

LIFE INSURANCE

Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator

ADVISOR GUIDE

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We help. You grow.

Important information about this guide

Sun Par Protector II, Sun Par Accumulator II and **Sun Par Accelerator** are powerful participating (par) permanent life insurance products that protect Canadians and can help them reach their long-term financial goals.

This guide includes the product information for **Sun Par Protector II, Sun Par Accumulator II** and **Sun Par Accelerator**. The information in this guide has been prepared for advisor use only and is intended to provide you with an overview of **Sun Par Protector II, Sun Par Accumulator II** and **Sun Par Accelerator**. You should also read the sample policy pages for each product located on Sun Life Financial's advisor website.

This guide doesn't provide tax, legal, accounting or other professional advice. We suggest 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).

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Benefits for Clients

Lifetime insurance protection

Clients can have peace of mind knowing that money is available to provide for their family, continue their business or ensure their assets transfer intact to the next generation. Participating permanent life insurance provides a combination of permanent life insurance protection and an opportunity for tax-preferred investment growth. The base insurance protection is guaranteed for life, as long as the premiums are paid when they're due.

An investment for the future – With Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator, a Client's policy may be credited with policy owner dividends, determined by Sun Life's Board of Directors. Depending on the dividend option selected, Clients can choose to buy additional coverage, receive a cash payment, use them to reduce their annual premium or leave them on deposit with Sun Life – the choice is theirs.

All three products have cash values that build up over time on a tax-preferred basis. Clients are able to access this cash whenever they need it. They can also borrow against the cash value or use it to help pay their premiums. If they ever decide to cancel their policy, we'll pay the total cash value of the policy at that time.

Customize Clients' solutions – You can help Clients custom-design their Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator participating policy. They can choose from a wide range of features and options. All three products can be tailored to meet Clients' unique needs with innovative and cost-effective ways to maximize protection for their family, build tax-preferred cash values and increase the death benefit to keep pace with inflation. Depending on the dividend option chosen, a Client's policy can grow as their needs change. With Sun Life, Clients can have the confidence of knowing their protection meets their needs today and in the future.

Sun Par Protector II provides an affordable participating whole life protection solution to assist Clients with their estate protection needs. Clients can choose from three guaranteed premium payment options and five dividend options. Sun Par Protector II may be suitable for Clients interested in ensuring their estate transfers intact to their beneficiaries. It's also suitable for those Clients who are looking for flexibility to access their policy's cash values to supplement their retirement income. For Clients interested in creating a financial foundation for their children or grandchildren, Sun Par Protector II provides a permanent life insurance policy that can protect them now and in the future.

Sun Par Accumulator II provides Clients with participating whole life protection, coupled with higher early cash values. Clients can choose from three guaranteed premium payment options and five dividend options. It may be suitable for affluent Clients looking for early cash values as a diversification of assets combined with a solution to meet their estate preservation needs. If Clients are looking for intergenerational wealth transfer while building a solid foundation for their children or grandchildren, Sun Par Accumulator II may be the answer. It may also be suited to business owners who need protection and the flexibility to access cash values when needed.

Sun Par Accelerator is designed for affluent Clients who are looking for the utmost in guarantees with the opportunity for long-term growth. Sun Par Accelerator comes with the enhanced insurance dividend option and is suited for affluent Clients interested in cash values in the early years, while having their premium obligations paid-up in just 8 years. Sun Par Accelerator may be suitable for Clients interested in asset diversification or a vehicle to provide an efficient method of wealth transfer combined with the shortest guaranteed premium commitment – 8 years.

Clients can participate in their brighter future with policy owner dividends – When a Client purchases a participating life insurance policy from Sun Life, they have the opportunity to participate in any policy owner dividends. Their policy also comes with guaranteed lifetime protection and cash values, for which they pay a guaranteed premium. The premium and other basic values are determined using long-term conservative assumptions for: death claims, investment returns, expenses including taxes, lapses, and other factors.

Dividends may be credited to a Client’s policy when the experience in the Sun Life Participating Account is better than the assumptions we made for factors such as investment returns, mortality and expenses to support the guaranteed values in their policy. If the Board of Directors determines there’s a surplus, a portion of this may be credited to the policy in the form of dividends. The amount available for dividends will increase or decrease depending on how the actual experience differs from what we assumed. The amount is also dependent on other factors, such as:

- the need to keep earnings as surplus to:
 - support financial security and stability of the participating account,
 - finance new participating business growth, and
 - smooth fluctuations in experience, investment returns, mortality, expenses including taxes, lapses, and other factors,
- other practical considerations and limits, and
- legal requirements and industry practices.

It’s important to note that the Insurance Companies Act of Canada contains a number of provisions that are followed in managing the participating account.

Advantages of participating life insurance from Sun Life – Sun Life has maintained a respected and trusted position in the financial services industry for over 150 years. Independent parties have recognized our organization around the world for our strength, sustainability and prudent financial management. We issued our first participating life insurance policy in 1871 and currently have over 1.1 million participating life insurance policy owners. We’re also backed by over \$30 billion in assets held in Participating Accounts. The investment mix of our Participating Account provides strong returns and value for the long term with historically low volatility. These well-established and well-managed Par Accounts are based on Sun Life’s effective management style. This style is critical to our overall profitability, competitive market positioning and long-term financial viability.

Product at a glance

Features	Sun Par Protector II	Sun Par Accumulator II	Sun Par Accelerator																														
Target markets	<p>May be suitable for Clients looking for:</p> <ul style="list-style-type: none"> • affordable permanent protection that provides guarantees with opportunities for growth and flexibility, • an opportunity for long-term, tax-preferred cash value growth, • estate protection, and • the opportunity to create a financial foundation for their children or grandchildren. 	<p>May be suitable for Clients looking for:</p> <ul style="list-style-type: none"> • early cash values coupled with the benefits of long-term growth, • an opportunity for intergenerational wealth transfer to their children and grandchildren, • a business insurance solution that provides high early cash values and long-term growth, and • an estate protection solution combined with cash value they can access throughout their lifetime. 	<p>May be suitable for Clients looking for:</p> <ul style="list-style-type: none"> • permanent protection that's guaranteed to be fully paid-up in 8 years, • an opportunity for intergenerational wealth transfer, and • an estate protection solution combined with cash values they can access if needed throughout their lifetime. 																														
Guaranteed premium payment options and issue ages	<table border="1"> <thead> <tr> <th></th> <th>Single</th> <th>Joint</th> </tr> </thead> <tbody> <tr> <td>Life pay</td> <td>0-85</td> <td>18-85</td> </tr> <tr> <td>10 pay</td> <td>0-85</td> <td>18-85</td> </tr> <tr> <td>20 pay</td> <td>0-80</td> <td>18-80</td> </tr> </tbody> </table>		Single	Joint	Life pay	0-85	18-85	10 pay	0-85	18-85	20 pay	0-80	18-80	<table border="1"> <thead> <tr> <th></th> <th>Single</th> <th>Joint</th> </tr> </thead> <tbody> <tr> <td>Life pay</td> <td>0-85</td> <td>18-85</td> </tr> <tr> <td>10 pay</td> <td>0-85</td> <td>18-85</td> </tr> <tr> <td>20 pay</td> <td>0-80</td> <td>18-80</td> </tr> </tbody> </table>		Single	Joint	Life pay	0-85	18-85	10 pay	0-85	18-85	20 pay	0-80	18-80	<table border="1"> <thead> <tr> <th></th> <th>Single</th> <th>Joint</th> </tr> </thead> <tbody> <tr> <td>8 pay</td> <td>0-65</td> <td>18-65</td> </tr> </tbody> </table>		Single	Joint	8 pay	0-65	18-65
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Coverage options	<ul style="list-style-type: none"> • Single Life • Joint first-to-die <ul style="list-style-type: none"> - Survivor benefit and Automatic survivor benefit are included • Joint last-to-die, premiums to first death (life pay only) • Joint last-to-die, premiums to second death 		<ul style="list-style-type: none"> • Single Life • Joint first-to-die <ul style="list-style-type: none"> - Survivor benefit and Automatic survivor benefit are included • Joint last-to-die, premiums to second death 																														
Premium bands	<ul style="list-style-type: none"> • \$25,000 – \$49,999 ages 0-17 • \$50,000 – \$99,999 • \$100,000 – \$249,999 • \$250,000 – \$499,999 • \$500,000 – \$999,999 • \$1,000,000 – \$25,000,000* 	<ul style="list-style-type: none"> • \$250,000 – \$499,999 • \$500,000 – \$999,999 • \$1,000,000 – \$25,000,000* 																															
	<p><i>*Special quotes available for cases over \$25,000,000. Premium rates for illustrations over \$15,000,000 are subject to reinsurance and underwriting review.</i></p>																																
Underwriting classes	Non-smoker, Smoker, Juvenile																																
Dividend options	<ul style="list-style-type: none"> • Paid-up additional insurance • Enhanced insurance <ul style="list-style-type: none"> - Lifetime guarantee • Annual premium reduction • Dividends on deposit • Cash payment 		<ul style="list-style-type: none"> • Enhanced insurance (only dividend option available at issue) • Paid-up additional insurance • Dividends on deposit • Cash payment 																														

Features	Sun Par Protector II	Sun Par Accumulator II	Sun Par Accelerator
Guaranteed cash values	<ul style="list-style-type: none"> Typically begin at the end of year 5 	<ul style="list-style-type: none"> Typically begin at the end of year 1 	
Policy loans	From \$250, up to 100% of the total cash value less one year's interest, less any existing indebtedness may be borrowed from the policy.		
Non-forfeiture options	<ul style="list-style-type: none"> Automatic premium loan Reduced paid-up life insurance 		<ul style="list-style-type: none"> Automatic premium loan
Policy fees and payment methods	<ul style="list-style-type: none"> \$25 annually \$2.25 monthly pre-authorized cheque (PAC) 		
Special features	<ul style="list-style-type: none"> Living Benefit <ul style="list-style-type: none"> If the insured person is diagnosed with a terminal illness, an application can be made for a lump sum payment of 50% of the death benefit to a maximum of \$250,000 Premium Fund <ul style="list-style-type: none"> If an excess premium is received it's deposited to the withdrawable premium fund. Interest earned on money in this fund is taxable. 		
Optional benefits			
Plus premium benefit	<ul style="list-style-type: none"> Available with life pay and 20 pay only Available with the following dividend options: <ul style="list-style-type: none"> Paid-up additional insurance Enhanced insurance 	<ul style="list-style-type: none"> Available with life pay, 10 pay and 20 pay Available with the following dividend options: <ul style="list-style-type: none"> Paid-up additional insurance Enhanced insurance 	<ul style="list-style-type: none"> Not available
Additional non-par benefits	<ul style="list-style-type: none"> 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 (T10, T10 with renewal protection benefit, T15, T20 and T30) 		

Product details

Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator offer a variety of coverage options and guaranteed premium payment periods. These options have the flexibility you need in a permanent participating insurance product, to help meet Clients' unique needs.

Issue ages and guaranteed premium payment options

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. If the Client is 48 years and 5 months, their insurance age is 48.

For a 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 differ by coverage type. For example, a joint last-to-die policy has a different joint age than a joint first-to-die coverage. Both of the insured persons under the joint coverage must be within the ages defined below. The joint age must also fall within the ages below.

The following guaranteed premium payment options are available with **Sun Par Protector II** and **Sun Par Accumulator II**:

Life pay:

- Issue ages are 0-85 for single life and 18-85 for joint coverage
- Premiums are level and guaranteed for life
- Premiums are payable until age 100. Joint age 100 for all joint coverage options.

10 pay:

- Issue ages are 0-85 for single life and 18-85 for joint coverage
- Premiums are level, guaranteed and payable for 10 years
- The basic insurance amount becomes paid-up after 10 years

20 pay:

- Issue ages are 0-80 for single life and 18-80 for joint coverage
- Premiums are level, guaranteed and payable for 20 years
- The basic insurance amount becomes paid-up after 20 years



TIP! Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator may allow backdating to retain age. For Clients whose insurance age has changed within the past 10.5 months, in most cases we'll allow the policy to be dated to the day before that age changed. Premiums charged are for the age of the Client prior to the age change. All back premiums, plus any applicable interest, must be paid. Clients aren't allowed to backdate for product eligibility, premium options or optional benefits.

Sun Par Accelerator offers one payment option and is the quickest guaranteed payment option available for Clients.

8 pay:

- Issue ages are 0-65 for single life and 18-65 for joint coverage
- Premiums are level, guaranteed and payable for 8 years
- The basic insurance amount becomes paid-up after 8 years



DID YOU KNOW? *Clients may need to continue to pay premiums for any additional optional benefits they have added to their plan after the basic insurance amount becomes paid-up.*



TIP! *Limited pay options provide Clients with guaranteed paid-up dates for their basic insurance coverage.*



DID YOU KNOW? *For all premium payment options, coverage continues until the death of the insured person(s), 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(s) lives past age 100. Dividends will continue to be allotted each year and the cash values and death benefit will continue to grow until the death of the insured person(s) or the policy is surrendered.*

Coverage options

Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator offer single and joint coverage options:

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 issue ages are based on the joint age, however each person under this coverage option must meet the minimum and maximum ages applicable to the guaranteed premium payment option selected.
- The death benefit is payable on the first death of the insured persons.
- Joint first-to-die policies automatically include the following 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 basic insurance amount and any enhanced 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 that time.
- 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 disability, premiums for the new policy will be 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 and any enhanced insurance amount.



TIP! *Joint first-to-die may be suitable for Clients who need to cover financial obligations on the first death. Small business Clients can benefit from this solution by using it to fund a buy-sell agreement, or key-person insurance in a partnership.*

Joint last-to-die – premiums to second death

- Coverage is based on two insured persons.
- The issue ages are based on the joint age, however each person under this coverage option must meet the minimum and maximum ages applicable to the guaranteed premium payment option selected.
- 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.



TIP! *Joint last-to-die – premiums to second death 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.
- Available with **Sun Par Protector II** and **Sun Par Accumulator II** life pay plans only.
- The death benefit is payable on the second death of the insured persons.
- The issue ages are based on the joint age, however each person under this coverage option must meet the minimum and maximum ages.
- 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.
- If Plus premium benefit was added to the policy, payments can continue after the first death.



TIP! *Joint last-to-die – premiums to the first death is a great way to ensure the insurance remains in place after the first death and the survivor doesn't have to worry about ongoing premium payments.*



DID YOU KNOW? *Cash values continue to grow and dividends continue to be credited after the death of the first insured person with the joint last-to-die premiums to first death coverage option. Future cash values and dividends aren't impacted by the death of the first insured person. If dividends are being used to support premium payments, we'll remove the policy from premium offset and dividends are then used to purchase paid-up additional insurance.*

Issue limits

The minimum coverage amounts for all products vary by issue age and product type:

Sun Par Protector II

- \$25,000 for ages 0 - 17
- \$50,000 for ages 18 - 85

Sun Par Accumulator II

- \$250,000 for ages 0 - 85

Sun Par Accelerator

- \$250,000 for ages 0 - 65

The maximum coverage amount for all products is \$25,000,000. Special quotes are available for amounts in excess of \$25,000,000. Premium rates for illustrations over \$15,000,000 are subject to reinsurance and underwriting review.



DID YOU KNOW? *Sun Par Accelerator plans include a small amount of enhanced insurance at issue. The amount of enhanced insurance is set at issue and can't be selected by the Client. The minimum amount is based on the total insurance amount which includes the enhanced insurance for Sun Par Accelerator. For Sun Par Protector II and Sun Par Accumulator II the minimum amount is based on the basic insurance amount only.*

Premiums

Premiums for **Sun Par Protector II**, **Sun Par Accumulator II** and **Sun Par Accelerator** are level and guaranteed for the payment period selected. The premium varies by the plan type, premium band, issue age, risk class (non-smoker, smoker, or juvenile), gender and premium payment option.

Clients can make monthly payments through pre-authorized cheque (PAC) or they may choose to 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 Par Protector II**, **Sun Par Accumulator II** and **Sun Par Accelerator** policies. The annual policy fee is \$25. The monthly policy fee is \$2.25.

If a Client pays more than is required for the policy, we hold the excess in the withdrawable premium fund. Any cash held within the withdrawable premium fund earns interest set by Sun Life based on short-term interest rates. The interest earned in the withdrawable premium fund is subject to taxation. Clients can withdraw money from the premium fund at any time, subject to our current administrative rules. Sun Life can limit the amount held in the withdrawable premium fund and return any excess to the Client.

If a premium isn't paid when it's due, we'll first withdraw money from the withdrawable premium fund. If there is not enough money in the withdrawable premium fund to cover the unpaid premium, the premium will be paid using an automatic premium loan.

The automatic premium loan is only available to pay unpaid premiums and can only be initiated by Sun Life. This loan is against the cash value of the policy to pay premiums owing. The outstanding loan balance is deducted from the total cash value if the Client surrenders the policy or the total death benefit on the death of an insured person. Interest is charged daily and compounded annually.

Premium bands

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

Band	Sun Par Protector II	Sun Par Accumulator II	Sun Par Accelerator
1	\$25,000 – \$49,999 (ages 0-17)	N/A	N/A
2	\$50,000 – \$99,999	N/A	N/A
3	\$100,000 – \$249,999	N/A	N/A
4	\$250,000 – \$499,999		
5	\$500,000 – \$999,999		
6	\$1,000,000 – \$25,000,000 Special quotes available for amounts in excess of \$25,000,000. Premium rates for illustrations over \$15,000,000 are subject to reinsurance and underwriting review.		



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

Smoking status

Sun Par Protector II, **Sun Par Accumulator II** and **Sun Par Accelerator** are based on three rate classes; non-smoker, smoker and juvenile. Insured persons who are age nearest 17-85 are classified as either non-smoker or smoker. Insured persons age nearest 0-16 are classified as juveniles, and 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.

To change to a non-smoker rate for juveniles, 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 from the policy anniversary nearest their 18th birthday. If the declaration is received after the policy anniversary nearest their 19th birthday, new evidence of insurability is required.

Dividend options

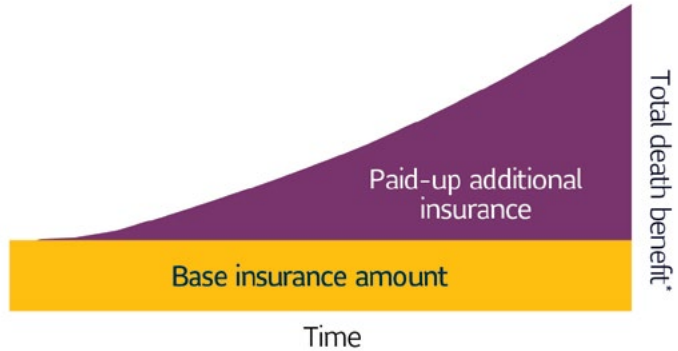
One of the appealing features available with **Sun Par Protector II**, **Sun Par Accumulator II** and **Sun Par Accelerator** is the opportunity to earn policy owner dividends on the base insurance portion of their plan. This is a unique feature available only through participating life insurance policies.

Sun Par Protector II and **Sun Par Accumulator II** offer five dividend options for Clients to choose from based on their unique goals for protection now and in the future. Policy owner dividends are paid annually, on the policy anniversary date, and aren't guaranteed.

With **Sun Par Accelerator**, the only dividend option available at issue is enhanced insurance. Once all of the yearly term insurance under the enhanced insurance dividend option is replaced by paid-up additional insurance, the Client may choose to leave the dividend option as paid-up additional insurance or change their dividend option to cash payment or dividends on deposit. Annual premium reduction isn't available with this product.

Paid-up additional insurance (PUA)

Any dividends credited to the policy are used to purchase paid-up additional insurance. This paid-up additional insurance is added to the base insurance amount, creating another layer of permanent protection. This layer, as well as the base insurance amount is the basis for earning dividends, resulting in a compounding effect of dividend earning potential. The paid-up additional insurance has a cash value which accumulates over time on a tax-preferred basis.



* The total death benefit is not guaranteed.



TIP! This dividend option is appropriate for Clients who want a guaranteed permanent insurance plan with an increasing death benefit. The paid-up additional insurance, purchased by policy owner dividends, provides an increase in the death benefit without the need to provide additional evidence of insurability or additional out-of-pocket costs.

If Clients wish to change to paid-up additional insurance in the future, they'll need to provide evidence of insurability when the request is made.

Enhanced insurance

With **Sun Par Protector II** and **Sun Par Accumulator II** this dividend option enables Clients to establish a permanent life insurance policy in a cost-effective manner. With this option, on each policy anniversary any policyholder dividend credited is used to purchase a combination (that we determine) of yearly term insurance and paid-up additional insurance. This combined amount of insurance is equal to the enhanced insurance amount set out in the Client's policy. Any paid-up additional insurance purchased is added to the existing paid-up additional insurance. The paid-up additional insurance is added to the base creating another layer of permanent insurance. This layer, as well as the base insurance amount, is the basis for earning dividends, resulting in a compounding effect for dividend earning potential.

The maximum enhanced insurance amount for **Sun Par Protector II** and **Sun Par Accumulator II** depends on the insured person's issue age, smoking status, coverage type, and premium payment period. The minimum enhanced amount is \$1,000.

With **Sun Par Accelerator** enhanced insurance is the only dividend option available at issue. At each policy anniversary any policy owner dividend credited is used to purchase a combination (that we determine) of yearly term insurance and paid-up additional insurance. This combined insurance is equal to the total insurance amount set out in the Client's policy. Any paid-up additional insurance purchased is added to the existing paid-up additional insurance. The paid-up additional insurance is added to the base, creating another layer of permanent insurance. The base insurance amount is the basis for earning dividends, resulting in a compounding effect for dividend earning potential.

The enhanced insurance amount for **Sun Par Accelerator** is set by us at issue – the Client can't choose their enhancement amount.

Lifetime guarantee

The enhanced insurance amount is guaranteed for the life of the policy, regardless of the policy owner dividend performance. In the future, if the policy owner dividends credited to the policy are insufficient to pay for the yearly term insurance required, we'll surrender any previously purchased paid-up additional insurance for its cash value to make up the amount owing. This ensures that the total death benefit remains intact. Even if the combination of the dividend credited and cash value from the surrendered paid-up additional insurance is insufficient to pay for the cost of the yearly term insurance, the lifetime guarantee ensures that the total death benefit remains intact.



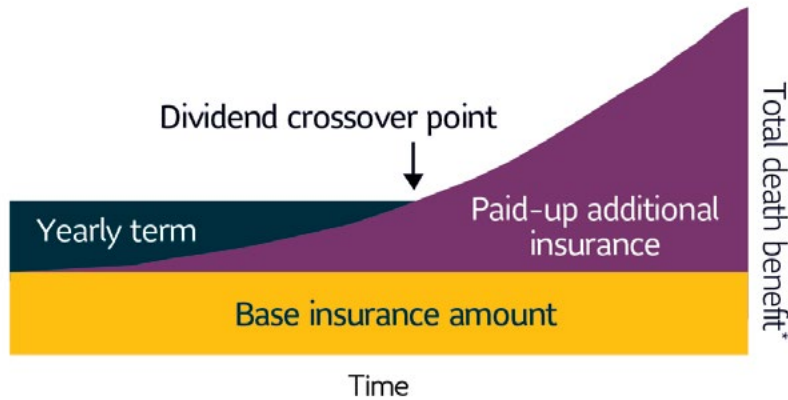
DID YOU KNOW? *With the enhanced insurance dividend option, the only available guarantee option is lifetime.*



DID YOU KNOW? *The Client can only select enhanced insurance as the dividend option at issue of the policy. They can't change to this dividend option after issue.*

Dividend crossover point

At each policy anniversary, we replace a portion of the yearly term insurance with permanent paid-up additional insurance. The dividend crossover point occurs if and when all of the yearly term insurance has been replaced by paid-up additional insurance. Once the policy reaches this point, the dividend option automatically switches to paid-up additional insurance. Any future policy owner dividends credited to the policy are used to purchase paid-up additional insurance. This results in higher cash values and total death benefit.



* The total death benefit is not guaranteed.



DID YOU KNOW? *The combination of the yearly term insurance and any paid-up additional insurance purchased by policy owner dividends is called enhanced insurance.*



DID YOU KNOW? *Once the crossover point is reached, Sun Par Accelerator policy owners can change their dividend option to dividends on deposit or cash payment.*

Conversion of the yearly term insurance

With **Sun Par Protector II** and **Sun Par Accumulator II** Clients who have elected the enhanced insurance dividend option have the opportunity to convert the yearly term insurance to a permanent policy without providing new evidence of insurability. Clients can choose to convert the yearly term insurance portion of the enhanced insurance dividend option, up to the policy anniversary nearest the insured's 75th birthday, or joint age 75 for joint plans. Once the policy owner has decided to convert the yearly term insurance to a new policy, the dividend option on the original policy will automatically change to paid-up additional insurance and any subsequent policy owner dividends credited to the policy are used to purchase paid-up additional insurance.



DID YOU KNOW? *Sun Par Accelerator doesn't allow Clients to convert the yearly term insurance. In most cases the yearly term insurance will be replaced by paid-up additional insurance in 8 years.*

Things to remember: The yearly term insurance can only be converted to a policy offering the same coverage type. For example, if a **Sun Par Protector II** policy was a joint first-to-die policy, then the policy that the yearly term insurance is converted to must be a joint first-to-die policy on the same lives. In addition, conversions aren't permitted while premiums are being waived under the Total disability benefit.

Annual premium reduction

This dividend option can provide Clients with a cost-effective way to pay their premiums. We use any policy owner dividends credited to the policy to reduce the premium for the next policy year. If in the future the policy owner dividends exceed the annual premium, then the excess is held in the withdrawable premium fund. This dividend option is only available if the Client is paying premiums on an annual basis.



TIP! *The withdrawable premium fund is like a savings account and earns interest daily. Clients can withdraw money from this account when they need it. This fund is subject to our minimum withdrawal rules. The interest rate is set each day and is based on current short-term interest rates. Any interest earned on the money held in the withdrawable premium fund is taxable.*



DID YOU KNOW? *Annual premium reduction isn't available with Sun Par Accelerator. In most cases, the policy will be fully paid-up before the Client can elect to switch dividend options.*

Dividends on deposit (DOD)

With this dividend option, any policy owner dividends credited to the policy are automatically deposited into an account similar to a savings account with Sun Life. The policy owner dividends in this account earn interest daily at a rate we determine. The interest is compounded annually and Clients have access to these dividends at any time. Any interest earned is taxable. If the DOD is more than the ACB, then the difference (proceeds of disposition minus the policy's adjusted cost basis) would also be subject to tax.



TIP! *The DOD option may appeal to Clients looking for a level permanent death benefit, and the opportunity to save policy owner dividends in an account that earns competitive interest rates.*

Cash payment

This option gives the Client the opportunity to receive their annual dividends in cash. All or a portion of the cash dividends may be taxable as income.



TIP! *The Cash payment dividend option gives Clients an option to draw an income from their life insurance policy.*



DID YOU KNOW? *If Clients have a premium option other than life pay and have paid-up additions as their dividend option they may want to switch to the Cash payment dividend option to enhance their retirement income. Any paid-up additional insurance already purchased remains in force providing the estate protection they need.*

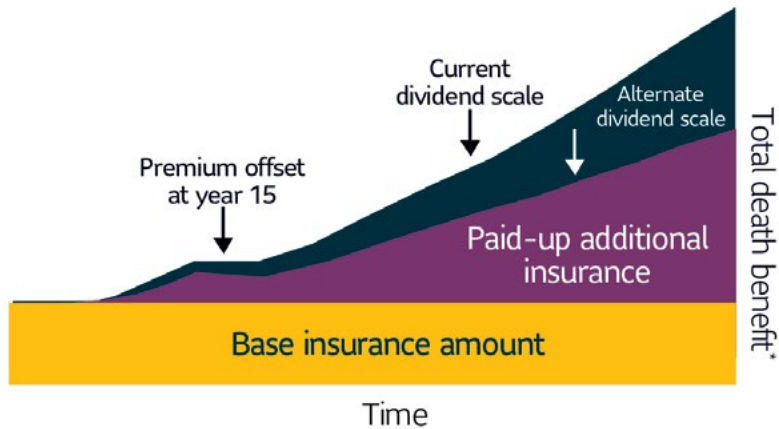
Premium offset

Premium offset is a non-contractual feature that may be available at some point in the future on Sun Par Protector II and Sun Par Accumulator II policies.

If a Client chooses paid-up additional insurance or enhanced insurance as their dividend option, they may be eligible to select Premium offset at some point in the future. After paying the required premiums for a number of years, the annual dividends we credit to the Client's policy and the surrendering of paid-up additional insurance may be enough to pay the required premiums in future years.

Premium offset may occur when the base insurance amount and any paid-up additional insurance have created a base large enough to earn enough policy owner dividends, which in combination with the surrendering of paid-up additional insurance, are sufficient to cover the cost of future premiums.

If a Client chooses paid-up additional insurance as their dividend option, the potential Premium offset point may occur earlier than if they had selected enhanced insurance. This is because the policy owner dividends credited under the paid-up additional insurance dividend option are used entirely to purchase additional insurance. With enhanced insurance, the policy owner dividends purchase a combination of paid-up additional insurance and yearly term insurance. Regardless of the dividend option chosen, changes in the dividend scale will have an impact on the Premium offset point. Clients selecting enhanced insurance as their dividend option will likely experience a greater impact than those who select paid-up additional insurance.



* The total death benefit is not guaranteed.



DID YOU KNOW? Policies with the enhanced insurance dividend option aren't eligible for Premium offset until the crossover point is reached.

While Premium offset provides Clients with future flexibility for premium payments, it's important to remember that other values, such as the increase in death benefit and cash value, won't accumulate to the same extent as they would if the Client continued to pay the premium. These values may decrease due to surrendering paid-up additional insurance to pay premiums.

Things to remember: If a Client is eligible and has chosen to go on Premium offset and the dividend scale is reduced in the future, they may have to resume paying premiums to maintain their coverage.

Factors affecting premium offset

While the performance of policy owner dividends plays an important part in determining the future Premium offset point, there are a number of other factors to consider, including:

- cash withdrawals,
- a change in dividend option, and
- the addition of optional benefits to the policy.

Things to remember: It's important to remember that **Sun Par Protector II**, and **Sun Par Accumulator II** policies are eligible to earn dividends based on a variable scale set by Sun Life each year. We review the investment performance, expenses, mortality experience and other relevant factors for each class or group of participating policies to determine the annual dividend scale. Even small changes to the dividend scale will increase or decrease non-guaranteed values. In some cases these changes to values, including Premium offset, could be significant.

Plus premium benefit

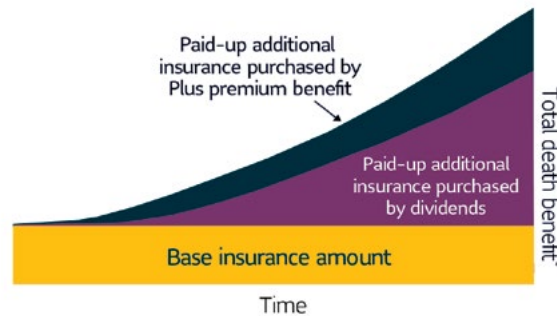
The Plus premium benefit is an excellent way for Clients to take advantage of the tax-preferred, cash value growth available with Sun Par Protector II and Sun Par Accumulator II. The Plus premium benefit is available if the life pay or 20 pay guaranteed premium payment option has been selected. It is also available with the 10 pay guaranteed premium payment option on Sun Par Accumulator II.

Plus premium benefit isn't available with the 10 pay guaranteed premium option on Sun Par Protector II. In addition, Plus premium cannot be added to Sun Par Accelerator. This is because these options are designed to take full advantage of the policy's exempt limits, leaving no room for additional premium payments.



DID YOU KNOW? *Payments made for the Plus premium benefit can continue even after the limited payment duration has ended. Clients can contribute to cash value growth even after regular base premium payments have stopped.*

The additional premiums paid under the Plus premium benefit allow Clients to increase the amount of paid-up additional insurance purchased. The result is a more rapid accumulation of paid-up additional insurance and the cash value associated with it.



* The total death benefit is not guaranteed.

The Plus premium benefit is only available if Clients have selected paid-up additional insurance or enhanced insurance as their dividend option. With enhanced insurance as the dividend option, the total death benefit won't increase immediately. Instead, the paid-up additional insurance purchased by the Plus premium benefit replaces the yearly term insurance more rapidly. This will result in the policy reaching the dividend crossover point sooner. Once the dividend crossover point has been reached, the total death benefit will begin to increase.



DID YOU KNOW? *Any paid-up additions purchased as a result of Plus premium payments are made when the Plus premium payment is received.*

Clients can have a Plus premium benefit based on regularly scheduled premiums that follow the same annual or monthly payment method that applies to the base plan. The following Plus premium minimum amounts are applicable:

- \$90 for a scheduled monthly premium.
- \$1,000 for a scheduled annual premium.

Changes to Plus premium benefit

Clients may apply to increase their Plus premium benefit payments at any time and will be considered if there is available capacity. Any request for an increase in payments after the fifth policy anniversary requires evidence of insurability on the insured persons. A request to add Plus premium within the first five years will not require new evidence of insurability unless Sun Life needs to secure additional capacity with our reinsurance partners to cover the increased risk. If we are unable to secure the capacity, we have the right to refuse Plus premium payments. Clients can reduce their Plus premium benefit payment if it meets the required minimum.

Clients can also stop making their scheduled Plus premium benefit payments at any time by notifying us in writing. Clients may restart their Plus premium benefit payments without evidence of insurability within five years of the date that the Plus premium benefit payments were stopped. After five years, Clients may apply to restart the Plus premium benefit payments, provided the option is still available, and their dividend option is either paid-up additional insurance or enhanced insurance. If Clients choose to apply, evidence of insurability on the insured persons is required.



TIP! *The Plus premium benefit can be added after issue. If it's added within the first five policy years, no additional evidence is required. After the fifth policy anniversary, new evidence of insurability is required.*



DID YOU KNOW? *DID YOU KNOW? Clients won't need to provide evidence of insurability when converting term plans and adding Plus premium, unless*

- the Term plan is under 5 years old and we need additional capacity to cover the increased risk, or
- the Term plan is over 5 years old and the maximum net amount at risk (NAAR) of the new plan, plus any remaining in force Term coverage, is more than the original Term policy's coverage amount.



TIP! *We may require additional underwriting for the Plus premium benefit if capacity isn't available. Clients who'll convert Term to Participating insurance with Plus premium benefit in the future can consider increasing their Term coverage. This will help ensure capacity for the increased growth from the Plus premium benefit on their participating insurance plan. This is more important for large cases.*

Things to remember: If a Client doesn't make a Plus premium benefit payment, the benefit is deactivated. If a Client doesn't make a premium payment for their policy, the premium due is paid by the automatic premium loan, except the Plus premium benefit.



DID YOU KNOW? *If the Sun Par Protector II or Sun Par Accumulator II policy has a total disability waiver on the insured persons and premiums are being waived under the benefit, Sun Life stops Plus premium benefit payments while the premiums are being waived. When premiums are no longer being waived, the Plus premium benefit payments automatically restart.*

Important Note: If the policy owner wishes to go on Premium offset at some time in the future, the Plus premium benefit is no longer available. Plus premium payments stop and they can't be restarted while the policy is on Premium offset.

With the Plus premium benefit, Clients benefit from the increase in both cash value and paid-up additional insurance purchased. Even if a Client chooses to stop the Plus premium benefit payments in the future, the paid-up additional insurance and its associated cash value are vested until: they're surrendered, the Client chooses to withdraw funds, or goes on Premium offset. The Plus premium benefit gives Clients the security of purchasing additional permanent life insurance with some of the flexibility associated with universal life insurance.

Things to remember: Paid-up additional insurance is purchased at the time the Plus premium benefit premium is paid. If the Client is paying annually, the paid-up additional insurance is purchased at that time. If the Client is paying monthly, paid-up additional insurance is purchased each month.

For any Plus premium benefit amounts in excess of the policy's tax exempt limit, the excess amounts will first be taken from all or part of any Plus premium benefit payments made in the policy year. In addition, Sun Life will also reduce the amount of paid-up additional insurance so that the net cash value is below the tax-exempt limit if the transfer of the excess amounts was not sufficient to maintain the policy's exempt status.

Death benefit

The most important part of Clients' **Sun Par Protector II**, **Sun Par Accumulator II** and **Sun Par Accelerator** policy is the guaranteed death benefit that is provided. The death benefit forms an integral part of their financial plan.

The total death benefit payable includes:

- the insurance amount,
- any paid-up additional insurance, if paid-up additional insurance is the dividend option on the policy, plus,
- any balance in the withdrawable premium fund.

It's important to note that any outstanding loans or unpaid premiums are subtracted from the total death benefit payable.

Cash values

Access to cash value when a Client needs it most is an important benefit provided with **Sun Par Protector II**, **Sun Par Accumulator II** and **Sun Par Accelerator**. The total cash value of these plans consists of guaranteed cash values and cash values generated by dividends. If the Plus premium benefit was added to the policy, the paid-up additional insurance is included in the total cash value.

Guaranteed cash values

Guaranteed cash values are guaranteed values defined in the Client's policy and aren't affected by the dividend option selected. They typically begin at the end of year:

- one for **Sun Par Accumulator II** and **Sun Par Accelerator**, and
- five for **Sun Par Protector II**.

Non-guaranteed cash values

These cash values arise when dividends are used to purchase paid-up additional insurance or are left on deposit with Sun Life. These cash values are available only if the dividend option is paid-up additional insurance, enhanced insurance or dividends on deposit.



DID YOU KNOW? *We'll pay the death benefit when the insured person dies. Or, we'll pay the cash value when a Client surrenders their policy or makes a cash withdrawal. Clients can access only one of these payout values, not both.*

Accessing the cash values

Policy loans

One way Clients can access the cash value of their **Sun Par Protector II**, **Sun Par Accumulator II** or **Sun Par Accelerator** policy is through a policy loan. Policy loans are available any time the policy is in force and there's a cash value. All or part of any policy loan may be taxable.

- The minimum loan amount is \$250.
- The maximum loan amount is:
 - 100% of the guaranteed cash value,
 - Plus the cash value of any paid-up additional insurance,
 - Plus any dividends on deposit,
 - Less one year's interest at our current loan interest rate,
 - Less any existing loans, including interest.

Sun Life sets the interest rate and lets the policy owner know the interest rate at the time they take the policy loan. Interest on these loans is charged daily. The accumulated interest is added to the loan balance at the end of each policy year that the loan is outstanding. At each policy anniversary, the interest rate charged on the policy loan is reset to the current loan interest rate we would charge on new loans on the policy at that time.

The policy loan can be repaid at any time without penalty.

Important to note: If the accumulated loan balance is greater than the cash value the policy will lapse in 31 days unless we receive a payment towards the loan for an amount determined by us. Any outstanding loan balance will be deducted from the total cash value if the policy is surrendered or from the total death benefit on death of the insured person.



TIP! *Policy loans allow Clients to take advantage of the cash accumulated in their policy. The higher the total cash value in the policy, the more funds Clients can borrow. The Plus premium benefit accelerates the growth of the cash value and the compounding effect of dividends. If Clients want to access cash through policy loans to fund a future goal, you can suggest the Plus premium benefit as a way to make this goal a reality.*

Withdrawals

Another way a Client can access the cash value from their **Sun Par Protector II**, **Sun Par Accumulator II** or **Sun Par Accelerator** policy is through withdrawals. If a Client has selected either paid-up additional insurance or dividends on deposit as the dividend option for their policy, they can access the cash value arising from policy owner dividends through withdrawals.

If the dividend option selected is enhanced insurance, Clients may make withdrawals after the dividend crossover point, where the dividend option automatically switches to paid-up additional insurance.

If the dividend option selected is paid-up additional insurance, cash withdrawals are made by surrendering paid-up additional insurance to access the policy's cash value. The total death benefit is reduced by the amount of paid-up additional insurance surrendered for the withdrawal.



DID YOU KNOW? *The amount of death benefit surrendered is greater than the amount of cash received from a withdrawal.*

With dividends on deposit, withdrawals are made from an account similar to a savings account held outside of the **Sun Par Protector II**, **Sun Par Accumulator II** and **Sun Par Accelerator** policy. Clients have access to the accumulated dividends and accrued interest at any time with this dividend option.

The minimum withdrawal amount is \$250.00. All or part of any withdrawal the Client makes may be taxable.

The only way to withdraw money from the guaranteed cash values is by reducing the base insurance amount. To do this the policy owner must request this change in writing to Sun Life. Once the base insurance amount has been reduced, all other values are changed to reflect the new base insurance amount.

Withdrawable premium fund (WPF)

The WPF provides Clients with the opportunity to prepay premiums on their **Sun Par Protector II**, **Sun Par Accumulator II** or **Sun Par Accelerator** 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 determined by Sun Life. 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.

Money in the WPF is used to pay any outstanding premiums. The balance of the WPF will be paid out on surrender of the policy or death of the insured person.



DID YOU KNOW? *Any interest earned on funds within the withdrawable premium fund is taxable.*



TIP! *The withdrawable premium fund (WPF) can act as a rainy day fund for Clients. Consider rounding monthly payments up to the nearest \$10. Any excess is applied to the WPF and can be accessed by the Client at any time.*

Policy lapse and reinstatement

A **Sun Par Protector II**, **Sun Par Accumulator II**, or a **Sun Par Accelerator** policy lapses if premiums due or the policy loan balance is greater than the 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.

Reinstatement

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 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.

If the Client has an Owner waiver disability benefit or Total disability waiver benefit on the policy and the insured person or owner is disabled when the policy lapses, the Client can apply to reinstate this policy without providing new evidence of insurability. See the policy for details on the conditions that need to be met for Sun Life to consider reinstatement.

Non-forfeiture options

Sun Par Protector II, **Sun Par Accumulator II** offer two non-forfeiture options: Automatic premium loan, and Reduced paid-up. With **Sun Par Accelerator**, only the Automatic premium loan option is available.

Automatic premium loan

If a premium isn't paid when due, the Automatic premium loan is initiated by Sun Life to pay any outstanding premiums. The loan interest rate is set by us and can be changed at any time.

The Client can repay the Automatic premium loan balance at any time, without penalty. If the Client chooses not to repay the Automatic premium loan, it accumulates with interest. If the accumulated loan balance exceeds the cash value, the policy lapses 31 days later, unless we receive a payment of an amount determined by us. The outstanding loan balance is deducted from the total cash value if the Client surrenders the policy, or from the total death benefit on death of an insured person.



DID YOU KNOW? *Plus premium benefit payments aren't paid by the Automatic premium loan provision. The Plus premium benefit is deactivated, and any remaining premiums are paid by the Automatic premium loan.*

Reduced paid-up

If a Client has a **Sun Par Protector II** or **Sun Par Accumulator II** policy they can request to change their policy to Reduced paid-up life insurance, if premiums are still payable under the policy. The Reduced paid-up policy has a lower death benefit at an amount determined by Sun Life when the Client elects to go Reduced paid-up. Once a policy changes to Reduced paid-up life insurance, premiums are no longer payable. Any optional benefits included in the policy end.

The Reduced paid-up policy may be eligible for dividends. If the dividend option on the original policy is either enhanced insurance or annual premium reduction, we'll automatically change it to paid-up additional insurance.



DID YOU KNOW? *Choosing Reduced paid-up may be an option for Clients unable to continue to pay premiums. It allows them to keep a portion of their valuable life insurance in force.*



DID YOU KNOW? *The Reduced paid up option is typically not available until at least the 8th policy anniversary. This is to keep the policy tax exempt.*

Taxation

Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator are considered exempt life insurance policies under the Income Tax Act (Canada). With these policies, cash values within a policy can accumulate on a tax-preferred basis, within limits prescribed under the Income Tax Act (Canada).

Maintaining the exempt status of the policy

Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator are designed to be exempt life insurance policies under the Income Tax Act (Canada). If dividend scales increase in the future or a Client reduces the base insurance amount, these changes may require Sun Life to take the measures described below to ensure that the policy maintains its exempt status.

The policy's cash value isn't taxed if it passes the tax-exempt limit test each year. This limit changes each year on the policy anniversary. If at any policy anniversary, the policy fails the tax-exempt limit test, we'll surrender paid-up additional insurance in order to reduce the policy's net cash value, so it can pass the tax-exempt limit test. The cash value of the surrendered paid-up additional insurance is applied to:

- reduce any outstanding policy loans, if applicable
- the withdrawable premium fund.

The surrendering of paid-up additional insurance is considered a disposition and tax consequences may apply.

Taxation of dividends

Paid-up additional insurance

With this dividend option, any policy owner dividends credited to the policy are used to purchase paid-up additional insurance. This is considered an internal policy event. In this case, the adjusted cost basis (ACB) of the policy is reduced by the amount of the dividend credited but is then immediately increased by the same amount, as the dividend is repaid to the policy as a premium to pay for the paid-up additional insurance. Under this dividend option, no gain is reported to the policy owner until a taxable disposition, such as a withdrawal, policy loan or surrender occurs.

Enhanced Insurance

Policy owner dividends credited to the policy are used to pay for the yearly term insurance. Any excess dividends are used to purchase paid-up additional insurance, which replaces some of the yearly term insurance. This dividend option is treated in the same way as paid-up additional insurance from a taxation standpoint. The transactions are considered internal and under this dividend option, no gain is reported to the policy owner until a transaction that results in a taxable disposition occurs.

Annual premium reduction

Annually, any policy owner dividend is used to reduce and then potentially pay the premiums for the policy. As this dividend option uses the policy owner dividend to pay premiums, the ACB of the policy is first reduced by the amount of the dividend and then immediately increased by the amount of the dividend used to pay premiums. Using dividends to pay premiums doesn't change the policy's ACB unless the dividend exceeds the premium. When that happens, the amount of the dividend that exceeds the premium is transferred to the withdrawable premium fund. For tax purposes the excess is treated as a cash dividend and reduces the policy's ACB. The excess dividend is taxable to the extent that it exceeds the ACB.

Dividends on deposit

Any policy owner dividends credited are left on deposit with Sun Life and earn a competitive interest rate. Any interest earned on the dividends left on deposit is reported to the policy owner annually and is subject to annual tax reporting. Dividends paid reduce the policy's ACB. The dividend is taxable to the extent that it exceeds the ACB.

Cash payment

Dividends paid reduce the policy's ACB. The dividend is taxable to the extent that it exceeds the ACB.

Taxation of cash withdrawals or policy loans

If paid-up additional insurance or enhanced insurance is the policy owner's dividend option, they can access the cash held within the policy by making a withdrawal or taking a policy loan. When the Client makes a withdrawal or takes a policy loan, a taxable disposition may occur.

For a policy loan, a **taxable disposition** will occur when the policy loan exceeds the ACB of the policy.

For a cash withdrawal, a **taxable disposition** will occur when the cash surrender value exceeds the ACB of the policy. The taxable amount is pro-rated based on the amount withdrawn.

Optional non-par benefits

Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator offer a variety of optional, non-participating benefits allowing Clients to customize their protection solution.

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.

Accidental death benefit (ADB)	
Issue ages	0-65
Minimum benefit amount	\$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. Can be added after issue at policy anniversary only.
Benefit expiry	<ul style="list-style-type: none"> The ADB 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 maximum Accidental death benefit amount is applied across all Clients’ 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.*

Child term benefit (CTB)	
Issue ages	<ul style="list-style-type: none"> Parents: Ages 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 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.

Total disability waiver benefit (TDB)	
Issue ages	<ul style="list-style-type: none"> Ages 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 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 will be waived for	<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 that 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	<p>Premiums won't be waived if the total disability:</p> <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. 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 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 policy owner insured under this benefit dies.

Owner waiver death benefit	
Issue ages	<ul style="list-style-type: none"> Ages 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 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 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 will be waived for	<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	<p>Premiums won't be waived if death is the result of:</p> <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.

Owner waiver disability benefit	
Issue ages	<ul style="list-style-type: none"> Ages 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 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 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 will be waived for	<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	<p>Premiums won't be waived if the total disability:</p> <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 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 other features and provisions for the separate Owner waiver death and Owner waiver disability benefits remain the same.

Guaranteed insurability benefit (GIB)

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

Guaranteed insurability benefit (GIB)	
Issue ages	<ul style="list-style-type: none"> Ages 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 benefit has 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, 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 means a change in insurance needs.*

Guaranteed insurability benefit 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)

The 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.

Business value protection benefit (BVPB)	
Issue ages	<ul style="list-style-type: none"> Ages 18-65
Minimum option amount	<ul style="list-style-type: none"> \$250,000
Maximum option amount	<ul style="list-style-type: none"> \$2.5 million 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 benefit or GIB are 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 (TIB)

The TIB 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.

Term insurance benefits (TIB)		
Issue ages	Base life	Additional life
T10	18-75	0-75
T10 with RPB	18-65	0-65
T15	18-70	0-70
T20	18-65	0-65
T30	18-55	0-55
	<p>If the base insured exceeds his or her maximum issue age, the additional life is still eligible to apply for TIB.</p> <p>Renewal Protection Benefit (RPB):</p> <ul style="list-style-type: none"> • available only with T10. • allows the Client to pay an additional premium today in exchange for lower renewal premiums compared to T10 without RPB. • RPB can't be cancelled or added after issue. 	
Availability	<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. • Available after issue, subject to underwriting. 	
Benefit expiry	<ul style="list-style-type: none"> • Policy anniversary nearest the insured person's 85th birthday, or 85th birthday of the oldest life insured. 	
Benefit minimum	<ul style="list-style-type: none"> • \$50,000 	
Benefit maximum	<ul style="list-style-type: none"> • Base life: \$25 million minus 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 the disability continues. <p>May convert a T10, T10 with RPB, 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 5th policy anniversary, or • the policy anniversary nearest the insured's 65th birthday for T20 and 55th birthday for T30. <p>If converting a T10 with RPB to a T20 or T30, the RPB won't carry over to the new T20 or T30 coverage.</p>	

Administrative information

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 \$250,000. 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 reduces the amount payable at death. Consider a Critical illness insurance policy to cover those financial needs that occur while the Client is living. This helps to ensure the full death benefit provided by the Client's life insurance policy is used as intended when the policy was purchased.

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 and verification of the insured person's age.

Product disclosure requirements

You're responsible for providing Clients with a copy of the **Client Guide to Sun Par Protector II**, **Client Guide to Sun Par Accumulator II** or the **Client Guide to Sun Par Accelerator** and a product illustration. Client guides and other important product disclosure information, including sample policy pages, can be found on the advisor website.

Why choose Sun Life?

Sun Life is a leading international financial services organization. In Canada, we started selling life insurance in 1871. Since then, our commitment to helping people achieve lifetime financial security through market leading products, expert advice and innovative solutions has made us a household name — a name that people trust.

Sun Life helps Clients live healthier lives

With Sun Life, Clients have access to the largest health network in Canada — Lumino Health. This award-winning platform helps them:

- Find health-care providers from psychologists to registered massage therapists and more in seconds.
- Access health resources, products and services from across Canada with special offers.
- each their goals with health guides, expert tips and weekly updates from the world of health.

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Where to go for more information?

For more information on the features and benefits of Sun Par Protector II, Sun Par Accumulator II and Sun Par Accelerator, contact your Sales Director or visit Sun Life's advisor website.

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