

LIFE INSURANCE

Sun Permanent Life

ADVISOR GUIDE

What's inside

Benefits for Clients

Product at a glance

Product details

Optional benefits



IMPORTANT INFORMATION ABOUT THIS GUIDE

The information in this guide has been prepared for advisor use only. This guide is intended to provide you with an overview of Sun Permanent Life. You should also read the Sun Permanent Life policy pages on the Sun Life Advisor website for more details.

This guide doesn't provide tax, legal, accounting or other professional advice. We suggest that you advise Clients to seek the advice of a tax professional when making decisions. It's the policy owner's responsibility to determine the tax consequences under their relevant tax legislation. Any tax information provided in this advisor guide is based on the provisions of the Income Tax Act (Canada) and the regulations as of the date of this guide. In addition, this information is based on Sun Life's current understanding and interpretation of the rules and the administrative practices of the Canada Revenue Agency (CRA).

OVERVIEW

Sun Permanent Life is a non-participating permanent life product designed to provide Clients with a permanent protection solution that helps them achieve lifetime financial security.

The four guaranteed premium payment options, including three guaranteed limited pay options, make it easy for you to offer Clients a solution that's tailored to their unique needs. Along with guaranteed premiums, Sun Permanent Life also provides guaranteed cash values and a guaranteed death benefit. Clients can ensure their loved ones are taken care of with Sun Permanent Life. It's a straightforward permanent life insurance option that's easy to understand, and truly meets Clients' current and future needs.

Use this guide to understand the features and optional benefits available.

To provide Clients with more information, give them a copy of the Sun Permanent Life Client guide (810-4905). The sample Sun Permanent Life policy pages are also available on Sun Life advisor website.

CONTENTS

TARGET MARKET	4	OPTIONAL BENEFITS	13
BENEFITS FOR CLIENTS	4	Guaranteed return of premium on death benefit (ROPD)	13
PRODUCT AT A GLANCE	5	Accidental death benefit (ADB)	14
PRODUCT DETAILS	6	Child term benefit (CTB)	15
Coverage options	6	Total disability waiver benefit (TDB)	16
Premium options	7	Owner waiver death benefit	17
Issue ages	8	Owner waiver disability benefit	18
Issue limits and rate bands	9	Owner waiver death and disability benefit	19
Premiums	9	Guaranteed insurability benefit (GIB)	19
Smoking status	9	Business value protection benefit (BVPB)	20
Changes to smoking status	10	Term insurance benefit (TIB)	20
Death benefit	10	POLICY LAPSE AND REINSTATEMENT	22
Guaranteed cash values	10	ADMINISTRATIVE INFORMATION	22
Withdrawable premium fund (WPF)	10	Claims	22
Policy loans	11	Product disclosure requirements	22
Non-forfeiture options	11		
Living benefit	12		

TARGET MARKET

Sun Permanent Life is designed for Clients looking for life insurance that's easy to understand and provides lifetime protection. The guaranteed premiums, cash values and death benefits in Sun Permanent Life help provide Clients with peace of mind.

BENEFITS FOR CLIENTS

Protection for life: Sun Permanent Life can enhance financial security throughout Clients' lives. It provides permanent protection for the people that matter most. The death benefit can be used to preserve an estate for beneficiaries, create a financial foundation for a Client's children or grandchildren, or provide a gift to their favourite charity or alma mater.

Guarantees: In a world full of change, Sun Permanent Life comes with guarantees that can put Clients' minds at ease. Their premium amount is guaranteed for life, or until the policy is paid up, depending on the option they choose. The guaranteed cash value is paid out upon surrender of the policy and can be borrowed through a policy loan. The guaranteed death benefit will be there when Clients need it most.

Simple: Sun Permanent Life gives Clients the opportunity to have a permanent life insurance policy that's easy to understand and provides lifetime protection for their loved ones.

PRODUCT AT A GLANCE

Coverage options	<ul style="list-style-type: none"> • Single life • Joint first-to-die, two lives — includes Survivor benefit and Automatic survivor benefit • Joint last-to-die premiums to second death, two lives • Joint last-to-die premiums to first death, two lives (Available on Life pay plans only) 		
Issue limits	<ul style="list-style-type: none"> • Single life: <ul style="list-style-type: none"> – \$25,000 - \$25,000,000 for ages 0-64 – \$10,000 - \$25,000,000 for ages 65-85 • Joint: <ul style="list-style-type: none"> – 25,000 - \$25,000,000 for all ages – available under \$25,000 if converting or exercising the full amount. 		
Premium options and issue ages	Premium option	Single	Joint
	<ul style="list-style-type: none"> • Life Pay • 10 pay • 15 pay • 20 pay 	0 - 85 0 - 85 0 - 85 0 - 80	18 - 85 18 - 85 18 - 85 18 - 80
	<ul style="list-style-type: none"> • Premiums for all options are level, guaranteed for life or until the payment period ends. • For joint policies, both the ages of the insured persons and the joint age must fall within the above limits. • Limited pay options aren't available with the joint last-to-die premiums to first death coverage option. 		
Rate bands	<ul style="list-style-type: none"> • \$10,000 - \$49,999 • \$50,000 - \$99,999 • \$100,000 - \$249,999 • \$250,000 - \$499,999 • \$500,000 - \$999,999 • \$1,000,000+ <p>Special quotes are available for amounts in excess of \$25,000,000</p>		
Premium payment mode and policy fees	Premium mode	Policy fee	
	Annual	\$25	
	Monthly	\$2.25	
Smoking status	Non-smoker, smoker or juvenile		
Guaranteed cash values	<ul style="list-style-type: none"> • Beginning in year three • Included with all coverage and premium options 		
Premium funds	<ul style="list-style-type: none"> • Withdrawable premium fund 		
Policy loans	<ul style="list-style-type: none"> • Minimum loan amount: \$250 • Maximum loan amount: The net cash value less one year's interest 		
Non-forfeiture options	<ul style="list-style-type: none"> • Automatic premium loan • Reduced paid-up 		
Special features	<ul style="list-style-type: none"> • Living benefit 		
Optional benefits	<ul style="list-style-type: none"> • Guaranteed return of premium on death benefit <ul style="list-style-type: none"> – Unique benefit available with 15 and 20 pay premium options • Accidental death benefit • Guaranteed insurability benefit • Total disability waiver benefit • Owner waiver benefit (death, disability or death and disability) • Child term benefit • Business value protection benefit • Term insurance benefit <ul style="list-style-type: none"> – T10, T15, T20, T30 		

PRODUCT DETAILS

Coverage options

Sun Permanent Life offers: single life, joint first-to-die, joint last-to-die premiums to first death and joint last-to-die premiums to second death. You can use this wide variety of coverage options to help Clients design the Sun Permanent Life plan that meets their needs.

- **Single life**
 - Coverage is based on one insured person.
 - The death benefit is payable on the death of the insured person.
- **Joint first-to-die**
 - Coverage is based on two insured persons.
 - The death benefit is payable on the death of the first insured person at which time the policy terminates.
 - Joint first-to-die policies automatically include a Survivor benefit and an Automatic survivor benefit at no additional charge.
 - **Survivor benefit** – After one of the insured persons dies, the surviving insured person has 90 days to apply for a new life insurance policy without providing new evidence of insurability.
 - The amount of the new life insurance policy can't exceed the joint first-to-die insurance amount.
 - The new insurance policy can be permanent or term insurance, subject to availability, and is based on the surviving insured person's age nearest, and the rates in effect at the time of application.
 - The surviving insured person must be under age nearest 75.
 - If premiums were being waived on the joint first-to-die policy for the survivor as a result of a total disability, premiums for the new policy are waived while the disability continues.
 - **Automatic survivor benefit** – If the surviving insured person dies within 90 days of the first insured person, is under age nearest 75, and didn't apply for a new policy under the Survivor benefit above, we pay an additional amount equal to the basic insurance amount.
- **Joint last-to-die – premiums to second death**
 - Coverage is based on two insured persons.
 - The death benefit is payable on the death of the second insured person.
 - Premiums continue to be payable after the first insured person's death, if applicable.



TIP! Joint last-to-die coverage is an efficient way for Clients to pass their estate to their loved ones or favourite charities.

- Joint last-to-die – premiums to the first death
 - Coverage is based on two insured persons.
 - The death benefit is payable on the second death of the insured persons.
 - Premiums for the basic insurance coverage end at the first death of an insured person.
 - Premiums for optional benefits that apply to the surviving insured person continue to be charged after the first death.
 - Only available with the Life pay premium option.



TIP! Joint last-to-die, premiums to the first death is a good way to make sure the insurance remains in place after the first death. The survivor doesn't have to worry about ongoing premiums.

Premium options

Sun Permanent Life offers a wide range of guaranteed premium options to help meet Clients' needs.

- Life pay
 - Premiums are level and guaranteed for life.
 - Premiums are payable until age 100 (joint age 100 for all joint coverage options).
- 10 pay
 - Premiums are level, guaranteed and payable for 10 years.
 - The basic insurance amount is paid up after 10 years.
 - Not available with joint last-to-die premiums to first death coverage option.
- 15 pay
 - Premiums are level, guaranteed and payable for 15 years.
 - The basic insurance amount is paid up after 15 years.
 - Not available with joint last-to-die premiums to first death coverage option.
- 20 pay
 - Premiums are level, guaranteed and payable for 20 years.
 - The basic insurance amount is paid up after 20 years.
 - Not available with joint last-to-die premiums to first death coverage option.



DID YOU KNOW? Optional benefits can continue past the end of the limited pay period. Premiums for optional benefits may continue to be charged after the basic insurance amount is paid up.



TIP! 20 pay is an ideal solution for grandparents looking to provide an insurance policy to their grandchildren as a foundation for their financial futures.

Issue ages

Issue ages are based on the insured person's insurance age, or their age at the nearest birthday. This is known as age nearest. For example, if the Client is 48 years and 7 months, their insurance age is 49. On the other hand, if the Client is 35 years and 3 months, their insurance age is 35. An attained age is the insurance age plus the number of years from the effective date of the policy to the nearest policy anniversary.

Sun Permanent Life is available to insured persons from insurance age 0 - 85 for single life coverages depending on the premium option selected.

For joint coverage, we calculate a joint age at the time the insurance takes effect. The joint age represents the combination of each insured person's insurance age, sex and smoking status. Joint ages will differ by coverage type. For example, a joint last-to-die coverage will have a different joint age than a joint first-to-die coverage.

Sun Permanent Life is available to joint persons insured, insurance age 18 - 85 depending on the premium option selected. Both of the insured persons under the joint coverage must be within these ages:

Premium option	Single life	Joint life
Life pay	0-85	18 - 85
10 pay	0-85	18 - 85
15 pay	0-85	18 - 85
20 pay	0-80	18 - 80



TIP! Sun Permanent Life allows backdating to retain age. In most cases we'll allow Clients whose insurance age has changed within the past 12 months, to date the policy to the day before that age changed. Premiums charged are for the age of the Client prior to the age change. All back premiums must be paid. Clients aren't allowed to backdate for product eligibility, premium options or optional benefits.

Issue limits and rate bands

The minimum coverage amount for a Sun Permanent Life policy varies by issue age and coverage option.

- Single life plans
 - \$25,000 for ages 0 - 64
 - \$10,000 for ages 65 - 85
- Joint plans
 - \$25,000 for all ages

The maximum coverage amount for both single and joint plans is \$25,000,000. Special quotes may be available for coverage amounts greater than \$25,000,000.

The premium rate charged varies by the face amount band. Volume discounts permit reductions in the premium rate as the insurance amount increases. The rate bands for Sun Permanent Life are as follows:

Band 1	\$10,000 - \$49,999
Band 2	\$50,000 - \$99,999
Band 3	\$100,000 - \$249,999
Band 4	\$250,000 - \$499,999
Band 5	\$500,000 - \$999,999
Band 6	\$1,000,000 +



DID YOU KNOW? Decreasing the coverage amount after issue may cause a move to a lower band with higher rates. The premium applicable to the new band applies.

Premiums

Premiums for Sun Permanent Life are level and guaranteed for the payment period chosen. Clients can make monthly payments with a pre-authorized cheque (PAC) or they can be billed annually. To calculate the monthly premium, the annual premium is multiplied by 0.09. A policy fee is included in the premium for all Sun Permanent Life policies. Policy fees are: \$2.25 per month, or \$25 per year.

Smoking status

Sun Permanent Life is based on three rate classes: smoker, non-smoker and juvenile. Insured persons who are age nearest 17 - 85 are classified as either smoker or non-smoker. Insured persons, age nearest 0 - 16, are classified as juveniles and will receive a juvenile rate.

Changes to smoking status

An insured person can change from smoker to non-smoker class by completing a Declaration of smoking status form, E18. Evidence of insurability is required and must be approved by Sun Life before non-smoker rates are applied. The premium will be lower under a non-smoker classification.

Juveniles can change from a juvenile rate to a non-smoker rate with the Life pay premium option only. Juveniles, issue age 0 - 16, with a limited pay premium option can't apply for non-smoker rates. They'll receive juvenile rates until the end of the premium payment period.

For juveniles to change to a non-smoker rate, the policy owner must send a non-smoker declaration, signed by the insured person, to Sun Life any time between the policy anniversary nearest the insured person's 17th and 19th birthdays. At the policy anniversary nearest the insured person's 18th birthday, we'll use non-smoker rates if we receive the non-smoker declaration.

If a declaration isn't received, the insured person is automatically classified as a smoker and is charged smoker rates starting from the policy anniversary nearest their 18th birthday.

If the declaration is received after the policy anniversary nearest the 19th birthday, new evidence of insurability is required.

Death benefit

All Sun Permanent Life policies provide a guaranteed level death benefit that's paid to the beneficiary upon the death of the insured person.

Guaranteed cash values

Guaranteed cash values are included on all Sun Permanent Life policies. They begin as early as policy year three and are included in the cash surrender value. The guaranteed cash values aren't included with the death benefit.

Withdrawable premium fund (WPF)

The WPF provides Clients with the opportunity to prepay premiums on their Sun Permanent Life policy. Any payment received over and above the required premium is deposited into the WPF.

- The balance in the WPF earns interest based on short-term interest rates as determined by Sun Life.
- Interest earned is fully taxable.
- Any outstanding premiums are automatically paid from the value in the WPF. If there isn't enough value in the WPF, an automatic premium loan is applied to pay the balance.
- Clients can withdraw money from the WPF at any time subject to minimums based on our current administrative practices.
- The maximum balance in the WPF is set by us and can change over time.



DID YOU KNOW? Any interest earned on funds within the WPF is taxable.

Policy loans

Sun Permanent Life allows Clients to borrow against their guaranteed cash values through a policy loan.

- The minimum loan amount is \$250.
- The maximum loan amount is the guaranteed cash value, less one year's interest, less any existing loans.
- The loan interest rate isn't guaranteed and can be changed at any time.
- If the accumulated loan amount is greater than the net cash value, the policy lapses in 31 days unless a loan payment is received.
- Policy loans can be repaid at any time.
- Any outstanding loan balance is deducted from the cash surrender value if the policy is surrendered.
- Any outstanding loan balance is deducted from the death benefit upon death of the insured person(s).



DID YOU KNOW? Policy loans allow policy owners to borrow against the guaranteed cash values without surrendering their policy. This is a great way to access the cash value in emergencies without surrendering the policy.

Non-forfeiture options

Sun Permanent Life offers two non-forfeiture options: automatic premium loan and reduced paid-up.

- **Automatic premium loan (APL)**
 - An automatic premium loan is initiated by Sun Life to pay any outstanding premiums 45 days after the premium is due.
 - The loan interest rate isn't guaranteed and can be changed at any time.
 - If the accumulated loan amount is greater than the net cash value, the policy lapses 31 days later unless a loan payment is received.
 - Automatic premium loans can be repaid at any time.
 - Any outstanding loan balance is deducted from the cash surrender value if the policy is surrendered.
 - Any outstanding loan balance is deducted from the death benefit upon death of the insured person(s).
- **Reduced paid-up**
 - A policy owner may elect reduced paid-up if they can no longer afford their premiums.
 - The policy becomes paid-up with a reduced death benefit.
 - It must be requested by the policy owner.
 - It can be requested 8 years after the policy issue date.
 - All optional benefits under the policy end once the policy becomes reduced paid-up.
 - Money can no longer be deposited into the withdrawable premium fund.

Living benefit

This benefit is offered on Sun Life Assurance Company of Canada life insurance products and is a non-contractual arrangement that we may approve at our discretion on a case-by-case basis. If an insured person is diagnosed with a terminal illness, an application can be made by the policy owner for a lump sum advance of 50% of the death benefit, to a maximum of \$100,000. The lump sum, plus interest, is deducted from the death benefit when paid. This benefit follows the rules of the living benefit program in effect when the policy owner applies to receive the benefit.



TIP! Any living benefit payable will reduce the amount payable at death. Consider a critical illness insurance policy to help cover those financial needs that occur while the Client is living. This will help ensure that the full death benefit provided by the Client's life insurance policy will be used as intended when the policy was purchased.

OPTIONAL BENEFITS

Sun Permanent Life offers a variety of optional benefits allowing Clients to customize their own protection solution.

Guaranteed return of premium on death benefit (ROPD)

The Guaranteed ROPD benefit offers an increasing death benefit. Any premiums paid for the policy are included in the death benefit and paid to the beneficiary tax-free on the death of the insured person.

Issue ages	<ul style="list-style-type: none"> • Single: 0 - 50 • Joint: Both insured persons' ages and the joint age must be between 0 and 50.
Availability	<ul style="list-style-type: none"> • Single life, joint first to die and joint last to die coverage options • Available with the 15 and 20 pay premium options only • This benefit isn't available: <ul style="list-style-type: none"> – On joint plans if any other optional benefit is selected – On single life plans: <ul style="list-style-type: none"> – If a Term insurance benefit on an additional life is selected – If the Business value protection benefit is selected – If Total disability waiver is selected – If Guaranteed insurability is selected – If Accidental death benefit is selected – If Child term benefit is selected – If Owner waiver benefit is selected – On both single and joint plans: <ul style="list-style-type: none"> – After issue – Or for substandard risk
Death benefit	<ul style="list-style-type: none"> • Any premiums paid including any premiums paid for optional benefits are added to the death benefit upon the death of the insured person. • Any premiums waived as a result of a Total disability waiver or Owner waiver benefit are not included in the death benefit.
Calculation of premiums	<ul style="list-style-type: none"> • Premiums for this benefit are based on each \$100 of total premium to be refunded at death.



TIP! The Guaranteed ROPD benefit provides a refund of all premiums paid to the beneficiary on the death of the insured person, in addition to the insurance amount.



DID YOU KNOW? If the Guaranteed ROPD benefit is cancelled after issue, Sun Life will still refund all premiums paid until the date the benefit was cancelled. Upon death of the insured person any premiums paid until the date the benefit was cancelled are added to the insurance amount and paid to the beneficiary.

Accidental death benefit (ADB)

The ADB pays an additional death benefit to the beneficiary if the insured person's death is due to an accident. Death must occur within 365 days of the accident and before the policy anniversary nearest the insured person's 70th birthday.

Issue ages	<ul style="list-style-type: none">• 0 - 65
Minimum benefit amount	<ul style="list-style-type: none">• \$10,000
Maximum benefit amount	<ul style="list-style-type: none">• Ages 18 - 65: Lesser of two times the insurance amount, including the Term insurance benefit; and \$1,000,000.• Ages 0 - 17: Lesser of two times the insurance amount, including the Term insurance benefit; and \$250,000.
Availability	<ul style="list-style-type: none">• Single life, joint first-to-die and joint last-to-die coverage types. For joint plans, each insured person may have their own ADB coverage.• Not available when the ROPD benefit has been selected• Can be added after issue at policy anniversary only.
Benefit expiry	<ul style="list-style-type: none">• The ADB benefit expires on the policy anniversary nearest the insured person's 70th birthday.• Premiums are level and are payable to the expiry of the benefit.



DID YOU KNOW? The ADB maximum benefit amount is applied across all the Client's Sun Life policies.

Child term benefit (CTB)

The CTB is term insurance for the children of the person insured under the base policy. This benefit allows children and future children of the insured parent to be covered under their life insurance policy until the child is 25 years old.



DID YOU KNOW? The Child term benefit is payable for a maximum of 20 years regardless of the number of children insured under the benefit.

Issue ages	<ul style="list-style-type: none"> Parents: 18 - 55 Insured children must be 18 or younger at the time of application.
Minimum benefit amount	<ul style="list-style-type: none"> \$10,000 Additional amounts must be purchased in increments of \$1,000.
Maximum benefit amount	<ul style="list-style-type: none"> \$30,000 If the child is insured under CTB on another Sun Life policy, the overall maximum is limited to \$30,000.
Availability	<ul style="list-style-type: none"> Single life and joint policies. For joint policies, only one life can have the benefit. Can be added after issue at policy anniversary only, subject to underwriting. Not available when the ROPD benefit has been selected. Not available where one adult life is uninsurable for joint policies.
Children included under this benefit	<ul style="list-style-type: none"> Children, stepchildren, or children legally adopted by the insured person. Any children born or adopted after the date of application are automatically insured regardless of their risk class. Stepchildren can be included after the benefit is in effect by applying in writing and providing evidence of insurability. Children are insured under this benefit from the date they are 15 days old until their 25th birthday, for the following amounts: <ul style="list-style-type: none"> 0 - 14 days: no benefit. 15 days to 179 days: 25% of total benefit. 180 days and on: 100% of total benefit.
Option to purchase new insurance	<ul style="list-style-type: none"> Between a child's 18th and 25th birthday, the policy owner has the right to buy additional life insurance on the life of the child for up to 10 times the amount of the CTB, provided the child has been insured under this benefit for at least three years. The new insurance may be term or permanent, subject to product minimums.
Benefit expiry	<ul style="list-style-type: none"> CTB expires at the policy anniversary nearest the insured person's 70th birthday. Costs are payable to the earlier of 20 years and the policy anniversary nearest the insured person's 70th birthday. <ul style="list-style-type: none"> If the insured person with the CTB dies while the CTB is in effect, no further payments for this benefit are required. Children remain covered under this benefit until age 25 or until they apply for a new life insurance policy as permitted under this benefit. In a joint first-to-die policy, if either insured person dies while the CTB is in effect, no further payments for this benefit are required.



DID YOU KNOW? In addition to paying a death benefit, the Child term benefit also guarantees the child's insurability. The benefit allows for the purchase of new life insurance on the child for up to 10 times the CTB amount to a maximum of \$300,000.

Total disability waiver benefit (TDB)

This optional benefit maintains coverage if the insured person becomes totally disabled and is unable to earn an income. With TDB, the premiums for the base insurance amount and any optional benefits, along with the policy fee, are waived if the insured person under this benefit becomes disabled.

Issue ages	<ul style="list-style-type: none"> • 0 - 55 • For issue ages 0 - 17, premiums and coverage for this benefit begin at age 18.
Availability	<ul style="list-style-type: none"> • Single life and joint plans. For joint plans, each insured is eligible to purchase TDB. • Not available when the ROPD benefit has been selected. • Not available after issue.
Calculation of premiums	<ul style="list-style-type: none"> • Premiums for this benefit are based on each \$100 of total premium to be waived.
Coverage period for this benefit	<ul style="list-style-type: none"> • Policy anniversary nearest the insured person's 60th birthday.
Length of time premiums are waived	<ul style="list-style-type: none"> • For the duration of disability of the insured person under this benefit, even if disability extends past age 60, provided the disability began before age 60.
Waiting period	<ul style="list-style-type: none"> • Six months of continuous disability.
Maximum amount Sun Life will waive under this benefit	<ul style="list-style-type: none"> • \$50,000 annual premium/cost of insurance across all Sun Life policies.
Exclusions	<ul style="list-style-type: none"> • Premiums won't be waived if the total disability: <ul style="list-style-type: none"> – continues for less than six months, – is the result of self-inflicted injuries, or – is the result of committing a criminal offence. <p>Please refer to the policy for other exclusions.</p>
Making a claim	<p>For Clients to make a claim:</p> <ul style="list-style-type: none"> • notice must be given to Sun Life during total disability and before the policy anniversary nearest the insured person's 60th birthday, • proof of disability must be provided within six months of notice, and then periodically as required, and • payments under this benefit won't be made for any period earlier than one year before notice of total disability is received.



TIP! If a Client becomes disabled, they may be unable to pay their premiums. The Total disability waiver benefit provides low-cost disability protection, helping Clients maintain their valuable life insurance coverage.

Definition of total disability – An insured person must be completely unable, as a result of injury or disease, during the first two years following the date of their disability, to carry on with the essential duties of their own occupation, and thereafter to carry on any occupation. The total disability must be continuous.

- Disabled while a student – If the insured person becomes disabled while they are a student, Sun Life considers them to be disabled if they are completely unable to attend or participate as a student in an education program or perform the duties of any occupation within their education, training or experience.
- Disabled while unemployed – If the insured person becomes disabled while unemployed, and isn't profiting from any occupation, Sun Life considers them to be disabled if they're completely unable to perform the duties of any occupation within their education, training or experience.

It's important to understand the definition of total disability as it applies to this benefit. Please review the total disability waiver benefit under the "Optional benefits" section of the Client's policy for additional details.

Owner waiver death benefit

This is an optional benefit that maintains coverage if the owner of the policy dies between the policy anniversary nearest their 18th and 70th birthdays. Premiums for the insurance amount and any optional benefits, along with the policy fee, are waived if the owner insured under this benefit dies.

Issue ages	<ul style="list-style-type: none"> • 18 - 60
Availability	<ul style="list-style-type: none"> • Single life and joint plans. Only one owner can be covered in cases where the policy is jointly owned. • The owner must be different than the insured and cannot be a substandard risk. • Not available when the Business value protection or ROPD benefits have been selected. • Not available after issue.
Calculation of premiums	<ul style="list-style-type: none"> • Premiums for this benefit are based on each \$100 of total premium to be waived.
Coverage period for this benefit	<ul style="list-style-type: none"> • Base insured ages 18 - 60: Policy anniversary nearest the owner's 70th birthday. • Base insured ages 0 - 17: Earlier of the policy anniversary nearest the base insured's 25th birthday or the policy anniversary nearest the owner's 70th birthday.
Length of time premiums are waived	<ul style="list-style-type: none"> • For as long as premiums are charged for the insurance amount and optional benefits that exist in the policy at the time of death.
Maximum amount Sun Life will waive under this benefit	<ul style="list-style-type: none"> • \$50,000 annual premium/COI across all Sun Life policies.
Exclusions	<ul style="list-style-type: none"> • Premiums won't be waived if death is the result of: <ul style="list-style-type: none"> – self-inflicted injuries, or – committing a criminal offence. <p>Please refer to the policy for other exclusions.</p>

If ownership of this policy is transferred, the benefits under this option aren't transferrable and therefore the new owner won't qualify for the Owner waiver on death benefit.

Owner waiver disability benefit

This is an optional benefit that maintains coverage if the owner of the policy becomes totally disabled between the policy anniversary nearest their 18th and 60th birthdays. Premiums for the insurance amount and any optional benefits in the policy, along with the policy fee, are waived if the owner insured under this benefit becomes disabled.

Issue ages	<ul style="list-style-type: none"> • 18 - 55
Availability	<ul style="list-style-type: none"> • Single life and joint plans. Only one owner can be covered in cases where the policy is jointly owned. • The owner must be different than the insured and cannot be a substandard risk. • Not available when the Business value protection or ROPD benefits have been selected. • Not available after issue.
Calculation of premiums	<ul style="list-style-type: none"> • Premiums for this benefit are based on each \$100 of total premium to be waived.
Coverage period or this benefit	<ul style="list-style-type: none"> • Base insured ages 18 - 55: Policy anniversary nearest the owner's 60th birthday. • Base insured ages 0 - 17: Earlier of the policy anniversary nearest the base insured's 25th birthday or the policy anniversary nearest the owner's 60th birthday.
Length of time premiums are waived	<ul style="list-style-type: none"> • For the duration of disability of the owner insured under this benefit.
Waiting period	<ul style="list-style-type: none"> • Six months of continuous disability.
Maximum amount Sun Life will waive under this benefit	<ul style="list-style-type: none"> • \$50,000 annual premium/COI across all Sun Life policies.
Exclusions	<ul style="list-style-type: none"> • Premiums won't be waived if the total disability: <ul style="list-style-type: none"> – continues for less than six months, – is the result of self-inflicted injuries, or – is the result of committing a criminal offence. <p>Please refer to the policy for other exclusions.</p>
Making a claim	<p>For Clients to make a claim:</p> <ul style="list-style-type: none"> • notice must be given to Sun Life during total disability and before the policy anniversary nearest the insured person's 60th birthday, • proof of disability must be provided within six months of notice, and then periodically as required, and • payments under this benefit won't be made for any period earlier than one year before notice of total disability is received.

Definition of total disability – The insured person must be completely unable, as a result of injury or disease, during the first two years following the date of their disability, to carry on with the essential duties of their own occupation, and thereafter to carry on any occupation. The total disability must be continuous.

- Disabled while a student – If the insured person becomes disabled while they are a student, Sun Life considers them to be disabled if they are completely unable to attend or participate as a student in an education program or perform the duties of any occupation within their education, training or experience.
- Disabled while unemployed – If the insured person becomes disabled while unemployed, and isn't profiting from any occupation, Sun Life considers them to be disabled if they're completely unable to perform the duties of any occupation within their education, training or experience.

If ownership of this policy is transferred, the benefits under this option aren't transferrable and therefore the new owner won't qualify for the Owner waiver on disability benefit. In cases where the owner dies while

disabled and premiums are being waived, those costs resume. It's important to understand the definition of total disability as it applies to this benefit. Please review the Owner waiver benefit under the "Optional benefits" section of the Client's policy for additional details.

Owner waiver death and disability benefit

This is an optional benefit that combines the coverages provided by the Owner waiver death and Owner waiver disability benefits. When both benefits are purchased a discount is applied to the benefit premium.

The issue age for this combined benefit is 18 to 55. All of the other features and provisions for the separate Owner waiver death and Owner waiver disability benefits remain the same.

Guaranteed insurability benefit (GIB)

GIB allows the policy owner to purchase additional life insurance for the insured person at their attained age without providing evidence of insurability.

Issue ages	<ul style="list-style-type: none"> • 0 - 45
Minimum option amount	<ul style="list-style-type: none"> • \$20,000
Maximum option amount	<ul style="list-style-type: none"> • Lesser of insurance amount, including the Term insurance benefit amount, to a maximum of \$300,000 across all Sun Life policies.
Availability	<ul style="list-style-type: none"> • Single life policies only. • Not available if the Business value protection or ROPD benefits have been selected. • Not available after issue or for substandard risks.
Purchasing new insurance	<ul style="list-style-type: none"> • First election is available at the policy anniversary nearest the insured person's 18th birthday. • Elections are available every three years and within 31 days of special events such as marriage or the birth or legal adoption of a child. • A maximum of eight elections are available. Maximum total face amount for all elections is \$2.4 million across all Sun Life products.
The new insurance	<ul style="list-style-type: none"> • Based on attained age. • May be any term or permanent life insurance policy issued by Sun Life on the date the new insurance is applied for subject to product minimums. • If the original policy contained a TDB, the Client may apply for a new policy with TDB if it's available; and the insured isn't totally disabled and having premiums waived at the time of election. • If the original policy contained the Owner waiver benefit, the new policy won't include that benefit.
Benefit expiry	<ul style="list-style-type: none"> • Policy anniversary nearest the insured person's 55th birthday — or once the maximum number of elections have been made. • Premiums are payable until benefit expiry.



DID YOU KNOW? Changing Client circumstances often mean a change in insurance needs. GIB allows Clients to purchase new life insurance on special events such as marriage or the birth of a child, without providing evidence of insurability.

Business value protection benefit (BVPB)

BVPB has been designed specifically for business owners and allows the purchase of additional insurance for the insured person at their attained age without providing medical evidence of insurability.

Issue ages	<ul style="list-style-type: none"> • 18 - 65
Minimum option amount	<ul style="list-style-type: none"> • \$250,000
Maximum option amount	<ul style="list-style-type: none"> • \$2,500,000 across all Sun Life policies. • Cumulative maximum equal to the lesser of \$10,000,000 or four times the option amount.
Availability	<ul style="list-style-type: none"> • Single life policies only. • Not available if the Owner waiver, GIB, or ROPD benefits have been selected. • Not available after issue or for substandard risks.
Purchasing new insurance	<ul style="list-style-type: none"> • Annual options are available at each policy anniversary for the first 10 policy years. • Applications for new insurance must be made within 31 days of each policy anniversary.
The new insurance	<ul style="list-style-type: none"> • Based on attained age. • May be any term or permanent life insurance policy offered by Sun Life at the time the option is exercised subject to product minimums. • If the original policy contained a TDB, the Client may apply for a new policy with TDB if it's available and the insured isn't totally disabled and having premiums waived at the time of election. • If the insured is disabled at the time the option is exercised, they must select a new policy and any premiums or COI for the new policy won't be waived.
Financial evidence	<ul style="list-style-type: none"> • When each option is exercised financial information about the business must be provided that includes details about the fair market value of the business to demonstrate the amount of insurance being applied for, and already in force, can be justified. • An option can only be exercised if the value of the insured person's share of the business has increased since the BVPB was issued.
Benefit expiry	<ul style="list-style-type: none"> • The earlier of 10 years from policy issue or once all options have been exercised. • Costs of insurance are payable until benefit expiry.



TIP! The Business value protection benefit (BVPB) makes it easier for business owners to increase their life insurance without medical evidence when their share of the business grows in value.

Term insurance benefit

The Term insurance benefit is cost-effective, renewable and convertible term life insurance that meets Clients' temporary protection needs—for their family or business. It offers guaranteed level life insurance coverage with guaranteed costs that increase at periods based on the term length selected.

Issue ages	Base Life	Additional Life
Availability	<ul style="list-style-type: none"> • T10: 18 - 75 • T15: 18 - 70 • T20: 18 - 65 • T30: 18 - 55 <p>If the base insured exceeds his or her maximum issue age, the additional life is still eligible to apply for TIB.</p>	<ul style="list-style-type: none"> • Single life plans: available for the primary life and one additional life. • Joint life plans: available on each joint life. Each joint life can also have a TIB on one additional life. • Only single life TIBs are available. • Multiple coverages on the same life are not available. • Available after issue, subject to underwriting. • Not available on a joint Sun Permanent Life plan if the guaranteed ROPD benefit has been selected. • A TIB on an additional life is not available on a single life Sun Permanent Life plan, if the guaranteed ROPD benefit has been selected.
Benefit expiry	<ul style="list-style-type: none"> • Policy anniversary nearest the insured person's 85th birthday. 	
Benefit minimum	<ul style="list-style-type: none"> • \$50,000 	
Benefit maximum	<ul style="list-style-type: none"> • Base life: \$25 million less the basic insurance amount per insured. • Additional life: \$25 million per insured. 	
Death of a base insured	<ul style="list-style-type: none"> • Coverage for any remaining term insurance benefits may continue. 	
Convertible	<ul style="list-style-type: none"> • All or part of the TIB death benefit is convertible to permanent insurance without additional medical evidence. • Convertible to the policy anniversary nearest the insured's 75th birthday. • If converted while costs are being waived due to disability, premiums or costs of insurance for the new permanent coverage are no longer waived. • If the costs for this benefit are being waived due to disability on the final conversion date, the TIB may be converted and premiums or costs of insurance for the new permanent coverage are waived, as long as disability continues. <p>May convert a T10 or a T15 to: a T20 or T30 without providing additional medical evidence. May convert before the earlier of:</p> <ul style="list-style-type: none"> • the 7th policy anniversary, or • the policy anniversary nearest the insured's 65th birthday for T20 and 55th birthday for T30. 	

POLICY LAPSE AND REINSTATEMENT

A Sun Permanent Life policy lapses if premiums due are greater than the net cash value, or if the policy loan balance is greater than the guaranteed cash value. When a policy is in a lapse situation, we'll send the policy owner a notice to pay the outstanding amount within a grace period of 31 days. During the 31 day grace period the Client's policy remains in force. After the 31 day grace period the policy lapses.

In the event of a lapse, the Client can apply to reinstate the policy within two years of termination, subject to new evidence of insurability. The policy owner also needs to repay:

- all the outstanding premiums, plus interest from the date of lapse to the date of reinstatement, and
- if applicable, make a loan payment that is determined by Sun Life. This amount won't exceed the loan balance on the day the policy lapsed, plus interest from the date of lapse to the date of reinstatement.

Additional rules apply for reinstatement while disabled. Please refer to the policy.

ADMINISTRATIVE INFORMATION

Claims

You may assist a beneficiary in making a claim by calling 1-877-272-2020 to request claim forms. Those making the claim must provide any information needed to assess the claim including proof of the insured person's death.

Product disclosure requirements

You're responsible for providing Clients with a copy of the Client Guide to Sun Permanent Life (810-4905). This can be found on the advisor website you use with Sun Life. Other important product disclosure information, including sample policy pages, can be found on the website as well.

Where to go for more information?

For more information on the features and benefits of Sun Permanent Life, contact your Sales Director or visit sunlife.ca/advisor.

We help. You grow.

Sun Life Assurance Company of Canada is a member of the Sun Life group of companies.
© Sun Life Assurance Company of Canada, 2024. 810-4906-05-24

