

Sun Executive UL and VUL rates and case design guideline changes

Introduced in 2007, Sun Executive UL and VUL products were designed specifically to serve the small and medium sized business market. These products offer high early cash values which are critical to business clients looking to implement executive benefits or business succession plans. Despite a volatile economy, we have seen consistent sales growth of Sun Executive in the past several years.

To maintain our tradition of providing competitive products and financial strength for our distributors and clients, Sun Life closely monitors our product portfolios to ensure they are aligned with our target markets. Specific to the business market, we have determined a need to institute the following rate adjustments and case design guidelines for our Sun Executive UL and VUL products.

Effective January 3, 2011

Crediting Interest Rates

- The crediting interest rate will change from 5.05% to 4.80% on Sun Executive UL and on the fixed account for Sun Executive VUL.

Monthly Face Amount Charge—UL Only

- The current monthly face amount charges for policy years 1-10 will be increased for issue ages 61-70 only.

Premium Expense Loads—UL Only

- The *current* Premium Expense Loads on premiums paid in excess of target in the first policy year will increase from 3.5% to 7%.
- The guaranteed *maximum* Premium Expense Loads will change to 25% for premiums paid up to target and paid in excess of target in all policy years.
- All other loads and charges are unchanged.

Underwriting and Case Design

Sun Life is also announcing new Underwriting and Case Design requirements for our Sun Executive products. These guidelines will provide clarity specific to qualifications and case design.

- To access the full list of Underwriting and Case Design Guidelines, go to the Underwriting section of www.sunlifesaales.com.

Please note these important transition guidelines to obtain existing Sun Executive UL pricing and crediting interest rates.

- All formal Part 1 applications for the current version of Sun Executive UL rates must be received by Sun Life Financial by December 31, 2010.
- All formal applications for the current Sun Executive UL rates must be placed in force by January 31, 2011. All underwriting and issue requirements, including all first year premium illustrated, must be received in good order at Sun Life Financial by January 31, 2011.
- Premiums received in January 2011 will result in a policy issue date of January 3, 2011 in order to secure the existing Sun Executive UL pricing and crediting interest rate.
- Policies funded all or in part by a 1035 exchange process may be placed in force at a later time with an issue date of January 3, 2011 provided that:
 - The application is approved in Underwriting by January 31, 2011.
 - The 1035 exchange paperwork is mailed and confirmed to be in good order at the surrendering company by January 31, 2011.
 - The policy must be placed in force within 30 days of Sun Life Financial's receipt of all 1035 exchange proceeds. This includes all issue requirements and any additional premium to be collected.

All formal Part 1 applications for Sun Executive UL received on or after January 3, 2011 will be subject to the new Sun Executive UL rates.

Sun Life anticipates the new SunSolutions Ascent software to be available for download in mid-December.

**Please direct all requests regarding new business and underwriting to 888-594-2654, option 3.
For sales assistance, please contact the Life Sales Desk at 866-990-2399.**

Universal life insurance products are issued by Sun Life Assurance Company of Canada (Wellesley Hills, MA), and variable universal life insurance products are issued by Sun Life Assurance Company of Canada (U.S.) (Wellesley Hills, MA). In New York, universal and variable universal life insurance products are issued by Sun Life Insurance and Annuity Company of New York (New York, NY). Variable products are distributed through Sun Life Financial Distributors, Inc. All are members of the Sun Life Financial group of companies. All guarantees are based on the claims-paying ability of the issuing company.

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2 of 2

