.

The following people may buy a separate life insurance policy on each of the insured children:

- the owner of this policy, or
- the insured child on their own life, with your written consent.

Under this benefit, we will not issue more than one new life insurance policy on any child insured under this benefit.

The new life insurance policy

We determine the type of policy you may apply for and the terms and conditions of that policy. The new policy we offer to you will:

- be determined by the information about the insured child in the application for this benefit
- depend on our rules about the age of the insured child and the amount of insurance
- have a death benefit that is not greater than 5 times the child term insurance benefit under this policy, and
- include additional premiums for smoking, unless the insured child gives us evidence of insurability and qualifies as a non-smoker.

Your application must be in a form acceptable to us and satisfy our administrative rules. If we approve the application, the new policy takes effect on the date the application is signed.

Paying for the new policy

The amount you are required to pay for the new policy will be based on:

- the same evidence of insurability we used to determine the cost of insurance for this benefit
- the rates we charge for the new insurance at the time you apply for the new policy, and
- the age of the insured child when you apply for the new policy.

The first payment for the new policy must be included with your application for the new policy.

When this benefit ends for each child

This benefit automatically ends for each child on the earliest of:

- that child's 25th birthday
- the date an application to buy a new life insurance policy for that child was signed, as described under the heading, *Your right to buy life insurance on the insured children*
- the date this benefit ends, shown under the heading, *Policy particulars*, or
- the date this policy ends, unless the insured person dies while this benefit is in effect.

If the insured person dies while the Child term insurance benefit is in effect, the benefit stays in effect and you do not need to make payments for it. We continue to insure any children still covered under this benefit until the earliest of:

- the date an application is signed to buy a new life insurance policy for that child under this benefit
- that child's 25th birthday, or
- the date you cancel the benefit.