

Sun Life Financial Advisor Guide



SunWise[®]
EssentialSeries | 2



managed by CI Investments Inc.



issued by Sun Life Assurance Company of Canada



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SunWise
EssentialSeries | 2

SunWise Essential Series 2

is a comprehensive investment strategy that can guide your clients securely through their saving and wealth accumulation years into their retirement years, with confidence.

It's all about putting safety first, as it can:

- protect their savings as they grow their wealth
- offer them growth of their guaranteed income in the critical years prior to retirement
- guarantee an income for life for both themselves and a spouse, and
- preserve the value of their estate for their loved ones.

With SunWise Essential Series 2, your clients can be assured their investments benefit from guarantees and their income is sheltered from the volatility of the markets.

It's an essential part of their investment strategy.

Potential growth plus protection



With SunWise Essential Series 2, your clients benefit from the advantages of investment funds:

- potential for growth
- outstanding money management
- diversification, choice and flexibility of investments.

And, they can receive all the protective features of an insurance contract backed by the strength of Sun Life Financial, such as:

- a guaranteed income for life for themselves and a spouse
- growth of guaranteed income through an annual 5% Bonus for the first 15 years*
- principal protection at contract maturity or death
- locking in of portfolio gains through automatic resets of the death benefit and guaranteed income for life
- estate planning benefits (avoidance of the probate process and fees)

- potential creditor protection if the proper beneficiary designation is in place.

SunWise Essential Series 2 is available in three classes – Income Class, Investment Class, and Estate Class – each with its own eligible investments and different guarantee packages. All are available under one contract, providing your clients with the flexibility to hold more than one class of units and effortlessly move from one class to another when their plans change. This is particularly valuable with a RRIF strategy (see page 24).

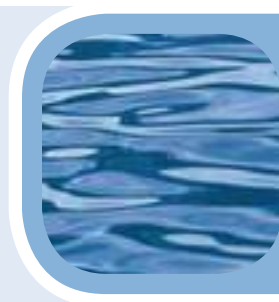
Your clients receive semi-annual statements with consolidated reporting, so they can easily keep track of all their investments, create a tax-efficient investment strategy and plan their financial affairs. This provides a clear view of living and estate planning benefits including money management, reporting and tax.

**Plus the year of deposit. Applies only to years in which no withdrawal is made.*

Three classes for investors' different needs

SunWise Essential Series 2 Income Class is for clients age 50-plus who are at retirement or in their pre-retirement years. It provides a guaranteed, predictable, tax-efficient annual income beginning at age 65, of at least 4% of their deposits for life, regardless of market performance.* Clients can elect an option to receive payments of 3% of their LWA Base starting at age 55. Other conditions may apply.

For those close to retirement who are looking to safely build their retirement fund, SunWise Essential Series 2 Income Class provides an annual 5% Bonus, which is added to their guaranteed income benefits for every calendar year they don't draw income from their portfolio, up to a maximum of 15 calendar years (plus a pro-rated amount in the first year) after the initial deposit to the class.



SunWise Essential Series 2 Investment Class is for clients primarily under the age of 50 who are continuing to build their wealth and want to see their investments grow. Clients can maximize their exposure to the growth potential of the markets with 100% equity investments in their accounts. They can select from over 60 funds across all asset classes, including balanced funds, SunWise Essential Bundles and portfolio managed solutions.



SunWise Essential Series 2 Estate Class is for investors at any age who want to ensure maximum estate value for their beneficiaries, with minimal estate settlement costs and delays. It offers principal guarantees to protect your clients' investments – 100% at death and 75% at contract maturity. Automatic resets every three years can increase the value of the death benefit guarantee.

Equity exposure for Income Class and Estate Class can be as much as 70% through investments in balanced funds, SunWise Essential Bundles and portfolio managed solutions.



* Subject to legislated minimums and maximums and certain conditions. Exceeding the LWA withdrawal rate will have a negative impact on future payments. For One-Life Income Stream, a guaranteed income for life or Guaranteed Life Withdrawal Benefit (GLWB) of 4% (LWA Rate) is available at January 1 of the year the Annuitant turns 65 or 3% (LWA Rate) at January 1 of the year the Annuitant turns 55. For Two-Life Income Stream, a GLWB of 3.5% (LWA Rate) is available at January 1 of the year the younger spouse turns 65 or 2.5% (LWA Rate) at January 1 of the year the younger spouse turns 55. Payments can continue until the death of the Annuitant (or the Annuitant and Second Life or Two-Life Income Stream) or termination of contract.

Help your clients achieve a safe, secure retirement income with SunWise Essential Series 2



1

Choose protection type by class of units

Income Class

2

Structure effective contract*
To provide living benefits and estate planning

- Registered/non-registered accounts
- Single/joint annuitant
- One-life or two-life income stream

- for guaranteed, predictable income for one life or two
- balanced investments for income and growth
- target age 50+

3

Choose investments

- more than 35 funds, including selected income funds, balanced funds, SunWise Essential Bundles and five portfolio managed solutions

**Clients can select more than one contract.*



Sales Process – One contract for all classes

Customize to maximize the features



Investment Class

- for wealth accumulation
- maximum growth potential
- target age primarily under 50

■ more than 60 funds, including income, equity and balanced funds, SunWise Essential Bundles and seven portfolio managed solutions



Estate Class

- for ensuring maximum estate value for their beneficiaries
- balanced investments for moderate growth
- target age primarily 65+

■ more than 40 funds, including all income funds, balanced funds, SunWise Essential Bundles and five portfolio managed solutions

Factors affecting retirement planning



As investors move into their pre-retirement or retirement years, their primary investment objective shifts from accumulating assets to protecting their wealth and generating a reliable income.

Managing portfolio risk in order to protect assets becomes a primary objective, along with ensuring investments are sufficient to fund retirement and last a lifetime.

At the beginning of the accumulation stage, an investor's investment horizon is typically 20 or more years, with money added at various times. This long-term horizon means that market volatility can often present investment opportunities.

As clients move closer to retirement, they will want to mitigate the risk but still look for ways to guarantee the growth of their retirement savings.

During retirement, it's unlikely that new money will be added to the portfolio. Rather, it will be withdrawn to provide income. The most important objective is to avoid outliving the investment portfolio, which means growth with low volatility is key and finding a reliable, sustainable income stream becomes a priority.

Changing retirement landscape

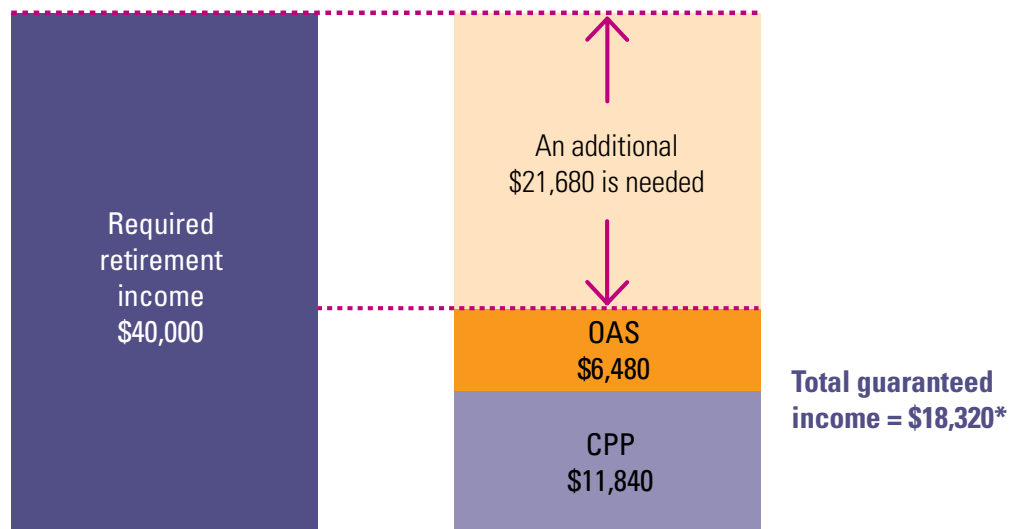
As baby boomers approach their 60s and move into retirement, they are faced with the harsh realities of the retirement landscape:

- The security of company pension plans is fading. Now, fully 60% of Canadian workers have no employer pension.
- And, 45% (or eight million workers) have no employer pension or RSP savings.
- Private sector pensions are being cut back – in some cases, pensions are being slashed by 30% or 40%.
- Two decades ago, government retirement plans,

such as the Canada and Quebec Pension Plans and Old Age Security, provided nearly 60% of the average Canadian wage in retirement. Today, CPP/QPP provides a retirement income of only about 25% of the average wage. Add OAS benefits into the mix and that increases to 40%.

- Increasingly, Canadians will need to rely on their retirement savings in order to generate an adequate retirement income.
- Most of your clients will likely require a retirement income that's roughly 60% to 70% or more of their current level of income – that means there's a large gap that will need to be filled.

For guaranteed retirement income, SunWise Essential Series 2 Income Class can help fill the gap



Source: StatsCan, average weekly earnings, 72-002-XIB; servicecanada.gc.ca for CPP and OAS payment rates for 2012; and The Globe & Mail seven-part series, Retirement Lost, October 2009.

* All amounts have been rounded. Based on 2012 maximum benefits at age 65, Canadian Pension Plan is \$11,840 a year or \$987 per month, and Old Age Security is \$6,480 a year or \$540 per month.

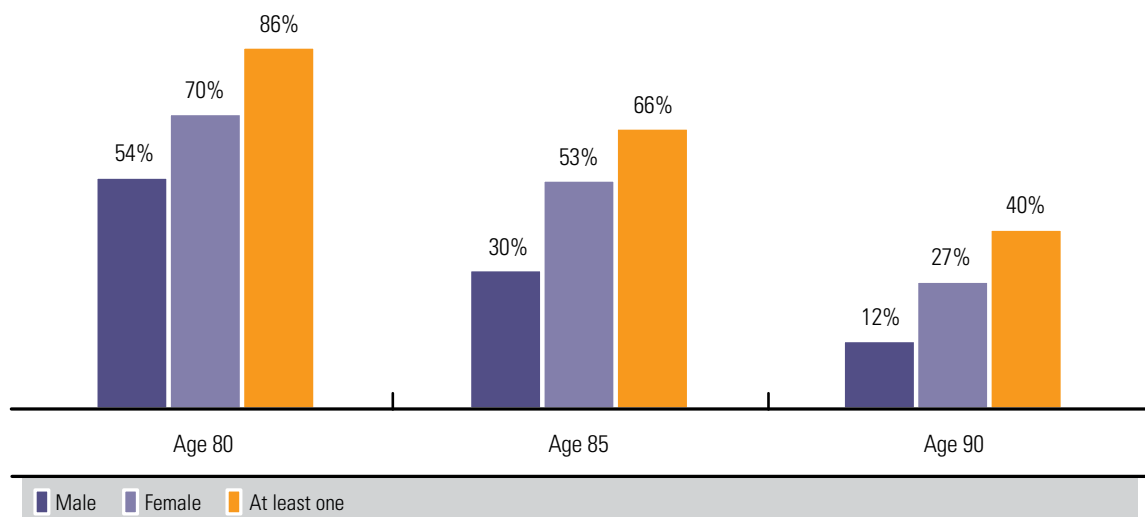
Retirement risks



Longevity

Longevity presents a risk because the longer clients live, the greater their chances of outliving their assets. Today, there is a one-in-three chance that a 65-year-old male will survive until he's 85; for women, the odds are about one-in-two. For a couple, there is a 40% chance that one of them will live to 90. This means that for many, retirement income will need to last a minimum of 25 years.

Probability that a 65-year-old will live to ...



Source: *Asset Allocation and the Transition to Income*, Milevsky & Salisbury, September 2006.



Inflation

Inflation, although currently low at about 2% annually, can have a significant effect on your client's standard of living in retirement. Even at 2%, the purchasing power of a dollar is reduced by more than 30% over a 20-year span.

Purchasing power in 20 years ...



\$0.82
(1% Inflation)



\$0.67
(2% Inflation)



\$0.45
(4% Inflation)

Retirement risks

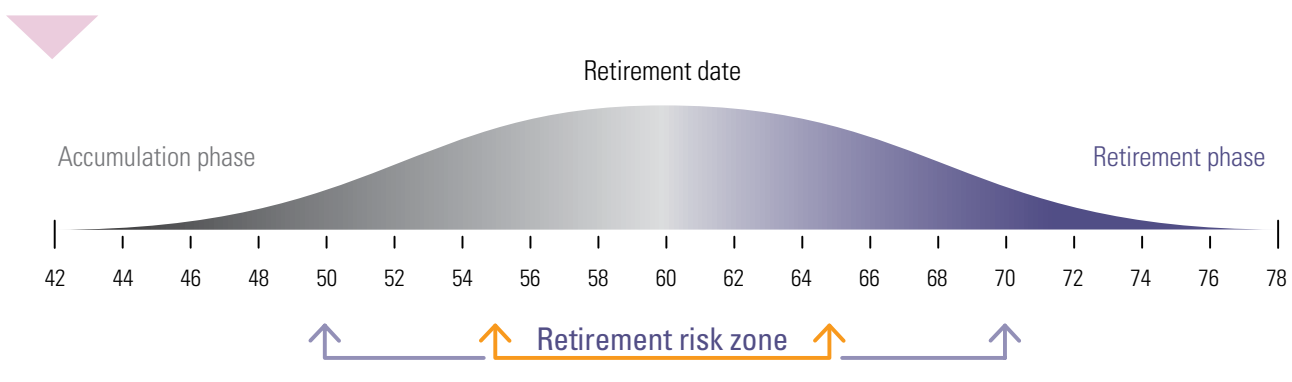


Market risk

In retirement, market risk or volatility can no longer be viewed as an opportunity. A sizeable market downturn at an inopportune time – when your clients are close to, or in the early years, of retirement – can be devastating to their portfolios and their potential income.

Retirement risk zone

The retirement risk zone is the five to 10 years just before and after your clients retire. It's the critical time when short-term losses can have negative long-term effects because there's no time for their investments to recover.



*Source: T.J. Price, *A Retirement Readiness Guide*, September, 2009.

Diversification

Generally, as investors move closer to retirement they tend to shift their investments toward assets with less risk, such as fixed-income products, while lowering their exposure to higher-risk equities in order to protect their capital.

But while fixed-income investments may minimize risk, they greatly increase the longevity risk or the potential for outliving assets because:

- the income they pay barely keeps up with inflation, and
- there's little or no growth potential.

Investors need the growth potential of equities during retirement, but as we have seen in recent years world equity markets are highly correlated. So they need a solution with less risk.

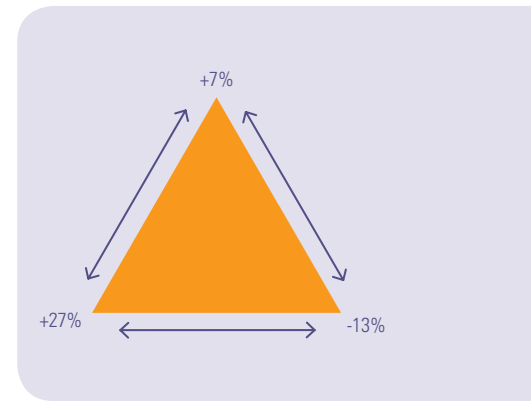
Diversification alone can't mitigate market risk. Studies have shown that an investor with a conservative 40% equity/60% bond portfolio, withdrawing 6% annually, will have less than a 50% chance of making their money last for 25 years. And that's because of the sequence of returns.*

Sequence of returns

The sequence of returns is the order in which an investor receives their investment returns. When clients are building their portfolio, the order of their investment returns doesn't really matter because losses may be recouped over the long term. But, once they hit the retirement risk zone, the sequence of returns becomes extremely important because time is not on their side.

Think of the sequence of returns as a triangle, with each side representing a different annual return.

The simple average of all three is 7%. But the returns can be received many different ways.



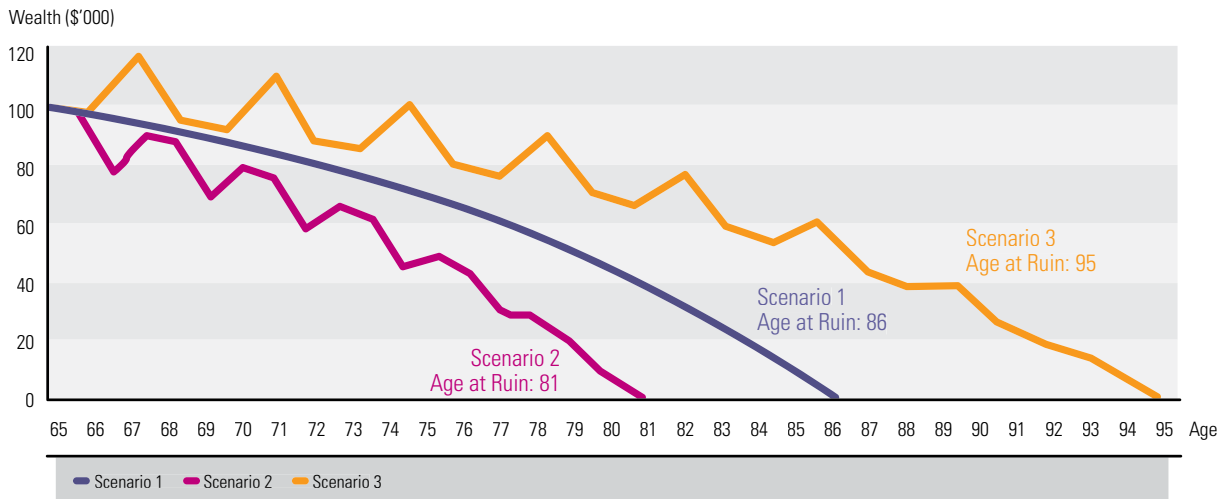
Clients can't choose what market cycle they will face

This chart shows the impact of the sequence of returns. It assumes a \$100,000 portfolio with an annual withdrawal of \$9,000 for a 65-year-old. Here are three scenarios:

Scenario 1, with a constant 7% annual return, the money will last until age 86

Scenario 2, if the portfolio experiences the poor return early (-13%, followed by +7% and +27%), the money will last until age 81

Scenario 3, if good returns are achieved at the beginning (+27%, followed by +7% and -13%), the money will last until age 95.








The question isn't
at what age I want to retire,
it's at what income.



SunWise Essential Series 2 Income Class

Income Class is for investors primarily looking to receive a guaranteed, predictable, tax-efficient annual income beginning at age 65, of at least 4% of their deposits for life, and up to two lives, regardless of market performance.*

* Subject to legislated minimums and maximums and certain conditions. Exceeding the LWA withdrawal rate will have a negative impact on future payments. For One-Life Income Stream, a guaranteed income for life or Guaranteed Life Withdrawal Benefit (GLWB) of 4% (LWA Rate) is available at January 1 of the year the Annuitant turns 65 or 3% (LWA Rate) at January 1 of the year the Annuitant turns 55. For Two-Life Income Stream, a GLWB of 3.5% (LWA Rate) is available at January 1 of the year the younger spouse turns 65 or 2.5% (LWA Rate) at January 1 of the year the younger spouse turns 55. Payments can continue until the death of the Annuitant (or the Annuitant and Second Life or Two-Life Income Stream) or termination of contract.



Before withdrawals start, investors nearing retirement receive an annual 5% Bonus added to their income for every calendar year they don't draw income from their portfolio, up to a maximum of 15 calendar years (plus a prorated amount in the first year) after the initial deposit into Income Class.

With Income Class your clients can increase their income with the age-tier withdrawal feature. In addition, they can ensure an income for life for themselves with the One-Life Income Stream option and their spouse with the Two-Life Income Stream option.

Income Class offers principal protection guarantees of 75% contract maturity and 100% death benefit (subject to the Late Deposit Reduction) and automatic resets to the death benefit (see page 32).

To maximize the potential for growth, clients can select from more than 35 funds representing leading portfolio management teams that can fit any investor's objectives and preferences.

These include:

- income funds
- balanced funds
- Bundles, and
- portfolio managed solutions.



SunWise Essential Series 2 Income Class provides guaranteed protection



The past decade has been one of the most volatile periods experienced in global markets. It is understandable that investors are concerned about balancing the need to protect their retirement savings and still maintain the growth potential they will need to carry them through 20 or 30 years of retirement.

Income Class is designed to mitigate market risk and protect their retirement savings during the critical years before retirement. It provides investors with a guaranteed income for life beginning at age 65* and can eliminate the risk of outliving their retirement savings.

Income Class offers a guarantee in the form of regular withdrawals (Guaranteed Life Withdrawal Benefit) of at least 4% of the LWA Base, regardless of the investment performance of the portfolio.

If your clients would like to begin LWA payments before age 65, they may choose the Age 55 LWA Election which entitles them to start LWA withdrawals at Age 55* of 3% for One-Life and 2.5% for Two-Life. If the client makes the Age 55 LWA Election, deposits before the year in which the Annuitant (or, if the Two-Life Income

Stream applies, the younger of the Annuitant and his or her spouse or common-law partner) turns 65 years of age will be entitled to GLWB Resets but will not be entitled to an increase in the LWA Rate if a GLWB Reset occurs at a time when a higher age tier would apply.

This chart illustrates how the GLWB works. If a client invests \$200,000 at age 65, the LWA Rate is calculated on the day of the initial deposit if withdrawals are being taken that year. The LWA Rate sets the annual income for life payments at 4% of the LWA Base. The LWA Rate varies depending on the age of the client and when they elect to start receiving income.

In this case, the client would be eligible to receive a Lifetime Withdrawal Amount of \$8,000. If the investments perform well, the income may increase because automatic market resets every three years lock in investment gains if the market value of the Income Class units is equal to or exceeds the LWA Base. However, this chart shows a worst-case scenario. It assumes that markets decline sharply during the client's retirement. But even under these circumstances, when the portfolio is reduced to zero, your client is guaranteed to receive \$8,000 a year for life.



Income for Life

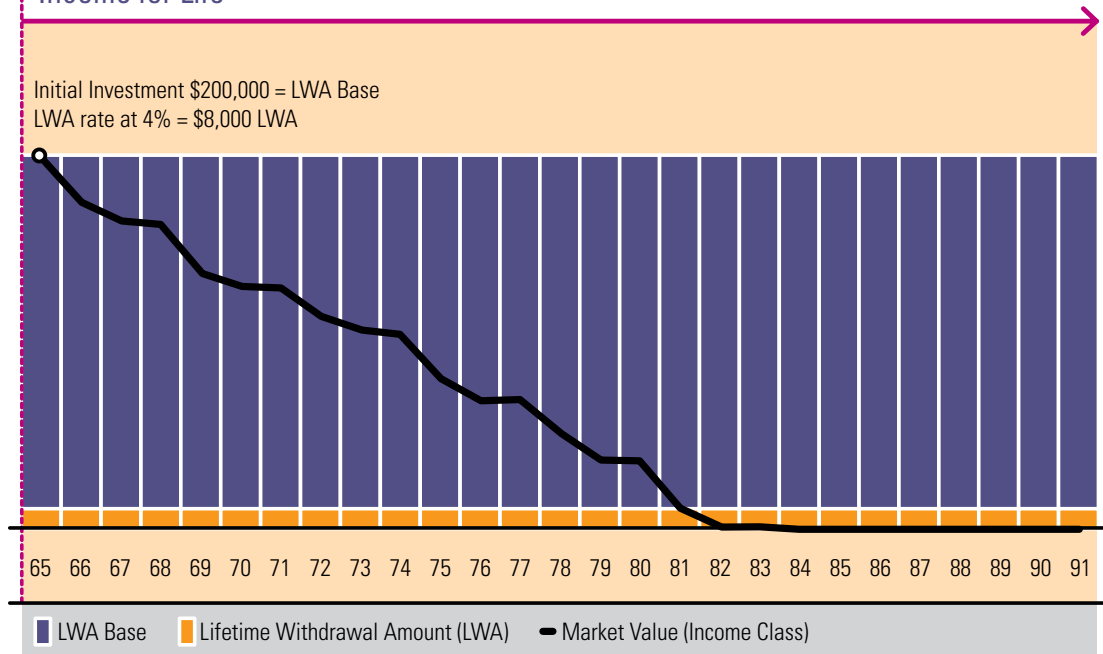


Illustration assumes a 70% equity/30% fixed-income asset mix (Equity is one-third each S&P/TSX Composite Index, S&P 500 Index, and MSCI World Index; income is DEX Universe Bond Total Return) and a bear market declining on average 2% per year. Annual withdrawals are assumed to be 4% of the LWA Base.

* Subject to legislated minimums and maximums and certain conditions. Exceeding the LWA withdrawal rate will have a negative impact on future payments. For One-Life Income Stream, a guaranteed income for life or Guaranteed Life Withdrawal Benefit (GLWB) of 4% (LWA Rate) is available at January 1 of the year the Annuitant turns 65 or 3% (LWA Rate) at January 1 of the year the Annuitant turns 55. For Two-Life Income Stream, a GLWB of 3.5% (LWA Rate) is available at January 1 of the year the younger spouse turns 65 or 2.5% (LWA Rate) at January 1 of the year the younger spouse turns 55. Payments can continue until the death of the Annuitant (or the Annuitant and Second Life or Two-Life Income Stream) or termination of contract.

See Filling the Gap and Guaranteeing Income for Life Case Study for more details.

SunWise Essential Series 2 Income Class

provides a 5% Bonus for up to 15 years

Income Class features an annual 5% Bonus to increase guaranteed future income, which offsets the effects of market volatility prior to retirement to help your clients reach their retirement target goals.

The 5% Bonus will be credited to the LWA Base for every calendar year your client does not make withdrawals of Income Class units. It is calculated and credited at the end of each calendar year and is applicable on a prorated basis for the initial year Income Class units are purchased, plus the next 15 full calendar years.[†]

†The 5% Bonus does not impact the contractual maturity/death benefits or the market value of the Income Class units.

This chart illustrates how the 5% Bonus works. At age 50, a client invests their retirement fund of \$200,000 in Income Class. Their retirement is 15 years away and they don't plan to make any withdrawals over that time. So, for the next 15 years, plus the initial year, your client is guaranteed to receive an annual 5% Bonus for every year without a withdrawal.

By age 65, your client's LWA is established for the first time at \$14,000 – 4% of the LWA Base of \$350,000. Their guaranteed income has grown, even though the markets have declined significantly during the period. Income Class ensures the growth of this client's retirement income in the critical years immediately before retirement.

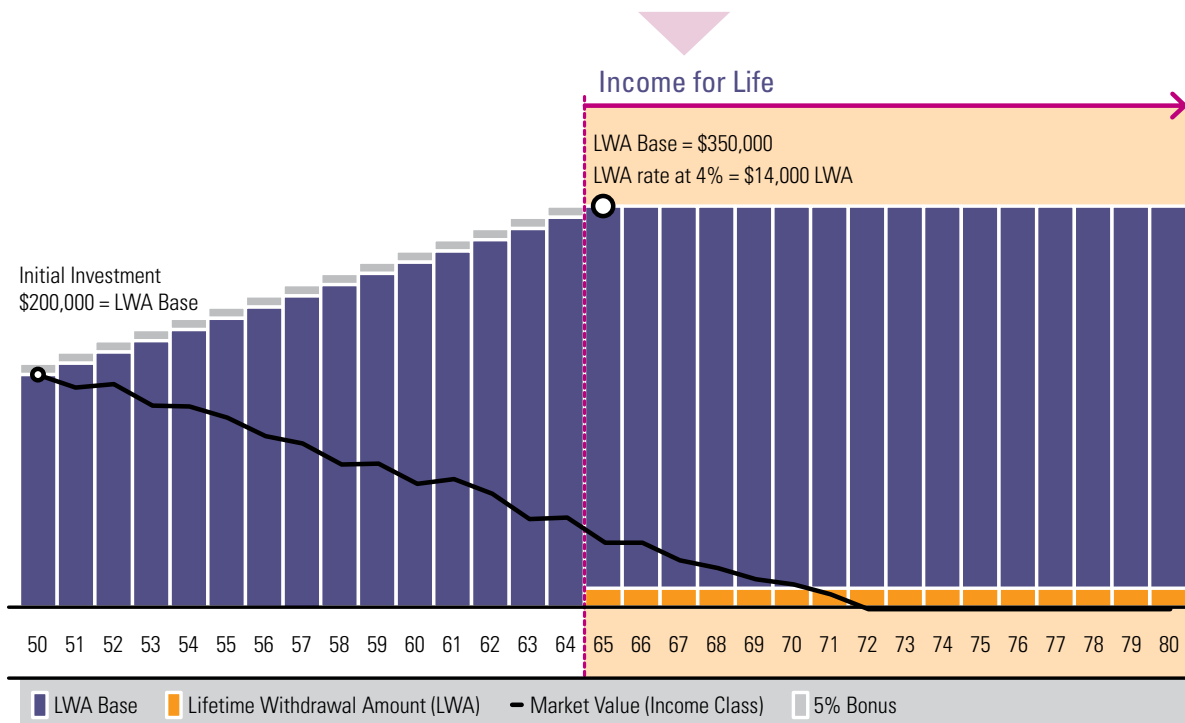


Illustration assumes a 70% equity/30% fixed-income asset mix (Equity is one-third each S&P/TSX Composite Index, S&P 500 Index, and MSCI World Index; income is DEX Universe Bond Total Return) and a bear market declining on average 2% per year. Annual withdrawals are assumed to be 4% of the LWA Base. Subject to legislated minimums and maximums and certain conditions. Exceeding the LWA withdrawal rate will have a negative impact on future payments. For One-Life Income Stream, a guaranteed income for life or Guaranteed Life Withdrawal Benefit (GLWB) of 4% (LWA Rate) is available at January 1 of the year the Annuitant turns 65 or 3% (LWA Rate) at January 1 of the year the Annuitant turns 55. For Two-Life Income Stream, a GLWB of 3.5% (LWA Rate) is available at January 1 of the year the younger spouse turns 65 or 2.5% (LWA Rate) at January 1 of the year the younger spouse turns 55. Payments can continue until the death of the Annuitant (or the Annuitant and Second Life or Two-Life Income Stream) or termination of contract.

SunWise Essential Series 2 Income Class

locks in investment gains

Investment gains are automatically locked in through GLWB resets on every third Contract Anniversary Date throughout the life of the contract if the market value of the Income Class units is equal to or exceeds the LWA Base. This will increase the guaranteed income for life. During the 15-year bonus period, GLWB resets also increase the value of the bonus because subsequent bonuses are calculated on the higher amount.

Resets, awarded after age 70, also increase the LWA Rate based on the age-tiered withdrawal amount (restrictions may apply, for details see page 20). There are also automatic death benefit resets which increase the value of the death benefit guarantee at the same time if the market value of the Income Class units is greater than the Death Benefit Base.

This chart illustrates how GLWB resets work. At age 50, a client invests her retirement savings of \$200,000 in Income Class. Automatic GLWB resets are calculated every three years on the Contract Anniversary Date. When the market value of the Income Class investment is equal to or higher than the LWA Base, the LWA Base is increased to the market value, which increases the annual payout. Over the next 15 years, she receives four resets, as well as 5% Bonuses, which increase the value of her LWA Base to \$689,105.

By the time the client retires at age 65, her annual income has risen to \$27,564 because of a combination of 5% Bonuses, strong market performance and automatic GLWB resets.

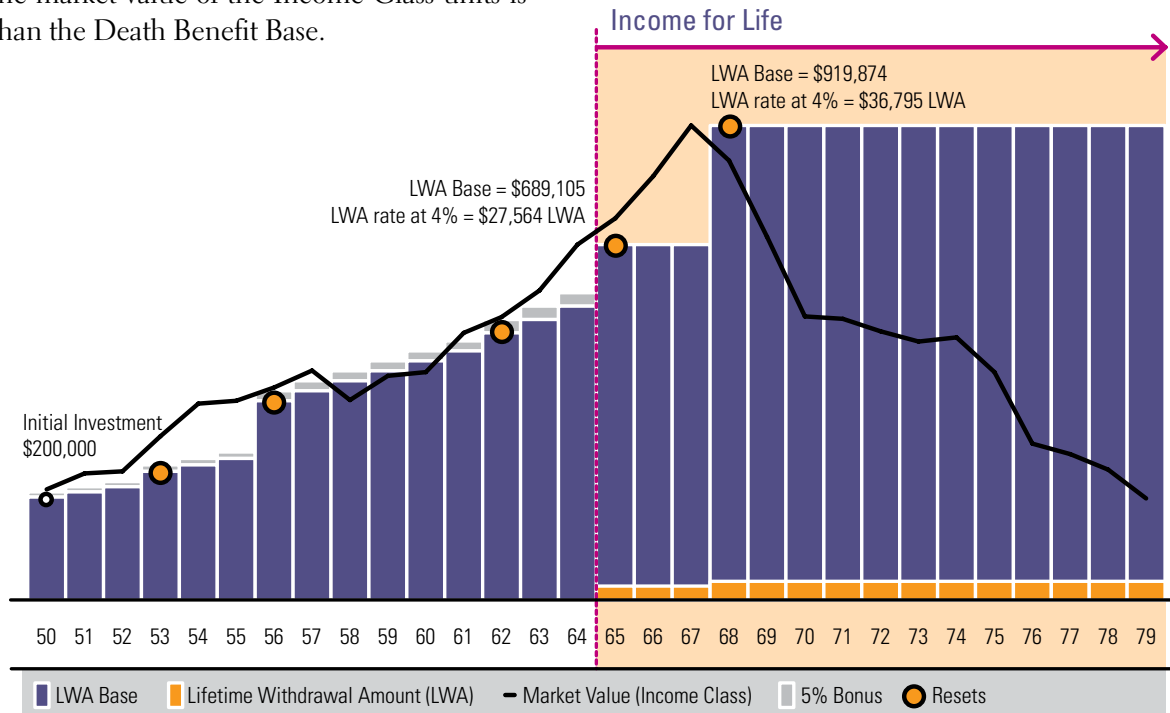


Illustration assumes 70% equity/30% fixed-income asset mix (Equity is one-third each S&P/TSX Composite Index, S&P 500 Index, and MSCI World Index; income is DEX Universe Bond Total Return) based on historical rates of return, gaining on average 6.55% per year. Annual withdrawals are assumed to be 4% of the LWA Base at age 65. Subject to legislated minimums and maximums and certain conditions. Exceeding the LWA withdrawal rate will have a negative impact on future payments. For One-Life Income Stream, a guaranteed income for life or Guaranteed Life Withdrawal Benefit (GLWB) of 4% (LWA Rate) is available at January 1 of the year the Annuitant turns 65 or 3% (LWA Rate) at January 1 of the year the Annuitant turns 55. For Two-Life Income Stream, a GLWB of 3.5% (LWA Rate) is available at January 1 of the year the younger spouse turns 65 or 2.5% (LWA Rate) at January 1 of the year the younger spouse turns 55. Payments can continue until the death of the Annuitant (or the Annuitant and Second Life or Two-Life Income Stream) or termination of contract.



SunWise Essential Series 2 Income Class

allows clients to customize income options

Two-Life Income Stream

With the two-life option, your clients can ensure an income for life for themselves and their spouse. This must be selected at time of contract inception and is based on the age of the younger spouse. This option helps deal with longevity risk. It is for couples planning ahead who want to ensure that the surviving spouse will continue to have a guaranteed income for life at the same LWA Rate for the life of the spouse.

Age 55 LWA Election

With SunWise Essential Series 2 Income Class clients can easily adjust their retirement plans should they need income earlier than age 65. Under the Age 55 LWA Election, clients can elect to withdraw their Lifetime Withdrawal Amount (LWA) when they, or their spouse, are age 55.* The Age 55 LWA Election is available for One-Life Income Stream at 3% or Two-Life Income Stream Option at 2.5%


Once Clients have elected the Age 55 LWA Election and start withdrawing their LWA, they are still

entitled to make additional deposits, which can increase their LWA. And similar to other SunWise Essential Series 2 contracts, clients will be entitled to Guaranteed Lifetime Withdrawal Benefit (GLWB) Resets. However, deposits made before age 65 will not be entitled to an increase in the LWA Rate if a GLWB Reset occurs at a time when a higher age tier would apply.

Age-tiered withdrawals

With Income Class, your clients can increase their LWA by taking it later in life. Instead of starting withdrawals at age 65, your clients can take income at age 70, or later. Older clients electing to take the income later in life receive a larger payout with higher benefits. In addition, they can continue to make additional deposits, which will increase their guaranteed income when it is eventually taken. Resets received after age 69 also increase the guaranteed income.

The chart shows how your clients can customize their income for life based on the age of withdrawals, or by insuring two lives instead of one.



Early & Excess Withdrawals

There may be occasions when your client will require income before withdrawals begin at age 65, or they may require a higher amount than their LWA. Unlike traditional annuities, Income Class is flexible enough to accommodate their needs.

They will always have access to their investments, but taking income before age 65, or age 55 with the Age 55 LWA Election, will cause an Early Withdrawal. When this occurs, the LWA Base and the 5% Bonus Base are reduced proportionately. This can affect the future guaranteed income for life.

If your client is receiving their LWA, but they take additional income above the LWA payment entitlement, this is considered an Excess Withdrawal. An Excess Withdrawal is the amount by which the income taken during the year exceeds the LWA. When this happens, the LWA is reduced to nil for current calendar year and the LWA Base and the 5% Bonus Base are reduced proportionately. This can also affect the future guaranteed income for life.

Age Tier*	LWA Rate for One-Life Income Stream option	LWA Rate for Two-Life Income Stream option
55 to 64	3%	2.5%
65 to 69	4%	3.5%
70 to 74	4.25%	3.75%
75 to 79	4.5%	4%
80 or older	5%	4.5%

* Based on the expected age of Annuitant on December 31 of the year of the LWA Commencement Date. Resets occurring in a higher age tier will result in an increase in the LWA Rate. If the client makes the Age 55 LWA Election, deposits before January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 65 years of age the client will be entitled to GLWB Resets but will not be entitled to an increase in the LWA Rate if a GLWB Reset occurs at a time when a higher age tier would apply.



One-Life vs. Two-Life Income Stream options

Clients must choose the one-life or two-life option at the time of contract inception. This is one of the most important aspects of the contract because it has significant implications for the couple's level of income later in life. For the one-life option, the contract can be established with either single or joint annuitants. For joint annuitant contracts, a specific annuitant must be designated as the measuring life for the lifetime income.


For the two-life option, the contract must have either a single annuitant and a Second Life or joint annuitants. The Second Life or joint annuitant must be the spouse of the annuitant. Also, keep in mind that the withdrawal age is based on the age of the younger of the annuitant or Second Life for the two-life option. (Please see the Estate Planning and Contract Structuring Guide for complete explanations.)

See Income Optimization Strategies Case Studies for more details.

These charts illustrate the differences between the LWA Base, the market value of the Income Class investments, the LWA for both the one- and two-life options and what happens upon the death of the first annuitant or Second Life.*

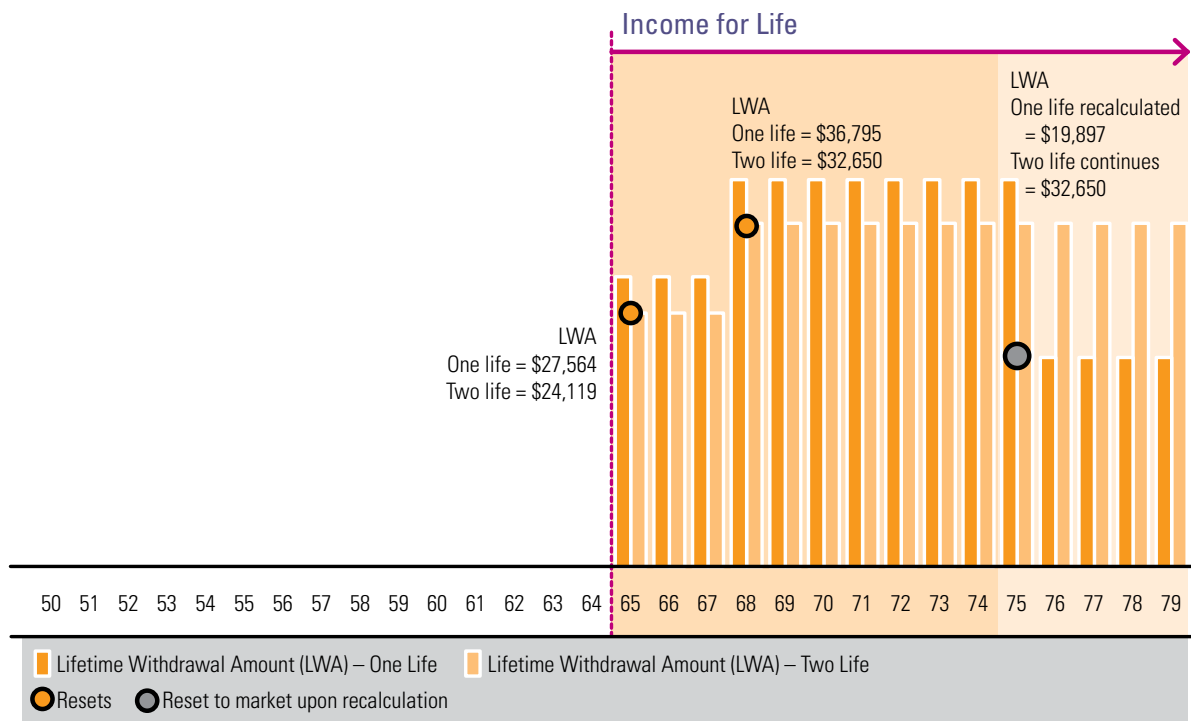
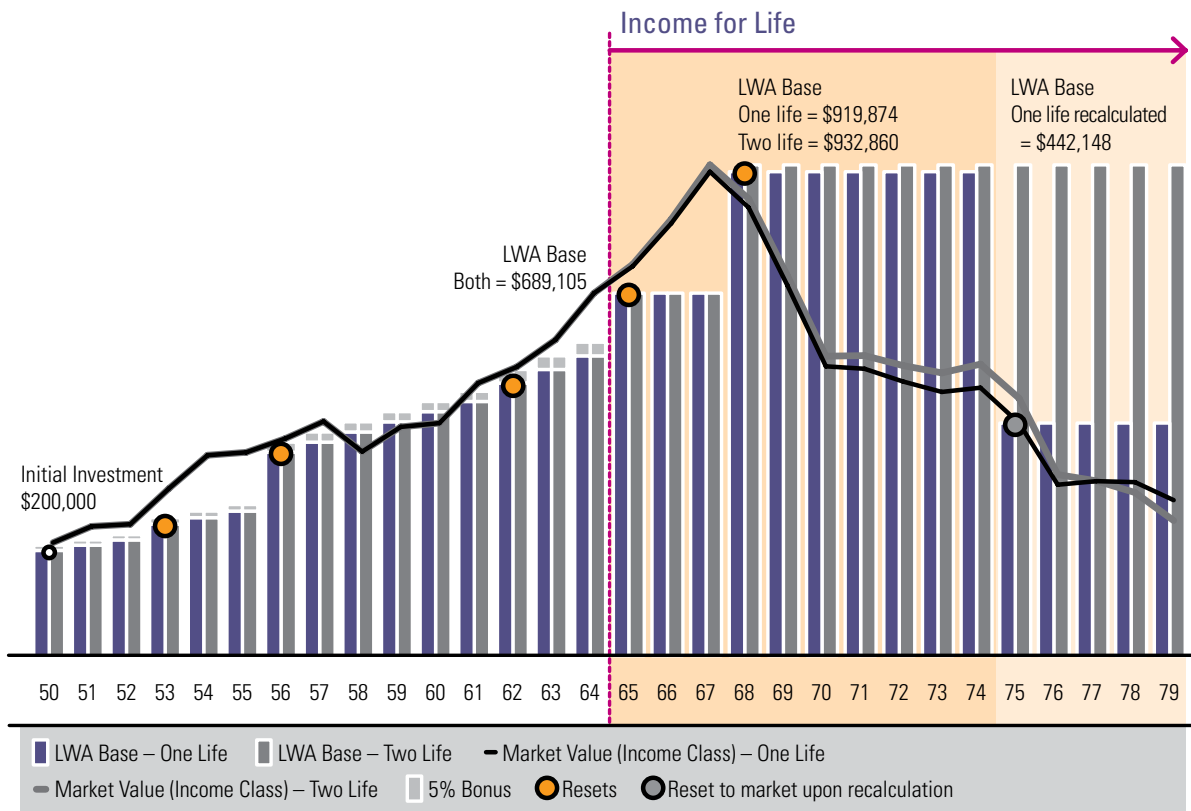
A couple, both age 50, deposit their retirement savings of \$200,000 into Income Class 15 years prior to retirement. During the following 15 years, they receive the annual 5% Bonus as well as several resets. By age 65, the LWA Base has risen to \$689,105.

- If they had chosen the one-life option, the annual income would be calculated at 4% of the LWA Base, or \$27,564.
- If they had chosen the two-life option, the annual income would be 3.5% of the LWA Base or \$24,119.
- There is a small difference of \$3,445 annually between the two options.

Over the next several years, despite the withdrawals, their investments perform well and they continue to receive resets, which raises the LWA to \$36,795 for the one-life option and \$32,650 for the two-life option. 

At age 75, the husband dies.


- If they have chosen the one life option with the intention to elect to continue an income on the death of the husband, the LWA Base would be recalculated at market value of the Income Class units – in this case, \$442,148.
- If they had chosen the two-life option, the LWA payment would continue at the same level of \$32,650 until the death of the wife, when the death benefit would be paid.
- The difference between the two options becomes \$12,753 annually – a sizeable amount.



* Based on non-registered plans. Illustration assumes 70% equity/30% fixed-income asset mix (Equity is one-third each S&P/TSX Composite Index, S&P 500 Index, and MSCI World Index; income is DEX Universe Bond Total Return) based on historical rates of return, gaining on average 6.55% per year. Annual withdrawals for the one-life option are assumed to be 4% of the LWA Base at age 65, and 4.25% at age 71. Annual withdrawals for the two-life option are assumed to be 3.5% at age 65. Recalculation on death at age 75 is at market value and assumes a withdrawal rate of 4.5%. Subject to legislated minimums and maximums and certain conditions. Exceeding the LWA withdrawal rate will have a negative impact on future payments. For One-Life Income Stream, a guaranteed income for life or Guaranteed Life Withdrawal Benefit (GLWB) of 4% (LWA Rate) is available at January 1 of the year the Annuitant turns 65 or 3% (LWA Rate) at January 1 of the year the Annuitant turns 55. For Two-Life Income Stream, a GLWB of 3.5% (LWA Rate) is available at January 1 of the year the younger spouse turns 65 or 2.5% (LWA Rate) at January 1 of the year the younger spouse turns 55. Payments can continue until the death of the Annuitant (or the Annuitant and Second Life or Two-Life Income Stream) or termination of contract.



SunWise Essential Series 2 Income Class provides a RRIF for life



SunWise Essential Series 2 Income Class provides flexibility to withdraw more than the age-tiered amount annually throughout retirement to meet the legal and regulatory requirements for RRIFs, **without affecting the future guaranteed income for life.**

- **For RRIF, LIF, LRIF and PRIF contracts** – in any year the LWA RRIF MAP is greater than the LWA, clients will be allowed to withdraw up to the LWA RRIF MAP without triggering an Excess Withdrawal.
- **For LIF or LRIF contracts** – in any year the LWA exceeds the maximum payment permitted by legislation, the withdrawals will be reduced to the maximum permitted. The reduction will be carried forward as a LWA Deferral, which means it is carried forward to subsequent years.

RRIF clients get unique advantages:

- A guaranteed income floor, the LWA, throughout retirement even if the market value is reduced to zero.
- In the first year, if no RRIF income is taken, up to a 5% Bonus can increase the guaranteed annual income, giving the client's retirement income a boost.

- For all deposits made to Income Class in the first calendar year, the 5% Bonus is prorated based on the quarter of the calendar year the initial deposit was made.
- Flexibility to withdraw more than the annual LWA to meet the required RRIF minimum without affecting their future guaranteed income stream and to fund the RRIF MAP – taking the payment all from one Class or a combination of Classes.

SunWise Essential Series 2 allows clients to hold more than one class of units in one contract. A RRIF strategy for clients could include holding the majority of their retirement savings in Income Class, but making withdrawals from either Investment or Estate Class. That way they could:

- take income later in life from their Income Class units – to take advantage of the age-tiered withdrawal feature
- receive an income from Investment or Estate Class units and still collect the 5% Bonus on their Income Class units (if they haven't already maximized the 15 years for receiving it).

This chart illustrates the guaranteed income for life with the two-life option. A couple deposits \$200,000 in Income Class at age 71. At age 72, the husband begins to take his RRIF withdrawals. Because SunWise Essential Series 2 Income Class will always pay the higher of the LWA or LWA RRIF MAP, he receives an annual payment of MAP – \$17,320, or \$9,445 higher than his LWA of \$7,875.

Because of resets the LWA has increased to \$11,187. Unfortunately, the husband dies at age 79. The guaranteed income for life is continued for the wife since she was named as sole beneficiary of the contract. Income Class will continue to pay the same annual income with top-ups to LWA RRIF MAP, which is calculated based on her husband's age.

If they have chosen the one life option with the intention to elect to continue an income on the death of the husband, the LWA Base would be recalculated at a market value of \$208,337 to provide a new LWA and an annual income of \$9,375.

The two-life option has several benefits, including:

- the certainty of the guaranteed income payment amount, as the recalculated LWA payment could be significantly lower should market conditions be unfavourable at time of death
- a higher guaranteed income for life because the LWA is not recalculated after the death of the husband.

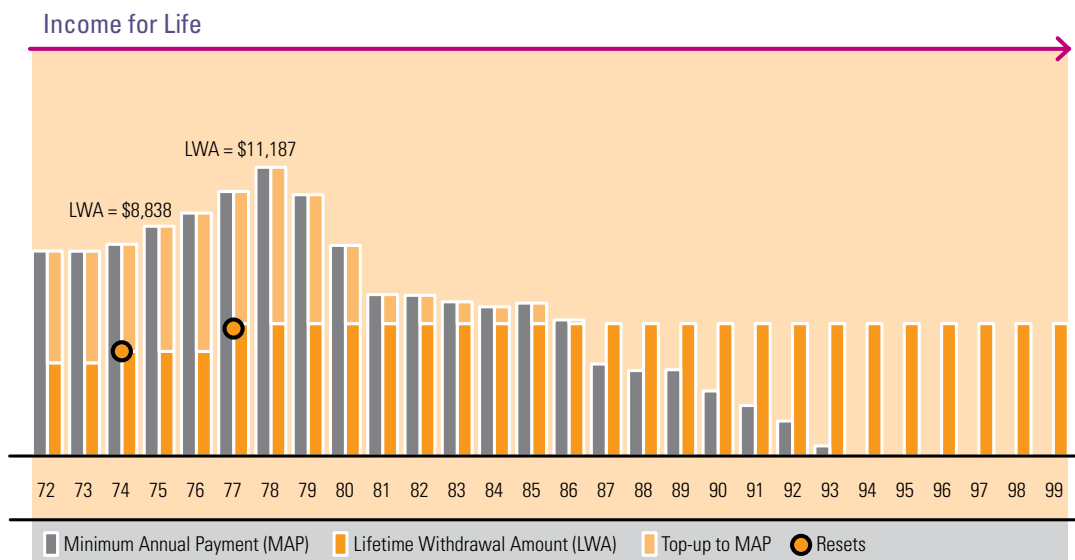


Illustration assumes 70% equity/30% fixed-income asset mix (Equity is one-third each S&P/TSX Composite Index, S&P 500 Index, and MSCI World Index, income is DEX Universe Bond Total Return) based on historical rates of return over the 1982-2011 period with strong early performance, gaining on average 6.94% per year. Annual withdrawals are assumed to be 3.75% of the LWA Base for two life at age 71, 4% at age 77 and 4.5% at age 80. For one life the LWA rate is 4% at age 65 and 4.25% at age 71. Subject to legislated minimums and maximums and certain conditions. Exceeding the LWA withdrawal rate will have a negative impact on future payments. For One-Life Income Stream, a guaranteed income for life or Guaranteed Life Withdrawal Benefit (GLWB) of 4% (LWA Rate) is available at January 1 of the year the Annuitant turns 65 or 3% (LWA Rate) at January 1 of the year the Annuitant turns 55. For Two-Life Income Stream, a GLWB of 3.5% (LWA Rate) is available at January 1 of the year the younger spouse turns 65 or 2.5% (LWA Rate) at January 1 of the year the younger spouse turns 55. Payments can continue until the death of the Annuitant (or the Annuitant and Second Life or Two-Life Income Stream) or termination of contract.

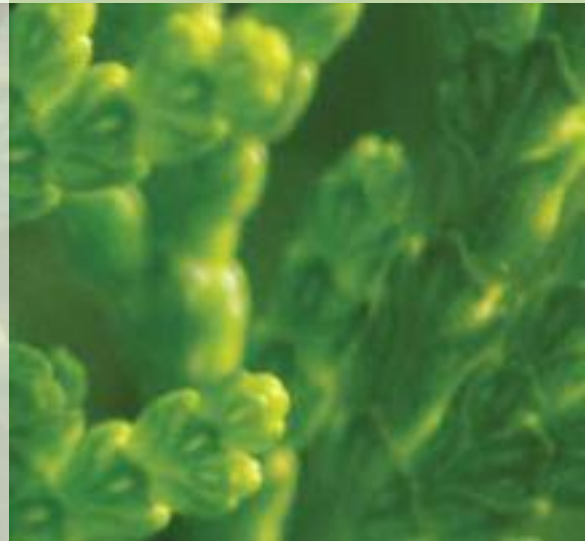
See Making a RRIF last for life Case Study for more details.



SunWise Essential Series 2 Investment Class



Investment Class is primarily for investors during the wealth accumulation stage, prior to age 50.



It allows them to benefit from many of the advantages of investment funds:

- potential for growth
- outstanding money management
- diversification, choice and flexibility of investments.

And, receive all the protective features of an insurance contract backed by the strength of Sun Life Financial:

- estate planning benefits – Investment Class can be structured with proper beneficiary designation to avoid passing proceeds through your client’s estate at the time of the annuitant’s death
- principal protection of 75% at contract maturity at age 100 and 75% at death, helping to protect your clients’ investments (withdrawals proportionately reduce the value of the principal protection guarantees)
- potential creditor protection if the proper beneficiary designation is in place.

In addition, clients with Investment Class have the ability to hold up to 100% equity.

To maximize the potential for growth and build a portfolio with some of the best managers in Canada, clients can select from more than 60 funds representing leading portfolio management teams that can fit any investor’s objectives and preferences.

This includes:

- income funds
- balanced funds
- equity funds (Canada, U.S. and global)
- Bundles, and
- portfolio managed solutions.






SunWise Essential Series 2
can protect the value of your clients'
investments for their beneficiaries.

A large background image showing a sunrise over a field. The sky is a gradient of orange and yellow, and the field is a darker orange-brown. In the top left corner, there is a small, rounded square icon showing a close-up of a sunrise over a field.

SunWise Essential Series 2 Estate Class

Estate Class protects the value of your clients' investments for their loved ones.



SunWise Essential Series 2 Estate Class provides principal guarantees to protect your clients' investments. It offers 100% at death (subject to the Late Deposit Reduction) and 75% at contract maturity, at age 100. Automatic resets every three years on the Contract Anniversary Date up to the year the annuitant turns age 80, can increase the value of the death benefit guarantee.

Estate Class is for clients who want to protect the value of their estate for their beneficiaries, while minimizing estate settlement costs and delays.

In addition, clients receive all the benefits of segregated funds, such as the advantages of investment funds and the protective features of an insurance contract.

Principal protection guarantees are reduced on a proportional basis by any withdrawals made from your client's policy. (See the Information Folder and Contract including any Supplements for details.)

To maximize the potential for growth, clients can select from more than 40 funds representing leading portfolio management teams that can fit any investor's objectives and preferences.

These include:

- income funds
- balanced funds
- Bundles, and
- portfolio managed solutions.

SunWise Essential Series 2 Death Benefit Resets

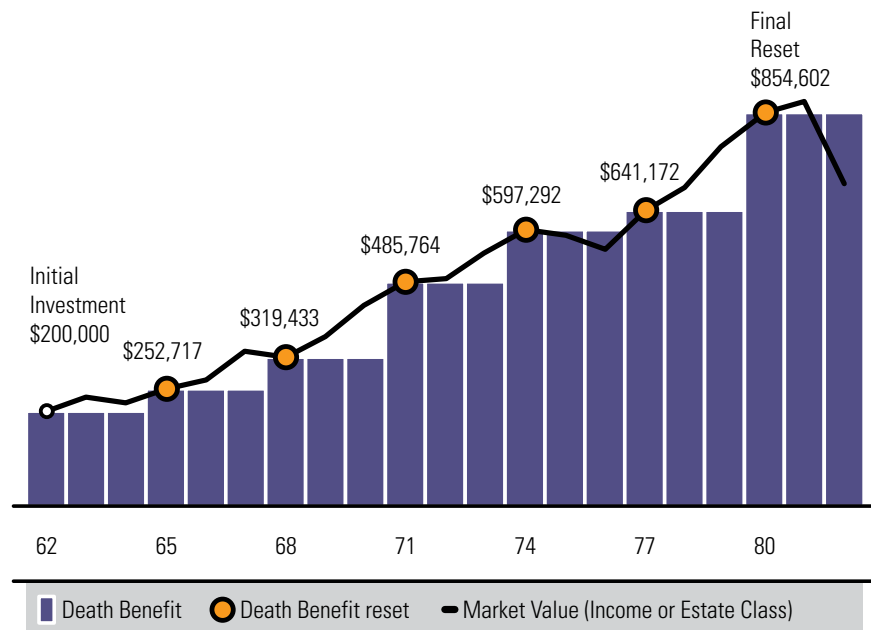
Estate Class and Income Class both have a death benefit of 100%. Similar to the three-year guaranteed income resets, the death benefit also comes with an automatic reset on the Contract Anniversary Date every three years and a final reset in the year the annuitant turns age 80. If the market value of the Estate Class units or Income Class units is higher than the Death Benefit Base, it will be reset to the market value. After the Death Benefit Base is reset, any Late Deposit Reduction that was in effect prior to the reset will continue to apply to a proportionate amount of the Death Benefit Base after the reset. The Death Benefit Base is affected by additional deposits and any withdrawals.

A Late Deposit Reduction is when the Death Benefit Base for Estate Class or Income Class is to be increased on a valuation date after the annuitant turns 75, by reason of a deposit or a reclassification of units from Investment Class to that Class, that the amount added to the Death Benefit Base will be 80% of the amount that otherwise would be added for the first three years following such valuation date, following which three-year period 100% of the amount will be included in the Death Benefit Base.

The chart below shows how the Death Benefit Base is reset.



The Death Benefit resets every three years, with the final reset on the annuitant's 80th birthday.



SunWise Essential Series 2 Income Class survivor benefits

Transferring income guarantees on death

As insurance contracts, segregated fund policies can be set up in a variety of ways to provide effective estate planning solutions, or to transfer the right to receive the income guarantee.

The most important feature of Income Class is the ability to select either the One-Life or the Two-Life Income Stream. But, this must be elected at the time of the first deposit into the Income Class and may not be changed.

One-Life Income Stream

The LWA will be determined based on the age of the designated annuitant. The GLWB will terminate upon the death of the designated annuitant, except in the following two cases:

- for registered plans, a spouse named as the sole primary beneficiary, may elect to continue receiving LWA payments with the guaranteed income for life upon the death of the first annuitant, but it will be recalculated based on the current market value. For RRSP-type plans, the spouse is required to establish their own registered plan for the continuation of the GLWB on the death of the annuitant.
- for non-registered plans, the policy may be set up on a joint annuitant basis to determine the life of the contract, with a single annuitant elected as the designated annuitant for the GLWB. Upon the death of the designated annuitant, LWA payments can continue with the guaranteed income recalculated based on the current market value and the age of the surviving annuitant.



Two-Life Income Stream

The LWA is based on the age of the younger of the annuitant and the Second Life. Only the spouse of the annuitant may be named as a Second Life.

- for RIF-type plans, TFSA plans and RRSP-type plans, the two-life income stream may only be elected when the spouse of the annuitant is named as the sole primary beneficiary. Upon the death of the annuitant, the LWA payments will continue through spousal contractual continuance until the death of the spouse. For RRSP-type plans, the spouse is required to establish their own registered plan for the continuation of the GLWB on the death of the annuitant.
- for non-registered plans, the two-life income stream may only be elected if the contract is established as a joint annuitant policy where the joint annuitants are spouses. Upon the death of one of the annuitants, the LWA payments will continue uninterrupted until the death of the second annuitant.

A wide choice of investments



SunWise Essential Series 2 offers different investment strategies for each class.

Income Class and Estate Class are offered with more than 35 funds that allow clients to invest up to 70% in equities. These include balanced funds, managed solutions and SunWise Essential Bundles.

Investment Class can be allocated to 100% equities for potential growth, plus there is a selection of balanced funds, managed portfolios and Bundles.

Your clients can select from over 60 funds covering all asset classes and investment styles and managed by some of Canada's top portfolio managers.

Portfolio Series is available for all classes.

CI Private Investment Management is available for high-net-worth clients with a minimum \$100,000 investment.

Leading portfolio managers



Managed Solutions

SunWise
EssentialBundles

CI PRIVATE INVESTMENT MANAGEMENT

Portfolio Series™

Sun Life GLOBAL Investments

SunWise Essential Bundles

maximize your client's equity exposure



SunWise Essential Bundles are based on a portfolio strategy that combines equity, balanced and income funds maximize the growth potential of your investment in SunWise Essential Series 2. Every month, the Bundles are rebalanced to provide the maximum 70% equity exposure permitted for Income Class and Estate Class. The Segregated Balanced Bundles are also rebalanced every month to provide an 85% weighting in the primary balanced fund and a 15% weighting in the fixed income fund. Unlike other managed solutions, where asset allocation is performed at the fund level, we rebalance based on the securities in each underlying fund.

Your clients benefit because:

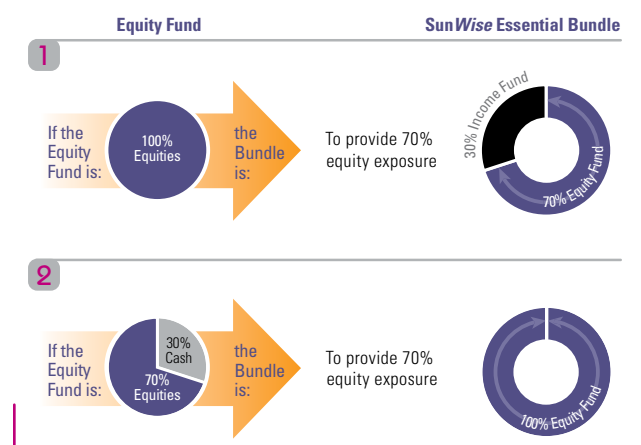
- they are always fully exposed to the higher growth potential of equities, and
- they have access to some of the best portfolio managers in Canada, including Stephen Jenkins, Harbour Advisors; Eric Bushell, Signature Global Asset Management; Alan Radlo, Cambridge Global Asset Management; Daniel Bubis, Tetrem Capital Management; Fidelity Investments; and Sun Life Global Investments (Canada) Inc.

SunWise Essential Bundles are available for all classes.

Here's how they work

All equity funds hold a certain amount of cash. With SunWise Essential Bundles, we consider the cash in the equity fund to be part of the fixed-income weighting. That means that there is no duplication of income assets and no “cash drag” on the Bundle.

Here are two examples of Segregated Bundles.



The fund allocation of the Bundle mix is determined by the underlying security allocation of the equity fund(s).

Three different types of Bundles for three different types of clients



We offer three types of Bundles to make it easier to meet the needs of different clients.

Segregated Bundles are a combination of one equity fund with a conservative bond fund that invests in Canadian government or corporate bonds. The asset allocation of 70% equity/30% income will be achieved by investing approximately 70% of the Bundle in the equity fund and 30% in the income fund. The actual amount invested in each fund will vary monthly, depending on their holdings. Segregated Bundles are suitable for clients who want to combine their equity investment with the stability of a pure bond fund.

Segregated Diversified Bundles combine one or two equity funds with a diversified income fund that invests in a diverse portfolio of income securities, including equities such as REITs and income trusts, as well as bonds. The asset allocation of 70%

equity/30% income will be achieved by investing approximately 50% of the Bundle in the equity fund and 50% in the diversified income fund. The actual amount invested in each fund will vary monthly, depending on their holdings. Segregated Diversified Bundles are suitable for clients who want to combine their equity investment with an income fund that invests in higher-yielding securities.

Segregated Balanced Bundles are available in two options: As an asset allocation fund combined with a Canadian bond fund or as a Canadian balanced fund combined with a diversified income fund. The Balanced Bundles have a fixed 15% allocation to the income fund and are rebalanced monthly. Segregated Balanced Bundles are suitable for clients who want the benefits of diversified funds that provide stable returns with lower than average volatility.

SunWise Essential Series 2 Managed Solutions

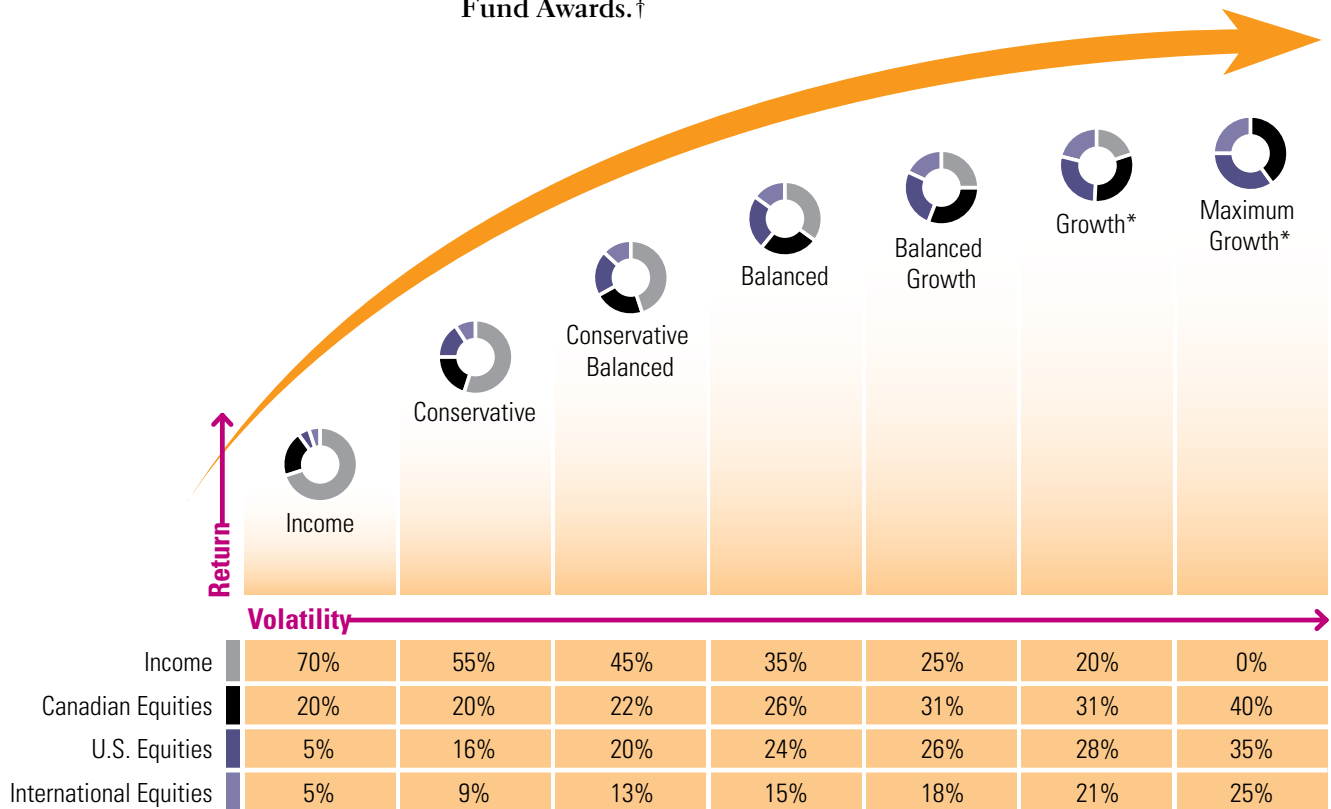
Portfolio Series™

SunWise Essential Series 2 gives your clients access to Portfolio Series, a comprehensive investment program. Portfolio Series is a family of seven strategic asset allocation funds designed to maximize returns for a given risk tolerance.

The seven funds are suitable for a range of distinct investor profiles, from income to maximum growth. The portfolios achieve their objectives by investing in a mix of CI mutual funds, providing diversification by asset class, region and economic sector.

Provide your clients with the benefits of a fully diversified managed solution, with CI's leading portfolio managers, and the convenience of one fund to purchase and track.

The excellence of Portfolio Series has been recognized by the Morningstar Canadian Investment Awards, which named it **Best Fund of Funds** in 2012. In addition, Portfolio Series Income Fund earned two 2013 **Lipper Fund Awards**.†



*Portfolio Series Growth and Maximum Growth are not available for Income or Estate Classes

CI Private Investment Management



CI PRIVATE INVESTMENT
MANAGEMENT

Effective wealth management, today and for future generations.

As your clients' assets grow, so too does their need for a sophisticated investment program that can address their wealth and estate planning needs in a comprehensive and cost-effective manner. CI Private Investment Management (PIM), available in SunWise Essential Series 2, combines several key features to provide high net worth investors with an effective way to manage their assets now and for future generations. Built on a flexible, competitive platform, PIM investment solutions are designed to enhance client accounts from a tax, asset allocation and cost perspective, all backed by the strength of CI Investments' award-winning portfolio management expertise.

PIM's pricing structure offers competitive management fees that are lower than traditional retail products, allowing account balances to compound at a greater rate. Tiered management fee reductions are applied to larger account balances. PIM is available at a minimum \$100,000 per investment mandate with

features such as family account linking and additional fee reductions starting at the \$250,000 household level. PIM units in products other than SunWise Essential Series 2 may be included in reaching these thresholds.

PIM within SunWise Essential Series 2 allows investors to take advantage of the potential tax deductibility of fees, as management fees and dealer service fees are charged externally. Operating expenses are embedded. The program also offers flexible compensation options, including the ability to adjust PIM Investment Advisory fee to between 0% and 1.25%.

PIM offers a choice of more than 35 SunWise Essential Series 2 investment options in three classes, PIM Income Class, PIM Investment Class and PIM Estate Class.

For more information, visit www.ci.com/pim.

Investment matrix

Income Class

Individual funds	<ul style="list-style-type: none"> ■ income funds ■ balanced funds
Portfolio managers	<ul style="list-style-type: none"> ■ Black Creek Investment Management, Fidelity Investments, Signature Global Asset Management, Sun Life Global Investments (Canada) Inc.
SunWise Essential Bundles	<ul style="list-style-type: none"> ■ 20 Segregated and Segregated Diversified
Portfolio managers	<ul style="list-style-type: none"> ■ Black Creek Investment Management, Cambridge Global Asset Management, Epoch Investment Partners, Fidelity Investments, Harbour Advisors, Signature Global Asset Management, Sun Life Global Investments (Canada) Inc., Tetrem Capital Management
Portfolio Series	<ul style="list-style-type: none"> ■ five managed portfolios ranging from Income to Balanced Growth
Portfolio managers	<ul style="list-style-type: none"> ■ Altrinsic Global Advisors, Cambridge Global Asset Management, Epoch Investment Partners, Harbour Advisors, Picton Mahoney Asset Management, Signature Global Asset Management, Tetrem Capital Management
Sales charge	←
Annual service fees	←
Initial investment	■ \$25,000
Minimum subsequent deposits	■ \$100 (\$50 monthly by PAC)
Accounts serviced	←
Also available in	PIM Income Class

Investment Class

- income funds
- balanced funds
- equity funds (Canada, U.S. and global)

Black Creek Investment Management, Cambridge Global Asset Management, Epoch Investment Partners, Fidelity Investments, Harbour Advisors, Signature Global Asset Management, Sun Life Global Investments (Canada) Inc., TD Asset Management, Tetrem Capital Management

20 Segregated and Segregated Diversified

Black Creek Investment Management, Cambridge Global Asset Management, Epoch Investment Partners, Fidelity Investments, Harbour Advisors, Signature Global Asset Management, Sun Life Global Investments (Canada) Inc., Tetrem Capital Management

seven managed portfolios ranging from Income to Maximum Growth

Altrinsic Global Advisors, Cambridge Global Asset Management, Epoch Investment Partners, Harbour Advisors, Picton Mahoney Asset Management, Signature Global Asset Management, Tetrem Capital Management

ISC: up to 5% DSC: 5%

ISC: 0.25%–1% DSC: 0%–0.5%

\$500 (\$50 monthly by PAC)

\$100 (\$50 monthly by PAC)

Open, RRSP, LIRA, LRSP, RRIF, LRIF, LIF, PRIF, RLIF, RLSP, TFSA

PIM Investment Class

Estate Class

- income funds
- balanced funds

Black Creek Investment Management, Fidelity Investments, Signature Global Asset Management, Sun Life Global Investments (Canada) Inc., TD Asset Management,

20 Segregated and Segregated Diversified

Black Creek Investment Management, Cambridge Global Asset Management, Epoch Investment Partners, Fidelity Investments, Harbour Advisors, Signature Global Asset Management, Sun Life Global Investments (Canada) Inc., Tetrem Capital Management

five managed portfolios ranging from Income to Balanced Growth

Altrinsic Global Advisors, Cambridge Global Asset Management, Epoch Investment Partners, Harbour Advisors, Picton Mahoney Asset Management, Signature Global Asset Management, Tetrem Capital Management

\$500 (\$50 monthly by PAC)

\$100 (\$50 monthly by PAC)

PIM Estate Class

Terminology

5% Bonus is the amount equal to 5% of the 5% Bonus Base as of December 31. It is allotted on a prorated basis for the first year Income Class units are purchased, plus the next 15 full calendar years, when there are no withdrawals of Income Class units. 5% Bonuses increase the LWA Base used for calculating guaranteed income but do not impact contractual maturity/death benefits, or the market value of the Income Class units.

5% Bonus Base is the amount used to calculate the 5% Bonus at the end of each bonus year. It equals the first deposit to Income Class units and may be adjusted by LWA Base Additions, GLWB resets, Early Withdrawals and Excess Withdrawals.

Age 55 LWA Election means the election clients must make if they would like to start receiving LWA payments on or after January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 55 years of age but before January 1 of the calendar year in which the same person turns 65 years of age. If they have not made a withdrawal they may cancel this election at any time by notifying us. If no withdrawals have been made before January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 65 years of age, the election will not apply.

Contract Anniversary Date is the anniversary of the Contract Date (initial deposit).

Death Benefit is the sum of the Class Death Benefits for each Class of units allocated to the Contract on the Death Benefit Date. Each Class Death Benefit will be the greater of the market value of the units and the applicable percentage of the Death Benefit Base. The Death Benefit can potentially increase with resets that occur every three years on the Contract Anniversary Date, up to the year the Annuitant turns age 80. Any withdrawals will reduce the Death Benefit on a proportionate basis.

Early Withdrawal is any redemption of Income Class units before the LWA Eligibility Date.

Excess Withdrawal is the amount by which the Income Class units redeemed during the year exceeds the LWA (or the LWA RRIF MAP if greater), and any LWA Deferrals available for such year.

Guaranteed Lifetime Withdrawal Benefit (GLWB) provides a pre-determined amount (the LWA) available for withdrawal from Income Class units each calendar year. The LWA is calculated as a percentage of the LWA Base. There are two Income Stream options and one must be selected at the time Income Class units are first allocated to the contract.

One-Life Income Stream means that the LWA will be available each year commencing on the LWA Commencement Date and ending on the earlier of the death of the Annuitant and the date on which the contract is terminated. If the One-Life Income Stream is selected for a Joint Annuitant contract, clients must designate which Joint Annuitant will be used for determining the entitlements under the GLWB. The GLWB will end on the death of such Annuitant even if the Joint Annuitant is surviving. If there are any Income Class units remaining, a new LWA entitlement will be recalculated based upon the age of the surviving Annuitant and the value of the remaining Income Class units. The Death Benefit Date will not occur until the death of the surviving Annuitant. The Contract Maturity Date will continue to be calculated based on the life of the younger Joint Annuitant.

Two-Life Income Stream means that the LWA will be available each year commencing on the LWA Commencement Date and ending on the earlier of the death of the Annuitant or the Second Life (whichever occurs later), and the date on which the contract is terminated. The Second Life must be the spouse or common-law partner of the Annuitant.

GLWB Reset means an upward adjustment, if applicable, to the LWA Base, the 5% Bonus Base and the LWA, determined every third Contract Anniversary Date.

Guaranteed Payment Phase is the period following the LWA Commencement Date when the value of the Income Class units is nil and the LWA Base is positive.

Income Class Value is the market value of your Income Class units.

Late Deposit Reduction occurs when the Death Benefit Base for Estate Class or Income Class is increased on a valuation date after the annuitant's 75th birthday by reason of a deposit or a reclassification of units from Investment Class, and the effect is that the amount added to the Death Benefit Base will be 80% of the deposit or reclassification for the first three years following such valuation date. Following completion of the three-year period and provided the Annuitant did not die in the three-year period, 100% of the deposit or reclassification will be included in the Death Benefit Base.

Lifetime Withdrawal Amount (LWA) is calculated as a percentage of the LWA Base on the LWA Commencement Date. The LWA Rate varies based on the expected age of the Annuitant on December 31 of the calendar year in which the LWA Commencement Date occurs. With the Two-Life Income Stream, the LWA Rate is based on the expected age of the younger of the Annuitant and the Second Life. The LWA may increase with LWA Base Additions or resets in a higher age tier. (See page 21 for age-tier chart.)

LWA Base is the first deposit allocated to Income Class units, subsequently adjusted by LWA Base Additions, GLWB Resets, 5% Bonuses, Early Withdrawals and Excess Withdrawals.

LWA Base Additions are subsequent deposits allocated to Income Class units or a reclassification of Investment Class units or Estate Class units to Income Class units.

LWA Base Fee is paid quarterly based on the value of the LWA Base at the end of each quarter and the level of risk of the funds invested over the quarter.

LWA Commencement Date is the first date on or after the LWA Eligibility Date on which clients redeem Income Class Units (other than to pay Contract-level fees) or reclassify Income Class units to a different class.

LWA Deferral is an election not to receive some or all of the LWA in any year. Existing LWA Deferrals can be withdrawn, but additional LWA Deferrals are not permitted during the Guaranteed Payment Phase or after the contract maturity date. LWA Deferrals cannot exceed 15% of the LWA Base. LWA Deferrals are reset to zero whenever there is a GLWB reset. LWA Deferrals terminate on the Death Benefit Date and are not added to the Death Benefit.

LWA Eligibility Date means January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 65 years of age or 55 years of age, if you make the Age 55 LWA Election.

LWA RRIF MAP applies if the Contract is a RRIF, LIF, LRIF, PRIF or RLIF. It is the portion of your contract level Minimum Annual Payment (MAP) that applies to the Income Class units only, based on the market value of Income Class units as a proportion of the total market value of the Contract.

I For RRIF, LIF, LRIF and PRIF contracts – in any year the LWA RRIF MAP is greater than the LWA, clients will be allowed to withdraw up to the LWA RRIF MAP without triggering an Excess Withdrawal.

I For LIF or LRIF contracts – in any year the LWA exceeds the maximum payment permitted by legislation, the withdrawals will be reduced to the maximum permitted. The reduction will be carried forward as a LWA Deferral, which means it is carried forward to subsequent years.

Brought to you by two industry leaders



SunWise Essential Series 2 contracts are issued by Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies. Serving one in every five Canadians, **Sun Life Financial** is a leading international financial services organization providing a diverse range of protection and wealth accumulation products and services to individuals and corporate customers. Chartered in 1865, Sun Life Financial and its partners today have operations in key markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China and Bermuda. As of June 30, 2014, the Sun Life Financial group of companies had total assets under management of \$684 billion. Sun Life Financial Inc. trades on the Toronto (TSX), New York (NYSE) and Philippine (PSE) stock exchanges under ticker symbol SLF.

SunWise Essential Series 2 is managed by **CI Investments Inc.**, one of Canada's largest investment fund companies with \$100 billion in assets under management on behalf of more than two million Canadians. CI Investments offers the industry's broadest selection of investment funds under the CI, Cambridge, Black Creek, Harbour, Signature, Synergy, Portfolio Series and Portfolio Select Series banners. CI is a subsidiary of CI Financial Corp. (TSX: CIX), an independent, Canadian owned wealth management firm with approximately \$130 billion in assets as of September 30, 2014. CI is on the web at www.ci.com.

FOR ADVISOR USE ONLY

Please refer to **SunWise Essential Series 2 Information Folder and Contract including any Supplements for full details.**

All charts and illustrations in this guide are for illustrative purposes only. They are not intended to predict or project investment results. To the extent of any inconsistencies between this guide and the SunWise Essential Series 2 Information Folder and Individual Variable Annuity Contract including any Supplements, the terms of the Information Folder and Contract and Supplements prevail. For full product details and disclosure, refer to the Information Folder and Contract and Supplements.

For more information about the innovative features
and benefits of SunWise Essential Series 2,
please visit www.sunwiseessentialseries.com.

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