



# Sun Guaranteed Investment Fund Solutions

## INCOME SERIES SUPPLEMENT

**Information folder and individual variable annuity contract**

*issued by Sun Life Assurance Company of Canada*

**APRIL 2023**

# Sun Guaranteed Investment Fund Solutions – Income Series supplement

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**Information folder and individual variable annuity contract  
issued by Sun Life Assurance Company of Canada**

**April 2023**

This document contains the Income Series information folder and contract provisions and is a supplement to the Sun Guaranteed Investment Fund (GIF) Solutions information folder and contract. The segregated fund information folder is published by the Sun Life Assurance Company of Canada (“Sun Life”) for information purposes only and is not an insurance contract. Sun Life is the issuer of the Sun GIF Solutions individual variable annuity contract and the guarantor of the guarantee provisions.

# Key facts

## Sun Guaranteed Investment Fund Solutions Income Series

This summary provides a brief description of the Income Series' features and benefits. This summary is not part of your contract.

The attached supplement provides information about the Income Series. You should read it together with the Sun Guaranteed Investment Fund Solutions (Sun GIF Solutions) information folder and contract and any other supplements for a guarantee series you have received for complete information.

### What am I purchasing?

You are purchasing Income Series units for your Sun GIF Solutions contract.

**The value of your contract can go up or down and is subject to guarantees.**

### What guarantees are available?

The Income Series gives you a lifetime guaranteed income. It also gives you maturity and death benefit guarantees that apply when you reach a certain age or when you die, whichever happens first.

- **Lifetime guaranteed income:** provides you with a guaranteed annual income for life starting as early as age 50. You may select the frequency you want to receive your income. Your income can be based on your life or the life of you and your spouse. Each deposit you make will receive the minimum income rates in effect on that day. There is a separate rate for each age at which you might choose to start your income (income age). The income we guarantee is the amount of each deposit multiplied by the applicable rate. If you take money from Income Series units before you confirm that you would like to start the income, your guaranteed income will be reduced. Each year, before you start income, we will tell you the guaranteed income you could receive for a select number of income ages on your statement.

- **Maturity guarantee:** protects the value of the premiums you paid on the contract maturity date (most often age 105). The maturity guarantee is 75% of all premiums you paid, less a reduction for any withdrawals.
- **Death benefit guarantee:** protects the value of the premiums you paid on death. The death benefit guarantee is 75% of all premiums you paid, less a reduction for withdrawals.

Withdrawals out of the Income Series units will reduce your maturity and death benefit guarantees and may reduce your guaranteed income. See section 3, Guaranteed benefits, for more information.

Different guarantee series may be available that offer different guarantees. The maturity and death benefits for each series are calculated separately.

### What investments are available?

There is one fund offered with various sales charge options. See our website at [sunlifeglobalinvestments.com/investmentoptions](http://sunlifeglobalinvestments.com/investmentoptions) or talk to your insurance advisor for more information.

Sun Life does not guarantee the performance of the fund. Carefully consider your risk tolerance when you purchase Income Series units.

### How much will this cost?

The cost for the Income Series depends on the sales charge option you choose.

#### Sales charge options

We have different sales charge options available. Depending on the sales charge option you choose, we may:

- deduct a sales commission from your premium, or
- pay an upfront sales commission to your distributor who pays your insurance advisor.
  - they may have to return all or part of their sales commission for withdrawals made during a specific period.

Fee-based accounts may have different sales charge options. See section 5, Fees and charges, in the Sun GIF Solutions information folder for more information.

## Fees and expenses

There are fees to cover the cost of providing the guarantees, the management fee for the fund and other expenses. We deduct these fees, expenses, and applicable taxes from the fund. The total fees and expenses charged to the fund over the course of the calendar year are used to determine the fund's management expense ratio (MER). The unit value of the fund is reduced by the fees and expenses. Fee-based accounts may have some fees that are paid directly by you which are not included in the MER. See section 5, Fees and charges, in the Sun GIF Solutions information folder for more information.

### Other fees

Sun Life may charge additional fees for certain transactions including early withdrawals. We may also charge small policy fees. See section 5, Fees and charges, in the Sun GIF Solutions information folder for more information.

See our website at [sunlifeglobalinvestments.com/investmentoptions](http://sunlifeglobalinvestments.com/investmentoptions) or talk to your insurance advisor for detailed information regarding the fees associated with your investment option.

## What can I do after I purchase the Income Series units?

You can make additional deposits, request withdrawals and transition to different guarantee series within your contract, subject to our administrative rules. When your contract reaches the maturity date, you will have options available. If you don't select an option we will provide you with a payout annuity.

### Age limitations

We set the latest maximum ages that you can make premium payments or deposits into the Income Series based on our administrative rules and the Income Tax Act depending on the registration type of your contract. See section 2.1, Deposits, in the information folder for more information.

### Other information

Certain restrictions and other conditions may apply. Review the supplement for your rights and obligations and discuss any questions with your insurance advisor.

## What information will I receive about my contract?

At least once a year we will send you a summary of the value of your investments, the transactions you made, and information about your guarantees.

The annual audited financial statements and semi-annual unaudited financial statements for each fund are available on Sun Life's website or on request.

## Can I change my mind?

Yes, you can change your mind about purchasing Income Series units. If you change your mind you must tell us in writing within two business days after the date you receive confirmation of your purchase. We deem that you have received the confirmation five business days after we mail it.

The amount we return to you will be the amount of premium you paid or the value of your investments, whichever is less. The amount returned will include a refund of any sales commissions or other fees you paid. If the return will cause a \$0 balance in the Income Series, then this supplement will no longer form part of your contract.

## Where can I get more information or help?

For more information, please contact your insurance advisor, read the Sun GIF Solutions information folder and contract, the Income Series supplement or you may contact us at:

Sun Life Assurance Company of Canada  
30 Adelaide Street East, Suite 1  
Toronto, Ontario M5C 3G9  
Canada

1-844-753-4437  
Email: [gifs@sunlife.com](mailto:gifs@sunlife.com)

For information about handling issues you are unable to resolve with Sun Life, contact the OmbudService for Life and Health Insurance at 1-888-295-8112 or on the web at [olhi.ca](http://olhi.ca).

For information about additional protection that may be available for life insurance contract owners, contact Assuris, a company established by the Canadian life insurance industry. See [assuris.ca](http://assuris.ca) for details.

For information on how to contact the insurance regulator in your province visit the Canadian Council of Insurance Regulators website at [ccir-ccra.org](http://ccir-ccra.org).

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# Certificate

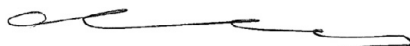
Sun Life Assurance Company of Canada certifies that this information folder supplement along with the Sun GIF Solutions information folder provides brief and plain disclosure of all material facts for the Income Series in the Sun GIF Solutions individual variable annuity contract, issued by Sun Life Assurance Company of Canada.



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President, SLGI Asset Management Inc. &  
Senior Vice President, Investment Solutions  
Sun Life Assurance Company of Canada



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Vice President, Product Management  
Sun Life Assurance Company of Canada

## Respecting your privacy

Our Purpose is to help our Clients achieve lifetime financial security and live healthier lives. We collect, use and disclose your personal information to: develop and deliver the right products and services; enhance your experience and manage our business operations; perform underwriting, administration and claims adjudication; protect against fraud, errors or misrepresentations; tell you about other products and services; and meet legal and security obligations. We collect it directly from you, when you use our products and services, and from other sources. We keep your information confidential and only as long as needed. People who may access it include our employees, distribution partners such as advisors, service providers, reinsurers, or anyone else you authorize. At times, unless we're prohibited, they may be outside your jurisdiction and your information may be subject to local laws. You can always ask for your information and to correct it if needed. In most cases, you have a right to withdraw your consent, but we may not be able to provide the requested product or service. Read our Global Privacy Statement and local policy at [www.sunlife.ca/privacy](http://www.sunlife.ca/privacy) or call us for a copy.

# Sun Guaranteed Investment Fund Solutions information folder – Income Series

## Section 1 General information

This supplement contains the Income Series information folder and contract provisions. It amends the Sun GIF Solutions information folder and contract.

In this supplement, “you”, “your”, and “owner” mean the owner of the contract. For non-registered contracts there can be more than one owner. “Sun Life”, “we”, “us”, and “our” mean Sun Life Assurance Company of Canada. Sun Life’s head office is located at 227 King Street South, Waterloo, Ontario N2J 4C5.

When we use the phrase “administrative rules”, we mean our administrative rules in place at the time of a transaction. We may change our administrative rules, without notice to you, for various reasons including:

- to improve service,
- to reflect corporate policy, or
- for economic or legislative changes including revisions to the Income Tax Act.

Sun Life may refuse any purchase. Your receipt of this supplement does not constitute our acceptance. The purchase of the Income Series takes effect as of the valuation day of the first deposit and when Sun Life receives and accepts the Income Series opening requirements. When our requirements are met, we will send you a purchase confirmation. If any addendum or amendment is required, we’ll send them to you and they will form part of the contract.

By allocating your deposits to the Income Series, you are choosing the benefits you wish to receive from the contract. For a description of the fund available to you, see our website at [sunlifeglobalinvestments.com/investmentoptions](http://sunlifeglobalinvestments.com/investmentoptions) or talk to your insurance advisor.

Purchasing units of a segregated fund means to allocate your deposit to units of a fund. You do not own these units or any part of the underlying assets of the fund.

Electronic versions of the information folder and contract, and supplements are available on our website at [sunlifeglobalinvestments.com/contracts](http://sunlifeglobalinvestments.com/contracts). Electronic versions of the fund facts are available on our website at [sunlifeglobalinvestments.com/ff](http://sunlifeglobalinvestments.com/ff). To request printed copies of these documents contact our Client Service Team at 1-844-753-4437 or talk to your insurance advisor.



## Section 2 Financial transactions

Financial transactions include paying premiums, withdrawals and changing guarantee series. Some financial transactions will affect your guaranteed values.

See section 3, Guaranteed benefits, for more information about how financial transactions affect the guarantees.

### 2.1 Deposits

A deposit is the premium amount you pay or the amount you transition from another guarantee series minus any sales charges and or government taxes.

#### Minimum opening requirements

To establish the Income Series you must satisfy our opening requirements. Your first premium amount or transition amount must meet our minimums. We will tell you if there are other requirements when you make your first deposit.

#### Minimum premium amounts

\$25,000 initial premium

\$500 for subsequent deposits

\$100 pre-authorized chequing plan (PAC) amount once initial minimum premium has been met

#### Valuation day

If your premium or transition meets our requirements, the Income Series takes effect on the valuation day of your first deposit.

#### When you can make a premium payment or deposit

You can make a premium payment or deposit at any time until December 31st of the year the annuitant reaches the age shown in the chart below.

Contract's registration type	Age of annuitant (on December 31st of that year)	
	Premium payment or deposit	Contract maturity
Non-registered, TFSA	90	105
RRSP, LIRA, LRSP, RLSP	71*	71* - by this age these registration types must be converted to a RRIF, LIF, LRIF, RLIF, or PRIF. See section 12.2, RRSP to RRIF conversions, in the Sun GIF Solutions contract for more information.
RRIF, LIF, LRIF, RLIF, PRIF	80 (deposits from other registered contracts only)	105

\* or the latest age permitted under the Income Tax Act

#### How we apply your deposit

We apply your deposit to purchase units of the fund with the sales charge option you select. The valuation day is the date we receive your purchase instructions which include the sales charge option you chose. If that day is not a valuation day, it will be the next valuation day. See section 4, Valuation, in the Sun GIF Solutions information folder for more information.

#### Payments not honoured

If a payment is not honoured we may charge you an administrative fee to cover our expenses. If you are making payments using PAC and a payment is not honoured, we will attempt a second withdrawal. We may cancel the PAC according to the PAC authorization.

### **Our right to refuse or request additional information**

We may, at any time, decide that the fund or Income Series is no longer available for new deposits.

We may refuse to accept any deposit. We may also limit the amount you can deposit for any sales charge option.

We may request medical evidence about the annuitant before accepting a deposit. If we determine the medical evidence is incomplete or not satisfactory we may refuse the deposit.

We may request proof of age, sex, survival, or marital status of any person whose information is used to determine benefits. If this information has been misstated, we may recalculate the benefits to equal those that would have been provided for the person's correct age, sex, survival, or marital status. We may recover any payments made based on incorrect information, including income payments made after the death of an annuitant or other person on whose death payments should have stopped.

## **2.2 Transitions**

A transition is moving money from one guarantee series to other guarantee series within your contract. Transitions, if available, are subject to our administrative rules. Transitions will affect your guarantees. For more information read the Sun GIF Solutions information folder and the supplement for each guarantee series.

A sales charge may apply to the units purchased. This will reduce the amount of the deposit.

Transitions into the Income Series are a purchase of units. The maturity and death benefit guarantee will be increased by 75% of the deposit amount. Escalating guaranteed income or lifetime guaranteed income will increase based on the deposit. See section 3, Guaranteed benefits, for more information.

Transitions out of the Income Series will proportionately reduce the maturity and death benefit guarantee. Transitions before you have elected the lifetime guaranteed income will decrease the escalating guaranteed income. Transitions after you have elected income which exceed your remaining lifetime guaranteed income amount will decrease the lifetime guaranteed income amount. If the lifetime guaranteed income amount is reduced to \$0, your rights under this supplement end. See section 3, Guaranteed benefits, for more information.

## **2.3 Withdrawals**

You may request withdrawals from the Income Series units on a scheduled or unscheduled basis, depending on the registration type of the contract. Withdrawals you make may reduce the guarantees. See section 3, Guaranteed benefits, for more information.

The minimum withdrawal amounts are:

- Minimum of \$500, or
- Minimum of \$100 a month for scheduled withdrawals

For each withdrawal we redeem units at the unit value on the valuation day of the withdrawal. The value of the units redeemed will change with the market value of the underlying assets of the fund and is not guaranteed.

We may apply a fee for withdrawals. We deduct any fees and withholding taxes if required from your withdrawal. We set minimum amounts for withdrawals. The minimum amount is before any fees or withholding taxes are deducted.

You cannot make cash withdrawals from LIRAs, LRSPs, or RLSPs unless an exception is permitted by pension law.

A redemption of all units in the Income Series before you elect income will terminate your rights under this supplement.

Withdrawals that exceed the lifetime guaranteed income amount once you have elected income will proportionately reduce the lifetime guaranteed income. If the lifetime guaranteed income amount is reduced to \$0, your rights under this supplement end.

At our discretion, we may delay payments for excess withdrawals from the Income Series according to our administrative rules.

## Section 3 Guaranteed benefits

### 3.1 Lifetime guaranteed income

#### 3.1.1 General information

The Income Series provides a lifetime guaranteed income which you can receive while the contract is in effect.

When you make a deposit, there are minimum income rates in effect. These rates are applied to your deposit amount and are used to determine the minimum income amount for each age when you could choose to start receiving your income.

When you establish the Income Series in your contract you must select whether you want the income calculated based on your life or the lives of you and your spouse (joint life).

To help you manage the lifetime guaranteed income, an income protection service is applied to your Income Series with your first deposit. With this service, unless you or your advisor tells us to proceed, we will not process any withdrawals or transitions that you request before you elect income or any withdrawal or transition that exceeds your annual lifetime guaranteed income amount. You can remove or reapply this service at any time, subject to our administrative rules.

#### 3.1.2 Minimum income rates and minimum income amount

A minimum income rate is the rate we apply to a deposit which determines the amount of guaranteed income you will receive.

The minimum income rates are set on each valuation day for each income age. Income age is the age at the end of the calendar year in which you elect to begin receiving guaranteed income. The minimum income rates increase as the income age increases.

Minimum income rates can change daily. If you make multiple deposits you may have different minimum income rates that apply to each of your deposits. Current rates can be found on our website [sunlifeglobalinvestments.com](http://sunlifeglobalinvestments.com) under the Resources tab.

A minimum income amount is an amount that we calculate each time you make a deposit. We base the minimum income amount on the amount deposited and the income age on the deposit's valuation day. We multiply the deposit amount by the minimum income rate.

#### Deposits before you elect income

When you make a deposit we apply the minimum income rates for all possible income ages for your contract. Your initial deposit to the Income Series will establish the escalating guaranteed income amount based on the amount of your deposit and the minimum income rates on the valuation day of the deposit. Any additional deposits will increase your escalating guaranteed income amount based on the amount of the deposit and the minimum income rates on the valuation day of the additional deposit.

#### Deposits after you elect income

You may make additional deposits after you begin receiving guaranteed income. The rate for each additional deposit is the minimum income rate for the income age on the valuation day of the deposit. The minimum income amount is calculated using the current income age on the valuation day of the deposit. This amount is immediately added to your lifetime guaranteed income amount.

#### 3.1.3 Escalating guaranteed income

The escalating guaranteed income is the minimum income amount for each potential income age which increases (escalates) at each higher age. This will always be true, even if there have been multiple deposits or early withdrawals.

We will tell you the escalating guaranteed income amount for a select number of income ages on your confirmation, semi-annual statement and your annual statement. For other income ages please contact your insurance advisor.

Withdrawals taken before you elect to receive income will proportionately reduce your minimum income amount for each income age and provide you with a reduced guaranteed income.

The formula for proportionate reduction is:

- Proportionate reduction =  $G \times W/MV$ 
  - G = minimum income amount for each income age
  - W = market value of the units withdrawn or transitioned
  - MV = total market value of the units immediately before the withdrawal or transition

### 3.1.4 Lifetime guaranteed income

Lifetime guaranteed income amount is the maximum amount of guaranteed income available each calendar year for withdrawals for the life of the annuitant if single life income option is selected or if the joint life income options is selected, for the life of the annuitant and joint life. See section 3.1.6.2, Joint life income option, for more information.

The maximum amount is guaranteed if:

- the minimum age requirements have been met,
- the election of the lifetime guaranteed income has occurred,
- the annual withdrawal limit is not exceeded, and
- or the joint life income option, on the annuitant's death the joint life:
  - for a non-registered, TFSA or RRIF contract, is the successor annuitant or the successor planholder, or
  - for all other contract registration types, is the spouse of the annuitant and the sole beneficiary.

Lifetime guaranteed income is not established until you elect to receive income. You may only elect income on or after January 1st of the year in which the annuitant turns 50. If you have selected the joint life income option, you may only elect income on or after January 1st of the year the younger of the annuitant and the joint life turns 50.

Once you have elected income, the lifetime guaranteed income amount is calculated based on the current income age on the valuation day that you elect income. Once you have elected income you cannot change or revoke it.

If you have a RRIF contract, we will calculate a value annually, which would be the RRIF minimum annual payment if your contract contained only your Income Series units. We will adjust the lifetime guaranteed income amount each year to be the greater of the lifetime guaranteed income amount or the RRIF minimum annual payment. This is called the adjusted lifetime guaranteed income amount. You must choose the lifetime guaranteed income payment option to receive the adjusted lifetime guaranteed income amount. If you choose RRIF minimum as your payment option, you will only receive the RRIF minimum annual payment amount.

If the total of all scheduled and unscheduled withdrawals and transitions during the year are less than the minimum annual payment, we will make an additional payment before the end of the year to satisfy the minimum annual payment.

For single life income option, you cannot use the age of an older spouse to calculate the minimum annual payment.

The lifetime guaranteed income amount at the time you elected income, will be available each year if you do not exceed the lifetime guaranteed income amount or the adjusted lifetime guaranteed income amount if the RRIF minimum annual payment applies. If you exceed the lifetime guaranteed income amount in any calendar year, we will proportionately reduce the annual lifetime guaranteed income amount.

The formula for proportionate reduction is:

- Proportionate reduction =  $G \times W/MV$ 
  - $G$  = lifetime guaranteed income amount
  - $W$  = market value of the units withdrawn or transitioned\*
  - $MV$  = total market value of the units immediately before the withdrawal or transition that causes the lifetime guaranteed income amount to be exceeded

\* for the first withdrawal or transition in a calendar year that results in your exceeding the lifetime guaranteed income amount (or adjusted lifetime guaranteed income amount if the RRIF minimum annual payment applies) only.  $W$  includes all withdrawals or transitions for the current calendar year. After that,  $W$  is the market value of the units withdrawn or transitioned for that transaction only.

#### Nominee self-directed RRIF contracts (including nominee locked-in contracts)

We will calculate a notional RRIF minimum annual payment using the market value of the Income Series units on January 1st of each year. It's calculated based on the annuitant's age unless the trustee tells us it must be based on the age of the annuitant's spouse. Only the Income Series units will be included in the calculation. We will not require the payments be taken from the Income Series until the lifetime guaranteed income is elected. Payments will be the greater of the lifetime guaranteed income amount or the notional minimum annual payment.

#### LIF, LRIF, RLIF contracts

If the lifetime guaranteed income amount is greater than the maximum annual payment amount prescribed under pension law, the owner has the option to receive the annual lifetime guaranteed income amount. The payment amount will be paid as a life annuity; no additional amounts may be withdrawn. We may require that additional forms be completed and there may be other restrictions on the contract according to our administrative rules. Spousal consent may be required before choosing this option.

### 3.1.5 Electing lifetime guaranteed income

You must tell us when you want to start receiving your lifetime guaranteed income. We call this electing the lifetime guaranteed income.

You can request to receive your lifetime guaranteed income as scheduled withdrawals, unscheduled withdrawals, or a combination of both.

If you request scheduled withdrawals and have not previously elected income we will deem your request an automatic election of the lifetime guaranteed income.

We will use the first scheduled withdrawal date to establish the lifetime guaranteed income amount.

If you own a LIRA, LRSP, or RLSP you must convert your contract to a LIF, LRIF, RLIF, or PRIF before you can elect to receive income.

### 3.1.6 Income options

You must select which income option you would like when you make your first deposit to the Income Series. You can't change this income option after you make your selection.

#### 3.1.6.1 Single life income option

This option offers a lifetime guaranteed income based on the life of the person who is the annuitant when you make the first deposit to Income Series. We calculate the lifetime guaranteed income amount using rates based on their age and sex. Lifetime guaranteed income payments end when you terminate the contract or when that annuitant dies. We may recover all payments made after your right to the lifetime guaranteed income has ended.

#### 3.1.6.2 Joint life income option

This option offers a guaranteed income based on the lives of both the annuitant and the joint life. The joint life must be the spouse of the annuitant when this option is selected. We use the youngest age of the annuitant or the joint life, to calculate the lifetime guaranteed income amount.

Once the joint life income option is selected, changes to the spousal status of the annuitant and joint life, the annuitant's death or the joint life's death will not change the factors we use to calculate the lifetime guaranteed income amount. If the youngest dies first, we will continue to use the age they would have been when you elect income or make a deposit.

The lifetime guaranteed income payments end on the earliest of:

- the date you terminate the contract,
- the death of the last to die of the joint life and annuitant,
- the death of the last annuitant, or
- the death of the annuitant if, on their death, the joint life is not the successor annuitant or successor planholder.

We have the right to recover all payments made after your right to the lifetime guaranteed income has ended.

#### RRIF contracts

If you want the lifetime guaranteed income to continue after you die, your spouse must continue the contract as the successor annuitant.

If the joint life is not your spouse when you die then the lifetime guaranteed income can no longer be elected and the lifetime guaranteed income is no longer payable. No additional Income Series units can be purchased.

#### LIF, LRIF, RLIF, PRIF contracts

If the joint life is your sole beneficiary and still your spouse when you die, they will have the option to:

- receive the death benefit, or
- continue the lifetime guaranteed income in a new RRSP, LIRA, LRSP, RLSP, RRIF, LIF, LRIF, RLIF, or PRIF at the same minimum income rate(s). The new contract must be established using the entire death benefit and must comply with applicable pension law.

#### TFSA contracts

If you want the lifetime guaranteed income to continue after you die, your spouse must continue the contract as the successor planholder.

If the joint life is not your spouse when you die then the lifetime guaranteed income can no longer be elected and the lifetime guaranteed income is no longer payable. No additional Income Series units can be purchased.

#### Non-registered contracts

If you want the lifetime guaranteed income to continue after the annuitant's death while the joint life is alive, the joint life must be the successor annuitant.

### RRSP, LIRA, LRSP, RLSP contracts

If your spouse is your sole beneficiary and your contract is an RRSP, LIRA, LRSP or RLSP when you die, your spouse will have the option to:

- receive the death benefit, or
- continue the lifetime guaranteed income in a new RRSP, LIRA, LRSP, RLSP, RRIF, LIF, LRIF, RLIF, or PRIF at the same minimum income rate(s). The new contract must be established using the entire death benefit and must comply with applicable pension law.

### 3.1.7 Guaranteed payment phase

This phase begins when the market value of the Income Series units reaches \$0 and there is still a lifetime guaranteed income amount. The death benefit and maturity guarantee benefit are \$0. We will continue to pay the lifetime guaranteed income payments until the right to receive these payments ends. See section 3.1.6, Income options, for more information.

You may not make additional deposits during the guaranteed payment phase. At any time during this phase we may require you to provide proof that the annuitant or joint life is alive. If you do not provide this proof when we ask for it, we will stop payments.

### 3.1.8 Scheduled withdrawal options

If you selected the lifetime guaranteed income amount to be paid by scheduled withdrawals, the scheduled payments for the calendar year will equal the lifetime guaranteed income amount.

If you make a deposit it will increase the lifetime guaranteed income amount. If the remaining lifetime guaranteed income amount in the calendar year increases then we will recalculate the remaining payments to reflect this increase. If you make an unscheduled withdrawal which reduces your remaining lifetime guaranteed income amount, the remaining scheduled payments for the calendar year will be recalculated to reflect this reduction.

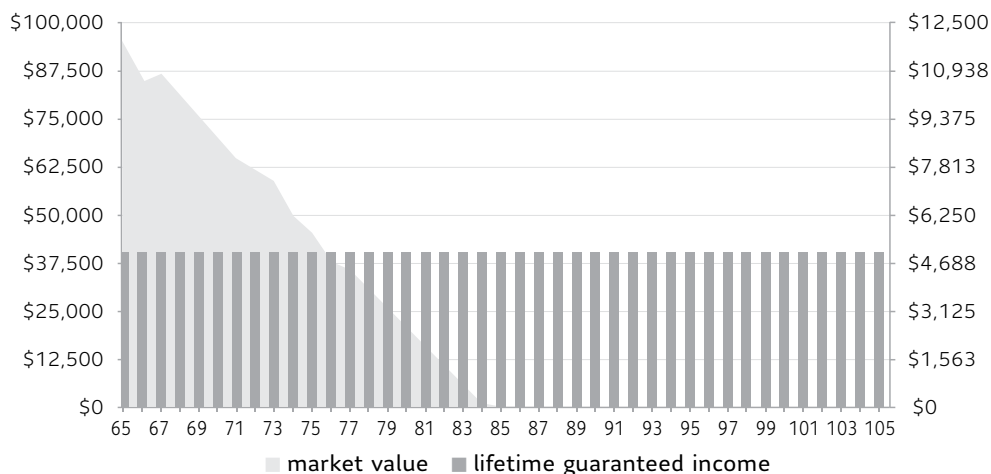
### 3.1.9 Case studies

#### Electing income immediately

April is 65 years old and decides to invest in Sun GIF Solutions. She has \$100,000 to invest and plans to start taking income immediately.

April deposits \$100,000 into Sun GIF Solutions Income Series. She elects income immediately at age 65 with a minimum income rate of 4.90%. This deposit establishes a lifetime guaranteed income amount of \$4,900 (rate x premium).

April is now guaranteed to receive the lifetime guaranteed income amount of \$4,900 for the rest of her life even when the market value of her Income Series units reaches \$0.



The market value shown reflects historical returns of 60% FTSE TMX Canada Long Term Bond (% Total return) and 40% FTSE TMX Canada Treasury Bill 91 Day (% Total return) from 1992 - 2021. Annual returns used are net of a fund MER of 2.81%. Returns are for illustration purposes only and are not indicative of actual or future performance. For current minimum income rates please visit [sunlifeglobalinvestments.com](http://sunlifeglobalinvestments.com) or contact your insurance advisor.

#### Electing income in five years

Ray is 60 years old and decides to invest in Sun GIF Solutions. He has \$100,000 to invest and plans to start taking income in the next five years.

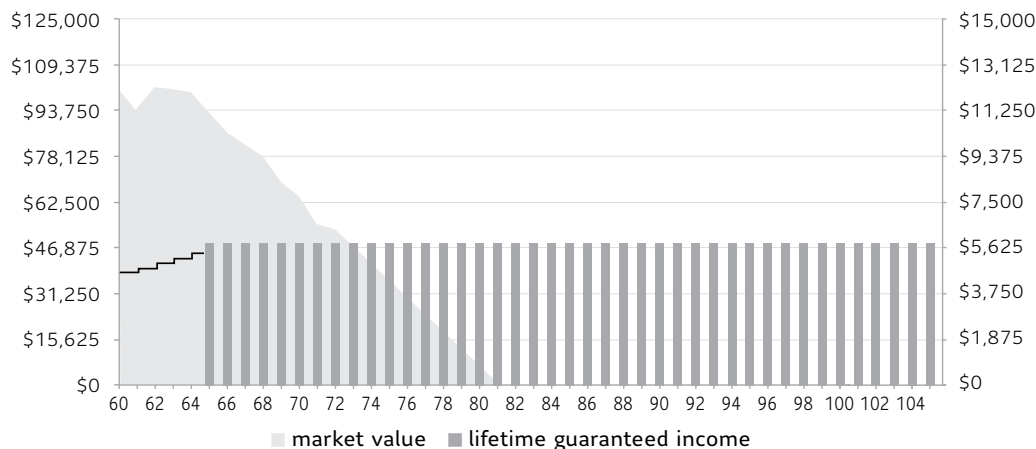
Ray deposits \$100,000 into Sun GIF Solutions Income Series. This deposit establishes a minimum income amount for each age.

The table below shows the minimum income amount that Ray is eligible for at each age.\* When Ray elects income he will receive a lifetime guaranteed income amount that is guaranteed for life.

Age	Minimum income rate	Amount
60	4.65%	\$4,650
61	4.78%	\$4,780
62	5.01%	\$5,010
63	5.25%	\$5,250
64	5.50%	\$5,500
65	5.78%	\$5,780

\* We show only select ages, but calculate a different minimum income amount for each age up to age 105

Ray elects to take income at 65 and is guaranteed to receive the lifetime guaranteed income amount of \$5,780 for the rest of his life even when the market value of his Income Series units reaches \$0.



The market value shown reflects historical returns of 60% FTSE TMX Canada Long Term Bond (% Total return) and 40% FTSE TMX Canada Treasury Bill 91 Day (% Total return) from 1992 - 2021. Annual returns used are net of a fund MER of 2.81%. Returns are for illustration purposes only and are not indicative of actual or future performance. For current minimum income rates please visit [sunlifeglobalinvestments.com](http://sunlifeglobalinvestments.com) or contact your insurance advisor.

### Electing income immediately and later taking an excess withdrawal

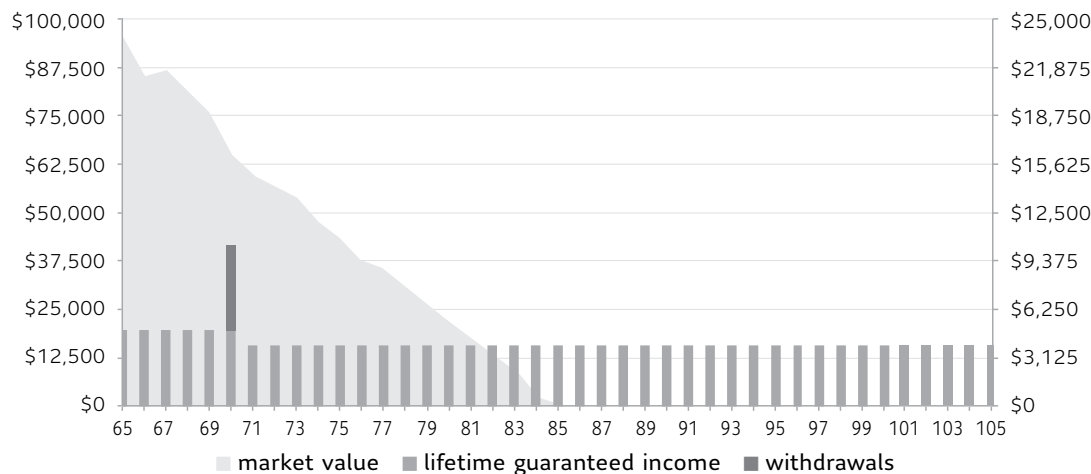
Lori is 65 years old and decides to invest in Sun GIF Solutions. She has \$100,000 to invest and plans to start taking income immediately.

Lori deposits \$100,000 into Sun GIF Solutions Income Series. She elects income immediately at age 65 with a minimum income rate of 4.90%. This deposit establishes a lifetime guaranteed income amount of \$4,900 each year for the rest of her life (4.90% of \$100,000).

Lori is now guaranteed to receive the lifetime guaranteed income amount of \$4,900 for the rest of her life even when the market value of her Income Series units reaches \$0.

At age 70, Lori is taking her lifetime guaranteed income in monthly amounts of \$408.33. In October, Lori withdraws \$5,000 in addition to her scheduled monthly payment. Her total withdrawals for the year are \$9,900. Because this amount is more than the lifetime guaranteed income amount, this is an excess withdrawal. The market value of her contract is \$70,203 before the excess withdrawal. Her lifetime guaranteed income amount is reduced by \$691. This is calculated using the excess withdrawal calculation explained in section 3.1.4, Lifetime guaranteed income. Her new lifetime guaranteed income amount is \$4,209.

$$\text{Reduction} = \$4,900 \times (\$9,900 / \$70,203)$$



The market value shown reflects historical returns of 60% FTSE TMX Canada Long Term Bond (% Total return) and 40% FTSE TMX Canada Treasury Bill 91 Day (% Total return) from 1992 - 2021. Annual returns used are net of a fund MER of 2.81%. Returns are for illustration purposes only and are not indicative of actual or future performance. For current minimum income rates please visit [sunlifeglobalinvestments.com](http://sunlifeglobalinvestments.com) or contact your insurance advisor.



### 3.2 Maturity guarantee

On the contract maturity date there is a maturity guarantee benefit. We describe it below.

The maturity guarantee is 75% of all premiums or transitions applied to the Income Series less a proportionate reduction for any withdrawals or transitions to other guarantee series.

The formula for proportionate reduction is:

- Proportionate reduction =  $MG \times W/MV$ 
  - MG = maturity guarantee amount immediately before withdrawals or transitions
  - W = market value of the units redeemed or transitioned
  - MV = total market value of the units for that guarantee series on the valuation day immediately before the withdrawal or transition

On the contract maturity date, the maturity benefit is the greater of:

- the maturity guarantee, or
- the total market value of the Income Series

If the total market value of all units held in the Income Series is less than the maturity guarantee on the contract maturity date we will immediately add units to increase the total market value to equal the maturity guarantee. We call this the guarantee top-up.

For non-registered, TFSA, RRIF, LIF, LRIF, RLIF, and PRIF contracts, the contract maturity date will be December 31st of the year the annuitant turns 105. If December 31st of that year is not a valuation day the contract maturity date will be the previous valuation day.

You will have the option to exclude the Income Series from the annuity calculation at maturity. This will allow benefits to continue, including payment of your lifetime guaranteed income amount.

### 3.3 Death benefit guarantee

If the last surviving annuitant dies on or before the contract maturity date, or after the contract maturity date if you have elected to continue lifetime guaranteed income payments, we pay the death benefit to the person entitled to receive it.

The death benefit guarantee for the Income Series is 75% of all premiums or transitions applied to the Income Series less a proportionate reduction for any withdrawals or transitions to other guarantee series.

The formula for proportionate reduction is:

- Proportionate reduction =  $DG \times W/MV$ 
  - DG = death benefit guarantee amount immediately before withdrawals or transitions
  - W = market value of the units redeemed or transitioned
  - MV = total market value of the units for that guarantee series on the valuation day immediately before the withdrawal or transition

On the death of the last surviving annuitant, the death benefit is the greater of:

- the death benefit guarantee, or
- the total market value of the Income Series on the death benefit date.

If the total market value of all units held in the Income Series is less than the death benefit guarantee on the death benefit date we will immediately add units to increase the total market value to equal the death benefit guarantee. We call this the guarantee top-up.

## Section 4 Early withdrawal fees

If you redeem Income Series units within 365 days of their purchase we may charge you an early withdrawal fee.

# Sun Guaranteed Investment Fund Solutions – Income Series contract supplement provisions

## Important information

This is your Sun GIF Solutions – Income Series contract supplement. It contains the provisions for the Income Series. Additional provisions for the Income Series are detailed in the Sun GIF Solutions contract. If any additional amendments or endorsements are required we will provide them to you and they will form part of the contract.

This contract supplement takes effect on the valuation day of the first premium payment or transition to the Income Series and when Sun Life receives and accepts the initial opening requirements. Your receipt of this document does not constitute our acceptance. We will send you confirmation of your purchase.

**Any amount that is allocated to a segregated fund is invested at the risk of the contract owner and may increase or decrease in value.**

# Certificate

In this supplement “you,” “your” and “owner” mean the owner of the contract. “Sun Life,” “we,” “us,” and “our” mean Sun Life Assurance Company of Canada. Sun Life’s head office is located at 227 King Street South, Waterloo, Ontario N2J 4C5.

Sun Life is the issuer of the Sun GIF Solutions individual variable annuity contract, including the Income Series supplement and the guarantor of any guarantees in this contract.



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**Oricia Smith**

President, SLGI Asset Management Inc. &  
Senior Vice President, Investment Solutions  
Sun Life Assurance Company of Canada



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**Jason Agaby**

Vice President, Product Management  
Sun Life Assurance Company of Canada

## Section 1 Income Series provisions

Once you have made your first premium payment or transition to the Income Series and met our opening requirements these contract provisions are included in and form part of your contract. These contract provisions

override any conflicting provisions in the Sun GIF Solutions contract. All other provisions in the Sun GIF Solutions contract will remain in effect and unchanged.

## Section 2 Deposits

You may make a premium payment or deposit to the Income Series while the Income Series is in force, subject to the terms of the Sun GIF Solutions contract, this supplement and our administrative rules. The maximum age restrictions for deposits are described in section 2.1, Deposits, in the information folder. The valuation day for the deposit is the day we receive your purchase instructions. See section 9, Values, in the Sun GIF Solutions contract for more information.

We determine the minimum amounts for deposits into the Income Series and they are described in section 2.1, Deposits, in the information folder.

We may refuse to accept any deposit. We may also limit the amount you can deposit for any sales charge option.

## Section 3 Transitions

You may request to move money from one guarantee series to other guarantee series. This is called a transition. Transitions, if available, are subject to our administrative rules and will affect your guarantees.

A sales charge may apply to the units purchased. This will reduce the amount of the deposit.

Transitions into the Income Series are a purchase of units. The maturity and death benefit guarantee will be increased by 75% of the deposit amount. Escalating guaranteed income or lifetime guaranteed income will increase based on the deposit. See section 5, Guaranteed benefits, for more information.

Transitions out of the Income Series will proportionately reduce the maturity and death benefit guarantee. Transitions before you have elected lifetime guaranteed income will decrease the escalating guaranteed income amount. Transitions after you have elected income which exceed your remaining lifetime guaranteed income amount will decrease the lifetime guaranteed income amount. If the lifetime guaranteed income amount is reduced to \$0, your rights under this supplement end. See section 5, Guaranteed benefits, for more information.

## Section 4 Withdrawals

You may request withdrawals from the Income Series depending on the registration type of the contract. Withdrawals you make may reduce the guarantees. See section 5, Guaranteed benefits, for more information.

We process your withdrawal on the valuation day we receive your request. If we receive your request on a non-valuation day, we process it on the next valuation day. See section 4, Valuation, in the Sun GIF Solutions information folder for more information.

A redemption of all units in the Income Series before you elect income will terminate your rights under this supplement.

Withdrawals and transitions that exceed the lifetime guaranteed income amount once you have elected income will proportionately reduce the lifetime guaranteed income. If the lifetime guaranteed income amount is reduced to \$0, your rights under this supplement end.

At our discretion, we may delay payments for excess withdrawals from the Income Series according to our administrative rules.

## Section 5 Guaranteed benefits

### 5.1 Lifetime guaranteed income

#### 5.1.1 General information

The Income Series provides a lifetime guaranteed income which you can receive while the contract is in effect.

When you make a deposit, there are minimum income rates in effect. These rates are applied to your deposit amount and are used to determine the minimum income amount for each age when you could choose to start receiving your income.

When you establish the Income Series in your contract you must select whether you want the income calculated based on your life or the lives of you and your spouse (joint life).

To help you manage the lifetime guaranteed income, an income protection service is applied to your Income Series with your first deposit. With this service, unless you or your advisor tells us to proceed, we will not process any withdrawals or transitions that you request before you elect income or any withdrawal or transition that exceeds your annual lifetime guaranteed income amount. You can remove or reapply this service at any time, subject to our administrative rules.

#### 5.1.2 Minimum income rates and minimum income amount

A minimum income rate is the rate we apply to a deposit which determines the amount of guaranteed income you will receive.

The minimum income rates are set on each valuation day for each income age. Income age is the age at the end of the calendar year in which you elect to begin receiving guaranteed income. The minimum income rates increase as the income age increases.

Minimum income rates can change daily. If you make multiple deposits you may have different minimum income rates that apply to each of your deposits. Current rates can be found on our website [sunlifeglobalinvestments.com](http://sunlifeglobalinvestments.com) under the Resources tab.

A minimum income amount is an amount that we calculate each time you make a deposit. We base the minimum income amount on the amount deposited and the income age on the deposit's valuation day. We multiply the deposit amount by the minimum income rate.

#### Deposits before you elect income

When you make a deposit we apply the minimum income rates for all possible income ages for your contract. Your initial deposit to the Income Series will establish the escalating guaranteed income amount based on the amount of your deposit and the minimum income rates on the valuation day of the deposit. Any additional deposits will increase your escalating guaranteed income amount based on the amount of the deposit and the minimum income rates on the valuation day of the additional deposit.

#### Deposits after you elect income

You may make additional deposits after you begin receiving guaranteed income. The rate for each additional deposit is the minimum income rate for the income age on the valuation day of the deposit. The minimum income amount is calculated using the current income age on the valuation day of the deposit. This amount is immediately added to your lifetime guaranteed income amount.

#### 5.1.3 Escalating guaranteed income

The escalating guaranteed income is the minimum income amount for each potential income age which increases (escalates) at each higher age. This will always be true, even if there have been multiple deposits or early withdrawals.

We will tell you the escalating guaranteed income amount for a select number of income ages on your confirmation, semi-annual statement and your annual statement. For other income ages please contact your insurance advisor.

Withdrawals taken before you elect to receive income will proportionately reduce your minimum income amount for each income age and provide you with a reduced guaranteed income.

The formula for proportionate reduction is:

- Proportionate reduction =  $G \times W/MV$ 
  - G = minimum income amount for each income age
  - W = market value of the units withdrawn or transitioned
  - MV = total market value of the units immediately before the withdrawal or transition

### 5.1.4 Lifetime guaranteed income

Lifetime guaranteed income amount is the maximum amount of guaranteed income available each calendar year for withdrawals for the life of the annuitant if single life income options is selected or if the joint life income option is selected, for the life of the annuitant and joint life. See section 5.1.6.2, Joint life income option, for more information.

The maximum amount is guaranteed if:

- the minimum age requirements have been met,
- the election of the lifetime guaranteed income has occurred,
- the annual withdrawal limit is not exceeded, and
- for the joint life income option, on the annuitant's death the joint life:
  - for a non-registered, TFSA or RRIF contract, is the successor annuitant or the successor planholder, or
  - for all other contract registration types, is the spouse of the annuitant and the sole beneficiary.

Lifetime guaranteed income is not established until you elect to receive income. You may only elect income on or after January 1st of the year in which the annuitant turns 50. If you have selected the joint life income option, you may only elect income on or after January 1st of the year the younger of the annuitant and the joint life turns 50.

Once you have elected income, the lifetime guaranteed income amount is calculated based on the current income age on the valuation day that you elect income. Once you have elected income you cannot change or revoke it.

If you have a RRIF contract, we will calculate a value annually, which would be the RRIF minimum annual payment if your contract contained only your Income Series units. We will adjust the lifetime guaranteed income amount each year to be the greater of the lifetime guaranteed income amount or the RRIF minimum annual payment. This is called the adjusted lifetime guaranteed income amount. You must choose the lifetime guaranteed income payment option to receive the adjusted lifetime guaranteed income amount. If you choose RRIF minimum as your payment option, you will only receive the RRIF minimum annual payment amount.

If the total of all scheduled and unscheduled withdrawals and transitions during the year are less than the minimum annual payment, we will make an additional payment before the end of the year to satisfy the minimum annual payment.

For single life income option, you cannot use the age of an older spouse to calculate the minimum annual payment.

The lifetime guaranteed income amount at the time you elected income, will be available each year if you do not exceed the lifetime guaranteed income amount or the adjusted lifetime guaranteed income amount if the RRIF minimum annual payment applies. If you exceed the lifetime guaranteed income amount in any calendar year, we will proportionately reduce the annual lifetime guaranteed income amount.

The formula for proportionate reduction is:

- Proportionate reduction =  $G \times W/MV$ 
  - $G$  = lifetime guaranteed income amount
  - $W$  = market value of the units withdrawn or transitioned\*
  - $MV$  = total market value of the units immediately before the withdrawal or transition that causes the lifetime guaranteed income amount to be exceeded

\*for the first withdrawal or transition in a calendar year that results in your exceeding the lifetime guaranteed income amount (or adjusted lifetime guaranteed income amount if the RRIF minimum annual payment applies) only;  $W$  includes all withdrawals or transitions for the current calendar year. After that,  $W$  is the market value of the units withdrawn or transitioned for that transaction only.

#### Nominee self-directed RRIF contracts (including nominee locked-in contracts)

We will calculate a notional RRIF minimum annual payment using the market value of the Income Series units on January 1st of each year. It's calculated based on the annuitant's age unless the trustee tells us it must be based on the age of the annuitant's spouse. Only the Income Series units will be included in the calculation. We will not require the payments be taken from the Income Series until the lifetime guaranteed income is elected. Payments will be the greater of the lifetime guaranteed income amount or the notional minimum annual payment.

#### LIF, LRIF, RLIF contracts

If the lifetime guaranteed income amount is greater than the maximum annual payment amount prescribed under pension law, the owner has the option to receive the annual lifetime guaranteed income amount. The payment amount will be paid as a life annuity; no additional amounts may be withdrawn. We may require that additional forms be completed and there may be other restrictions on the contract according to our administrative rules. Spousal consent may be required before choosing this option.

### 5.1.5 Electing lifetime guaranteed income

You must tell us when you want to start receiving your lifetime guaranteed income. We call this electing the lifetime guaranteed income.

You can request to receive your lifetime guaranteed income as scheduled withdrawals, unscheduled withdrawals, or a combination of both.

If you request scheduled withdrawals and have not previously elected income we will deem your request an automatic election of the lifetime guaranteed income.

We will use the first scheduled withdrawal date to establish the lifetime guaranteed income amount.

If you own a LIRA, LRSP, or RLSP you must convert your contract to a LIF, LRIF, RLIF, or PRIF before you can elect to receive income.

### 5.1.6 Income options

You must select which income option you would like when you make your first deposit to the Income Series. You can't change this income option after you make your selection.

#### 5.1.6.1 Single life income option

This option offers a lifetime guaranteed income based on the life of the person who is the annuitant when you make the first deposit to Income Series. We calculate the lifetime guaranteed income amount using rates based on their age and sex. Lifetime guaranteed income payments end when you terminate the contract or when that annuitant dies. We may recover all payments made after your right to the lifetime guaranteed income has ended.

#### 5.1.6.2 Joint life income option

This option offers a guaranteed income based on the lives of both the annuitant and the joint life. The joint life must be the spouse of the annuitant when this option is selected. We use the youngest age of the annuitant or the joint life, to calculate the lifetime guaranteed income amount.

Once the joint life income option is selected changes to the spousal status of the annuitant and joint life, the annuitant's death or the joint life's death will not change the factors we use to calculate the lifetime guaranteed income amount. If the youngest dies first, we will continue to use the age they would have been when you elect income or make a deposit.

The lifetime guaranteed income payments end on the earliest of:

- the date you terminate the contract,
- the death of the last to die of the joint life and annuitant,
- the death of the last annuitant, or
- the death of the annuitant if, on their death, the joint life is not the successor annuitant or successor planholder.

We have the right to recover all payments made after your right to the lifetime guaranteed income has ended.

#### RRIF contracts

If you want the lifetime guaranteed income to continue after you die, your spouse must continue the contract as the successor annuitant.

If the joint life is not your spouse when you die then the lifetime guaranteed income can no longer be elected and the lifetime guaranteed income is no longer payable. No additional Income Series units can be purchased.

#### LIF, LRIF, RLIF, PRIF contracts

If the joint life is your sole beneficiary and still your spouse when you die, they will have the option to:

- receive the death benefit, or
- continue the lifetime guaranteed income in a new RRSP, LIRA, LRSP, RLSP, RRIF, LIF, LRIF, RLIF, or PRIF at the same minimum income rate(s). The new contract must be established using the entire death benefit and must comply with applicable pension law.

#### TFSA contracts

If you want the lifetime guaranteed income to continue after you die, your spouse must continue the contract as the successor planholder.

If the joint life is not your spouse when you die then the lifetime guaranteed income can no longer be elected and the lifetime guaranteed income is no longer payable. No additional Income Series units can be purchased.

#### Non-registered contracts

If you want the lifetime guaranteed income to continue after the annuitant's death while the joint life is alive, the joint life must be the successor annuitant.



### RRSP, LIRA, LRSP, RLSP contracts

If your spouse is your sole beneficiary and your contract is an RRSP, LIRA, LRSP or RLSP when you die, your spouse will have the option to:

- receive the death benefit, or
- continue the lifetime guaranteed income in a new RRSP, LIRA, LRSP, RLSP, RRIF, LIF, LRIF, RLIF, or PRIF at the same minimum income rate(s). The new contract must be established using the entire death benefit and must comply with applicable pension law.

#### 5.1.7 Guaranteed payment phase

This phase begins when the market value of the Income Series units reaches \$0 and there is still a lifetime guaranteed income amount. The death benefit and maturity guarantee benefit are \$0. We will continue to pay the lifetime guaranteed income payments until the right to receive these payments ends. See section 5.1.6, Income options, for more information.

You may not make additional deposits during the guaranteed payment phase. At any time during this phase we may require you to provide proof that the annuitant or joint life is alive. If you do not provide this proof when we ask for it, we will stop payments.

#### 5.1.8 Scheduled withdrawal options

If you selected the lifetime guaranteed income amount be paid by scheduled withdrawals, the scheduled payments for the calendar year will equal the lifetime guaranteed income amount.

If you make a deposit it will increase the lifetime guaranteed income amount. If the remaining lifetime guaranteed income amount in the calendar year increases then we will recalculate the remaining payments to reflect this increase. If you make an unscheduled withdrawal which reduces your remaining lifetime guaranteed income amount, the remaining scheduled payments for the calendar year will be recalculated to reflect this reduction.

## 5.2 Maturity guarantee

On the contract maturity date there is a maturity guarantee benefit. We describe it below.

The maturity guarantee is 75% of all premiums or transitions applied to the Income Series less a proportionate reduction for any withdrawals or transitions to other guarantee series.

The formula for proportionate reduction is:

- Proportionate reduction =  $MG \times W/MV$ 
  - MG = maturity guarantee amount immediately before withdrawals or transitions
  - W = market value of the units redeemed or transitioned
  - MV = total market value of the units for that guarantee series on the valuation day immediately before the withdrawal or transition

On the contract maturity date, the maturity benefit is the greater of:

- the maturity guarantee, or
- the total market value of the Income Series.

If the total market value of all units held in the Income Series is less than the maturity guarantee on the contract maturity date we will immediately add units to increase the total market value to equal the maturity guarantee.

For non-registered, TFSA, RRIF, LIF, LRIF, RLIF, and PRIF contracts, the contract maturity date will be December 31st of the year the annuitant turns 105. If December 31st of that year is not a valuation day the contract maturity date will be the previous valuation day.

You will have the option to exclude the Income Series from the annuity calculation at maturity. This will allow benefits to continue, including payment of your lifetime guaranteed income.

### 5.3 Death benefit guarantee

If the last surviving annuitant dies on or before the contract maturity date, or after the contract maturity date if you have elected to continue lifetime guaranteed income payment, we pay the death benefit to the person entitled to receive it.

The death benefit guarantee for the Income Series is 75% of all premiums or transitions applied to the Income Series less a proportionate reduction for any withdrawals or transitions to other guarantee series.

The formula for proportionate reduction is:

- Proportionate reduction =  $DG \times W/MV$ 
  - DG = death benefit guarantee amount immediately before withdrawals or transitions
  - W = market value of the units redeemed or transitioned
  - MV = total market value of the units for that guarantee series on the valuation day immediately before the withdrawal or transition

On the death of the last surviving annuitant, the death benefit is the greater of:

- the death benefit guarantee, or
- the total market value of the Income Series on the death benefit date.

If the total market value of all units held in the Income Series is less than the death benefit guarantee on the death benefit date we will immediately add units to increase the total market value to equal the death benefit guarantee. We call this a guarantee top-up.

On the death benefit date, we will redeem all units of the fund and transfer the corresponding value to be held in a money market fund within the Income Series until the death benefit is paid.

## Section 6 Early withdrawal fees

If you redeem Income Series units within 365 days of their purchase we may charge you an early withdrawal fee.

# Glossary of terms

**Annuitant** – the person on whose life the contract and guarantees are based.

**Contract** – includes contract provisions in this document, the Sun GIF Solutions contract provisions, the application, applicable supplements and pension law addendum. It also includes any subsequent amendments agreed to by Sun Life in writing. It does not include the information folder or the fund facts.

**Contract maturity date** – the last valuation day of the calendar year in which the annuitant turns age 105. If the contract is a LIF the contract maturity date may be an earlier date if required by pension law.

**Death benefit** – the guaranteed benefit we pay on the last surviving annuitant's death less any required tax or government fees.

**Death benefit date** – the date we receive proof, satisfactory to us, of the last surviving annuitant's death.

**Deposit** – the premium amount you pay us or the amount you transition, less any sales charges, or government fees. We also use it as a verb meaning to make a premium payment or transition.

**Distributor** – a firm, corporation or other entity licensed to solicit applications for insurance.

**Election of lifetime guaranteed income** – when you tell us that you want the lifetime guaranteed income to be established.

**Escalating guaranteed income** – the minimum income amount for each potential income age which increases (escalates) at each higher age. This will always be true, even if there have been multiple deposits or early withdrawals.

**Fund facts** – provides detailed information about a fund.

**Guarantee top-up** – an amount we deposit to a guarantee series, if required, at contract maturity or on notification of death of the annuitant, to increase its value to equal the guaranteed value.

**Income age** – the annuitant's age at the end of the calendar year in which the contract owner elects to begin receiving the lifetime guaranteed income. For the joint life income option, it is the age of the younger of the annuitant or joint life.

**Income protection service** – a service applied to the Income Series units to protect you from taking withdrawals before you elect income or from taking withdrawals that would exceed your annual lifetime guaranteed income amount, unless we are notified by you or your advisor to proceed.

**Income Tax Act** – the Income Tax Act (Canada).

**Information Folder** – the document(s) you receive when you purchase a segregated fund contract. It provides details about the contract and your investment options.

**Life annuity** – provides payments for as long as the annuitant lives.

**Life income fund (LIF), locked-in retirement income fund (LRIF), restricted life income fund (RLIF), and prescribed retirement income fund (PRIF)** – a contract funded by locked-in pension money and registered as a RRIF for tax purposes. Pension law limits the amounts that may be withdrawn annually for this type of contract except for PRIF contracts.

**Lifetime guaranteed income** – the amount of guaranteed income available each calendar year for the life of the annuitant and joint life (if applicable), when you elect to receive income.

**Locked-in contract** – contracts that are established with locked-in money from a pension plan. Locked-in means there are limits and restrictions set out in pension law.

**Locked-in retirement account (LIRA), locked-in retirement savings plan (LRSP), restricted locked-in savings plan (RLSP)** – a contract funded by locked-in pension money and registered as an RRSP for tax purposes. Pension law limits the amounts that may be withdrawn from this type of contract.

**Management fee** – a fee Sun Life charges to a fund for managing and administering the fund.

**Minimum income amount** – an amount we calculate each time you make a deposit, based on the deposit amount and the minimum income rate for each income age on the valuation day of the deposit.

**Minimum income rate** – the rate we apply to a deposit which determines the amount of guaranteed income you will receive.

**Nominee** – the distributor or their related dealer named by the owner as a nominee owner to provide services to the owner and instructions to us on the owner's behalf.

**Non-registered contract** – a contract that is not registered for tax purposes under the Income Tax Act.

**PAC** – a pre-authorized chequing plan used to make deposits.

**Premium** – an amount you pay into the contract before any sales charges or other government fees are deducted.

**Purchasing units** – for a segregated fund, it means allocating your deposit to units of a fund. You do not own these units or any part of the underlying assets of the fund.

**Redeem, redeemed, or redemption** – refer to the surrender of any units allocated to the contract. This includes withdrawals and transitions.

**Registered contract** – a contract registered for tax purposes under the Income Tax Act.

**Registered retirement income fund (RRIF)** – a contract registered under the Income Tax Act as a RRIF for tax purposes.

**Registered retirement savings plan (RRSP)** – a contract registered under the Income Tax Act as an RRSP for tax purposes.

**Remaining lifetime guaranteed income amount** – at any time in a calendar year, it's the amount remaining that can be withdrawn without exceeding the annual lifetime guaranteed income amount.

**Segregated fund** – a pool of investments held and managed by the life insurance company separately (i.e. segregated) from its other investments.

**Spouse** – your spouse or common-law partner as defined in the Income Tax Act.

**Tax-free savings account (TFSA)** – a contract registered under the Income Tax Act as a TFSA for tax purposes.

**Transition** – moving money from one guarantee series to another guarantee series within the contract.

**Underlying fund** – the mutual fund or other investment fund in which a fund invests.

**Unit value** – a notional value used to measure the market value of one unit of a fund.

**Withdrawal** – taking money out of a contract. The gross withdrawal amount is before any sales charges or withholding tax. The net withdrawal amount is after any sales charge or withholding tax is deducted.



## About Sun Life Global Investments

Sun Life Global Investments offers Canadians a diverse lineup of mutual funds, portfolio solutions and guaranteed investments, empowering them to pursue their financial goals at every life stage. We bring together the strength of one of Canada's most trusted names in financial services with some of the best asset managers from around the world to deliver a truly global investment platform. For more information, please visit [sunlifeglobalinvestments.com](https://sunlifeglobalinvestments.com) or follow us on Twitter @SLGI\_Canada.



For more information, speak to your advisor or:

Visit [sunlifeglobalinvestments.com](https://sunlifeglobalinvestments.com) | Call **1-844-753-4437** | Email [gifs@sunlife.com](mailto:gifs@sunlife.com)

Any amount that is allocated to a segregated fund is invested at the risk of the contract owner and may increase or decrease in value.

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