

SunSpectrum Term
(one insured person)

Policy number: LI-1234,567-8

Owner: Jim Doe

SAMPLE

The following policy wording is provided solely for your convenience and reference. It is incomplete and reflects only some of the general provisions that may be found in some of our insurance policies. We periodically make changes to policy wording and therefore this incomplete sample may not duplicate the wording of any actual issued policy. It is not to be construed or interpreted in any manner as a contract or an offer to contract. The actual policy issued to any given client will govern that relationship.

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SAMPLE

Policy summary

In this document, *you* and *your* mean the owner of this policy. *We, us, our,* and *the company* mean Sun Life Assurance Company of Canada.

Your policy is issued and underwritten by Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies.

It's important that you read your entire policy carefully. It sets out the benefits payable and has exclusions and reductions of coverage. To help you understand insurance terms, refer to the explanations described under the heading, *Insurance terms*.

Plan:	SunSpectrum Term
Policy number:	LI-1234,567-9
Policy date:	January 1, 2017
Owner:	Jim Doe born on November 20, 1955 age nearest on the policy date: XX
Insured person:	John Doe born on May 5, 1975 age nearest on the policy date: XX
Beneficiary:	The beneficiary for each basic insurance coverage is named on your application, unless you make a change in writing to us.

Premiums are due monthly, on the 1st day of the month, starting on January 1, 2017. The total initial monthly premium for this policy is \$XXX.XX. This includes \$XXX.XX for Partner protection, the amount payable for this benefit until January 1, XXXX.

If paying annually, the total initial annual premium for this policy is \$XXX.XX.

This is not a participating policy. You are not eligible to receive dividends.

Policy summary (continued)

SunSpectrum Term 10

Basic insurance coverage

Insured person:	John Doe
Insurance amount:	\$XXX,XXX
Renewal period:	A death benefit is payable when the insured person dies. This coverage renews in 10 year intervals until the date the coverage ends, as shown in the <i>Schedule of guaranteed premiums</i> .
Renewal protection benefit:	Before the first renewal, the premium for this coverage includes the cost of Renewal protection. Starting on the first renewal, your premium will be less than the amount payable for SunSpectrum Term 10 if you had bought it without this benefit.
Risk classification:	non-smoker, class X
Last date to convert this coverage:	January 1, XXXX
Date this coverage ends:	January 1, XXXX

Optional benefits

Partner protection benefit:

Date this benefit ends:	John Doe is one of the insured persons under this benefit. When the first of the insured persons dies, you may buy additional life insurance, as described later. January 1, XXXX
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Total disability waiver benefit:

Date this benefit begins:	If John Doe is totally disabled, we waive premiums for this person's basic insurance and optional benefits. January 1, XXXX (if insured person is < age 18)
Date this benefit ends:	January 1, XXXX

Child term benefit:

Insurance amount:	\$XX,XXX for each insured child of John Doe
Date this benefit ends:	January 1, XXXX or earlier for an insured child who has had their 25 th birthday, as described later.

Accidental death benefit:

Insurance amount:	\$XXX,XXX for John Doe
Date this benefit ends:	January 1, XXXX

Guaranteed insurability benefit:

Option amount:	\$XXX,XXX for John Doe You may buy additional life insurance for this insured person without giving us new evidence of insurability.
Date this benefit ends:	January 1, XXXX

Policy summary (continued)

Business value protection benefit:

Option amount:	\$XXX,XXX for John Doe You may buy additional life insurance for this insured person, as described later.
Date this benefit ends:	January 1, XXXX

Schedule of guaranteed premiums

You must pay all premiums for this policy by the premium due date.

For the following schedule, the monthly premium is in the last column. The monthly premium is the applicable annual premium multiplied by .09. The numbered columns show the applicable annual premium for basic insurance and optional benefits, if any are included.

- (1) Basic insurance with Renewal protection
- (2) Total disability waiver
- (3) Child term
- (4) Accidental death
- (5) Guaranteed insurability or Business value protection

Beginning on	(1)	(2)	(3)	(4)	(5)	Monthly premium (\$)
1 Jan XXXX	xxx.xx	xxx.xx	xxx.xx	xxx.xx	xxx.xx	xx.xx
1 Jan XXXX	xxx.xx	xxx.xx	xxx.xx	xxx.xx	xxx.xx	xx.xx
1 Jan XXXX	this coverage ends					

Policy summary (continued)

Optional benefits for the owner

Owner waiver disability benefit:

If Jim Doe is totally disabled, we waive premiums for this policy.

Date this benefit ends:

January 1, XXXX

Schedule of guaranteed premiums

You must pay all premiums for this policy by the premium due date.

For the following schedule, the monthly premium is in the last column. The monthly premium is the applicable annual premium multiplied by .09. The numbered column shows the applicable annual premium.

(1) Owner waiver disability

Beginning on	(1)	Monthly premium (\$)
1 Jan XXXX	xx.xx	xx.xx
1 Jan XXXX	0.00	0.00

SAMPLE

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If you change your mind within 10 days

You may send us a written request to cancel your policy within:

- 10 days of receiving it from us, or
- 60 days after the policy is issued, whichever date is earlier.

You are considered to have received your policy 5 days after it's mailed from our office, or on the date your advisor delivers it to you.

When we receive your written request we'll refund any amount paid. This is called rescission.

Your decision to cancel your policy is your personal right. When we receive your request to cancel it, all of our obligations and liabilities under this policy end immediately. The cancellation is binding on you and any person entitled to make a claim under this policy, whether their entitlement is revocable or irrevocable.

To cancel your policy, send your request in writing to:

Sun Life Assurance Company of Canada
227 King Street South
PO Box 1601, Stn. Waterloo
Waterloo ON Canada N2J 4C5

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Contesting the policy

The incontestability provisions set out in the provincial or territorial insurance legislation applicable to this policy apply.

Limit on contesting

We cannot challenge the validity of the policy after it has been in effect continuously for two years from the later of the date it took effect and the date it was last reinstated. If the policy is amended to increase or change a benefit or improve a rating, we cannot challenge the validity of the amendment after it has been in effect continuously for two years from the later of the date the amendment took effect and the date the policy was last reinstated.

Exception to the limit on contesting

We can challenge the validity of the policy or an amendment at any time in cases of fraud or cases involving a disability benefit.

The death benefit for basic insurance coverage

We pay a death benefit to the named beneficiary for a basic insurance coverage insuring one person when that insured person dies.

The *Policy summary* shows the following information about the basic insurance coverage:

- the insured person
- the insurance amount
- the renewal period
- the last date to convert the coverage, and
- the date the coverage ends.

When we pay

If the insured person dies while their basic insurance coverage is in effect, we calculate the death benefit as of the date they died. The amount we pay is:

- the insurance amount in effect
- **minus** any unpaid premiums plus interest on the date the insured person dies.

A coverage ends on the date the insured person dies.

This policy ends on the date all basic insurance coverages in this policy end.

When we will not pay (exclusions)

We will not pay a death benefit if the insured person takes their own life, regardless of whether the insured person has a mental illness or understands or intends the consequences of their action(s), within 2 years of the later of:

- the most recent date an application for basic insurance coverage on that person was signed
- the policy date, shown on the *Policy summary*
- the effective date of the insurance, if you added it after the policy date, or
- the most recent date your policy was put back into effect, if it has been reinstated.

The coverage ends on the date the insured person dies. Instead of paying the death benefit, we will pay to the beneficiary the premiums paid for that person's coverage and optional benefits. If your policy has been put back into effect, the amount we pay will be equal to the premiums paid for that person's coverage and optional benefits since the most recent date the policy was reinstated.

If you replaced insurance that was issued by us

If any insurance in this policy is the result of replacing insurance that we issued, we determine the death benefit payable for the part that is replacing insurance, based on the effective date of your previous insurance.

Making a claim for the death benefit

To make a claim, contact your advisor or call us at the toll free phone number shown at the beginning of this policy. We will send the appropriate form to be completed. The person making the claim must complete the form and give us the information we need to assess the claim, including proof that the insured person died while their coverage was in effect.

Physicians may charge a fee to complete certain forms. The person making the claim is responsible for any fee.

Before we pay a death benefit, we must verify the insured person's date of birth. If the date of birth on the application is incorrect, we'll adjust the death benefit to the amount that would have been payable based on the premiums paid and the correct date of birth.

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Paying for your policy

Premiums for this policy

We will provide you with the benefits described in this policy if you pay the required premiums. You must pay all premiums by the premium due date. Payments must be made to Sun Life Assurance Company of Canada. We reserve the right to refuse cash payments.

If premiums are not received

If the amount you are required to pay is not paid, your policy ends 31 days after it's due. If your policy ends this way, it has lapsed.

Putting your policy back into effect

We will not put this policy back into effect if you cancelled it. If your policy ended because it lapsed, you may apply to have it put back into effect. This process is called reinstatement.

If you want to put your policy back into effect, you must:

- apply within 2 years of the date the policy ended
- give us new evidence of insurability that we consider satisfactory, for all of the insured persons, and
- pay all unpaid premiums, plus accrued interest, up to the date the policy is reinstated.

We will notify you when we approve your application to reinstate your policy. If we don't approve your application, we'll refund the amount you paid when you applied.

Reinstating while disabled

We will not put this policy back into effect if you cancelled it. If an *Owner waiver disability benefit* or *Total disability waiver benefit* is included and your policy lapsed while you or an insured person is disabled, you may apply to put this policy back into effect, without giving us new evidence of insurability.

The conditions that must exist for us to consider your application are:

1. The policy must have ended by lapse before a claim was made for the disability benefit or after a claim was made but before we completed our claim assessment
2. You must apply within 1 year of the date the policy ended by lapse
3. The disabled person must have been disabled when the policy lapsed and their disability continued for at least 6 consecutive months
4. You must apply before the end date of the disability benefit on the insured person shown on the *Policy summary*
5. You must give us proof, that we consider satisfactory, of the disability and the length of time the insured person was disabled, and
6. All insured persons must be alive when you apply and continue to be alive on the date we reinstate your policy.

Your right to convert insurance

You may apply to convert a basic insurance coverage insuring one person to a new life insurance policy, on that person, without giving us new evidence of insurability.

Converting to a term life insurance policy

You may convert a basic insurance coverage with a 10 or 15 year renewal period to a term life insurance policy with a 20 or 30 year renewal period.

You must apply to convert before the earlier of the 5th policy anniversary nearest the date the coverage was put into effect, and the policy anniversary nearest:

- the insured person's 65th birthday if converting to a policy with a 20 year renewal period, or
- the insured person's 55th birthday if converting to a policy with a 30 year renewal period.

If you convert a coverage, it ends on the date the new policy takes effect.

Converting to a permanent life insurance policy

You may convert a basic insurance coverage insuring one person to a permanent life insurance policy.

You must apply on or before the last date to convert the coverage, shown on the *Policy summary*. If you convert a coverage, it ends on the date the new policy takes effect.

The new life insurance policy

You may apply for any life insurance policy we offer when you apply, subject to the terms and conditions of that policy and our administrative rules. Your application must be in a form acceptable to us. The new life insurance will:

- be determined based on the information about the insured person in the application we received for the coverage being converted
- depend on our rules about the age of the insured person and the amount of insurance, and
- have an insurance amount that is not greater than the insurance amount in effect for the coverage being converted, on the date the new application is signed.

You may apply for optional benefits on the insured person if they are included in this policy, continue to be in effect and we offer them. The amount of each benefit under the new policy cannot be greater than the amount of that benefit in this policy. The terms and conditions of each benefit will be the terms and conditions we're offering at the time you convert the coverage.

If a *Total disability waiver benefit* is in effect on the insured person under this policy, a similar benefit may be included in the new policy if:

- we offer a disability waiver benefit
- you request the benefit, and
- the insured person is not disabled.

If the insured person is totally disabled and we're waiving premiums for their insurance, you cannot convert while they are disabled. However, if their disability continues, you may apply for a permanent life insurance policy on the last date to convert the coverage. The cost for the new policy will be waived while the insured person is totally disabled.

If you apply for more insurance than we offer for a conversion, we require new evidence of insurability that we consider satisfactory.

The maximum total annual premium we waive for an insured person is \$50,000 across all life insurance policies issued by us, or for which we have assumed responsibility, on that person.

Paying for the new policy

The cost for the new policy will be based on:

- the same evidence of insurability we used to determine the premiums for the coverage being converted
- the rates we charge for the new insurance on the date you apply, and
- the age of the insured person on the date you apply.

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Applying for changes to your policy

We determine the changes you may apply for and the terms and conditions of any new insurance you add to this policy.

You may apply to add basic insurance coverage and optional benefits for:

- an insured person in this policy, and
- a new insured person.

You may not apply for these changes if we are waiving premiums under this policy.

Your application must be in a form acceptable to us and satisfy our administrative rules on the date you apply. Any new insurance will depend on our rules about the age of the insured person and the amount of insurance.

When you apply, you must give us new evidence of insurability we consider satisfactory. We determine the risk classification for the new insurance. The amount you are required to pay for the new insurance will be based on the rates we charge on the date you apply.

If we approve your application, the new coverage will take effect on the next policy anniversary.

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Applying for non-smoker classification on an insured person

This provision applies if an insured person is age nearest 16 or younger on the date their basic insurance coverage takes effect.

On the policy anniversary nearest the insured person's 18th birthday, we will classify them as a smoker. If this person is a non-smoker at that time, you may apply to have them classified as a non-smoker.

If applying before the policy anniversary nearest the 19th birthday

If you apply between the policy anniversary nearest the insured person's 17th birthday and the policy anniversary nearest their 19th birthday, we require a non-smoker declaration signed by the insured person and you, the owner.

If applying on or after the policy anniversary nearest the 19th birthday

If you apply on or after the policy anniversary nearest the insured person's 19th birthday, we require new evidence of insurability on the insured person. The application must be signed by the insured person and you, the owner.

If we approve your application, the insured person will be classified as a non-smoker and your premiums will be changed beginning on the policy anniversary nearest the insured person's 18th birthday or the date we approve your application if you apply after this date. We determine the new premium according to the rate that was in effect for a non-smoker of the same sex and age of the insured person on the policy date.

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Your right to cancel this policy

You may cancel your policy at any time. Your decision to cancel your policy is your personal right. The cancellation is binding on you and any person entitled to make a claim under this policy, whether their entitlement is revocable or irrevocable.

All of our obligations and liabilities under this policy end immediately on the date we receive your request to cancel your policy or on any later date you indicate in your request.

To cancel your policy, send your request in writing to:

Sun Life Assurance Company of Canada
227 King Street South
PO Box 1601, Stn. Waterloo
Waterloo ON Canada N2J 4C5

If you apply to cancel your policy within the first 10 days of receiving it from us, we will treat this as a rescission. This is described under the heading, *If you change your mind within 10 days*.

If you apply to cancel your policy after the 10th day of receiving it from us, we'll refund any amount that was not required to pay premiums.

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When your policy ends

The date each basic insurance coverage ends is shown on the *Policy summary*. If your policy hasn't ended for any of the reasons already described, it will end on the date no basic insurance coverages are in effect.

Benefits are not payable after the date your policy ends.

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Other information about your policy

Information about our contract with you

Once your policy is in effect, the following documents make up our entire contract with you:

- your application for insurance, including any evidence of insurability, and
- this policy, including any amendments.

All of our obligations to you are contained in the documents described above. Any other document or oral statement does not form part of this contract. This policy or any part of this policy may not be amended or waived except by a written amendment signed by two authorized signing officers of the company.

Time limit for recovery of insurance money

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act or the provincial or territorial legislation that applies to this policy.

Currency of this policy

All amounts of money referred to in this policy are in Canadian dollars.

Transferring your policy (assignment)

You may be able to transfer your rights under this policy to someone else by assigning the policy. We are not responsible for ensuring that the assignment of your policy is legally valid. If you transfer this policy, send a notice of the assignment to:

Sun Life Assurance Company of Canada
227 King Street South
PO Box 1601, Stn. Waterloo
Waterloo ON Canada N2J 4C5

Non-recourse premium financing

If you assign this policy at any time, either under a collateral assignment or absolute assignment, or grant a hypothec on it under a deed of hypothec for the purposes of non-recourse premium financing or another similar financing structure, we may void the policy. If we void the policy, all our obligations end effective on the date you assigned or granted a hypothec on it. No benefit is payable, and we have the right to keep all premiums paid.

Non-recourse premium financing is an arrangement where an entity enters into a lending agreement with a policy owner where the entity (lender) agrees to pay the premiums for the policy directly to the insurer. The policy owner collaterally assigns the policy to the lender or grants a hypothec on it as security for the loan. The loan agreement typically provides that the loan is repaid when the insured person dies. The arrangement is called non-recourse because the lender cannot sue the policy owner if the loan is not repaid.

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Insurance terms

The following explanations describe insurance terms that may or may not apply to this policy.

Age

Age means a person's age on their birthday nearest to a particular date. This is known as age nearest. For example, a person's age at the policy date means their age on their birthday nearest to the policy date.

Basic insurance

The basic insurance we provide in this policy is called a coverage.

Beneficiary

The person or persons you name in writing to receive a death benefit.

Contingent owner

The person or persons you name in writing to take ownership of this policy if you die before the date this policy ends.

What happens if no contingent owner is named when a policy owner dies?

- If there is only one policy owner at the time of death, then the policy owner's estate becomes the new policy owner.
- If there are two or more policy owners at the time of death, then the deceased policy owner's estate along with the surviving policy owner(s) own the policy.

Coverage

Available coverages for this policy include:

- basic insurance on one insured person, and
- joint first-to-die basic insurance.

Evidence of insurability

This may include medical, financial, lifestyle, tobacco usage, family medical history information and other personal history information needed to approve an application for life insurance.

Optional benefits

Optional benefits may be available in addition to basic insurance coverage. An example of an optional benefit is the Total disability waiver benefit.

Permanent life insurance

A type of insurance that provides protection for the insured person's entire lifetime.

Policy anniversary

The month and day every year that is the same as your policy date.

Policy date

This is the start date of your insurance policy. This date is shown on the *Policy summary*.

Premiums

The amount you must pay to purchase and maintain an insurance policy.

Renewal period

The period you applied for that determines when premiums increase. The renewal period is shown on the *Policy summary*.

Risk classification

We evaluate evidence of insurability and classify insured persons based on their anticipated insurance risk. Insurance premiums are determined by the risk classification.

Term life insurance

A type of insurance that provides protection for a limited number of years.