

This pricing supplement, together with the prospectus supplement dated March 12, 2007 and the short form base shelf prospectus dated March 12, 2007 to which it relates, as amended or supplemented, and each document incorporated by reference into the short form base shelf prospectus and the prospectus supplement, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

The securities to be issued hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly, in the United States of America or for the account or benefit of U.S. persons (as defined in Regulation S under the U.S. Securities Act).



SUN LIFE FINANCIAL INC.

Pricing Supplement: 1
Date: May 24, 2007

(to the short form base shelf prospectus of Sun Life Financial Inc. ("SLF") dated March 12, 2007 as supplemented by the prospectus supplement of SLF dated March 12, 2007 (collectively, the "**Prospectus**")).

\$400,000,000
**SERIES 2007-1 SUBORDINATED UNSECURED 5.40% FIXED/
FLOATING DEBENTURES DUE 2042**

The \$400,000,000 principal amount of Series 2007-1 Subordinated Unsecured 5.40% Fixed/Floating Debentures due 2042 (the "**Debentures**") will be issued under a trust indenture dated as of November 23, 2005, as supplemented by a fifth supplemental indenture to be dated as of the closing date (together, the "**Trust Indenture**"), between SLF and CIBC Mellon Trust Company, as trustee (the "**Trustee**").

The following is a summary of certain of the material attributes and characteristics of the Debentures offered hereby, which does not purport to be complete and is qualified in its entirety by reference to the Trust Indenture. Reference is made to the Prospectus for a summary of the other material attributes and characteristics applicable to the Debentures and reference is made to the Trust Indenture for the full text of such attributes and characteristics.

Issuer:	Sun Life Financial Inc.
Designation:	Series 2007-1 Subordinated Unsecured 5.40% Fixed/Floating Debentures due 2042.
Principal Amount:	\$400,000,000.
Issue Price:	\$998.82 per \$1,000 principal amount of Debentures.
Interest:	Each Debenture will bear interest (i) during the period from the closing date of this offering to, but excluding, May 29, 2037, at a fixed annual rate of 5.40%, payable in equal semi-annual instalments on May 29 and November 29 in each year, with the first payment of interest due on November 29, 2007, and the last payment of interest due on May 29, 2037, and (ii) from May 29, 2037 until maturity of the Debentures, at a variable rate equal to CDOR plus 1%, payable quarterly on May 29, August 29, November 29 and February 28 (February 29 in a leap year) in each year beginning on August 29, 2037. The Debentures will mature on the Maturity Date.
Denominations:	Debentures will be available in denominations of \$1,000 and integral multiples thereof.

Issue Date: May 29, 2007.

Delivery Date: May 29, 2007.

Maturity Date: May 29, 2042.

Redemption: At its option, and subject to prior approval of the Superintendent, SLF may redeem the Debentures, in whole or in part, at any time, at a redemption price which, if the Debentures are redeemed prior to May 29, 2037 is equal to the greater of (i) the Canada Yield Price and (ii) par, and if redeemed on or after May 29, 2037 equal to par, together in each case with accrued and unpaid interest to, but excluding, the date fixed for the redemption. Debentures redeemed on or after May 29, 2037 must be redeemed on an interest payment date. SLF will give notice of redemption at least 30 days but not more than 60 days before the date fixed for redemption. Where less than all of the Debentures are to be redeemed, the Debentures to be redeemed will be selected by lot by the Trustee or redeemed on a proportionate basis according to the principal amount of Debentures registered in the respective name of each holder of Debentures or in such other manner as the Trustee may consider equitable.

“Canada Yield Price” means a price equal to the price of the Debentures, calculated on the Business Day preceding the day on which the redemption is authorized, to provide an annual yield from the date fixed for redemption to, but excluding, May 29, 2037 equal to the Government of Canada Yield, plus 25 basis points.

“Government of Canada Yield” means the annual yield from the date fixed for redemption to, but excluding, May 29, 2037 assuming semi-annual compounding, which an issue of non-callable Government of Canada bonds would carry on the remaining term to, but excluding, May 29, 2037. The Government of Canada Yield shall be calculated by two independent Canadian investment dealers selected by the Trustee and approved by SLF.

Rank: The Debentures will be direct, unsecured subordinated obligations of SLF constituting subordinated indebtedness for the purpose of the *Insurance Companies Act* (Canada), ranking equally and rateably with all other subordinated unsecured indebtedness of SLF from time to time issued and outstanding, other than subordinated indebtedness of SLF that, by its terms, ranks subordinate to the Debentures. The Debentures will rank among themselves equally and rateably without preference or priority. The Trust Indenture will provide that in the event of the insolvency or winding-up of SLF, the indebtedness evidenced by the Debentures will be subordinate in right of payment to all other liabilities of SLF (including senior indebtedness and policy holder liabilities of SLF, if any), except those other liabilities that, by their terms, rank equally with or are subordinate to the Debentures.

Upon any distribution of assets of SLF resulting from any dissolution, winding-up, liquidation or reorganization, payments on the Debentures will be subordinated to the extent provided in the Trust Indenture in right of payment to the prior payment in full of all senior indebtedness of SLF, but the obligation of SLF to make payments on the Debentures will not otherwise be affected except as described below. SLF may not make any payment on the Debentures at any time when there is a default in respect of or under the terms of its senior indebtedness. Because the Debentures are subordinated in right of payment to any senior indebtedness of SLF, in the event of a distribution of assets upon insolvency of SLF, some creditors of SLF may recover more, rateably, than holders of Debentures. Holders of Debentures will be subrogated to the rights of holders of senior indebtedness of SLF, to the extent of payments made on senior indebtedness of SLF, upon any

distribution of assets in any proceedings in respect of Debentures.

Form of Debentures: Global certificate registered in the name of “CDS & Co.”

CUSIP No.: 866796AD7.

Credit Ratings: The Debentures have been rated by DBRS Limited (“**DBRS**”) and Standard & Poor’s, a division of The McGraw Hill Companies Inc. (“**S&P**”). A credit rating generally provides an indication of the creditworthiness of the borrower or the risk that the borrower will not fulfill its obligations in a timely manner to pay both interest and principal on the indebtedness that is the subject of the rating. Rating categories range from highest credit quality (generally “AAA”) to very highly speculative (generally “C”). The Debentures have been rated A (high) by DBRS and A+ by S&P.

For DBRS, a credit rating of “A” is an indication of satisfactory credit quality with the subcategory “high” meaning that SLF is at the high end of the category range. For S&P, a rating of “A” is an indication that the borrower’s capacity to meet its financial commitments on its obligations is strong with the plus “+” sign showing relative standing within the rating category.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of any particular securities for any particular investor. The credit rating assigned to the Debentures is not a recommendation to purchase, hold or sell the Debentures. Prospective investors should consult the relevant rating organization with respect to the interpretation and implications of the ratings. Ratings may be revised or withdrawn at any time by the respective rating organization.

Agents: RBC Dominion Securities Inc., Scotia Capital Inc., Merrill Lynch Canada Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., HSBC Securities (Canada) Inc., National Bank Financial Inc. and TD Securities Inc.

Agents’ Fee: \$5.00 per \$1,000 principal amount of Debentures for a total of \$2,000,000.

Method of Distribution: Agency.

	<u>Price to the Public</u>	<u>Agents’ Fee⁽¹⁾</u>	<u>Net Proceeds to SLF⁽²⁾</u>
Per \$1,000 principal amount of the Debentures.....	\$998.82	\$5.00	\$993.82
Total.....	\$399,528,000	\$2,000,000	\$397,528,000

⁽¹⁾ SLF has agreed to pay the Agents a fee equal to \$5.00 for each \$1,000 principal amount of the Debentures sold.

⁽²⁾ Before deduction of expenses of the offering payable by SLF estimated to be \$250,000, which together with the Agents’ fee will be paid from the proceeds of the offering.

DOCUMENTS INCORPORATED BY REFERENCE

This Pricing Supplement is deemed to be incorporated by reference, as of the date hereof, into the accompanying Prospectus solely for the purpose of the offering of the Debentures.

The following documents, filed by SLF with the securities commissions or similar authorities in each province and territory of Canada, are incorporated by reference into the Prospectus:

- (a) the annual information form dated February 8, 2007;

- (b) the audited consolidated financial statements as at December 31, 2006 and 2005 and for each of the years in the two year period ended December 31, 2006, together with the auditors' report thereon and management's discussion and analysis (as amended) thereon;
- (c) the unaudited interim consolidated financial statements as at March 31, 2007 and for the three month period then ended, together with management's discussion and analysis thereon; and
- (d) the management information circular dated March 16, 2007.

Any statement contained in this Pricing Supplement, the Prospectus or in a document incorporated or deemed to be incorporated by reference in the Prospectus shall be deemed to be modified or superseded, for the purposes of this Pricing Supplement, to the extent that a statement contained herein, or in the Prospectus or in any other subsequently filed document that also is or is deemed to be incorporated by reference in the Prospectus, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or includes any other information set forth in the document that it modifies or supersedes. The making of a modified or superseded statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Torys LLP, counsel to SLF, and McCarthy Tétrault LLP, counsel to the Agents, the Debentures offered hereby, if issued on the date of this Pricing Supplement, would be qualified investments under the *Income Tax Act* (Canada) (the "**Tax Act**") for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan or a deferred profit sharing plan, other than a deferred profit sharing plan for which SLF, or a corporation with which SLF does not deal at arm's length, is the employer.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Torys LLP, counsel to SLF, and McCarthy Tétrault LLP, counsel to the Agents, the following is, at the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to a holder of Debentures (a "**Holder**") who acquires Debentures pursuant to this offering and who, at all relevant times, for purposes of the Tax Act, is resident in Canada, holds the Debentures as capital property, deals with SLF at arm's length and is not affiliated with SLF. Generally, the Debentures will be considered capital property to a Holder provided that the Holder does not hold the Debentures in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain Holders who are resident in Canada whose Debentures might not otherwise qualify as capital property may be entitled to obtain such qualification in certain circumstances by making an irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary is not applicable to a Holder that is a "financial institution" (as defined in the Tax Act for purposes of the mark-to-market rules) or a Holder an interest in which is a "tax shelter investment" (all as defined in the Tax Act). Such Holders should consult their own tax advisors having regard to their particular circumstances.

This summary is based upon the facts set out in the Prospectus and this Pricing Supplement, the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**") in force at the date of this pricing supplement, all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and counsel's understanding of the current administrative policies and assessment practices of the Canada Revenue Agency (the "**CRA**") published in writing prior to the date hereof. There can be no assurance that the proposed amendments will be implemented in their current form or at all. This summary does not otherwise take into account or anticipate any changes of law or practice, whether by judicial, governmental or legislative decision or action or changes in the administration policies or assessment practices of the CRA, nor does it take into account tax legislation or considerations of any province or foreign jurisdiction. The provisions of provincial income tax legislation vary from province to province in Canada and in some cases differ from federal income tax legislation.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any particular Holder are made. Accordingly, prospective purchasers should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring, holding and disposing of Debentures, including the application and effect of the income and other tax laws of any country, province, territory, state or local tax authority.

A Holder that is a corporation, partnership, unit trust or trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on a Debenture that accrues or is deemed to accrue to the Holder to the end of that taxation year or becomes receivable or is received by the Holder before the end of that taxation year, except to the extent that such interest was otherwise included in the Holder's income for a preceding taxation year.

Any other Holder, including an individual and trusts of which neither a corporation or a partnership is a beneficiary, will be required to include in income for a taxation year any interest on a Debenture received or receivable by such Holder in that year (depending upon the method regularly followed by the Holder in computing income), except to the extent that the interest was included in the Holder's income for a preceding taxation year.

Any premium paid by SLF to a Holder because of the redemption by it of a Debenture before maturity thereof will generally be deemed to be interest received at that time by the Holder to the extent that such premium can reasonably be considered to relate to, and does not exceed the value at the time of the redemption of, the interest that would have been paid or payable by SLF on the Debenture for a taxation year ending after the redemption.

On a disposition or deemed disposition of a Debenture, whether on redemption, purchase for cancellation or otherwise, a Holder will generally be required to include in income the amount of interest accrued or deemed to accrue on the Debenture from the date of the last interest payment to the date of disposition to the extent that such amount has not otherwise been included in the Holder's income for the taxation year or a previous taxation year. In general, a disposition or deemed disposition of a Debenture will give rise to a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any accrued interest and any other amount included in computing income and any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Debenture to the Holder immediately before the disposition.

One-half of the amount of any capital gain (a "**taxable capital gain**") realized by a Holder in a taxation year generally must be included in the Holder's income for that year, and one-half of the amount of any capital loss (an "**allowable capital loss**") realized by a Holder in a taxation year must be deducted from taxable capital gains realized by the Holder in that year. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act.

A Holder that is a "Canadian controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax of 6 $\frac{2}{3}$ % on certain investment income, including amounts of interest and taxable capital gains.

AUDITORS' CONSENT

We have read Pricing Supplement No. 1 of Sun Life Financial Inc. ("SLF"), dated May 24, 2007, relating to the offer and issue of \$400,000,000 principal amount of SLF's Series 2007-1 Subordinated Unsecured 5.40% Fixed/Floating Debentures due 2042, to a short form base shelf prospectus dated March 12, 2007, as supplemented by the prospectus supplement dated March 12, 2007, relating to the offer and issue of up to \$3,000,000,000 aggregate principal amount of Unsecured Debt Securities (collectively, the "Prospectus"). We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the Prospectus of our report to the board of directors and shareholders of SLF on the consolidated balance sheets and the separate consolidated statements of segregated funds net assets as at December 31, 2006 and 2005, and the related consolidated statements of operations, equity, cash flows and changes in segregated funds net assets for each of the years in the two-year period ended December 31, 2006. Our report is dated February 8, 2007.

(Signed) Deloitte & Touche LLP
Chartered Accountants
Licensed Public Accountants
Toronto, Canada
May 24, 2007