



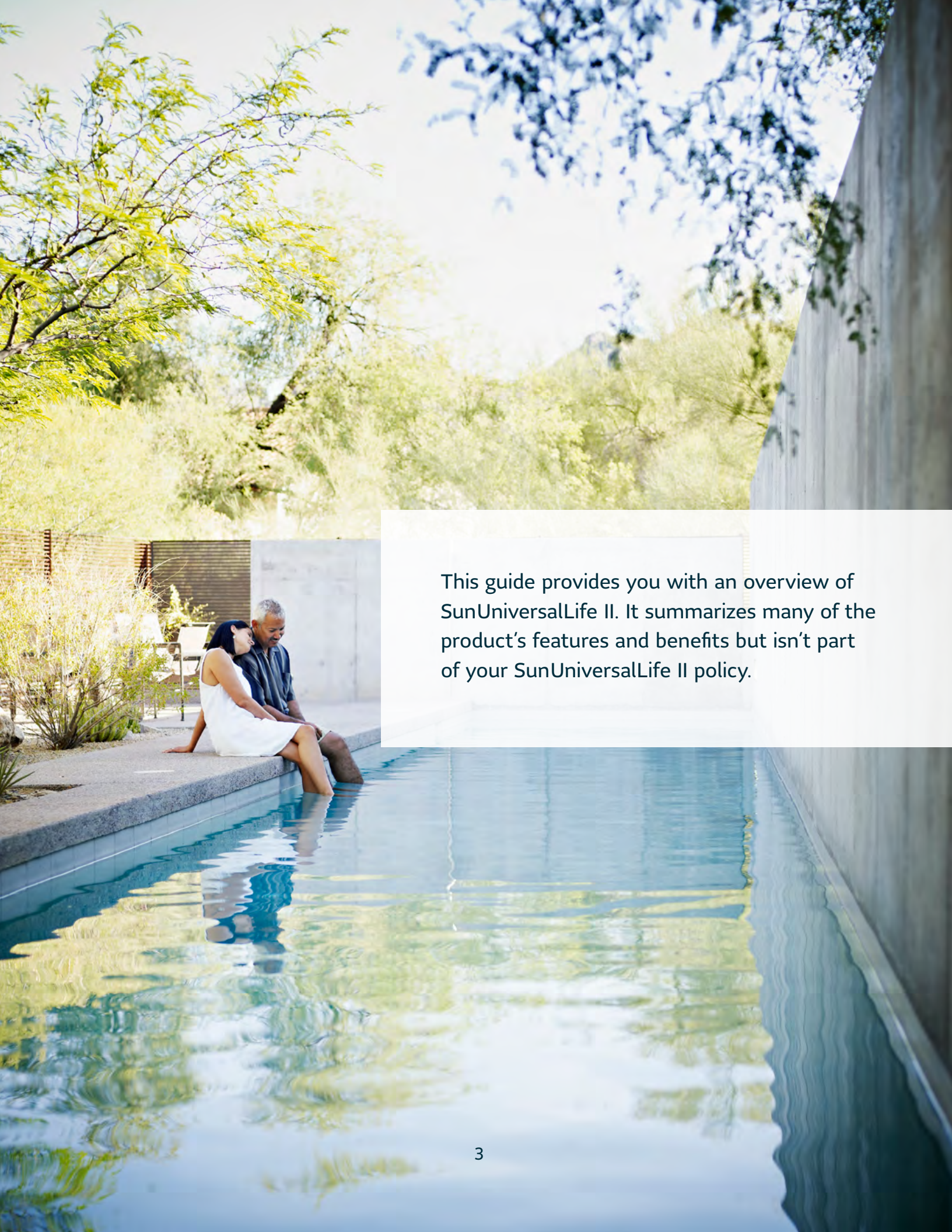
SunUniversalLife II  
**Client guide**



Life's brighter under the sun

## Contents

<b>SunUniversalLife II</b>	<b>4</b>
<b>Benefits for you</b>	<b>5</b>
<b>How your plan works</b>	<b>6</b>
<b>Designing your plan</b>	<b>8</b>
Selecting your life insurance coverage amount	8
Policy types	9
Single life	9
Joint first-to-die	9
Joint last-to-die	10
<b>Death benefit options</b>	<b>11</b>
<b>Cost of insurance options</b>	<b>14</b>
<b>Investment account options</b>	<b>16</b>
<b>Additional optional benefits</b>	<b>17</b>
<b>Flexibility with your SunUniversalLife II policy</b>	<b>20</b>
Accessing the cash within your policy	20
Withdrawals	20
Policy loans	21
Surrendering or cancelling your policy	21
Surrender charges	21
Value-added benefits	22
Early death benefit option	22
Withdrawals from the policy fund due to a disability	22
Living benefit	22



This guide provides you with an overview of SunUniversalLife II. It summarizes many of the product's features and benefits but isn't part of your SunUniversalLife II policy.

## SunUniversalLife II

SunUniversalLife II offers two key financial planning tools in one convenient product. It provides you with permanent life insurance protection for your long-term needs, plus the opportunity for tax-preferred savings growth. The product is designed for people like you who value security and guarantees, need diversified investment opportunities and most of all the flexibility to make the product truly yours – one that's designed by you for your life.

### With SunUniversalLife II your design can:

- protect your family today,
- supplement your retirement income tomorrow,
- maximize your estate for your beneficiaries,
- provide for your children or grandchildren, and
- address your business planning needs.

The choice is yours. SunUniversalLife II can help you meet key financial planning goals now and in the future.



## Benefits for you

**Protection for life:** SunUniversalLife II provides you with permanent life insurance protection, making sure the coverage is there when it's needed. Whether you need protection to meet your personal situation or business goals, SunUniversalLife II can be designed by you for your needs.

**Choice:** SunUniversalLife II gives you many choices and the opportunity to design a plan that meets your needs now and in the future. Choose your cost of insurance option to meet your needs today, knowing that you can change it in the future if needed. Design a portfolio you're comfortable with by selecting your investment accounts. With the wide variety of optional benefits to choose from, you can make this plan your own.

**Savings opportunities:** One of the great features available with SunUniversalLife II is the opportunity for tax-preferred investment growth. You can choose from a wide variety of investment account options including a daily interest account, four guaranteed investment accounts and 18 managed accounts. In addition, SunUniversalLife II also gives you the opportunity to invest in the Sun Life Diversified Account, which is a smoothed return account. With SunUniversalLife II, you design your investment portfolio for today and the future.

**Flexibility:** Because you don't know what the future holds, SunUniversalLife II gives you the flexibility you need from a life insurance plan – when you need it most. With opportunities to make changes over your lifetime to meet your changing needs, this plan can be designed by you, for your life.

**Cash accessibility:** With easy access to cash built up within your SunUniversalLife II plan, you can use it as an additional tax-preferred savings vehicle. It gives you peace of mind knowing you have extra funds, if and when you need them.

**Guarantees:** Not much in life is guaranteed these days, but you'll like the guarantees that come with SunUniversalLife II. From cost of insurance options to cash values available with some cost of insurance options, you have guarantees on what matters most with your life insurance plan.

### Did you know?

*Your advisor can help you select the right combination of features and benefits for your SunUniversalLife II policy. It truly is designed by you, for your life.*

## How your plan works

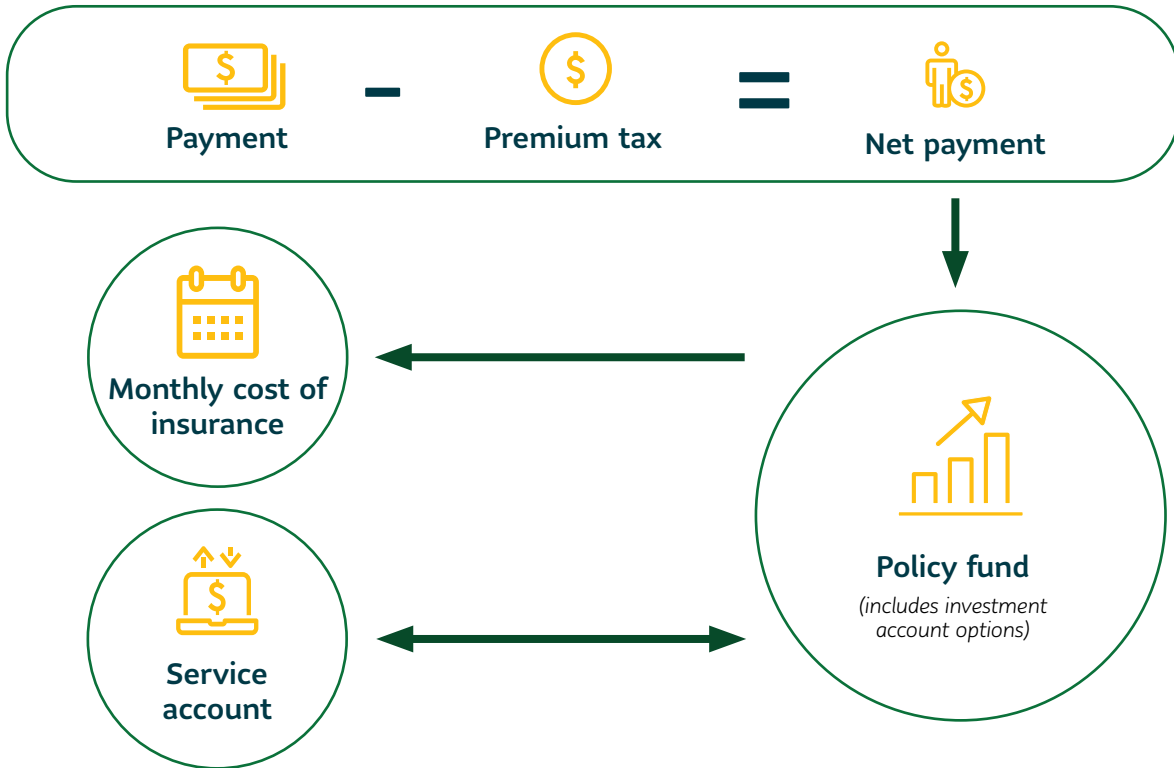
When we receive a payment we deduct provincial premium tax. The net payment is added to the policy fund and, once the minimum is met, is allocated to the investment accounts you've selected to meet your savings needs. Each month we may credit interest to the investment accounts based on the net rate of return of the underlying investment selected. Positive returns result in a positive interest rate and will increase your policy fund value. Negative returns result in negative interest rate and will decrease your policy fund value.

Every month, money is deducted from your policy fund to pay for the cost of insurance (COI) for your plan. The COI includes any optional benefits you've added to customize your plan.

One of the benefits of SunUniversalLife II is its tax-exempt status, providing you with tax-preferred savings opportunities up to specific limits. If the amount of money in your policy exceeds these limits, or you pay us more than the maximum allowed, we'll move the money to the service account. The service account is outside the SunUniversalLife II policy and any interest earned is taxable. When room becomes available, we'll automatically transfer the money back into your policy, less any applicable premium tax.

On death of the insured person, the death benefit can be paid to your named beneficiary tax-free.





---

Sun Life will credit interest to the policy fund based on the net rate of return of the investment account options selected. Interest can be positive or negative.

## Designing your plan

### Selecting your life insurance coverage amount

With SunUniversalLife II, you can set your life insurance coverage amount based on your needs today. And you have the flexibility to increase or decrease additional coverage amounts in the future if your needs change.

The minimum insurance coverage amount for SunUniversalLife II is \$100,000.  
The maximum insurance coverage amount for SunUniversalLife II is \$25,000,000.

The maximum insurance amount includes all term insurance benefits you may choose to custom design your policy.

#### Did you know?

*If you add an insurance coverage to your policy in the future, you'll need to provide us with evidence of insurability for the insured person.*



## Policy types

With SunUniversalLife II you have the flexibility to design your policy and choose the policy type to meet your protection needs. If your situation changes, you may make some changes after you get your policy to tailor it to your lifestyle.

### Single life

This policy insures one person and pays a tax-free death benefit on the death of the insured person.

### Joint first-to-die

This policy insures two people and pays a tax-free death benefit on the first death of the insured persons. This policy type includes a survivor benefit that allows the surviving life insured to apply for a new policy within 90 days, without providing evidence of insurability.

- This option may be an excellent solution for couples who want to make sure their family is taken care of if one of them dies.
- If you're a small business owner, this policy type may be just what you need if the surviving partner needs money to buy the deceased partner's interest in the business.



## Joint last-to-die

### Cost of insurance to the first death

This policy insures two people and pays a tax-free death benefit on the last death of the insured persons. The cost of insurance for the basic insurance amount becomes paid up on the death of the first insured person.

### Cost of insurance to the second death

This policy insures two people and pays a tax-free death benefit on the last death of the insured persons. The costs for this policy are payable until the last death of the insured persons, their joint age 100, or the end of the cost of insurance payment period, whichever comes first.

These policy types are a great solution for creating or protecting your estate for your beneficiaries.

If charitable giving is important to you, these policy types can provide an effective way of leaving money to your favourite charity or alma mater.



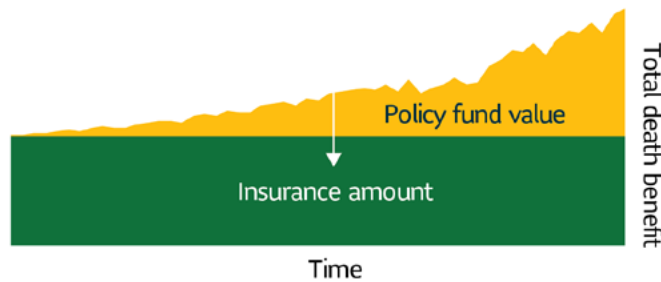
## Death benefit options

With SunUniversalLife II you can choose from five death benefit options for your policy. Your advisor can help you choose the one that's best for you today. If your circumstances change, you may be able to change your death benefit option – giving you the flexibility to design a plan for your life.

### Insurance amount plus policy fund

#### How it works

- Your death benefit may increase over time as your policy fund value increases.



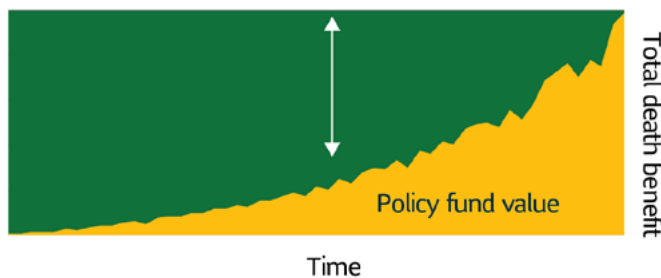
#### Solution

- Provides a death benefit that can increase with your estate liabilities.

### Level insurance amount

#### How it works

- Your death benefit remains level for life.
- This may be one of the most cost-effective death benefit options.



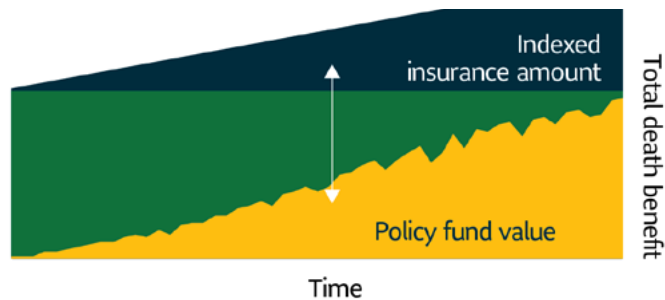
#### Solution

- If your estate protection need is fixed, this death benefit option may work for you.

## Level insurance amount plus indexing

### How it works

- Your death benefit automatically increases by an amount selected by you – from 1% to 8%.



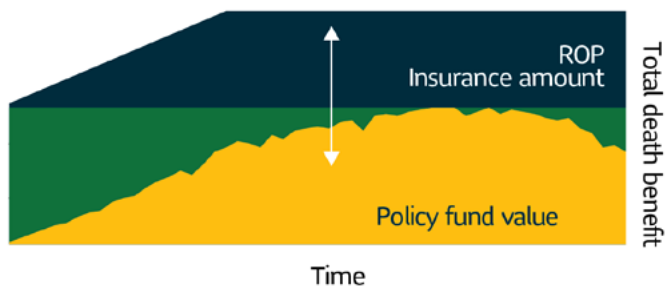
### Solution

- If you would like to have your death benefit keep up with inflation, this may be the option for you.

## Level insurance amount plus return of payments (ROP)

### How it works

- This death benefit option automatically increases by the payments you make to the plan.



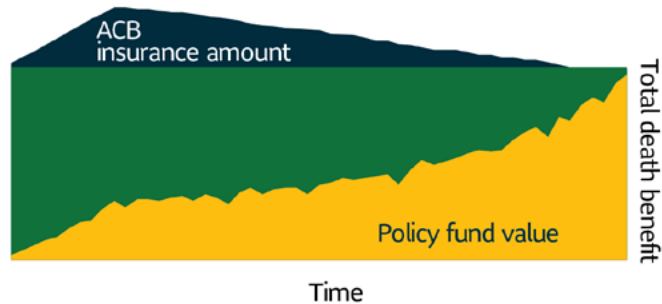
### Solution

- If it's important to you to make sure your beneficiaries receive all of the money you have paid into your policy in addition to the death benefit, this option may work for you.

## Level insurance amount plus adjusted cost basis (ACB)

### How it works

- The death benefit will always be equal to the basic insurance amount plus the policy's adjusted cost basis.



### Solution

- This option is designed for business owners who want to optimize credits to the corporation's capital dividend account.

The death benefit option you select for your SunUniversalLife II plan sets the stage for your custom designed policy. The death benefit payable will always be equal to the death benefit option you've selected, less any policy loans, cash withdrawals or indebtedness under the policy. If there's money in the service account at the insured person's death, we'll pay that amount to the beneficiary.

## Cost of insurance options

Your SunUniversalLife II policy comes with six cost of insurance (COI) types to choose from. Each one provides a different structure designed to meet your unique needs.

The COI for your policy is based on the insured person’s age, health, smoking status, sex assigned at birth and the insurance amount you select. The age we use in calculating your COI is based on an insurance age – the age nearest the insured person’s actual birthday. For example, if the insured person is 40 years and seven months old, their insurance age is 41.

Cost of insurance types	Solution	How it works
<b>Yearly renewable term to age 85 (YRT 85)</b>	<ul style="list-style-type: none"> <li>Minimizes your costs in the early years.</li> <li>Allows more of your payments to go to the policy fund, increasing the potential for compounding tax-preferred interest.</li> <li>Allows for more savings room.</li> <li>Gives you the flexibility to change to Level for life or Limited pay 20 in the future if your circumstances change.</li> </ul>	<ul style="list-style-type: none"> <li>Based on the insured person’s age, the COI increases each year as the insured person ages.</li> <li>Rates for the initial insurance amount are set for life under the policy and are guaranteed payable to the policy anniversary nearest the insured person’s 85<sup>th</sup> birthday.</li> <li>Works well when a policy is funded more than minimum in early years to cover costs in later years.</li> </ul>
<b>Yearly renewable term to age 70 (YRT 70)</b>	<ul style="list-style-type: none"> <li>Offers moderate costs in the early years.</li> <li>Allows more of your payments to go to the policy fund, increasing the potential for compounding tax-preferred interest.</li> <li>Allows for more savings room.</li> <li>Gives you the flexibility to change to Level for life or Limited pay 20 in the future if your circumstances change.</li> </ul>	<ul style="list-style-type: none"> <li>Based on the insured person’s age, the COI increases each year as the insured person ages.</li> <li>Rates for the initial insurance amount are set for life when the policy is issued and are guaranteed payable to the policy anniversary nearest the insured person’s 70<sup>th</sup> birthday.</li> <li>Works well when a policy is funded more than minimum in early years to cover costs in later years.</li> </ul>

Cost of insurance types	Solution	How it works
<b>Level for life</b>	<ul style="list-style-type: none"> <li>• Costs more than YRT 85 or YRT 70 in the early years, but may have a lower cost over all.</li> <li>• Depending on the death benefit option you select, your savings room may be more limited in the later years.</li> </ul>	<ul style="list-style-type: none"> <li>• Available for issue ages 18 and over.</li> <li>• Rates are based on the insured person's age at issue and remain level for life.</li> <li>• Rates are guaranteed and payable to the policy anniversary nearest the insured person's 100<sup>th</sup> birthday.</li> </ul>
<b>Limited pay: 10, 15 and 20 years</b>	<ul style="list-style-type: none"> <li>• The most expensive options in the early years. However, may result in lower costs overall.</li> <li>• Provides a fully paid up basic insurance amount at the end of the limited pay period.</li> <li>• If you are looking to get your costs of insurance out of the way early, these may be the options for you.</li> </ul>	<ul style="list-style-type: none"> <li>• Available with the Insurance amount plus policy fund death benefit option only.</li> <li>• You can choose from three guaranteed limited pay options: 10, 15 and 20 years.</li> <li>• Rates are based on the insured person's age at issue, are guaranteed level and are payable for the period selected.</li> <li>• Guaranteed cash values are available starting at the 5<sup>th</sup> policy anniversary.</li> </ul>

### Did you know?

*For all cost of insurance options, coverage continues until the death of the insured person, the policy is surrendered, or the policy lapses. Even though the policy illustration only shows values until age 100, the policy will continue beyond that point if the insured person lives past age 100. The amount of the death benefit after age 100 will depend on the death benefit option selected. The policy fund value will continue to grow based on the investments selected.*

## Investment account options

An important part of Sun Universal Life II is the investment account selections you make to help meet your investment needs. Your investment account selections help you create a plan that's designed by you, for your life. We have accounts available to satisfy the most conservative to the more aggressive policy owner – and everyone in between.

The following are the types of investment account options available with SunUniversalLife II:

Investment account	Description
<b>Daily interest account (DIA)</b>	Similar to a savings account, interest is calculated and credited on a daily basis. It's also one of the accounts available in the service account.
<b>Guaranteed interest accounts (GIA)</b>	GIAs are available in 1-, 3-, 5-, and 10-year terms to meet your short-, medium- and long-term needs. The 1-year GIA is one of the accounts available in the service account.
<b>Managed accounts</b>	These accounts reflect the performance of the investment fund the account is linked to. When you select these accounts you don't acquire an interest in the underlying fund, legal interest in the security or purchase any units. Since the performance of the underlying investment fund can fluctuate, the interest earned can be positive or negative. There are 18 managed account options to choose from.
<b>Sun Life Diversified Account</b>	The Sun Life Diversified Account provides you access to a smoothed portfolio account managed by Sun Life. It gives you access to a diversified portfolio with investments in private fixed income, bonds, mortgages, real estate and equities.



**TIP:** For details on the investment accounts available with SunUniversalLife II, ask your advisor for the SunUniversalLife II Investment Account Options booklet. With this in hand, you can design your portfolio together.



## Additional optional benefits

We don't know what the future holds, but SunUniversalLife II's many optional benefits can help you be prepared for wherever your future takes you. With these optional benefits, you can enhance your SunUniversalLife II policy that's designed by you, for your life!

Investment account	Description
<b>Accidental death benefit (ADB)</b>	ADB provides you with an inexpensive way to increase the amount of death benefit if the insured person dies by accident.
<b>Child term benefit (CTB)</b>	Provides you with the opportunity to provide a small amount of term insurance on your children and future children, starting them with a solid financial plan. You can convert this term insurance when they're between the ages of 18 to 25 for up to 10 times the CTB insurance amount without providing evidence of insurability.
<b>Total disability waiver benefit (TDB)</b>	This benefit helps ensure that your valuable life insurance remains in place if the insured person is unable to work because of an injury or illness that makes them totally disabled. We'll waive the monthly cost of insurance if the life insured becomes disabled.



Investment account	Description
<b>Owner waiver disability/Death benefit</b>	If the policy owner isn't the insured person, this benefit allows the owner to ensure the costs for the insurance protection are covered if they die or become disabled. We'll waive the monthly cost of insurance if the policy owner dies or becomes disabled.
<b>Guaranteed insurability benefit (GIB)</b>	GIB gives you peace of mind knowing that whatever happens in the future, you can purchase additional life insurance every three years or on a major family event without providing evidence of insurability.
<b>Business value protection benefit (BVPB)</b>	If you're a business owner, this benefit may be for you. With BVPB you can buy more insurance on each policy anniversary, up to set maximums, without providing medical evidence of insurability. With this benefit your insurance coverage can grow as your business does.
<b>Term insurance benefits</b>	Your need for life insurance may vary as family and business circumstances change. You can choose from a wide variety of term benefit lengths including 10-year, 10-year with Renewal protection benefit, 15-year, 20-year or 30-year. All are renewable and convertible to permanent insurance.

**Did you know?**

*Your advisor can help you choose the additional optional benefits you need to ensure your SunUniversalLife II policy meets all of your needs, today and in the future.*





### Did you know?

We may need you to provide us with evidence of any change in your health or insurability that takes place between the time you apply for insurance and the time your policy is delivered. If you pay for your policy at the time you apply, you may receive immediate coverage under a certificate of temporary insurance while your application is being processed. The terms, conditions and exclusions of that temporary insurance are set out in the certificate. The certificate also states when and under what conditions coverage under the certificate will end. If you don't pay at the time you apply and are not covered under a certificate of temporary insurance then your coverage won't be effective until:

- your policy is delivered and
- you make your first payment and
- (when required) you have given us sufficient evidence that there's been no change in your insurability between the time you applied for insurance and the time your policy is delivered.

## Flexibility with your SunUniversalLife II policy

### Accessing the cash within your policy

SunUniversalLife II provides you with a lot of flexibility when it comes to accessing the cash surrender value of your policy. The cash surrender value is the amount you would receive if you cancel (or surrender) your policy and is made up of the values in your policy, less any surrender charge, loans and market value adjustments that may apply. You can access any available cash in your policy through withdrawals, policy loans or, if you don't require the valuable insurance coverage that comes with SunUniversalLife II, you can cancel it for its cash surrender value.

### Withdrawals

You can make a withdrawal from your policy's cash surrender value if there's enough value in the policy. The minimum you can withdraw is \$250. The following applies to policy withdrawals:

- A surrender charge applies for the first eight years. If the surrender charge applied to the fund value makes the cash surrender value zero, a withdrawal isn't allowed.
- If you have money in the service account, you must withdraw from that account first.
- If your death benefit option is: Level insurance amount, Level insurance amount plus return of payments, Level insurance amount plus indexing, or Level insurance amount plus adjusted cost basis, a withdrawal decreases the basic insurance amount. For the Level and ROP and Level and ACB options your death benefit will automatically change to Level when a withdrawal is made.
- Withdrawals from your policy may be taxable.



## Policy loans

You can take a policy loan against your cash value if there's enough accumulated in the policy. The interest rate for your policy loan is the rate in effect at the time you request the loan. The rate is adjusted to current rates at each policy anniversary. You can repay your policy loan at any time. If you don't repay your policy loan, the outstanding balance is deducted from the death benefit payable. The minimum loan amount is \$250. Your policy loan may be taxable.

## Surrendering or cancelling your policy

If you no longer need your valuable life insurance, you can choose to cancel your policy. The total cash surrender value will be paid to you. Talk to your tax advisor about the tax implications of cancelling your policy.

## Surrender charges

Surrender charges apply if you cancel your policy or reduce your death benefit within the first eight years. Surrender charges for your policy are based on the surrender target payment, which is based on the Level COI rate for your policy regardless of the cost of insurance option you have selected.

If you apply to cancel your policy on a date that is not a policy anniversary, the surrender charge percentage will be pro-rated based on the number of whole months the policy has been in effect between policy anniversaries. In any given policy year, the pro-rated surrender charge percentage will be either the percentage for the start of the policy year, the end of the policy year—or somewhere in between—depending on when you cancel the policy.

The following are the surrender charges:

Policy year of basic insurance benefit	Surrender charge percentage (start of policy year)	Surrender charge percentage (end of policy year)
1	100%	200%
2	200%	200%
3	200%	200%
4	200%	150%
5	150%	150%
6	150%	100%
7	100%	100%
8	100%	0%
9 and later	0%	0%

## Value-added benefits

The following benefits are included with your SunUniversalLife II policy at no additional cost to you – providing even more flexibility and security.

### Early death benefit option

The Early death benefit option can be used to provide a valuable tax-free benefit through payment of the policy fund for the survivor of a Joint last-to-die plan. On the first death of the insured persons, the survivor can access the policy fund to assist with financial needs at that time. The reduced death benefit will still be paid to beneficiaries at the second death.



**TIP:** This feature works particularly well if you have elected Joint last-to-die cost of insurance to first death as your insurance policy type.

---

### Withdrawals from the policy fund due to a disability

You may make one withdrawal from your policy each time an insured person becomes disabled by illness or injury, as defined in your policy. This provides you with access to cash when you need it most.

### Living benefit

This benefit is offered on Sun Life Assurance Company of Canada life insurance products. It's not part of your policy. We may approve it at our discretion on a case-by-case basis. If the insured person has a terminal illness and isn't expected to live more than 24 months, this benefit can provide a lump-sum payment equal to 50% of the insurance amount, up to a maximum of \$250,000. It's yours to use as needed.

## SunUniversalLife II

SunUniversalLife II provides all of the features and benefits you need to design a life insurance policy to meet your needs today and in the future. But you don't have to design it alone. Your advisor is there every step of the way to help you get the right mix of protection and savings you need, today and in the future.



## Questions? We're here to help.

Talk to your advisor about Sun Life today!

For more information and resources visit [sunlife.ca](https://sunlife.ca).  
Call 1-877-SUN-LIFE (1-877-786-5433)

We're dedicated to helping you achieve a lifetime  
of financial security and live a healthier life.