

**Sun Par Accumulator
Joint last-to-die**

Policy number: LI-1234,567-8

**Owner: Mary Doe
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.

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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 Par Accumulator Joint last-to-die

This is a permanent participating life insurance policy that provides protection until both of the insured persons die. On each policy anniversary, we may credit a dividend to your policy. We determine the amount of any dividend. Any additional benefits, except Plus premium benefit, are not participating and are not eligible to receive dividends.

Your policy number is:

LI-1234,567-8

Your policy date is:

September 17, 2012

Owner:

Mary Doe
John Doe

Insured persons:

Mary Doe
born on March 2, 1970

John Doe
born on January 5, 1970

Beneficiary:

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

Principal insurance death benefit:

\$XXX,XXX is payable when both of the insured persons have died.

Equivalent single age:

XX

Dividend option:

Paid-up additional insurance

Additional benefits:

Plus premium benefit:

The single payment amount for the Plus premium benefit is \$XXX.XX.

Premium schedule

Premiums are due monthly, on the 17th day of the month, starting on September 17, 2012.

The premiums shown in the schedule below are guaranteed while this policy is in effect. We will stop charging premiums on September 17, XXXX.

Premiums are payable until one of the insured persons dies.

The single payment amount for the Plus premium benefit is \$XXX.XX. This amount is in addition to the premiums shown in your schedule.

(1) Principal insurance

Beginning on	(1)	Annual	Monthly
17 Sept 2012	XXX.XX	Premium (\$)	Premium (\$)
		XXX.XX	XX.XX

Guaranteed cash value schedule

The amount of the guaranteed cash value is shown in the schedule below.

September 17	Guaranteed cash value for the principal insurance (\$)
2012	XXX,XXX
XXXX	XXX,XXX
XXXX	XXX,XXX
XXXX	XXX,XXX
XXXX	XXX,XXX
XXXX	XXX,XXX
XXXX	XXX,XXX
XXXX	XXX,XXX
XXXX	XXX,XXX
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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

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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.

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Death benefit

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

- the principal insurance death benefit shown on the *Policy particulars* page
- **plus** any insurance purchased by dividends
- **plus** any dividends on deposit
- **plus** any balance in the withdrawable premium fund
- **minus** any indebtedness on the date the insured person dies.

For the purposes of your policy, indebtedness means the total of any premiums that you owe us plus any loan, including accrued interest.

How we determine survivorship

If more than one of the insured persons die in circumstances where it is uncertain which of them survived the other, we deem that the younger insured person survived the older insured person.

When we will not pay the death benefit (exclusions and reductions of coverage)

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

- the date the application for this policy was signed
- the policy date, or
- the most recent date your policy was put back into effect, if your policy has been reinstated.

The policy ends on the date the insured person dies and instead of paying the death benefit, we will pay to the beneficiary:

- all the premiums you paid. If your policy has been put back into effect, we'll refund the premiums you paid since the most recent date the policy was reinstated.
- **plus** any balance in the withdrawable premium fund
- **minus** any indebtedness on the date the insured person dies.

If this policy is 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.

When this policy ends

If your policy hasn't ended for any other reason, your policy automatically ends on the date the last surviving insured person dies.

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Making a claim for the death benefit

To make a claim, first 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 complete the form and give us the information we need to assess the claim, including proof that the insured person died while this policy was in effect.

The form and information must be sent to this address:

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

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 any death benefit, the ages of the insured persons must be verified. If the age given on the application is incorrect, we adjust the amount we pay to reflect the insured persons' correct age.

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Dividend options

This is a participating policy. On each policy anniversary, while your policy is in effect, we may credit a dividend to your policy. We determine the amount of any dividend.

We apply any dividend credited according to the option you chose in your application for this policy. The dividend options are:

1) Paid-up additional insurance

Additional permanent life insurance is purchased with any dividend we credit to your policy. We determine the amount of insurance that may be purchased based on the same evidence of insurability used to determine premiums for this policy.

This additional insurance is also eligible for dividends which will be used to purchase more paid-up additional insurance. You may cancel this additional insurance at any time and receive its cash value. We determine the cash value on the date we receive your request or any later date you indicate in your request.

If you apply to change from paid-up additional insurance to another dividend option, any existing paid-up additional insurance stays in effect unless you tell us otherwise. This insurance continues to be eligible for dividends which will be applied according to the dividend option in effect at the time we credit any dividend to your policy.

If you apply to change your dividend option to paid-up additional insurance, you will need to give us new evidence of insurability that we consider satisfactory.

2) Annual premium reduction

This option is only available if you are paying premiums on an annual basis. Any dividend we credit is used to reduce the premium for the next policy year. If the amount of the dividend exceeds the next year's premium, we transfer the excess to the withdrawable premium fund.

3) Dividends on deposit

Any dividend we credit earns interest daily at a rate we determine and that rate may change from time to time. The interest is compounded annually. You may withdraw all or part of these dividends at any time.

4) Cash payment

Each year on the policy anniversary date, any dividend we credit is paid to you.

Paying for your policy

Premiums for this policy

We will provide you with the benefits described in this policy if you pay all premiums by the due date. Payment must be made to Sun Life Assurance Company of Canada. The premium schedule in this policy describes your premium guarantees. We reserve the right to refuse cash payments.

If you do not pay a premium when it's due, we will deduct the amount due as follows:

- if there's money in the withdrawable premium fund, we will withdraw the amount owed from this fund
- any remaining unpaid premium still owing 31 days after the due date, including any scheduled Plus premium benefit payment, will be paid by automatic premium loan if there is sufficient net cash value in your policy.

Withdrawable premium fund

If you send us more than you owe to keep the policy in effect, we will hold the excess amount in the withdrawable premium fund. We may set a maximum amount that you can have in the fund. You may use this fund to pay premiums at any time.

The amount in your premium fund will earn interest daily. The interest is compounded annually. We set the interest rate each day based on short-term interest rates. Interest earned on your premium fund is taxable.

You may withdraw money from your premium fund at any time subject to our minimum withdrawal rules.

We may charge a fee for these withdrawals and we determine the amount of any fee that we charge.

Automatic premium loan

The automatic premium loan is initiated by us and is only available to pay unpaid premiums. The amount of the automatic premium loan cannot be more than the net cash value of your policy.

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.

If the amount of your loan, including interest, becomes greater than the net cash value, your policy will end 31 days later unless we receive a payment within that period. We set the minimum amount of this payment.

You may repay your loan at any time.

If premiums are not paid (lapse)

If the amount you are required to pay is still not paid within 31 days after it is due, your policy will end. If your policy ends this way, it is called lapse.

If at any time the indebtedness on your policy is greater than the net cash value, you will need to make a payment to keep your policy in effect. We will tell you the amount you need to pay and the date by which you need to make the payment.

Putting your policy back into effect (reinstatement)

If your policy ended because it lapsed, you may apply to have it put back into effect if both of the insured persons are 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 for both of the insured persons, that we consider satisfactory, and
- make a payment equal to the reinstatement charge set by us.

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

Borrowing money from your policy (policy loan)

You may borrow money against your policy. The maximum loan value is:

- the total of the guaranteed cash value
- **plus** any cash value of paid-up additional insurance
- **plus** any dividends on deposit
- **minus** interest for 1 year at our current loan interest rate on the total of the guaranteed cash value, any cash value of paid-up additional insurance and any dividends on deposit
- **minus** any existing indebtedness.

We set the minimum amount you can borrow.

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.

We may charge a fee when you borrow money against your policy and we determine the amount of any fee we charge.

You may repay your policy loan at any time.

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Maintaining your policy's tax-exempt status

According to current Canadian tax law, your policy's cash value is not taxed if it is below the tax-exempt limit. This limit changes annually on the policy anniversary.

At each policy anniversary, we will compare your policy's net cash value to the tax-exempt limit. If the net cash value exceeds the tax-exempt limit, we will reduce it to the tax-exempt limit. We do this by applying any excess to:

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

We may take the excess amount from all or part of any Plus premium benefit payments that have been made in that policy year. If this is not enough or if the Plus premium benefit is not in effect, we may reduce the amount of paid-up additional insurance so that the net cash value is below the tax-exempt limit.

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Your right to change this policy to reduced paid-up life insurance

While premiums are payable, you may request that your insurance coverage change to reduced paid-up life insurance. Once the policy is changed, premiums are no longer payable. You may not make this change if the policy would become non-exempt for income tax purposes or does not meet our minimums for reduced paid-up life insurance.

If we approve your request, we change your policy to reduced paid-up life insurance on the date we receive your written request or on any later date you indicate in your request. We will use the net cash value to determine the reduced paid-up principal insurance death benefit.

The reduced paid-up life insurance may be eligible for dividends. If the policy is changed to reduced paid-up life insurance, annual premium reduction dividend option is not available. We will change it to paid-up additional insurance.

When your policy is changed to reduced paid-up life insurance:

- any additional benefits end, and
- money may not be put into the withdrawable premium fund.

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Your right to cancel this policy

You may cancel your policy at any time. Your policy will end on the date we receive your request or any later date you indicate in your request. All of our obligations and liabilities under this policy end on that date. The cancellation is binding on you and any beneficiaries you've named, whether the beneficiaries are revocable or irrevocable.

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 N2J 4C5

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

If you cancel your policy after the 10th day of receiving it from us, we'll refund the net cash value plus any balance in the withdrawable premium fund.

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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

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Insurance terms

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

Age

“Age” means age at the policy date which is the person’s age on their birthday nearest to the policy date.

Beneficiary

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

Benefits

We offer a variety of insurance coverages. Some, such as the principal insurance, are standard features of your policy and are included automatically. Additional benefits may be available. An example of an additional benefit is the *Total disability benefit*.

Contingent owner

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

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.

Equivalent single age

“Equivalent single age” is an age calculated by us on the policy date and it is used in determining the premiums and values for this policy. We use the smoking status, sex of both insured persons and their age nearest the policy date in this calculation.

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 an amount we determine when your policy is issued as shown earlier in the *Guaranteed cash value schedule*. It is part of the amount that we pay to you if you cancel this policy.

Indebtedness

Indebtedness means the total of any premiums that you owe us plus any loan, including accrued interest.

Net cash value

The net cash value is:

- the guaranteed cash value
- **plus** the cash value of any paid-up additional insurance
- **plus** the cash value of any dividends on deposit
- **plus** any Plus premium benefit payments made since the last policy anniversary, if included in your policy
- **minus** any indebtedness.

Participating policy

Life insurance involves the transfer of risk from an individual to a life insurance company. With participating insurance, a portion of the risk is shared among the policy owners and the company. We call it “participating insurance” (or “par insurance”) because the policy owner participates in the risk along with the insurance company. We determine annually, at our sole discretion, if there will be a dividend and the amount of any dividend. Any additional benefits, except Plus premium benefit, are not participating and are not eligible to receive dividends.

Permanent insurance

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

Policy anniversary

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

Policy date

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

Premium

The amount paid by a customer to purchase or maintain an insurance policy.

Term insurance

A type of insurance that provides protection for a limited number of years.

Additional benefits

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Plus premium benefit

The Plus premium benefit allows you to make scheduled payments (monthly or annually) or a single payment to purchase paid-up additional insurance in addition to that purchased by policy dividends. The purchase occurs on the policy anniversary following the date the payment was made and we credit interest at a rate set by us. We may change the rate from time to time. If you are making monthly Plus premium benefit payments, we convert the monthly payment to an equivalent annual amount to determine how much insurance will be purchased.

If you selected to make a single Plus premium benefit payment on your application for this policy, you may not make another single payment unless you apply in writing. You may apply if this benefit is still available and your dividend option is paid-up additional insurance. If you apply, you must provide evidence of insurability on the insured persons that we consider satisfactory. Any payment amount must also meet our minimum and maximum limits for Plus premium benefit payments.

Changing the Plus premium payment amount

While premiums for this policy are still payable, you may apply to increase the Plus premium benefit payment amount by providing evidence of insurability on the insured persons that we consider satisfactory. Any increase will be subject to our maximum limit. You may apply to decrease the Plus premium benefit payment amount subject to our minimum limit.

Stopping and restarting scheduled payments

If you want to stop making scheduled Plus premium benefit payments, you must notify us in writing. Within 2 years of the date you stopped, you may apply to resume making payments subject to our approval. After 2 years, the Plus premium benefit ends. You may apply to put the Plus premium benefit into effect if available at the time you apply, provided the dividend option is paid-up additional insurance. If you apply, you must provide evidence of insurability on the insured persons that we consider satisfactory. Any payment amount must also meet our minimum and maximum limits for Plus premium benefit payments.

If we are waiving premiums

If we are waiving premiums for this policy, we will stop any Plus premium benefit payments while we are waiving premiums. When premiums are no longer waived and still payable, Plus premium benefit payments restart.

When the death benefit is payable

When the death benefit is payable, we'll use any Plus premium benefit payments made since the last policy anniversary to purchase paid-up additional insurance.

If the dividend option is paid-up additional insurance, we will not pay the paid-up additional insurance amount purchased by Plus premium benefit payments if the insured person takes their own life, while sane or insane, within 2 years of the most recent date the Plus premium benefit was put into effect. Instead, we will pay to the beneficiary the Plus premium benefit payments made from the most recent date the Plus premium benefit was put into effect.

When Plus premium benefit payments end

Scheduled Plus premium benefit payments automatically end on the earliest of:

- the date you tell us in writing to cancel them
- two years after the date you stopped making Plus premium benefit payments

- the date the dividend option changes from paid-up additional insurance to any other dividend option
- the date premiums are no longer payable for this policy
- the date one of the insured persons dies, or
- the date this policy ends.

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