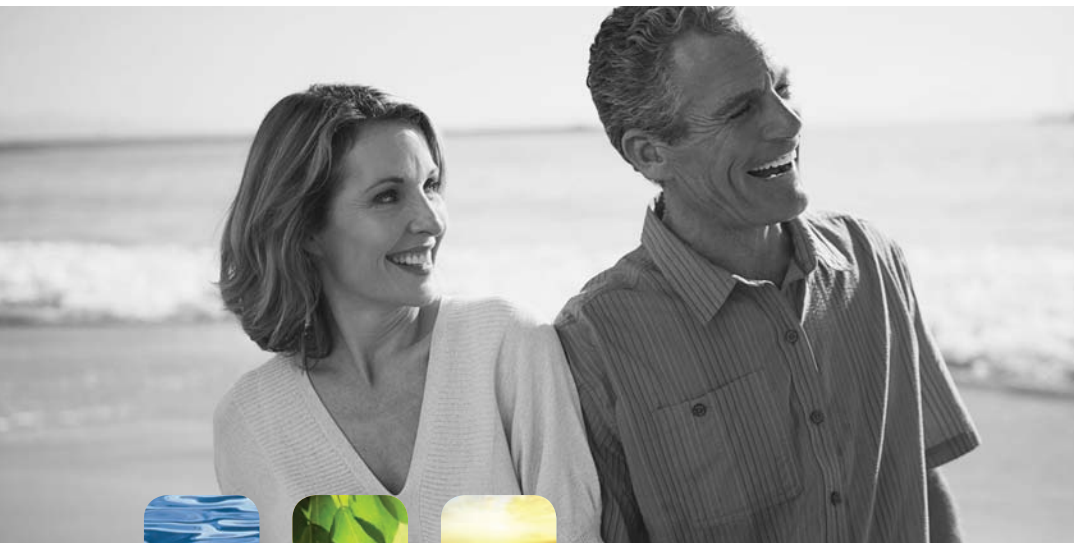


Sun Life Assurance Company of Canada

Supplement dated January 2015 to the SunWise Essential Series 2 Segregated Funds
Information Folder and Individual Variable Annuity Contract dated January 2015
(for Sun Life Financial advisors exclusively)



SunWise
EssentialSeries | 2



managed by CI Investments Inc.



issued by Sun Life Assurance Company of Canada

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The SunWise Essential Series 2 Information Folder and Individual Variable Annuity Contract dated <*> is supplemented by this document to include Income Class Units. Please read the Information Folder and Contract (as amended by this supplement) for further information.

KEY FACTS

The following summary provides a brief description of the basic things you should know about the SunWise Essential Series 2 (including this Supplement) before you apply for your Contract. This summary is not your Contract. A full description of all the features and how they work is contained in the SunWise Essential Series 2 Information Folder, the Contract, this supplement and the Fund Facts. You should review these documents and discuss any questions you have with your insurance advisor.

	More information is available in the Contract at:	More information is available in this supplement at:
What am I getting?		
<ul style="list-style-type: none"> This document describes the Contract for the SunWise Essential Series 2 Segregated Funds. It is offered by Sun Life Assurance Company of Canada 	Sections 2.1, 6, 12.2, 16 and I-6	A-6, A-14, A-18, A-19 and page I-18
<ul style="list-style-type: none"> You will purchase a Contract from Sun Life. You then will tell Sun Life into which Funds you want Sun Life to place the money you paid to purchase your Contract. 	Section 12.2	A-18
<ul style="list-style-type: none"> Sun Life gives you certain guarantees relating to the value of your Contract. 	Section 12.2	A-18
<ul style="list-style-type: none"> You can ask that your Contract be a registered plan. Some of the available registered plan types are RRSP, RRIF and TFSA. 	Sections 6 and I-6	A-14 and page I-18
<ul style="list-style-type: none"> You may select a person who will receive some of the benefits of your Contract when you die. 	Section 16	
<ul style="list-style-type: none"> Tax rules will apply to the owner of your Contract. Tax rules also will apply to your Contract when you die. You should read this document and speak to your insurance advisor to learn more information about these tax rules. 	Sections 6 and I-6	A-14 and page I-18
The value of the Contract can go up or down, and is subject to guarantees.		
What guarantees are available?		
<ul style="list-style-type: none"> Two types of guarantees are available under the Contract. 		A-19
<ul style="list-style-type: none"> The first guarantee is a Maturity Benefit and applies when you reach a certain age (most often 100) or when you die, whichever happens first. It is calculated one of two ways: <ul style="list-style-type: none"> ▶ Contract Maturity Benefit: If you reach the Contract Maturity Date (most often, this means you must reach age 100), it guarantees that the value of your Contract will be not less than 75% of the amounts you paid to Sun Life. It also covers amounts you later add to your Contract. ▶ Death Benefit: For each Class in your Contract, if you die before the Contract Maturity Date, it guarantees that the person you name (your beneficiary) will receive a Death Benefit equal to the greater of the market value or either 75% or 100% of the amounts you paid to Sun Life. If you have not named a beneficiary, the Death Benefit will be paid to your estate. 		A-19

	More information is available in the Contract at:	More information is available in this supplement at:
<ul style="list-style-type: none"> The second guarantee is optional. It is called a Guaranteed Lifetime Withdrawal Benefit. It guarantees that you will receive a steady stream of payments from your Contract until you die. 		A-19
<ul style="list-style-type: none"> You will select the guarantees that you want to apply to your Contract by selecting a Class of a Fund. You can select one Class for some of the money you paid for your Contract, and a different Class for the other money you paid for your Contract. 	Section 12	A-18 and A-19
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▶ Investment Class: Provides the 75% Contract Maturity Benefit or 75% Death Benefit described above. 	Section 12.2	A-18 and A-19
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▶ Estate Class: Provides the 75% Contract Maturity Benefit or 100% Death Benefit described above. 	Section 12.2	A-18 and A-19
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▶ Income Class: Provides the 75% Contract Maturity Benefit or 100% Death Benefit described above. It also provides the Guaranteed Lifetime Withdrawal Benefit. 	Section 12.2	A-18 and A-19
<ul style="list-style-type: none"> There are fees charged for providing the guarantees: <ul style="list-style-type: none"> ▶ Investment Class: The fee for providing the guarantees for Investment Class are paid by the Fund or out of your Contract. The fee is an annual percentage of the value of Investment Class Units and ranges from 0.10% to 0.70%, depending on the Fund. ▶ Estate Class: The fee for providing the guarantees for Estate Class is paid in two parts. The first part is paid either by the Fund or out of your Contract. It is the same as for Investment Class described above. The second part is paid out of your Contract and is an annual percentage of an amount used to calculate your Death Benefit. The total cost ranges from 0.25% to 0.95%, depending on the Fund. ▶ Income Class: The fees for providing the guarantees for Income Class are paid out of your Contract. The fees are an annual percentage of the amount we use for keeping track of your Guaranteed Lifetime Withdrawal Benefit. The total cost ranges from 0.47% to 1.45%, depending on the Fund. ▶ When a fee is paid out of your Contract, it is collected quarterly. 	Sections 10.1, 10.3, 15.3 and I-7.6	A-17, A-22 and page I-20
	Sections 10.1, 10.3, 15.3 and I-7.6	A-17, A-22 and page I-20
	Sections 10.1, 10.3, 15.3 and I-7.6	A-17, A-19, A-22 and page I-20
	Sections 10.1, 10.3, 15.3 and I-7.6	A-17, A-19, A-22 and page I-20
<ul style="list-style-type: none"> Amounts that you withdraw from your Contract will reduce certain guarantees under your Contract. 		A-19

	More information is available in the Contract at:	More information is available in this supplement at:
What investments are available?		
<ul style="list-style-type: none"> You may choose from a large number of Funds. 	Sections 12, I-7.1 and I-7.5	A-18 and page I-19
<ul style="list-style-type: none"> Not all Funds are available for each Class. 	Sections 12, I-7.1 and I-7.5	A-18 and page I-19
<ul style="list-style-type: none"> See the Fund Facts that come with this document for more information about the Funds 	Sections 12, I-7.1 and I-7.5	A-18 and page I-19
Sun Life does not guarantee the performance of the Funds. You should carefully consider your tolerance for risk when you select a Fund.		
How much will this cost?		
<ul style="list-style-type: none"> Each Fund pays its expenses out of its assets. 	Sections 5, 10, 11, and 15.3	A-12, A-13, A-16, A-17, A-19 and A-22
<ul style="list-style-type: none"> There are management fees and fees to cover the cost of providing the guarantees. Sometimes these fees are paid out of a Fund's assets and sometimes they are paid out of your Contract. 	Sections 5, 10, 15.3 and I-7.6	A-12, A-13, A-16, A-17, A-19, A-22 and page I-20
<ul style="list-style-type: none"> When you purchase your Contract or add money to it, you may pay either a commission to your insurance advisor, or a deferred sales charge to us when you withdraw that investment. 	Section 11	
<ul style="list-style-type: none"> You may be charged a fee if you change Funds or Classes, or if you withdraw an investment out of a Fund within 30 days after you made it. 	Section 11	
What can I do after I purchase this contract?		
<ul style="list-style-type: none"> You can add more money to your Contract at a later date. 	Section 2	A-5, A-6, A-7 and A-8
<ul style="list-style-type: none"> You can change the Funds in which you want to be invested. 	Sections 5 and 12	A-12, A-13 and A-18
<ul style="list-style-type: none"> You can change the Classes for some or all of your investments to different Classes with different guarantees. 	Sections 5 and 14	A-12, A-13 and A-20
<ul style="list-style-type: none"> You can withdraw some or all of your money from your Contract at any time. 	Section 3	A-9, A-10 and A-11
<ul style="list-style-type: none"> You can choose to start receiving a series of annuity payments at any time. This will happen automatically on the Contract Maturity Date. 		A-15
<ul style="list-style-type: none"> If you are using Income Class, you can choose when to begin the payments under the Guaranteed Lifetime Withdrawal Benefit. 		A-19
<ul style="list-style-type: none"> Taking any action described above may result in a positive or negative outcome for you. 		
Certain restrictions and other conditions may apply. You should review the Contract for your rights and obligations and discuss any questions with your insurance advisor.		

	More information is available in the Contract at:	More information is available in this supplement at:
What information will I receive about my contract?		
<ul style="list-style-type: none"> At least once a year, you will receive information summarizing the value of the investments under your Contract, including a summary of all the transactions you made. 	Section I-4.1	Page I-18
<ul style="list-style-type: none"> The annual audited financial statements and semi-annual unaudited financial statements of each Fund are available on our website or upon request. 	Section I-4.1	Page I-18
Can I change my mind?		
<ul style="list-style-type: none"> You can change your mind about purchasing the Contract or adding more money to your Contract. You must do this within two business days after the date you received confirmation of your purchase or addition. You will be deemed to have received the confirmation five business days after it was mailed by us. You have to tell us in writing that you want to cancel. The amount returned will be the amount you invested or the value of your investments under your Contract, whichever is less. The amount returned will include a refund of any sales commissions or other fees you paid. 	Section 1.11	
Where can I get more information or help?		
<ul style="list-style-type: none"> For additional information, please contact CI Investments Inc., on behalf of Sun Life Assurance Company of Canada, at: 15 York Street, 2nd Floor Toronto, Ontario M5J 0A3 Phone: 1-800-792-9355 Email: service@ci.com. For information about handling issues you are unable to resolve with Sun Life, contact the OmbudService for Life and Health Insurance at 1-800-268-8099 or on the web at www.olhi.ca. For information about additional protection that is available for all life insurance contract holders, contact Assuris, a company established by the Canadian life insurance industry. See www.assuris.ca for details. For information concerning how to contact the insurance regulator in your province, visit the Canadian Council of Insurance Regulators website at www.ccir-ccra.org. 		

Certificate

The Information Folder, as supplemented, provides brief and plain disclosure of all material facts relating to the SunWise Essential Series 2 Individual Variable Annuity Contract issued by Sun Life Assurance Company of Canada.



Kevin P. Dougherty
President, Sun Life Financial Canada
Sun Life Assurance Company of Canada



Kari Holdsworth
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Sun Life Assurance Company of Canada

Information Folder and Contract

All capitalized terms contained in this supplement have the meanings given to those terms in the Contract unless otherwise indicated herein.

See the SunWise Essential Series 2 Information Folder and Contract for additional information regarding the Income Class:

- General Information (Section 1 of the Contract)
- Premiums and Deposits (Section 2 of the Contract)
- Withdrawals (Section 3 of the Contract)
- Fund transfers (Section 5 of the Contract)
- Registered Contracts (Section 6 of the Contract)
- Contract Maturity Date and Termination (Section 8 of the Contract)
- Insurance Fees, Management Fees and Other Fees and Expenses (Section 10 of the Contract)
- Availability of Classes and Funds (Section 12 of the Contract)
- Changing Guaranteed Benefits (Section 14 of the Contract)
- Private Investment Management (PIM) (Section 15 of the Contract)
- Illustration of Benefits (Section I-2 of the Information Folder)
- Additional General Information (Section I-4 of the Information Folder)
- Compensation of Distributor (Section I-5 of the Information Folder)
- Tax Information (Section I-6 of the Information Folder)
- The Funds (Section I-7 of the Information Folder)

SECTION 1 GENERAL

GENERAL DEFINITIONS

A-1. The following replaces the definitions in Section 1.1:

"Annuitant" means, for a Contract with a single Annuitant, the person on whose life the Contract is based unless otherwise specified. For a Joint Annuitant Contract, **"Annuitants"** means the persons on whose lives the Contract is based and **"Annuitant"** means the younger Annuitant if both Annuitants are living, or the last surviving Annuitant if one of the Annuitants has died, unless otherwise specified. For purposes of the terms relating to the Guaranteed Lifetime Withdrawal Benefit under a Joint Annuitant Contract where the One-Life Income Stream has been selected, **"Annuitant"** means the person designated pursuant to the Selecting the LWA Income Stream Section of this supplement upon whose life the Guaranteed Lifetime Withdrawal Benefit is based;

"Class" means a notional sub-account maintained for all the Units of the Funds which carry the same Guaranteed Benefit. For greater certainty, the current Classes are Investment Class, Estate Class, Income Class, PIM Investment Class, PIM Estate Class and PIM Income Class. All references in the Contract to Investment Class, Estate Class or Income Class shall be read to apply in the same manner to PIM Investment Class, PIM Estate Class and PIM Income Class, respectively, except where indicated otherwise. If PIM Units are allocated to the Contract, then Units that are not PIM Units cannot also be allocated to the Contract at the same time, and vice versa;

"Contract-Level Fees" means (i) Insurance Fees we charge to you through the Redemption of Units in respect of Estate Class Units, Income Class Units, PIM Investment Class Units, PIM Estate Class Units or PIM Income Class Units allocated to the Contract, (ii) LWA Base Fees we charge to you through the Redemption of Units in respect of Income Class Units or PIM Income Class Units allocated to the Contract, (iii) PIM Management Fees we charge to you through the Redemption of Units in respect of PIM Units allocated to the Contract, and (iv) a fee we charge to you through the Redemption of Units relating to servicing commissions we pay to your Distributor in respect of PIM Units allocated to the Contract;

"Guaranteed Benefits" means the Maturity Benefit and the Guaranteed Lifetime Withdrawal Benefit (Income Class only) under the Contract;

"Insurance Fee" means a fee charged by Sun Life to the Fund or to you for providing the Maturity Benefit under the Contract, as described in Section 10.1 of the Contract. For greater certainty, the LWA Base Fee is not an Insurance Fee since the Guaranteed Lifetime Withdrawal Benefit is not a Maturity Benefit;

"Late Deposit Reduction" means, where the Death Benefit Base for Estate Class or Income Class is to be increased on a Valuation Date after the Annuitant's 75th birthday by reason of a Deposit into that Class or a reclassification of Units from Investment Class to that Class, that the amount added to the Death Benefit Base will be 80% of the amount that otherwise would be added for the first three years following such Valuation Date, following which three year period 100% of the amount will be included in the Death Benefit Base. The Late Deposit Reduction continues in effect even if there is an intervening reset of

the Death Benefit Base, in which event the Late Deposit Reduction will apply proportionately to the reset Death Benefit Base as described in the Death Benefit Section of this supplement. For greater certainty, a reset of the Death Benefit Base for either Estate Class or Income Class in the manner described in the Death Benefit Section of this supplement will not constitute a Deposit and therefore will not, by itself, trigger the application of the Late Deposit Reduction;

"PIM Units" means PIM Investment Class Units, PIM Estate Class Units and PIM Income Class Units;

A-2. The following are added to Section 1.1:

"5% Bonus" means an amount equal to 5% of the 5% Bonus Base as of December 31 of a 5% Bonus Year. The 5% Bonus is subject to Quarterly Proration for (i) the calendar year in which Income Class Units are first allocated to the Contract, and (ii) in respect of any portion of the 5% Bonus Base that was an LWA Base Addition during that 5% Bonus Year, calculated as of the date of such first allocation or LWA Base Addition (as applicable);

"5% Bonus Base" means the amount used to calculate the 5% Bonus at the end of each 5% Bonus Year in the manner described in the Guaranteed Benefits Section of this supplement;

"5% Bonus Year" means the calendar year in which Income Class Units are first allocated to the Contract and each of the fifteen calendar years immediately following such calendar year; provided, in each case, that no Income Class Units have been Redeemed (other than to pay Contract-Level Fees) or reclassified to a different Class of Units during the relevant calendar year;

"Age 55 LWA Election" means the election you must make if you would like to start receiving LWA payments on or after January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 55 years of age but before January 1 of the calendar year in which that same person turns 65 years of age. If you have not made a withdrawal you may cancel this election at any time by notifying us. If no withdrawals have been made before January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 65 years of age, your election will not apply;

"Early Withdrawal" means any Redemption of Income Class Units (other than to pay Contract-Level Fees) or reclassification of Income Class Units to a different Class of Units, in each case before the LWA Eligibility Date;

"Excess Withdrawal" means (a) in the case of the first Excess Withdrawal in a year, the amount by which the Aggregate Unit Value of all Income Class Units Redeemed during the year after the LWA Commencement Date (other than to pay Contract-Level Fees) or reclassified during such year exceeds the sum of the LWA then in effect (or the LWA RRIF MAP if greater) and any LWA Deferrals then available for such year; and (b) after having made an Excess Withdrawal in a year, the amount by which the Aggregate Unit Value of any further Income Class Units Redeemed (other than to pay Contract-Level Fees) or reclassified since the most recent Excess Withdrawal exceeds the LWA then in effect;

“GLWB Reset” means an upward adjustment, if applicable, to the LWA Base, the 5% Bonus Base and the LWA, determined every third Contract Anniversary Date in the manner described in the GLWB Resets Section of this supplement;

“Guaranteed Lifetime Withdrawal Benefit” (or **“GLWB”**) has the meaning specified in the Establishing the Guaranteed Lifetime Withdrawal Benefit Section of this supplement;

“Guaranteed Payment Phase” means the time period following the LWA Commencement Date when the Aggregate Unit Value of the Income Class Units allocated to the Contract is nil and the LWA Base is a positive amount. The Guaranteed Payment Phase ends on the last day of the LWA Income Stream applicable to the Contract;

“LWA” or **“Lifetime Withdrawal Amount”** means the amount calculated in the manner described in the Guaranteed Benefits Section of this supplement as the LWA for Income Class Units allocated to the Contract. The LWA is calculated as a percentage of the LWA Base on the LWA Commencement Date and is subject to recalculation on the occurrence of certain events;

“LWA Base” means an amount initially equal to the first Deposit allocated to Income Class Units and that is subsequently adjusted by LWA Base Additions, GLWB Resets, 5% Bonuses, Early Withdrawals and Excess Withdrawals as described in the Guaranteed Benefits Section of this supplement;

“LWA Base Addition” means, once Income Class Units are allocated to the Contract, a subsequent Deposit allocated to Income Class Units or a reclassification of Investment Class Units or Estate Class Units to Income Class Units;

“LWA Base Addition Deadline” means the date which is (a) if the One-Life Income Stream has been selected, December 31 of the calendar year in which the Annuitant turns 80 years of age, or (b) if the Two-Life Income Stream has been selected, December 31 of the calendar year in which the younger of the Annuitant and the Second Life turns 80 years of age;

“LWA Base Fee” means the fee described in the Guaranteed Benefits Section of this supplement which is charged for providing the Guaranteed Lifetime Withdrawal Benefit;

“LWA Commencement Date” means, after the LWA Eligibility Date, the earlier of (a) the date you specify in your written notice to us pursuant to the Payment Instructions Section of this supplement as the date on which you wish payment of the LWA to begin; and (b) the first date on which you Redeem Income Class Units (other than to pay Contract-Level Fees) or reclassify Income Class Units to a different Class of Units;

“LWA Deferral” means an election (or deemed election) by you to not receive some or all of the LWA in any year following the LWA Commencement Date as described in the Payment Instructions Section of this supplement. LWA Deferrals are not permitted during the Guaranteed Payment Phase or after the Contract Maturity Date;

“LWA Eligibility Date” means January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 65 years of age or if you make the Age 55 LWA Election, 55 years of age;

“LWA Income Streams” means the One-Life Income Stream and the Two-Life Income Stream;

“LWA Rate” has the meaning specified in the Calculating the Lifetime Withdrawal Amount Section of this supplement;

“LWA RRIF MAP” has the meaning specified in the Guaranteed Lifetime Withdrawal Benefit Exceptions for Annuitants and Registered Contracts Section of this supplement;

“One-Life Income Stream” means eligibility to receive the LWA each year commencing on the LWA Commencement Date and ending on the earlier of (a) the death of the Annuitant (subject to the Guaranteed Lifetime Withdrawal Benefit Exceptions for Annuitants and Registered Contracts Section of this supplement); and (b) the date on which the Contract is terminated;

“Second Life” means, when the Two-Life Income Stream has been selected (i) if the Contract is a Registered Contract, your spouse or common-law partner as specified by you, or (ii) if the Contract is a Non-Registered Contract, the spouse or common-law partner of the Annuitant, which spouse or common-law partner must be the joint Annuitant;

“Two-Life Income Stream” means eligibility to receive the LWA each year commencing on the LWA Commencement Date and ending on the earlier of (a) the death of the Annuitant or the Second Life (which occurs later), and (b) the date on which the Contract is terminated;

NATURE OF THE CONTRACT

A-3. Section 1.3 is removed and replaced by the following:

The Contract is between you and Sun Life. You are the owner of the Contract and, at the time you apply for the Contract, you will determine whether you want the Contract to be a Non-Registered Contract or a type of Registered Contract. You also will designate the Annuitant of the Contract and you may designate a beneficiary. If the Contract is a Registered Contract, you will be the sole Annuitant. You, or the executor of your estate, must notify us of the death of an Annuitant or the Second Life. If the Contract is a Non-Registered Contract, you do not need to be the Annuitant and you have the option of designating two Annuitants. Once established, the Contract applies to all Deposits made under it, regardless of the Classes or Funds to which the Deposits are allocated. See Section 12 of the Contract for additional information.

We reserve the right not to establish more than one Contract using the same Annuitant, Class of Units and registration type of Contract except as required by applicable law. Sun Life will provide to you the Guaranteed Benefits on the terms described in the Contract. Deposits are remitted to Sun Life for the purpose of providing the Annuity Payments and, if applicable, the Guaranteed Lifetime Withdrawal Benefit in accordance with the Contract. Details regarding the calculation of Annuity Payments and the Guaranteed Lifetime Withdrawal Benefit can be found in Sections 8 and 13, respectively, of the Contract.

AGE AND SURVIVAL

A-4. Section 1.7 is removed and replaced by the following:

Before any Annuity Payments begin, we must receive proof of age for the Annuitant. Before an Annuity Payment is made and at any time during the Guaranteed Payment Phase, we may require proof that the Annuitant is living.

SECTION 2 PREMIUMS AND DEPOSITS

GENERAL INFORMATION

A-5. The following is added to Section 2.1:

The minimum initial Premium for Income Class Units is \$25,000, in aggregate. You may deposit additional Premiums in Income Class Units of at least \$100, by lump sum, or \$50 monthly by a PAC plan.

A-6. The table in Section 2.1 is removed and replaced with the following:

	Investment Class and Estate Class	Income Class	PIM Class
To establish the Contract	\$500 (\$50 monthly by PAC plan)	\$25,000	\$100,000
Minimum initial Premium per Class of a Fund	\$500 (\$50 monthly by PAC plan)	\$100	\$100,000
Minimum additional Premiums	\$100	\$100	\$5,000
Minimum additional Premiums (PAC)	\$50 monthly	\$50 monthly	\$5,000

PAYING PREMIUMS

A-7. The first sentence of Section 2.2 is removed and replaced by the following:

Subject to Sections 2.1, 2.4, 2.5 and 12.1 of the Contract, the Guaranteed Benefits Section of this supplement and any other applicable restriction, you may pay a Premium at any time.

AGE RESTRICTIONS RESPECTING DEPOSITS AND CONTRACT ISSUE

A-8. The table in Section 2.5 is removed and replaced with the following:

Contract Type	Age of Annuitant*
Non-registered	90 (80 for Income Class Units)
TFSA	90 (80 for Income Class Units); minimum age of 18
RRSP, Locked-In RSP**, LIRA**, RLSP**	RSP Maturity Date
RRIF, LIF**, LRIF**, PRIF**, RLIF**	90 (80 for Income Class Units)

* Depending on Contract Maturity Date and the restrictions during the Concluding Decade. Where a Deposit is being made to Income Class Units and the Two-Life Income Stream has been selected, the age limits summarized above are determined by reference to the age of the younger of the Annuitant and the Second Life.

** The maximum age with respect to Locked-in RSP, LIRA, RLSP, LRIF, LIF, PRIF and RLIF Contracts is established according to pension legislation and the age shown is used unless such pension legislation dictates otherwise.

SECTION 3 WITHDRAWALS

GENERAL INFORMATION

A-9. The following is added to Section 3.1:

Withdrawals taken as payment of the LWA, an LWA Deferral or the LWA RRIF MAP will not reduce the Guaranteed Lifetime Withdrawal Benefit.

Unless the Contract is a RRIF, LIF, LRIF, PRIF or RLIF or Annuity Payments or payments of the LWA have commenced, you may not cause the Total Contract Value to fall below \$500 as a result of withdrawals unless you terminate the Contract.

AUTOMATIC WITHDRAWAL PLANS

A-10. Section 3.2 is removed and replaced by the following:

3.2 Automatic withdrawal plans

You may receive automatic withdrawals from the Contract on a monthly, quarterly, semi-annual or annual basis, and we will deposit your automatic withdrawals directly to your bank account. In the case of a RRIF, LIF, LRIF, PRIF or RLIF, for monthly withdrawals you must choose a date from the 1st to the 25th of the month on which you wish your withdrawals to occur. For other Registered Contracts or Non-Registered Contracts you may select any day of the month for automatic withdrawals. In both cases, the date you select will apply to all automatic withdrawals under the Contract.

You must advise us in writing if you wish to schedule automatic withdrawals, make changes or cancel it. Your choices are:

(a) MAP (Minimum Annual Payment) – (for RRIF, LIF, LRIF, PRIF and RLIF)

The MAP for a RRIF, LIF, LRIF, PRIF and RLIF is calculated in accordance with the formula specified by applicable legislation. A transfer between Funds or reclassification between different Classes of Units does not constitute an automatic withdrawal for purposes of receiving the MAP.

(b) Level – client specified amount and frequency.

(c) Maximum Amount (for LIF, LRIF and RLIF only)

The maximum payment amount for a LIF, LRIF and RLIF is calculated in accordance with the formula specified by applicable legislation. For the initial calendar year, the maximum amount is pro-rated

based on the number of months the Deposit is held in the Contract, except as specified by applicable legislation.

(d) Year-end payment (for RRIF, LIF, LRIF, PRIF or RLIF only)

If the total of your scheduled and unscheduled withdrawals in a calendar year is less than the MAP amount for that year, we will pay the balance of the MAP amount to you at the end of the calendar year in accordance with our administrative policies.

(e) Such other amounts as permitted under our administrative policies at the time of the request or pursuant to the terms of the Guaranteed Lifetime Withdrawal Benefit.

PAYMENT OF WITHDRAWALS

A-11. The following replaces the last paragraph of Section 3.3:

A full withdrawal terminates the Contract and discharges Sun Life and CI from all of their obligations and liabilities under the Contract and all related documents unless the withdrawal results in the commencement of, or occurs during, the Guaranteed Payment Phase.

**SECTION 5
TRANSFERS**

GENERAL INFORMATION

A-12. The following is added to Section 5.1:

Change fees cannot be charged for transfers of Income Class Units of one Fund to Income Class Units of another Fund.

LUMP SUM TRANSFERS

A-13. Section 5.2 is removed and replaced by the following:

All lump sum transfers must equal or exceed \$250 (\$5,000 for PIM Units). In addition, the ongoing minimum of \$500 must be maintained in the Class of Units of the Fund to which the transfer is occurring (\$100,000 for PIM Units; \$100 for Income Class Units). If any amount is left in the Class of Units of the Fund from which the transfer is occurring, it must be at least \$500 (\$100,000 for PIM Units; \$100 for Income Class Units).

**SECTION 6
REGISTERED CONTRACTS**

TYPES OF REGISTERED CONTRACT

A-14. The fourth paragraph of Section 6.2 (c) Registered Retirement Income Funds is removed and replaced by the following:

Withdrawals will result in Units allocated to the Contract being Redeemed. Any Redemption of Units (other than to pay Contract-Level Fees) may reduce your Guaranteed Benefits. Withdrawals also will reduce the Total Contract Value and therefore affect the Annuity Payments payable under the Contract. Withdrawals taken as payment of the LWA, an LWA Deferral or the LWA RRIF MAP will not reduce the Guaranteed Lifetime Withdrawal Benefit.

**SECTION 8
CONTRACT MATURITY DATE
AND TERMINATION**

ANNUITY PROVISIONS

A-15. Section 8.1 is removed and replaced by the following:

8.1 Annuity provisions

On the Contract Maturity Date or, on your direction, before the Contract Maturity Date, (the "Annuitization Date") the Total Contract Value (exclusive of the Aggregate Unit Value of any Income Class Units then allocated to the Contract and less any Redemption Fees or other applicable fees) will be used to determine the Annuity Payments payable to the Annuity Payment Recipient. On the Annuitization Date, all Investment Class Units and Estate Class Units allocated to the Contract will be Redeemed, the Guaranteed Benefits associated with the Investment Class Units and Estate Class Units will end and the Contract cannot be subsequently commuted or surrendered except as outlined below. If the Annuitization Date occurs on the Contract Maturity Date, the Contract Maturity Benefit, if any, will be calculated and any Contract Maturity Benefit applicable to Investment Class Units or Estate Class Units will be included in the Total Contract Value on the Annuitization Date. Unless you advise us on or before the Contract Maturity Date that you wish to receive a single lump sum payment of the Total Contract Value (exclusive of the Aggregate Unit Value of any Income Class Units then allocated to the Contract and less any Redemption Fees or other applicable fees), we will calculate and commence paying Annuity Payments as described below.

If the Contract is not a TFSA, the Annuity Payments will be calculated by Sun Life using the greater of (a) the rates specified in the table below, or (b) the immediate payout annuity rates on the Valuation Date coinciding with, or immediately following, the Annuitization Date applicable for (i) where there is only one Annuitant (or one surviving Annuitant under a Joint Annuitant Contract), a 10 year guaranteed life annuity based on the life of the Annuitant, or (ii) for Joint Annuitant Contracts where both Annuitants are living, a joint last-to-die annuity based upon the lives of both Annuitants.

Age of the youngest Annuitant at Annuitization Date	Monthly payment per \$1,000 Total Contract Value (exclusive of the Aggregate Unit Value of any Income Class Units then allocated to the Contract and less any Redemption Fees or other applicable fees)
0-24	\$0.50
25-39	\$0.75
40-59	\$1.00
60-69	\$1.50
70-85	\$2.00
86 and over	\$4.00

If the Contract is not a TFSA, the Annuity Payments will be paid monthly to the Annuity Payment Recipient for a minimum of 10 years (there will be no less than 120 Annuity Payments), and thereafter while the Annuitant lives.

If the Contract is a TFSA, the Annuity Payments will be calculated by Sun Life using (a) the term certain annuity rates on the Valuation Date coinciding with, or immediately following, the Annuitization Date applicable for a 10 year term certain annuity or (b) a monthly income of \$8.50 for each \$1,000 Total Contract Value (exclusive of the Aggregate Unit Value of any Income Class Units then allocated to the Contract and less any Redemption Fees or other applicable fees), whichever is greater. The Annuity Payments will be paid monthly to the Annuity Payment Recipient for 10 years (there will be 120 Annuity Payments).

If the Annuitant dies before 120 Annuity Payments are made, a death benefit will be payable to the person entitled thereto according to Section 16 of the Contract in an amount equal to the commuted value, on the date of the Annuitant's death, of the remainder of the 120 Annuity Payments and will be paid in one lump sum. The death benefit will be adjusted for all payments that may have been made by us between the date of the death of the Annuitant and the date we received notice of such death. If the Contract is not a TFSA and the Annuitant dies after 120 Annuity Payments have been made, the Annuity Payments will cease with the last payment before death. We have the right to recover overpayments.

If the amount of a monthly Annuity Payment would be less than the amount of our minimum annuity payments according to our administrative policies then in effect, then in lieu of Annuity Payments we have the right to pay to you on the Annuitization Date the Total Contract Value (exclusive of the Aggregate Unit Value of any Income Class Units then allocated to the Contract) in one sum, subject to any Redemption Fees or other applicable fees.

Any Income Class Units allocated to the Contract on the Annuitization Date will remain allocated to the Contract after the Annuitization Date. Income Class Units will be excluded from the Total Contract Value on the Annuitization Date for purposes of calculating the Annuity Payments (or the single payment in lieu of Annuity Payments). On the Contract Maturity Date, any Contract Maturity Benefit applicable to Income Class Units will be calculated and paid and the Contract Maturity Benefit associated with the Income Class Units thereafter ends.

At any time before or after the Contract Maturity Date, you may elect to cancel the Guaranteed Lifetime Withdrawal Benefit for any Income Class Units that are allocated to the Contract and instead receive Annuity Payments in respect of such Income Class Units. If you make this election, then the amount of the Annuity Payments resulting from such election will be calculated as if the Aggregate Unit Value of such Income Class Units was the Total Contract Value and will be added to any other Annuity Payments you are then receiving.

In the event that Annuity Payments are payable as a result of there being Investment Class Units or Estate Class Units allocated to the Contract on the Annuitization Date and, on the Annuitization Date or at any time thereafter, the LWA Base is a positive amount, we may continue the Contract as two separate Contracts if we consider it to be necessary or advisable for tax or administrative reasons. In such circumstances, one Contract will provide the Annuity Payments in respect of such Investment Class Units and Estate Class Units and the other Contract will include the positive LWA Base. All beneficiary designations, successor owner designations and other elections or rights applicable to the Contract before such continuation will apply to the two separate Contracts after the continuation.

SECTION 10 INSURANCE FEES, MANAGEMENT FEES AND OTHER FEES AND EXPENSES

A-16. The first paragraph of Section 10 is removed and replaced by the following:

The combined fees of a Class of a Fund are the sum of (i) the Insurance Fee and Management Fee of such Class, (ii) in the case of Income Class, the LWA Base Fee, and (iii) a proportionate share (based on the relative Class Values of the Classes of the Fund on the previous Valuation Date) of the Management Fee of the Underlying Fund. For further information regarding the LWA Base Fee, see the Guaranteed Benefits Section of this supplement.

INSURANCE FEES

A-17. The following is added to Section 10.1:

Income Class

For Income Class of a Fund, the Insurance Fee is charged to you and is calculated as an annual percentage of the LWA Base. See Section I-7.6 of the Information Folder for the annual percentages of the Insurance Fees of the Funds charged to you in respect of Income Class. The Insurance Fee is calculated for each calendar quarter and paid on the last day of such calendar quarter by Redeeming an appropriate number of Income Class Units allocated to the Contract. The Insurance Fee will not be prorated for periods shorter than a complete calendar quarter. Where, on the date that the Insurance Fee is being calculated, Income Class Units of more than one Fund are allocated to the Contract, the Insurance Fee is calculated separately for each Fund based on a proportionate amount of the LWA Base determined according to the following formula:

$$\begin{array}{c} \text{Proportionate} \\ \text{amount of LWA} \\ \text{Base for Income} \\ \text{Class Units of a} \\ \text{specific Fund} \end{array} = \begin{array}{c} \text{LWA Base} \end{array} \times \frac{\begin{array}{c} \text{Aggregate Unit} \\ \text{Value of Income} \\ \text{Class Units of that} \\ \text{Fund allocated to} \\ \text{the Contract} \end{array}}{\begin{array}{c} \text{Aggregate Unit} \\ \text{Value of all} \\ \text{Income Class Units} \\ \text{allocated to the} \\ \text{Contract} \end{array}}$$

The Insurance Fee rate for that Fund is then applied against its proportionate amount of the LWA Base.

SECTION 12 AVAILABILITY OF CLASSES AND FUNDS

ALLOCATING DEPOSITS TO A FUND AND CLASS

A-18. The following is added to Section 12.2:

The Contract gives you the right to allocate each Deposit you make to Income Class Units of one or more Funds.

The Contract also provides a Guaranteed Lifetime Withdrawal Benefit for Income Class. The Guaranteed Benefits provided by the Contract are summarized below:

Income Class:

- 75% Contract Maturity Benefit
- 100% Death Benefit
- Guaranteed Lifetime Withdrawal Benefit.

SECTION 13 GUARANTEED BENEFITS

A-19. Section 13 Guaranteed Benefits is removed and replaced with the following:

13.1 Maturity Benefit

The Contract provides a Maturity Benefit on the Maturity Date. If the Maturity Date occurs on the Contract Maturity Date, the Maturity Benefit will be calculated as the Contract Maturity Benefit. If the Maturity Date occurs on the Death Benefit Date (or if the Death Benefit Date and Contract Maturity Date occur on the same day), the Maturity Benefit will be calculated as the Death Benefit.

13.2 Contract Maturity Benefit

(a) Contract Maturity Benefit

If the Contract Maturity Date occurs before the Death Benefit Date, then Sun Life will pay a Maturity Benefit equal to the Contract Maturity Benefit. The **“Contract Maturity Benefit”** is the sum of the Class Contract Maturity Benefits for each Class of Units allocated to the Contract on the Contract Maturity Date. In no event will a Class Contract Maturity Benefit be less than 75% of the aggregate Premiums allocated to such Class on the Contract Maturity Date in the manner described in Section 2.2 of the Contract.

(b) Calculating the Class Contract Maturity Benefit

The **“Class Contract Maturity Benefit”** for each Class (calculated separately) is the greater of:

- (i) the Aggregate Unit Value of all the Units of that Class allocated to the Contract on the Contract Maturity Date; and
- (ii) 75% of the Contract Maturity Base for that Class in effect on the Contract Maturity Date.

(c) Calculating the Contract Maturity Base

Initial Contract Maturity Base

On the Valuation Date that Units of a Class are first allocated to the Contract (whether by payment of a Deposit or by reclassifying Units from a different Class into Units of that Class), we will calculate an amount (the **“Contract Maturity Base”**) for that Class that is equal to (as applicable):

- (i) the amount of the Deposit;
- (ii) in the case of a reclassification to Estate Class or Income Class from Investment Class, the Aggregate Unit Value of the additional Estate Class Units or Income Class Units (as applicable) allocated to the Contract as a result of the reclassification; or

- (iii) in the case of any type of reclassification not described in paragraph (ii) above, the amount by which the Contract Maturity Base was reduced in the Class from which the reclassification was made, less any change fee charged pursuant to Section 14.1 of the Contract.

Increases to the Contract Maturity Base for Increases of Deposits and Reclassifications

On each Valuation Date that a subsequent Deposit is allocated to a Class, we will increase the Contract Maturity Base of that Class by the amount of such Deposit.

On each Valuation Date that Units from Investment Class are reclassified to Estate Class or Income Class, we will increase the Contract Maturity Base for Estate Class or Income Class (as applicable) by the Aggregate Unit Value of the additional Estate Class Units or Income Class Units (as applicable) allocated to the Contract as a result of the reclassification. In the case of any type of reclassification not described immediately above, we will increase the Contract Maturity Base of the Class to which the reclassification is made by the amount by which the Contract Maturity Base was reduced in the Class from which the reclassification was made, less any change fee charged pursuant to Section 14.1 of the Contract.

Reductions to the Contract Maturity Base for Redemptions and Reclassifications

On each Valuation Date that you Redeem Units of a Class (other than to pay Contract-Level Fees) or reclassify Units of that Class for Units of a different Class, we will reduce the Contract Maturity Base of that Class proportionately according to the following formula:

$$\begin{array}{|c|} \hline \text{Reduced Contract} \\ \text{Maturity Base} \\ \text{following} \\ \text{Redemption or} \\ \text{reclassification} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Contract Maturity} \\ \text{Base immediately} \\ \text{prior to the} \\ \text{Redemption or} \\ \text{reclassification} \\ \hline \end{array} \times \frac{\text{(AUV - WD)}}{\text{AUV}}$$

Where:

“AUV” Aggregate Unit Value of the Units of that Class allocated to the Contract immediately prior to the Redemption or reclassification

“WD” Aggregate Unit Value of the Units of that Class Redeemed or reclassified

(d) Contract Maturity Benefit General Provisions

On the Contract Maturity Date, Sun Life will deposit on your behalf in respect of each Class an amount equal to the amount, if any, by which the Class Contract Maturity Benefit of such Class exceeds the Aggregate Unit Value of all Units of that Class allocated to the Contract on the Contract Maturity Date. Such deposit will be made into the same Class of Units of the SunWise Essential 2 CI Money Market Fund (or, if not then available, into the same Class of Units of any other Fund designated for such purpose by us). All Units of that Class (other than Income Class Units) then will be Redeemed and the lump sum amount or Annuity Payments paid by Sun Life pursuant to Section 8.1 of the Contract will constitute payment of the Contract Maturity Benefit. Such payment of the Contract Maturity Benefit is conditional on the Contract being in force on the Contract Maturity Date and the Annuitant then being alive.

13.3 Death Benefit

(a) Death Benefit

If the Annuitant dies (or, in the case of a Joint Annuitant Contract, the last surviving Annuitant dies) on or before the Contract Maturity Date, then Sun Life will pay a Maturity Benefit equal to the Death Benefit.

The Death Benefit is payable to the person entitled thereto following receipt by us of proof satisfactory to us of the Annuitant's death and the claimant's right to the proceeds. The "**Death Benefit**" is the sum of the Class Death Benefits for each Class of Units allocated to the Contract on the Death Benefit Date. In no event will a Class Death Benefit be less than 75% of the Premiums allocated to such Class on the Death Benefit Date in the manner described in Section 2.2 of the Contract. The Class Death Benefits associated with Investment Class and Estate Class end on the Contract Maturity Date or the Annuitization Date (whichever occurs first). In some circumstances, the spouse or common-law partner of the Annuitant may choose an alternative to receiving a cash payment of the Death Benefit. See Section 13.20 of the Contract for additional information.

(b) Calculating the Class Death Benefit

The "**Class Death Benefit**" for Investment Class is the greater of:

- (i) the Aggregate Unit Value of all Investment Class Units allocated to the Contract on the Death Benefit Date, and
- (ii) 75% of the Death Benefit Base for Investment Class in effect on the Death Benefit Date.

The "**Class Death Benefit**" for each of Estate Class and Income Class (calculated separately) is the greater of:

- (iii) the Aggregate Unit Value of all Units of that Class allocated to the Contract on the Death Benefit Date, and
- (iv) 100% of the Death Benefit Base for that Class in effect on the Death Benefit Date.

(c) Calculating the Death Benefit Base

Initial Death Benefit Base

On the Valuation Date that Units of a Class are first allocated to the Contract (whether by payment of a Deposit or by reclassifying Units from a different Class into Units of that Class), we will calculate an amount (the "**Death Benefit Base**") for that Class that is equal to (as applicable):

- (i) the amount of the Deposit (subject, in the case of Estate Class or Income Class, to the Late Deposit Reduction, if applicable);
- (ii) in the case of a reclassification to Estate Class or Income Class from Investment Class, the Aggregate Unit Value of the additional Estate Class Units or Income Class Units (as applicable) allocated to the Contract as a result of the reclassification (subject, if applicable, to the Late Deposit Reduction); or
- (iii) in the case of any type of reclassification not described in paragraph (ii) above, the amount by which the Death Benefit

Base was reduced in the Class from which the reclassification was made, less any change fee charged pursuant to Section 14.1 of the Contract.

Increases to the Death Benefit Base for Increases of Deposits and Reclassifications

On each Valuation Date that a subsequent Deposit is allocated to a Class, we will increase the Death Benefit Base of that Class by the amount of such Deposit (subject, in the case of Estate Class or Income Class, to the Late Deposit Reduction, if applicable).

On each Valuation Date that Units from Investment Class are reclassified to Estate Class or Income Class, we will increase the Death Benefit Base for Estate Class or Income Class (as applicable) by the Aggregate Unit Value of the additional Estate Class Units or Income Class Units (as applicable) allocated to the Contract as a result of the reclassification (subject, if applicable, to the Late Deposit Reduction). In the case of any type of reclassification not described immediately above, we will increase the Death Benefit Base of the Class to which the reclassification is made by the amount by which the Death Benefit Base was reduced in the Class from which the reclassification was made, less any change fee charged pursuant to Section 14.1 of the Contract.

Late Deposit Reduction

Where the Death Benefit Base for Estate Class or Income Class is to be increased on a Valuation Date after the Annuitant's 75th birthday by reason of a Deposit into that Class or a reclassification of Units from Investment Class to that Class, the amount added to the Death Benefit Base will be 80% of the amount that otherwise would be added for the first three years following such Valuation Date. After such three year period, 100% of the amount will be included in the Death Benefit Base provided the Annuitant has not died during such three year period. For greater certainty, a reset of the Death Benefit Base for either Estate Class or Income Class in the manner described below will not constitute a Deposit and therefore will not, by itself, trigger the application of the Late Deposit Reduction.

Reductions to the Death Benefit Base for Redemptions and Reclassifications

On each Valuation Date that you Redeem Units of a Class (other than to pay Contract-Level Fees) or reclassify Units of that Class for Units of a different Class, we will reduce the Death Benefit Base of that Class proportionately according to the following formula:

$$\text{New Death Benefit Base of that Class following Redemption or reclassification} = \text{Death Benefit Base of that Class immediately prior to the Redemption or reclassification} \times \frac{(\text{AUV} - \text{WD})}{\text{AUV}}$$

Where:

"AUV" Aggregate Unit Value of the Units of that Class allocated to the Contract immediately prior to the Redemption or reclassification

"WD" Aggregate Unit Value of the Units of that Class Redeemed or reclassified

Resetting the Death Benefit Base (Estate Class and Income Class only)

Subject to our then current administrative policies, charges and fees, and subject to any applicable legislative or regulatory requirements, every third Contract Anniversary Date until the Annuitant reaches the age of 80 years and on the Contract Anniversary Date in the calendar year in which the Annuitant reaches the age of 80 years, we will increase the Death Benefit Base for Estate Class and Income Class to the Aggregate Unit Value of all Units of that Class allocated to the Contract on such Contract Anniversary Date if such Aggregate Unit Value exceeds the Death Benefit Base of that Class (calculated as if no Late Deposit Reduction then applies) on such Contract Anniversary Date.

After the Death Benefit Base is reset as described above, any Late Deposit Reduction that was in effect prior to the reset will continue to apply to a proportionate amount of the Death Benefit Base after the reset as described below.

$$\begin{array}{ccccccc}
 \boxed{\text{Reset Death Benefit Base (including Late Deposit Reduction)}} & = & \frac{\boxed{\text{Death Benefit Base of that Class not subject to Late Deposit Reduction immediately prior to the reset}}}{\boxed{\text{Death Benefit Base of that Class immediately prior to the reset}}} & \times & \boxed{\text{Reset Death Benefit Base (not including Late Deposit Reduction)}} & + & \frac{\boxed{\text{Death Benefit Base of that Class subject to Late Deposit Reduction immediately prior to the reset}}}{\boxed{\text{Death Benefit Base of that Class immediately prior to the reset}}} & \times & \boxed{\text{Reset Death Benefit Base (not including Late Deposit Reduction)}} & \times & \boxed{80\%}
 \end{array}$$

We reserve the right to discontinue, modify or suspend all or any part of the resets described above at any time by giving you written notice of our intention to do so at least 60 days in advance.

A reset of the Death Benefit Base for Estate Class or Income Class will not change the Deposits allocated to that Class or the Contract Maturity Benefit associated with that Class. The Death Benefit Base for Estate Class and Income Class will be reset only while the Annuitant is alive. Any reset of a Death Benefit Base that occurs after the death of the Annuitant will be reversed.

(d) Death Benefit General Provisions

Effective on the Death Benefit Date, we will surrender all of the Units allocated to the Contract and the amount of the Death Benefit will be held in the SunWise Essential 2 CI Money Market Fund account (or other Fund designated by us) on behalf of the person entitled thereto until paid. If the Death Benefit exceeds the Aggregate Unit Value of all Units so surrendered, the amount held in the SunWise Essential 2 CI Money Market Fund account (or other Fund designated by us) will include an amount paid by Sun Life equal to such difference.

The Death Benefit will be adjusted for all payments that may have been made by us between the date of the death of the Annuitant and the date we received notice of such death. We have the right to recover overpayments.

The person entitled to receive the Death Benefit may choose to receive payment either in cash or using any of the optional methods of settlement that Sun Life is making available at that time. Payment of the Death Benefit (including any death benefit related to Annuity Payments pursuant to Section 8.1 of the Contract) discharges Sun Life and CI from all of their obligations and liabilities under the Contract and all related documents. In some circumstances, the spouse or common-law partner of the Annuitant may choose an alternative to receiving a cash payment of the Death Benefit. See Section 13.20 of the Contract for additional information.

If the Contract is an RRSP or LIRA, the Death Benefit is required to be paid in a lump sum in accordance with the Income Tax Act. If the spouse or common-law partner of the Annuitant is the sole

beneficiary of the Class Death Benefit relating to Income Class, in certain circumstances such spouse or common-law partner may waive payment at that time of such Class Death Benefit and instead transfer the Aggregate Unit Value of the Income Class Units allocated to the Contract on such date to an RRSP of such spouse or common-law partner. See Section 13.20 of the Contract for additional information.

If the Contract is issued as an RRSP, LIRA, Locked-in RSP, RLSP, RRIF, LRIF, LIF, PRIF, RLIF or TFSA then additional requirements apply concerning the payment of the Death Benefit.

RRIF

If the Contract is issued as a RRIF and the Owner dies before Annuity Payments have commenced, then the Owner's spouse or common-law partner, if named as the sole beneficiary, may continue to receive the periodic payments permitted under the Income Tax Act and exercise full ownership rights under the Contract, in which event no Death Benefit will be paid at that time in respect of any Class. If, in addition to the circumstances described above, the Two-Life Income Stream applies to the Contract, the surviving spouse or common-law partner will be deemed to have made the election described above, in which event no Death Benefit will be paid at that time in respect of any Class. See Section 13.20 for additional information.

In all other circumstances, the Death Benefit will be paid in accordance with the Contract, following receipt by us of the applicable documentation.

LIRA, Locked-in RSP, RLSP, LRIF, LIF, PRIF or RLIF

If the Contract is issued as a LIRA, Locked-in RSP, RLSP, LRIF, LIF, PRIF or RLIF and the Owner dies before the Contract Maturity Date, the Death Benefit must comply with the requirements of an RRSP or RRIF, as applicable, described above and applicable pension legislation which generally requires the payment of the Death Benefit to the Owner's surviving spouse or common-law partner.

TFSA

If the Contract is issued as a TFSA, then the Owner's spouse or common-law partner, if named as the sole beneficiary, may elect to exercise full ownership rights under the Contract, in which event no Death Benefit will be paid at that time in respect of any Class. If, in addition to the circumstances described above, the Two-Life Income Stream applies to the Contract, the surviving spouse or common-law partner will be deemed to have made the election described above, in which event no Death Benefit will be paid at that time in respect of any Class. See Section 13.20 for additional information.

If Annuity Payments have commenced and the Planholder dies before 120 Annuity Payments are made in accordance with Section 8.1 of the Contract, the remainder of the Annuity Payments may be made to the Owner's spouse or common-law partner, if they are named as sole beneficiary. However, if the Owner's spouse or common-law partner is named as sole beneficiary, he or she may request that the commuted value of the remainder of the Annuity Payments be made in one lump sum. If Annuity Payments have become payable under Section 8.1 of the Contract and the beneficiary is not the Owner's spouse or common-law partner, the Death Benefit will be payable in the amount equal to the commuted value, on the date of the Annuitant's death, of the remainder of the Annuity Payments and will be paid in one lump sum. Otherwise, the Death Benefit will be paid in accordance with the Contract, following receipt by us of the applicable documentation.

13.4 Guaranteed Lifetime Withdrawal Benefit (Income Class Only) Overview

You are entitled to the Guaranteed Lifetime Withdrawal Benefit described in the following provisions of this Section 13 in respect of all the Income Class Units allocated to the Contract.

The Guaranteed Lifetime Withdrawal Benefit provides for a guaranteed LWA Income Stream based on the life of the Annuitant or, where the Two-Life Income Stream applies, the lives of both the Annuitant and the Second Life. This guaranteed LWA Income Stream first becomes available in the year in which the Annuitant (or, if the Two-Life Income Stream applies, the younger of the Annuitant and Second Life) turns 65 years of age or if you make the Age 55 LWA Election, 55 years of age when it becomes available.

Any withdrawal from Income Class Units (other than to pay Contract-Level Fees or as payment of the LWA, an LWA Deferral or the LWA RRIF MAP) and any reclassification of Income Units to Units of a different Class that constitutes an Early Withdrawal or Excess Withdrawal will reduce the Guaranteed Lifetime Withdrawal Benefit.

13.5 Making Deposits to Income Class

You may, at any time prior to the LWA Base Addition Deadline, allocate Deposits to Income Class Units and reclassify Investment Class Units or Estate Class Units allocated to the Contract to Income Class Units.

The Aggregate Unit Value of Income Class Units allocated to the Contract must be at least \$25,000 immediately after Income Class Units are first allocated to the Contract.

If, immediately following a Redemption of Income Class Units (other than to pay Contract-Level Fees or as payment of the LWA, an LWA Deferral or the LWA RRIF MAP) or a reclassification of Income Class Units, the Aggregate Unit Value of the Income Class Units allocated to the Contract is less than \$25,000, we reserve the right to reclassify the Income Class Units to Estate Class Units, which will result in the loss of the Guaranteed Lifetime Withdrawal Benefit.

13.6 Establishing the Guaranteed Lifetime Withdrawal Benefit

The Income Class provides a Guaranteed Lifetime Withdrawal Benefit. Under the Guaranteed Lifetime Withdrawal Benefit, a pre-determined amount (the "LWA") will be available for withdrawals from Income Class Units each calendar year for the duration of the LWA Income Stream. During the Guaranteed Payment Phase, Sun Life guarantees that it will continue to pay the LWA for the remainder of the LWA Income Stream (the "**Guaranteed Lifetime Withdrawal Benefit**" or "**GLWB**"), subject to the terms and conditions contained in this Section 13. The LWA is calculated as a percentage of the LWA Base as described in Section 13.9 of the Contract and is subject to the adjustments described in this Section 13.

If the first allocation of Income Class Units to the Contract occurs prior to the LWA Eligibility Date, the LWA will not be available until the LWA Eligibility Date. If the first allocation of Income Class Units to the Contract occurs on or after the LWA Eligibility Date, the LWA will be immediately available (subject, if applicable, to Quarterly Proration).

The LWA will become available from January 1st of the year in which the LWA Eligibility Date will occur. The LWA will be first calculated on the immediately preceding December 31st.

13.7 Selecting the LWA Income Stream

The LWA may be withdrawn using one of two available LWA Income Streams: the One-Life Income Stream or the Two-Life Income Stream. At the time that Income Class Units are first allocated to the Contract, you must select the LWA Income Stream that will apply to the Contract. Once selected, the Annuitant(s) for the LWA Income Stream cannot be changed. Once selected, you cannot change the LWA Income Stream except as may be permitted by our administrative policies in effect at that time.

(a) One-Life Income Stream

Under the One-Life Income Stream, the LWA will be available each year commencing on the LWA Commencement Date and ending on the earlier of (a) the death of the Annuitant (subject to Section 13.20); and (b) the date on which the Contract is terminated.

If the One-Life Income Stream is selected for a Joint Annuitant Contract, you must designate which joint Annuitant will be used for determining the entitlements under the Guaranteed Lifetime Withdrawal Benefit. On the death of such Annuitant, the LWA Base and 5% Bonus Base will be recalculated to an amount equal to the Aggregate Unit Value of the Income Class Units allocated to the Contract on such date and the LWA will be recalculated based on the age tier that applies to the surviving Annuitant on such date according to Section 13.9 of the Contract. The Death Benefit Date will not occur until the death of the surviving Annuitant. The Contract Maturity Date will continue to be calculated by reference to the life of the younger joint Annuitant.

(b) Two-Life Income Stream

Under the Two-Life Income Stream, the LWA will be available each year commencing on the LWA Commencement Date and ending on the earlier of (a) the death of the Annuitant or the Second Life (which occurs later), and (b) the date on which the Contract is terminated. The Second Life must be the spouse or common-law partner of the Annuitant.

If the Two-Life Income Stream is selected for a Non-Registered Contract, the Non-Registered Contract must be a Joint Annuitant Contract at the time of the selection with the Second Life (who must be the spouse or common-law partner of the Annuitant) named as joint Annuitant.

If the Two-Life Income Stream is selected for a Registered Contract, the Second Life may continue the LWA payments following the death of the Annuitant provided certain conditions are satisfied. See Section 13.20 of the Contract for additional information.

13.8 Tracking the Guaranteed Lifetime Withdrawal Benefit

On the Valuation Date that Income Class Units are first allocated to the Contract by reason of a Deposit or a reclassification of Units from a different Class to Income Class Units, we will calculate the following:

(a) the LWA Base as an amount equal to the following (as applicable):

- (i) the amount of the Deposit; or
- (ii) the Aggregate Unit Value of the Income Class Units allocated to the Contract as a result of the reclassification;

(b) the 5% Bonus Base as an amount equal to the LWA Base; and

(c) the LWA, if such first allocation occurs on or after the LWA Eligibility Date.

The LWA Base, 5% Bonus Base and LWA are subject to adjustments as described in this Section 13.

13.9 Calculating the Lifetime Withdrawal Amount (LWA)

On and after the LWA Eligibility Date, the LWA is calculated as a percentage (the "LWA Rate") of the LWA Base on the LWA Commencement Date as described below. The LWA Rate varies based on the expected age of the Annuitant on December 31st of the calendar year in which the LWA Commencement Date occurs. Where the Two-Life Income Stream applies, the LWA Rate is based on the expected age of the younger of the Annuitant and the Second Life on such date.

Age Tiers	LWA Rate for One-Life Income Stream	LWA Rate for Two-Life Income Stream
55 to 64*	3%	2.5%
65 to 69	4%	3.5%
70 to 74	4.25%	3.75%
75 to 79	4.5%	4%
80 or older	5%	4.5%

*If you make the Age 55 LWA Election, for deposits before January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 65 years of age, you will be entitled to GLWB Resets but you will not be entitled to an increase in the LWA Rate if a GLWB Reset occurs at a time when a higher age tier would apply.

Commencing in the calendar year in which the LWA Commencement Date occurs and in each subsequent calendar year during the LWA Income Stream, you may withdraw up to the LWA. The LWA will be subject to Quarterly Proration on the LWA Commencement Date for the first calendar year of the LWA Income Stream to the extent that you made a Deposit or reclassification to Income Class Units in the same calendar year as the LWA Commencement Date. If the full amount of the LWA is not withdrawn in any given year, the amount may be withdrawn in a subsequent year as an LWA Deferral as described in Section 13.12 of the Contract. In certain circumstances, you may be permitted to withdraw an amount in a year in addition to the LWA and LWA Deferrals if such additional withdrawal qualifies as payment of the LWA RRIF MAP as described in Section 13.20(c) of the Contract. Withdrawals of the LWA, LWA Deferrals and the LWA RRIF MAP will not, by themselves, reduce the Guaranteed Lifetime Withdrawal Benefit.

Each payment of the LWA, an LWA Deferral or the LWA RRIF MAP will constitute a withdrawal and will result in a Redemption of Income Class Units having an Aggregate Unit Value equal to the amount of the withdrawal.

If all of the Income Class Units allocated to the Contract have been Redeemed before the end of the LWA Income Stream, we will fund the remaining LWA payments as the Guaranteed Lifetime Withdrawal Benefit and such payments will not be considered withdrawals under the Contract. The Guaranteed Lifetime Withdrawal Benefit will be paid on the same payment schedule in accordance with your previous LWA payment instructions or in accordance with our administrative policies at the time.

Where the Two-Life Income Stream applies, then upon the death of the Annuitant or Second Life (whichever is earlier), the LWA will continue to be available until the death of the survivor of the Annuitant and the Second Life. Another Second Life cannot be named.

Our administrative policies, which may change from time to time, may allow you to transfer in deposits from another eligible Sun Life individual variable annuity contract to this contract. In these situations, certain guaranteed values may be brought over from the other contract. In this case, we may establish the LWA Base, LWA Rate and the 5% Bonus Base in a different manner than is described in Sections 13.8, 13.9 and 13.11 of this contract. Once the amounts are transferred and the new contract is established, GLWB Resets will function as described in Section 13.13 of this contract.

13.10 LWA Base Additions

Each time that you make a subsequent Deposit to Income Class Units or reclassify Investment Class Units or Estate Class Units to Income Class Units, we will add an amount (the **"LWA Base Addition"**) to the LWA Base and to the 5% Bonus Base. The amount of the LWA Base Addition will be (as applicable):

- (a) the amount of the Deposit; or
- (b) the Aggregate Unit Value of the additional Income Class Units allocated to the Contract as a result of the reclassification.

Any Guaranteed Benefits paid under the Contract are not considered to be, and will not trigger, an LWA Base Addition.

You can make an LWA Base Addition at any time during the year. If the LWA Base Addition occurs on or after the LWA Eligibility Date, we will immediately recalculate the LWA Rate. The LWA Rate applicable to the LWA Base Addition will be determined by reference to the age tier that applies to the Annuitant (or, where the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) on the day of the LWA Base Addition as set out in Section 13.9 of the Contract. If the LWA Base Addition is made at a time when the age tier of the Annuitant or Second Life differs from the age tier that applied on the LWA Commencement Date or after the LWA Rate was previously recalculated for an LWA Base Addition, this will result in a new blended LWA Rate being applied to the LWA Base as described in the formula below.

$$\text{New Blended LWA Rate} = \frac{\text{LWA Base before LWA Base Addition}}{\text{LWA Base after LWA Base Addition}} \times \text{LWA Rate immediately prior to the LWA Base Addition} + \frac{\text{LWA Base Addition}}{\text{LWA Base after LWA Base Addition}} \times \text{LWA Rate determined by age tier on the date of the LWA Base Addition}$$

If the LWA Base Addition occurs on or after the LWA Eligibility Date, we also will recalculate the LWA for subsequent years as the product of the LWA Base multiplied by the new blended LWA Rate.

When you have made an LWA Addition on or after the LWA Eligibility Date, we will increase the amount of the LWA available for the remainder of the year, subject to Quarterly Proration, according to the following formula:

$$\text{LWA available for remainder of the year} = \text{Remaining available LWA prior to the LWA Base Addition} + (\text{Recalculated LWA after LWA Base Addition, less LWA prior to LWA Base Addition}) \times \text{Quarterly Proration}$$

The LWA Rate and LWA will be recalculated as described above after every LWA Addition on or after the LWA Eligibility Date.

13.11 Increases for 5% Bonuses

We will add the 5% Bonus to the LWA Base on December 31 of each 5% Bonus Year.

A 5% Bonus Year is:

- (a) the calendar year in which Income Class Units are first allocated to the Contract; and
- (b) each of the fifteen calendar years immediately following the calendar year referred to in paragraph (a) above;

provided, in each case, that no Income Class Units have been Redeemed (other than to pay Contract-Level Fees) or reclassified to a different Class of Units during the relevant calendar year.

The 5% Bonus is an amount equal to 5% of the 5% Bonus Base as of December 31 of a 5% Bonus Year. The 5% Bonus is subject to Quarterly Proration for the calendar year in which Income Class Units are first allocated to the Contract and in respect of any portion of the 5% Bonus Base that was an LWA Base Addition during that 5% Bonus Year, calculated on the date such first allocation or LWA Base Addition was made.

When a 5% Bonus is added to the LWA Base after the LWA Commencement Date, we will recalculate the LWA as the product of the new LWA Base multiplied by the current LWA Rate. For greater certainty, a 5% Bonus, by itself, will not trigger a recalculation of the LWA Rate in the manner described in Section 13.10 above.

13.12 Payment Instructions

You may instruct us in writing as to the date after the LWA Eligibility Date on which you wish the LWA payments to begin. You may instruct us to pay the LWA to you monthly, quarterly, semi-annually or annually. If you select a frequency greater than annually, we will divide the amount of each LWA payment by the number of payments to be made during the calendar year.

You must instruct us from which Funds you wish your LWA payments to be made and the dates on which such payments are to be made. If the LWA Commencement Date occurs without us having received from you the payment instructions described above, then you will be deemed to have selected to defer receipt of the LWA payments until we receive from you the instructions referred to above.

If you do not withdraw all of your LWA in a particular year after the LWA Commencement Date, the amount that you do not withdraw (the "LWA Deferral") will be available for you to withdraw in any subsequent year in addition to the LWA for that subsequent year. Withdrawal of an LWA Deferral will not constitute an Excess Withdrawal. Notwithstanding the foregoing:

- (a) an LWA Deferral is not considered to have occurred in a 5% Bonus Year (LWA Deferrals from prior years will not be affected by an intervening 5% Bonus Year);
- (b) in no case can the LWA for a year, together with all available LWA Deferrals, exceed 15% of the LWA Base; and

(c) LWA Deferrals are not permitted after the Contract Maturity Date or during the Guaranteed Payment Phase.

LWA Deferrals are reset to zero each time the LWA is reset in accordance with Section 13.13 of the Contract. LWA Deferrals terminate on the Death Benefit Date and are not added to the Death Benefit.

Each reclassification of Income Class Units to Units of a different Class after the LWA Commencement Date will be counted toward payment of the LWA in that year and, if necessary, toward payment of an LWA Deferral. This will reduce the amount of LWA (and, if applicable, LWA Deferral) remaining available for withdrawal in cash during that year.

13.13 GLWB Resets

On every third Contract Anniversary Date after all other transactions under the Contract on that date are effected, we will compare the Aggregate Unit Value of the Income Class Units then allocated to the Contract to the LWA Base, subject to our then current administrative policies, charges and fees, and subject to any applicable legislative or regulatory requirements. If the Aggregate Unit Value of the Income Class Units then allocated to the Contract is equal to or greater than the LWA Base:

- (a) we will increase the LWA Base and the 5% Bonus Base to such Aggregate Unit Value;
- (b) we will recalculate the LWA for subsequent years by multiplying the new LWA Base by the LWA Rate determined by reference to the age tier that applies to the Annuitant (or, where the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) on the day of the GLWB Reset as set out in Section 13.9 of the Contract. However, if you make the Age 55 LWA Election, the LWA Rate will not be recalculated for the proportion of the LWA Base arising from the deposits made before January 1 of the calendar year in which the Annuitant (or, if the Two-Life Income Stream has been selected, the younger of the Annuitant and the Second Life) turns 65 years of age; and
- (c) we will increase the amount of the LWA that you are entitled to receive for the remainder of the year in which the GLWB Reset occurs, subject to Quarterly Proration, according to the following formula:

$$\text{LWA available for remainder of the year} = \text{Remaining available LWA prior to the GLWB Reset} + (\text{Recalculated LWA for subsequent years, less LWA prior to GLWB Reset}) \times \text{Quarterly Proration}$$

We will continue to make the GLWB Resets described above until the Guaranteed Payment Phase commences.

We reserve the right to discontinue, modify or suspend all or any part of the GLWB Resets at any time by giving you written notice of our intention to do so at least 60 days in advance.

13.14 Early Withdrawals

Each Redemption (other than to pay Contract-Level Fees) or reclassification of Income Class Units before the LWA Eligibility Date will constitute an Early Withdrawal and will reduce the LWA Base and the 5% Bonus Base proportionately using the following formulae:

$$\text{New LWA Base} = \text{LWA Base immediately prior to the Early Withdrawal} \times \frac{(\text{AUV} - \text{EWD})}{\text{AUV}}$$

$$\text{New 5\% Bonus Base} = \text{5\% Bonus Base immediately prior to the Early Withdrawal} \times \frac{(\text{AUV} - \text{EWD})}{\text{AUV}}$$

Where:

"AUV" Aggregate Unit Value of the Income Class Units allocated to the Contract immediately prior to the Early Withdrawal

"EWD" Aggregate Unit Value of the Income Class Units Redeemed or reclassified

13.15 Excess Withdrawals

Each time an Excess Withdrawal occurs, the LWA will be reduced to nil for the current calendar year and we will recalculate the LWA Base and the 5% Bonus Base according to the following formulae:

$$\text{New LWA Base} = \text{LWA Base immediately prior to the Excess Withdrawal} \times \frac{(\text{AUV} - \text{ExWD})}{\text{AUV}}$$

$$\text{New 5\% Bonus Base} = \text{5\% Bonus Base immediately prior to the Excess Withdrawal} \times \frac{(\text{AUV} - \text{ExWD})}{\text{AUV}}$$

Where:

"AUV" Aggregate Unit Value of the Income Class Units allocated to the Contract immediately prior to the Excess Withdrawal

"ExWD" Excess Withdrawal

We will recalculate the LWA for subsequent years as the product of the new LWA Base multiplied by the current LWA Rate. If there is a GLWB Reset or LWA Base Addition after the Excess Withdrawal, the LWA may change as described in Sections 13.10 and 13.13 of the Contract.

13.16 Restrictions during the Guaranteed Payment Phase

The following restrictions apply during the Guaranteed Payment Phase:

- (a) no Deposits may be made to Income Class during the Guaranteed Payment Phase; and
- (b) LWA Deferrals in existence immediately prior to the Guaranteed Payment Phase may be withdrawn during the Guaranteed Payment Phase, but no new LWA Deferrals will be permitted during the Guaranteed Payment Phase.

13.17 LWA Base Fees

If you invest in Income Class Units, you will be charged an LWA Base Fee for the Guaranteed Lifetime Withdrawal Benefit that is calculated as an annual percentage of the LWA Base and is in addition to the Insurance Fee that will be charged to you. See Section I-7.6 of the Information Folder for the annual percentages of the LWA Base Fees for the Funds.

The LWA Base Fee is calculated and paid on the last day of each calendar quarter by Redeeming an appropriate number of Income Class Units allocated to the Contract. The LWA Base Fee will not be prorated for periods shorter than a complete calendar quarter. Where, on the date that the LWA Base Fee is being calculated, Income Class Units of more than one Fund are allocated to the Contract, the LWA Base Fee is calculated separately for each Fund based on a proportionate amount of the LWA Base determined according to the following formula:

$$\begin{array}{c} \text{Proportionate} \\ \text{amount of LWA} \\ \text{Base for Income} \\ \text{Class Units of a} \\ \text{specific Fund} \end{array} = \begin{array}{c} \text{LWA Base} \end{array} \times \begin{array}{c} \text{Aggregate Unit} \\ \text{Value of Income} \\ \text{Class Units of that} \\ \text{Fund allocated to} \\ \text{the Contract} \\ \\ \text{Aggregate Unit} \\ \text{Value of all} \\ \text{Income Class Units} \\ \text{allocated to the} \\ \text{Contract} \end{array}$$

The LWA Base Fee rate for that Fund is then applied against its proportionate amount of the LWA Base.

Sun Life reserves the right to change, from time to time, the LWA Base Fee applicable to Income Class Units of any Fund or Funds. We will give you not less than 60 days' notice of our intention to increase the LWA Base Fee relating to Income Class Units allocated to the Contract. For greater certainty, an increase to the LWA Base Fee does not require that you be provided with the options described in Section 4 of the Contract.

13.18 Timing of Adjustments to the Guaranteed Lifetime Withdrawal Benefit

Deposits, withdrawals, reclassifications and other transactions may increase or decrease the LWA Base and the 5% Bonus Base, resulting in potential increases or decreases to the LWA and the Guaranteed Lifetime Withdrawal Benefit. These changes take effect either immediately or at the end of the calendar year, as described below:

Transaction/Event	Impact to LWA, LWA Base and 5% Bonus Base
Initial Deposit	Immediately
Subsequent Deposits	Immediately
Reclassification (from Investment Class Units or Estate Class Units to Income Class Units)	Immediately
Early Withdrawal (does not apply to LWA)	Immediately
Excess Withdrawal	Immediately
Deposit subsequent to an Excess Withdrawal	Immediately
5% Bonus (addition to the LWA Base)	December 31 st (no impact to 5% Bonus Base)
GLWB Reset (every third Contract Anniversary Date)	Immediately

13.19 LWA Protection Service

We provide a service whereby we will not process a request from you to:

- (a) make a withdrawal or reclassification from Income Class Units prior to the LWA Commencement Date; or
- (b) make a withdrawal or reclassification from Income Class Units that would constitute an Excess Withdrawal after the LWA Commencement Date,

until we are notified by you or your Distributor to proceed. This service is automatically applied to Income Class. You may elect to discontinue this service at any time in accordance with our administrative policies. Contact your Distributor for information concerning the exact date on which this service will commence.

13.20 Guaranteed Lifetime Withdrawal Benefit Exceptions for Annuitants and Registered Contracts

(a) RRSPs

An RRSP can have only one Owner and Annuitant, who must be the same person. If Income Class Units are allocated to the RRSP, the Guaranteed Lifetime Withdrawal Benefit will end and the Death Benefit will become payable on the Death Benefit Date, regardless of whether the One-Life Income Stream or Two-Life Income Stream was selected. Subject to our administrative policies and any applicable legislation in effect at the time, if the spouse or common-law partner of the Annuitant is the sole beneficiary of the Class Death Benefit relating to Income Class Units under the Contract, Sun Life will permit such spouse or common-law partner to waive payment at that time of the Class Death Benefit relating to Income Class Units and instead transfer the Aggregate Unit

Value of the Income Class Units allocated to the Contract on such date to an RRSP of such spouse or common-law partner. If the Two-Life Income Stream was selected for the original Contract, the Guaranteed Lifetime Withdrawal Benefit in the RRSP of the spouse or common-law partner will be the same as the Guaranteed Lifetime Withdrawal Benefit in the original Contract. If the Second Life is not the sole beneficiary of the Class Death Benefit relating to Income Class Units on the Death Benefit Date, then the Contract, including the Guaranteed Lifetime Withdrawal Benefit, will end on the Death Benefit Date and the Death Benefit relating to all Classes will be paid, notwithstanding that the Two-Life Income Stream had been selected. If the One-Life Income Stream was selected for the original Contract, the RRSP of the spouse or common-law partner will include a Guaranteed Lifetime Withdrawal Benefit but the LWA Base and 5% Bonus Base will be recalculated on the date of such deposit based on the Aggregate Unit Value of the Income Class Units allocated to the spouse's or common-law partner's RRSP and the LWA will be recalculated based on the age tier that applies to the spouse or common-law partner on such date according to Section 13.9 of the Contract. Regardless of the LWA Income Stream that was selected for the original Contract, the Maturity Benefit in the RRSP of the spouse or common-law partner will be the same as the Maturity Benefit in the original Contract except that the Death Benefit Date and the Contract Maturity Date will be determined by reference to the life of the spouse or common-law partner.

(b) RRIFs

A RRIF can have only one Owner and Annuitant, who must be the same person. If (i) Income Class Units are allocated to a RRIF, (ii) the Two-Life Income Stream has been selected, and (iii) the Second Life is the sole beneficiary of the Contract on the death of the Annuitant, then the Second Life will be deemed to have elected under the Income Tax Act to continue the Contract on the death of the Annuitant. In such case, the Guaranteed Lifetime Withdrawal Benefit will continue, the Second Life will become the Annuitant for purposes of determining the Death Benefit Date and the Contract Maturity Date and the Death Benefit will not become payable for any Class of Units until the death of the Second Life. If the Second Life is younger than the Annuitant, the Contract Maturity Date will extend based on the age of the Second Life. If the Second Life is not the sole beneficiary of the Contract on the death of the Annuitant, then the Contract, including the Guaranteed Lifetime Withdrawal Benefit, will end on the death of the Annuitant and the Death Benefit related to all Classes will be paid, notwithstanding that the Two-Life Income Stream had been selected.

(c) LWA RRIF MAP

If the Contract is a RRIF, LIF, LRIF, PRIF or RLIF and, in any year in or following the LWA Commencement Date, payment of the LWA would be less than the MAP for that year, you may withdraw an additional amount that year from Income Class Units that, together with the LWA payments, aggregates not more than the LWA RRIF MAP. Such additional withdrawals will not be treated as an Excess Withdrawal. The "LWA RRIF MAP" is the amount determined according to the following formula:

$$\text{LWA RRIF MAP} = \text{MAP in effect for that calendar year} \times \frac{\text{Aggregate Unit Value of all Income Class Units allocated to the Contract on January 1 of that calendar year}}{\text{Aggregate Unit value of all Units allocated to the Contract on January 1 of that calendar year}}$$

(d) LIF/LRIF/RLIF Maximum

If the Contract is a LIF, LRIF or RLIF and in any year payment of the LWA would exceed the maximum payment amount permitted according to the formula specified by applicable legislation, the LWA payment for that year will be reduced to aggregate such maximum permitted payment amount. The reduction will be treated as an LWA Deferral.

(e) TFSA

A TFSA can have only one Owner and Annuitant, who must be the same person. If (i) Income Class Units are allocated to a TFSA, (ii) the Two-Life Income Stream has been selected, and (iii) the Second Life is the sole beneficiary of the Contract on the death of the Annuitant, then the Second Life will be deemed to have elected under the Income Tax Act to become the successor planholder of the Contract on the death of the Annuitant. In such case, the Guaranteed Lifetime Withdrawal Benefit will continue, the Second Life will become the Annuitant for purposes of determining the Death Benefit Date and the Contract Maturity Date and the Death Benefit will not become payable for any Class of Units until the death of the Second Life. If the Second Life is younger than the Annuitant, the Contract Maturity Date will extend based on the age of the Second Life. If the Second Life is not the sole beneficiary of the Contract on the death of the Annuitant, then the Contract, including the Guaranteed Lifetime Withdrawal Benefit, will end on the death of the Annuitant and the Death Benefit related to all Classes will be paid, notwithstanding that the Two-Life Income Stream had been selected.

SECTION 14 CHANGING GUARANTEE BENEFITS

RECLASSIFYING UNITS BETWEEN CLASSES

A-20. The last paragraph of Section 14.1 is removed and replaced by the following:

You may be required to pay a change fee as negotiated between you and your Distributor of up to 2% of the amount reclassified from Investment Class Units or Estate Class Units, which may be charged to you by your Distributor. Change fees may not be charged for a reclassification from Income Class Units. Any change fee will be deemed to be a withdrawal and will be paid by Redeeming Units which will result in a reduction in your Guaranteed Benefits. If the Units Redeemed for this purpose are subject to a Redemption Fee, we will Redeem the Units which are subject to the smallest Redemption Fee.

SECTION 15 PRIVATE INVESTMENT MANAGEMENT (PIM)

GUARANTEED BENEFITS

A-21. Section 15.2 is removed and replaced by the following:

The Guaranteed Benefits associated with PIM Investment Class Units, PIM Estate Class Units and PIM Income Class Units are calculated in the same manner as the Guaranteed Benefits for Investment Class Units, Estate Class Units and Income Class Units, respectively.

INSURANCE FEES, PIM MANAGEMENT FEES AND LWA BASE FEES

A-22. Section 15.3 is removed and replaced by the following:

15.3 Insurance Fees, PIM Management Fees and LWA Base Fees

(a) Insurance Fees

Insurance Fees are charged to you in respect of all Classes of PIM Units.

The Insurance Fee for PIM Investment Class is an annual percentage of Aggregate Unit Value of the PIM Investment Class Units allocated to the Contract. It is calculated and accrued daily and paid quarterly. Where, on any day, PIM Investment Class Units of more than one Fund are allocated to the Contract, the Insurance Fee is calculated separately for each Fund based on the Aggregate Unit Value of the PIM Investment Class Units of such Fund allocated to the Contract.

The Insurance Fee for PIM Estate Class is calculated in two parts. The first part is calculated in the same manner as the Insurance Fee for PIM Investment Class Units as described above. The second part is calculated as an annual percentage of the Death Benefit Base for PIM Estate Class under the Contract and is calculated and paid in the same manner as the Insurance Fee charged as a Contract-Level Fee for Estate Class Units that are not PIM Estate Class Units.

The Insurance Fee for PIM Income Class is an annual percentage of the LWA Base. It is calculated and paid in the same manner as the

Insurance Fee for Income Class Units that are not PIM Units.

See Section I-7.6 of the Information Folder for the annual percentages of the Insurance Fee for each Class of PIM Units of each Fund. See Section 10.1 of the Contract for additional information concerning how the Insurance Fees are calculated and charged.

Insurance Fees charged for PIM Units are paid by Redeeming an appropriate number of PIM Units from the relevant Classes allocated to the Contract.

(b) PIM Management Fees

A portion of the PIM Management Fee is embedded and calculated as an annual percentage of its Class Value (other than SunWise Essential 2 CI Money Market Segregated Fund). It is calculated and accrued daily and paid daily or monthly out of the assets of that Class of the Fund. The remainder of the PIM Management Fee is charged to you (rather than to the Fund) on a quarterly basis and is calculated as an annual percentage of the Aggregate Unit Value of PIM Units of that Fund allocated to the Contract. The percentage of the PIM Management Fee charged to you quarterly varies between Funds and is reduced for that portion of the Deposits in a Fund that exceed certain thresholds, as summarized in Section I-7.6 of the Information Folder. We will collect the PIM Management Fee charged to you quarterly directly by Redeeming your PIM Units in each applicable Class on a proportional basis. We may increase the PIM Management Fee at any time on 60 days notice to you, in which case the Fundamental Change provisions set out in Section 4 of the Contract will apply to such change.

(c) LWA Base Fees

If you invest in PIM Income Class Units, you will be charged the LWA Base Fee for the Guaranteed Lifetime Withdrawal Benefit that is calculated as an annual percentage of the LWA Base and is in addition to the Insurance Fee that will be charged to you. See Section I-7.6 of the Information Folder for the annual percentages of the LWA Base Fees for the Funds.

The LWA Base Fee for PIM Income Class Units is calculated and paid in the same manner as the LWA Base Fee for Income Class Units that are not PIM Units.

Sun Life reserves the right to change, from time to time, the LWA Base Fee applicable to PIM Income Class of any Fund or Funds. We will give you not less than 60 days' notice of our intention to increase the LWA Base Fee relating to PIM Income Class Units allocated to the Contract. For greater certainty, an increase to the LWA Base Fee does not require that you be provided with the options described in Section 4 of the Contract.

ILLUSTRATIONS OF BENEFITS**Class Contract Maturity Benefit**

To illustrate how the Class Contract Maturity Benefit is calculated, assume the following:

- (a) a Deposit of \$100,000 was allocated to a Class of the SunWise Essential 2 CI Signature Canadian Balanced Segregated Fund on January 1, 2010 and it was the first Deposit allocated to that Class; and
- (b) there were no subsequent transactions.

Accordingly:

- (c) the Contract Maturity Base for that Class is \$100,000 (the amount of the Deposit); and
- (d) the Class Contract Maturity Benefit is the greater of:
 - (i) the Aggregate Unit Value of that Class of Units allocated to the Contract on the Contract Maturity Date; and
 - (ii) \$75,000 (75% of the Contract Maturity Base for that Class).

Class Death Benefit

To illustrate how the Class Death Benefit is calculated, assume the following:

- (a) a Deposit of \$100,000 was allocated to a Class of the SunWise Essential 2 CI Signature Canadian Balanced Segregated Fund on January 1, 2010 and it was the first Deposit allocated to that Class;
- (b) there were no subsequent transactions; and
- (c) the Aggregate Unit Value of the Units of that Class allocated to the Contract on the date we receive notification of the death of the Annuitant was \$90,000.

Accordingly, on January 1, 2010:

- (a) the Death Benefit Base for that Class is \$100,000 (the amount of the Deposit);
- (b) if the Units are Income Class, the Class Death Benefit is \$100,000, which is the greater of:
 - (i) \$90,000 (the Aggregate Unit Value of the Units of that Class allocated to the Contract on the date we received notification of the death of the Annuitant); and

- (ii) \$100,000 (being 100% of the Death Benefit Base).

To illustrate how the Death Benefit Base automatically resets for Income Class, in the above scenario assume that on the third Contract Anniversary Date the Aggregate Unit Value of the Units of that Class allocated to the Contract was \$110,000. This would result in the Death Benefit Base for that Class being increased from \$100,000 to \$110,000 on that date. If the Aggregate Unit Value of the Units of that Class allocated to the Contract on the date we received notification of the death of the Annuitant was \$90,000, the Class Death Benefit would be \$110,000, being the greater of:

- (a) \$90,000 (the Aggregate Unit Value of the Units of that Class allocated to the Contract on the date we received notification of the death of the Annuitant); and
- (b) \$110,000 (being 100% of the reset Death Benefit Base).

Guaranteed Lifetime Withdrawal Benefit (GLWB) – One-Life Income Stream

The following illustrations demonstrate common scenarios related to the One-Life Income Stream under the Guaranteed Lifetime Withdrawal Benefit. They include:

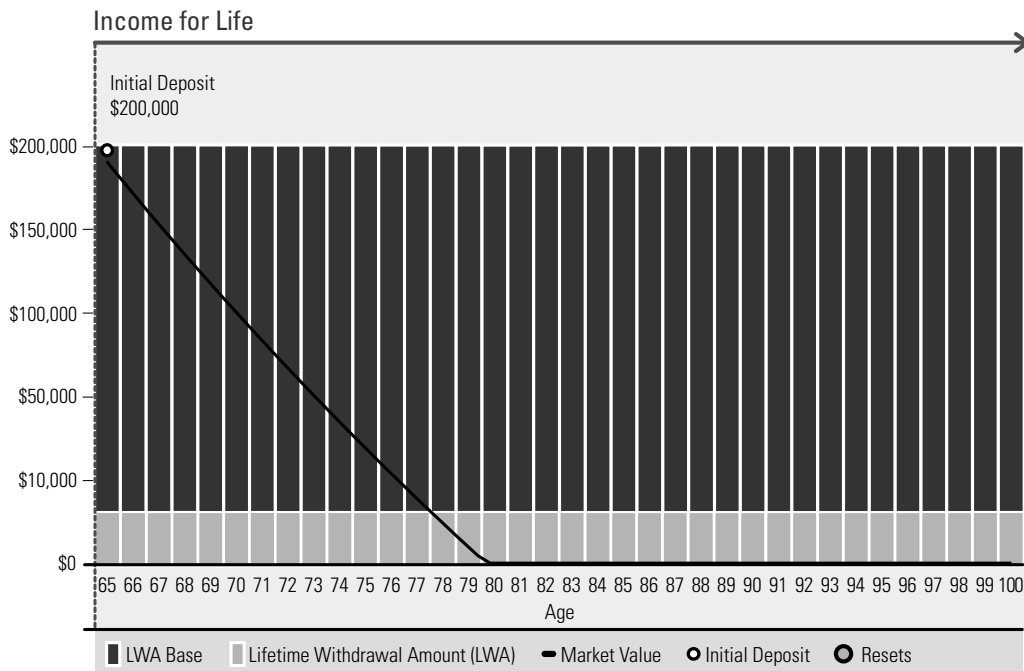
- (a) payment of the LWA for the life of the Annuitant;
- (b) a 5% Bonus prior to the LWA Commencement Date;
- (c) both automatic GLWB Resets and no automatic GLWB Resets;
- (d) an LWA Base Addition with a GLWB Reset;
- (e) an LWA Base Addition without a GLWB Reset; and
- (f) continuation of the Contract following the death of the Annuitant.

(a) Lifetime payment of the LWA

Below are two examples of payment of the LWA for the life of the Annuitant.

The first example assumes the following:

- (i) the Owner makes a Deposit into Income Class of \$200,000 at age 65 and selects the One-Life Income Stream;
- (ii) the LWA Base and 5% Bonus Base are established at \$200,000 (the amount of the Deposit) and the LWA is calculated as \$8,000 annually (4% of the LWA Base);
- (iii) the Owner begins withdrawing the LWA immediately and withdraws the full amount of the LWA (but no more) each year; and
- (iv) the Owner experiences investment performance of -2% per year, after Management Fees and expenses.

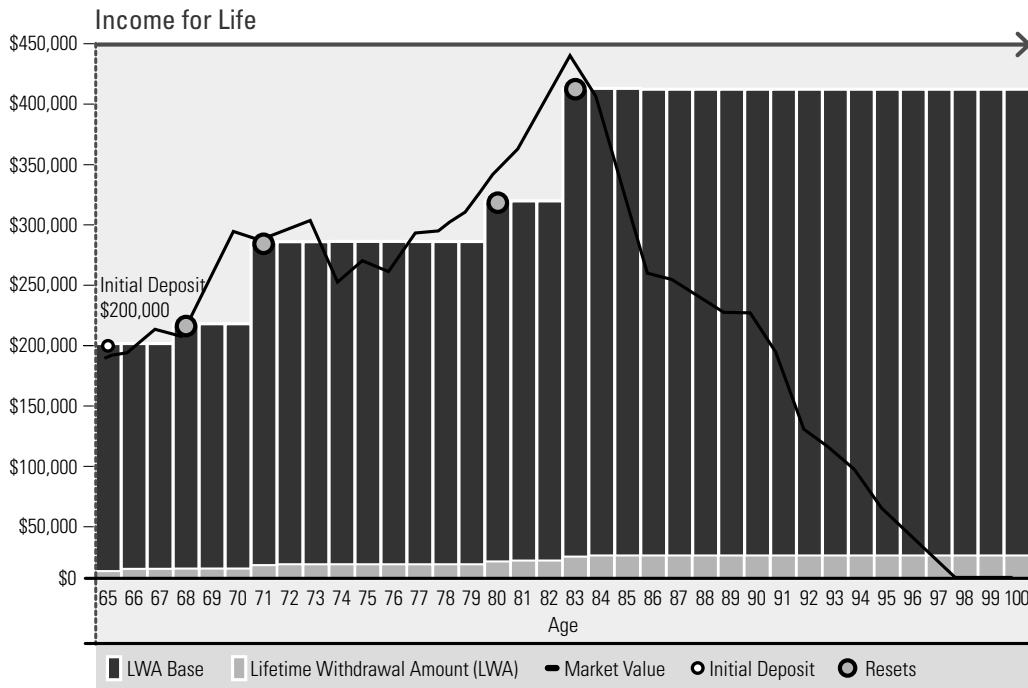
DOWN MARKET SCENARIO

This chart is for illustrative purposes only. It is not intended to predict or project investment results. Illustration assumes negative investment performance, declining 2% per year after Management Fees and expenses. The LWA Rate increases only if a GLWB Reset occurs when the Annuitant's age is within a different age tier. Making withdrawals exceeding the LWA in any year may have a negative impact on future payments. The LWA is available after December 31st of the year the Annuitant turns age 64.

As illustrated above, the LWA remains \$8,000 per year for the remainder of the Annuitant's lifetime, even though the Aggregate Unit Value of the Income Class Units allocated to the Contract is reduced to zero after 16 years.

The second example assumes the same facts as the first example above, except the investment performance. In the example below, it is assumed that investment performance is volatile but averages 6.47% per year, after Management Fees and expenses.

UP MARKET SCENARIO



This chart is for illustrative purposes only. It is not intended to predict or project investment results. Illustration assumes a volatile market, gaining on average 6.47% per year, after Management Fees and expenses. The LWA Rate increases only if a GLWB Reset occurs when the Annuitant's age is within a different age tier. Making withdrawals exceeding the LWA in any year may have a negative impact on future payments. The LWA is available after December 31st of the year the Annuitant turns age 64.

As illustrated above, the Owner benefits from market growth of the Income Class Units allocated to the Contract and by automatic GLWB Resets. The LWA Base initially is \$200,000, and is compared every three years to the Aggregate Unit Value of the Income Class Units then allocated to the Contract. When such Aggregate Unit Value is higher than the LWA Base, the LWA Base and 5% Bonus Base are increased to such Aggregate Unit Value. The LWA then is recalculated by multiplying the increased LWA Base by the LWA Rate based on the age of the Annuitant on the GLWB Reset date. (See Calculating the Lifetime Withdrawal Amount (LWA) Section for further information.)

(b) 5% Bonus prior to the LWA Commencement Date

Below is an illustration of how the LWA Base, 5% Bonus Base and 5% Bonus are calculated prior to the LWA Commencement Date. It is assumed that:

- (i) the Owner makes a Deposit into Income Class of \$100,000 in July when the Annuitant is age 55;
- (ii) the LWA Base and 5% Bonus Base are established at \$100,000 (the amount of the Deposit); and
- (iii) the Owner makes a subsequent Deposit into Income Class of \$100,000 in July when the Annuitant is age 56.

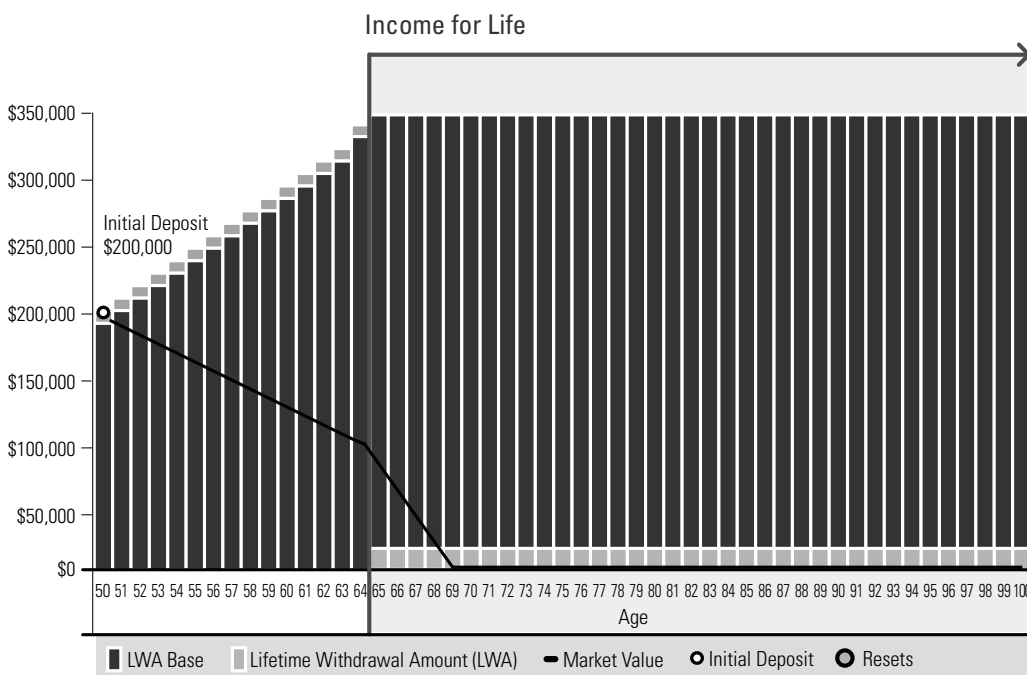
Date	Age	LWA Base	5% Bonus Base	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
July 15, 2010 \$100,000 Deposited into Income Class Units	55	\$100,000	\$100,000	\$75,000 (\$100,000 * 75%)	\$100,000 (\$100,000 * 100%)
December 31, 2010 5% Bonus, prorated for July-December 2010 (\$100,000 * 5% * 2/4 = \$2,500)	55	\$102,500 (\$100,000 + \$2,500)	\$100,000 (unchanged)	\$75,000 (unchanged)	\$100,000 (unchanged)
July 19, 2011 LWA Base Addition of \$100,000	56	\$202,500 (\$102,500 + \$100,000)	\$200,000 (\$100,000 + \$100,000)	\$150,000 (\$75,000 + \$100,000 * 75%)	\$200,000 (\$100,000 + \$100,000 * 100%)
December 31, 2011 5% Bonus (\$100,000 * 5%) + (\$100,000 * 5% * 2/4) = \$7,500	56	\$210,000 (\$202,500 + \$7,500)	\$200,000 (unchanged)	\$150,000 (unchanged)	\$200,000 (unchanged)

Below are two further examples of the 5% Bonus and its impact on the calculation and payment of the LWA.

The first example assumes the following:

- (i) the Owner makes an initial Deposit into Income Class at age 50 of \$200,000 and selects the One-Life Income Stream;
- (ii) the LWA Base and 5% Bonus Base are established at \$200,000 (the amount of the Deposit);
- (iii) the Owner makes no withdrawals for the first 15 years and therefore receives a 5% Bonus each year (including a prorated amount for the year of the Deposit); and
- (iv) the Aggregate Unit Value of the Income Class Units allocated to the Contract declines -2% per year, after Management Fees and expenses.

DOWN MARKET SCENARIO

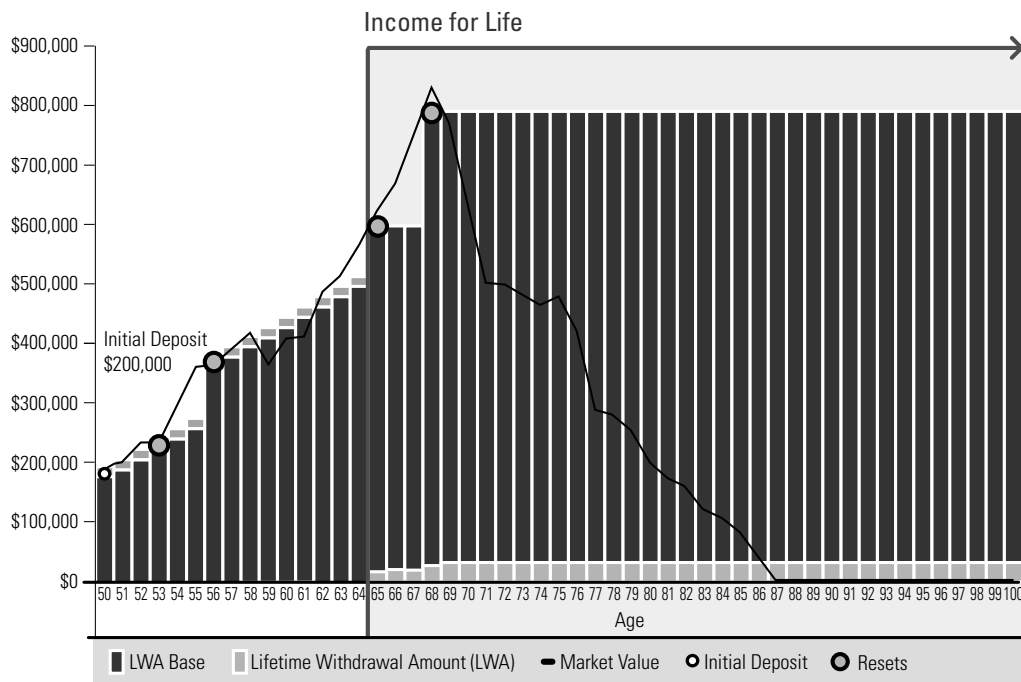


This chart is for illustrative purposes only. It is not intended to predict or project investment results. Illustration assumes negative investment performance, declining 2% per year, after Management Fees and expenses. The LWA Rate increases only if a GLWB Reset occurs when the Annuitant's age is within a different age tier. Making withdrawals exceeding the LWA in any year may have a negative impact on future payments. The LWA is available after December 31st of the year the Annuitant turns age 64.

As illustrated above, after 15 years the LWA Base has increased to \$347,500 due to the 5% Bonuses each year, even though the Owner experienced negative investment performance during that period. After December 31 of the year in which the Annuitant turns 64, the Owner, can select to begin receiving the LWA in an annual amount of \$13,900 (4% of \$347,500) for the life of the Annuitant.

The second example assumes the same facts as the first example above, except the investment performance. In the example below, it is assumed that investment performance is volatile but averages 6.47% per year, after Management Fees and expenses.

UP MARKET SCENARIO



This chart is for illustrative purposes only. It is not intended to predict or project investment results. Illustration assumes a volatile market, gaining on average 6.47% per year, after Management Fees and expenses. The LWA Rate increases only if a GLWB Reset occurs when the Annuitant's age is within a different age tier. Making withdrawals exceeding the LWA in any year may have a negative impact on future payments. The LWA is available after December 31st of the year the Annuitant turns age 64.

As illustrated above, the Owner benefits from 5% Bonuses, market growth of the Income Class Units allocated to the Contract and by automatic GLWB Resets. At December 31 of the year the Annuitant turns age 64, the LWA is calculated as \$21,320 (4% of \$533,000). At age 65 the LWA Base is subject to a GLWB Reset and the LWA is recalculated as \$23,866 (4% of \$596,655). Assuming continued growth based on the same investment performance, at age 68 the LWA Base is subject to another GLWB Reset and the LWA is recalculated as \$31,734 (4% of \$793,345). In each case, the LWA is for the lifetime of the Annuitant.

(c) Automatic GLWB Resets and Death Benefit Base resets

(i) With Resets

The following is an illustration of how automatic GLWB Resets and resets of the Death Benefit Base can increase the LWA and Class Death Benefit. It assumes that:

- (i) the Owner makes a Deposit into Income Class of \$200,000 at age 65;
- (ii) the Owner begins withdrawing the LWA immediately and withdraws the full amount of the LWA (but no more) each year; and
- (iii) investment performance is volatile, gaining on average 6.47% per year, after Management Fees and expenses.

Age	Aggregate Unit Value of Income Class Units	5% Bonus Base	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
65	\$200,000	\$200,000	\$200,000	\$8,000 ($\$200,000 * 4\%$)	\$150,000 ($\$200,000 * 75\%$)	\$200,000 ($\$200,000 * 100\%$)
Assume the Aggregate Unit Value of the Income Class Units on the reset date at age 68 is \$208,306						
68	\$208,306	\$208,306 (increased to Aggregate Unit Value)	\$208,306 (increased to Aggregate Unit Value)	\$8,332 ($\$208,306 * 4\%$)	\$134,517	\$208,306 (increased to Aggregate Unit Value)
Assume an LWA withdrawal of \$8,332 at the end of the year at age 68						
68	\$204,467 ($\$212,799 - \$8,332$)	\$208,306 (unchanged)	\$208,306 (unchanged)	\$8,332	\$129,250 [($\$212,799 - \$8,332$) / $\$212,799 * 134,517$]	200,150 [($\$212,799 - \$8,332$) / $\$212,799 * \$208,306$]
Assume the Aggregate Unit Value of the Income Class Units on the reset date at age 71 is \$290,255						
71	\$290,255	\$290,255 (increased to Aggregate Unit Value)	\$290,255 (increased to Aggregate Unit Value)	\$12,336 ($\$290,255 * 4.25\%$) Note: The LWA Rate increased due to the reset at a different age tier of the Annuitant	\$121,663	\$290,255 (increased to Aggregate Unit Value)
Assume Annual LWA withdrawal of \$12,336 at age 71 at end of year						
71	\$283,284 ($\$294,619 - \$12,336$)	\$290,255 (unchanged)	\$290,255 (unchanged)	\$12,336 (unchanged)	\$116,569 [($\$294,619 - \$12,336$) / $\$294,619 * \$121,663$]	\$278,101 [($\$294,619 - \$12,336$) / $\$294,619 * \$290,255$]

(ii) Without Resets

The following is an illustration of the impact when there are no automatic GLWB Resets or resets of the Death Benefit Base. It assumes the same facts as the example immediately above, except it assumes negative investment performance averaging -2% per year, after Management Fees and expenses.

Age	Aggregate Unit Value of Income Class Units	5% Bonus Base	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
65	\$200,000	\$200,000	\$200,000	\$8,000 ($\$200,000 * 4\%$)	\$150,000 ($\$200,000 * 75\%$)	\$200,000 ($\$200,000 * 100\%$)
Assume the Aggregate Unit Value of the Income Class Units on the reset date at age 68 is \$160,417						
68	\$160,417	\$200,000 (unchanged)	\$200,000 (unchanged)	\$8,000 ($\$200,000 * 4\%$) (unchanged) Note: The LWA Rate does not increase	\$132,519	\$176,943
Assume an annual LWA withdrawal of \$8,000 at age 68 at the end of the year						
68	\$146,444 ($\$154,444 - \$8,000$)	\$200,000 (unchanged)	\$200,000 (unchanged)	\$8,000 (unchanged)	\$125,655 [($\$154,444 - \$8,000$) / $\$154,444 * \$132,519$]	\$167,777 [($\$154,444 - \$8,000$) / $\$154,444 * \$176,943$]

Assume the Aggregate Unit Value of the Income Class Units at age 71 on the reset date is \$116,755						
71	\$119,330	\$200,000 (unchanged)	\$200,000 (unchanged)	\$8,000 (\$200,000 * 4%) (unchanged) Note: The LWA Rate does not increase	\$111,067	\$148,865
Assume Annual LWA withdrawal of \$8,000 at age 71 at end of year						
71	\$106,179 (\$114,179 - \$8,000)	\$200,000 (unchanged)	\$200,000 (unchanged)	\$8,000 (unchanged)	\$103,285 [(\$114,179 - \$8,000) / \$114,179 * \$111,067]	\$138,435 [(\$114,179 - \$8,000) / \$114,179 * \$148,865]

(d) LWA Base Addition (With GLWB Resets)

The following is an illustration of how an LWA Base Addition after the LWA Commencement Date increases the LWA. It assumes that:

- (i) the Owner makes a Deposit into Income Class of \$200,000 at age 65;
- (ii) the LWA Base is established at \$200,000 (the amount of the Deposit) and the LWA is calculated as \$8,000 annually (4% of the LWA Base);
- (iii) the Owner begins withdrawing the LWA immediately and withdraws the full amount of the LWA (but not more) each year;
- (iv) the Owner makes a subsequent Deposit of \$50,000 to Income Class at age 66; and
- (v) investment performance is volatile, gaining on average 6.47% per year, after Management Fees and expenses.

Age	Aggregate Unit Value of Income Class Units	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
65	\$200,000	\$200,000	\$8,000 (\$200,000 * 4%)	\$150,000 (\$200,000 * 75%)	\$200,000 (\$200,000 * 100%)
Assume an LWA Base Addition of \$50,000 at age 66					
66	\$236,868 (\$186,868 + \$50,000)	\$250,000 (\$200,000 + \$50,000)	\$10,000 (\$250,000 * 4%)	\$175,667 (\$138,167 + \$50,000 * 75%)	\$231,676 (\$181,676 + \$50,000 * 100%)
Assume the Aggregate Unit Value of Income Class Units on the reset date at age 71 is \$360,607					
71	\$360,607	\$360,607 (increased to Aggregate Unit Value)	\$15,326 (\$360,607 * 4.25%) Note: The LWA Rate increased due to the reset at a different age tier of the Annuitant	\$146,400	\$360,607 (increased to Aggregate Unit Value)

(e) LWA Base Addition (No GLWB Resets)

The following is an illustration of how an LWA Base Addition after the LWA Commencement Date increases the LWA when no GLWB Resets occur. It assumes the same facts as the example immediately above with an additional LWA Base Addition of \$35,000 at age 72 and assumes investment performance is volatile, gaining on average 4.95% per year, after Management Fees and expenses.

Age	Aggregate Unit Value of Income Class Units	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
65	\$200,000	\$200,000	\$8,000 ($\$200,000 * 4\%$)	\$150,000 ($\$200,000 * 75\%$)	\$200,000 ($\$200,000 * 100\%$)
Assume an LWA Base Addition of \$50,000 at age 66					
66	\$246,184 ($\$196,184 + \$50,000$)	\$250,000 ($\$200,000 + \$50,000$)	\$10,000 ($\$250,000 * 4\%$)	\$175,651 ($\$138,151 + \$50,000 * 75\%$)	\$232,580 ($\$182,580 + \$50,000 * 100\%$)
No Reset at Age 71					
Assume an LWA Base Addition of \$35,000 at age 72					
72	\$269,332 ($\$234,332 + \$35,000$)	\$285,000 ($\$250,000 + \$35,000$)	\$11,488 [$\$250,000 / (\$250,000 + \$35,000) * 4\%$ + $(\$35,000 / (\$250,000 + \$35,000) * 4.25\%)$ * $\$285,000$] BLENDED LWA RATE LWA Payment Increases due to subsequent Deposit	\$135,814 ($\$109,564 + \$35,000 * 75\%$)	\$254,106 ($\$219,106 + \$35,000 * 100\%$)

(f) Continuation of the Contract upon death of the Annuitant

The following is an illustration of how the LWA is recalculated upon the death of an Annuitant (i) for a Joint Annuitant Contract where the One-Life Income Stream was selected and the older Annuitant was designated as the person upon whose life the Guaranteed Lifetime Withdrawal Benefit is based, or (ii) for a RRIF where the One-Life Income Stream was selected and the spouse elects under the Income Tax Act to continue the Contract. It assumes that:

- (i) the Owner makes a Deposit into Income Class of \$150,000 at age 71 and selects the One-Life Income Stream;
- (ii) the Owner begins withdrawing the LWA immediately and withdraws the full amount of the LWA (but no more) each year;
- (iii) the Annuitant dies at age 74;
- (iv) the spouse or common-law partner of the Annuitant is age 67 when the Contract is continued; and
- (v) investment performance is volatile, averaging 6.47% per year, after Management Fees and expenses.

Age	Aggregate Unit Value of Income Class Units	LWA Base	5% Bonus Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
73	\$144,015	\$150,000	\$150,000	\$6,375 ($\$150,000 * 4.25\%$)	\$92,733	\$124,329
Assume the Aggregate Unit Value of the Income Class Value is \$135,041 on death of the Annuitant upon whose life the GLWB is based. The LWA Base, 5% Bonus Base and LWA will be recalculated as illustrated below.						
74	\$135,041	\$135,041	\$135,041	\$5,401 ($\$135,041 * 4\%^1$)	\$92,733 (unchanged)	\$124,329 (unchanged)
The LWA Base will be reset to the Aggregate Unit Value of the Income Class Units. In this case, the LWA Base is reset to \$135,041 and the new LWA is calculated as a percentage (based on LWA Rate of the surviving annuitant/spousal beneficiary's age) of \$135,041. The surviving annuitant or spousal beneficiary will receive an LWA of \$5,401 per year for the rest of his or her life.						
¹ Assuming the surviving annuitant/spousal beneficiary is between the ages of 65-69.						

Guaranteed Lifetime Withdrawal Benefit (GLWB) – Two-Life Income Stream

The following illustrations demonstrate common scenarios related to the Two-Life Income Stream under the Guaranteed Lifetime Withdrawal Benefit. They include:

- (a) payment of the LWA for the lives of the two Annuitants;
- (b) a 5% Bonus prior to the LWA Commencement Date;
- (c) both automatic GLWB Resets and no automatic GLWB Resets;
- (d) an LWA Base Addition with a GLWB Reset;
- (e) an LWA Base Addition without a GLWB Reset; and
- (f) continuation of the Contract following the death of one Annuitant.

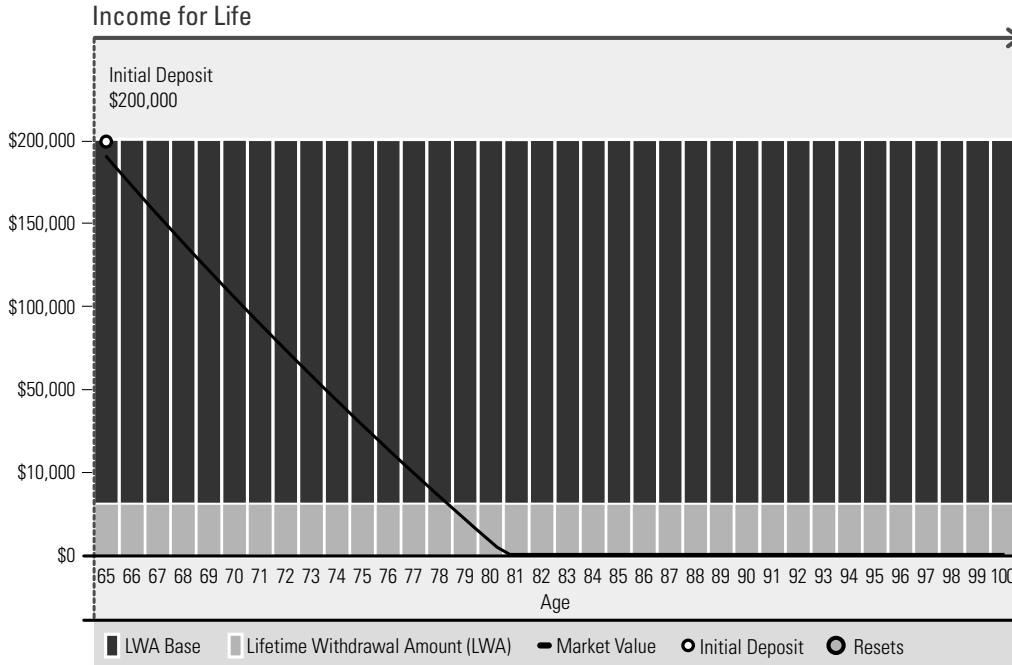
(a) Lifetime payment of the LWA

Below are two examples of payment of the LWA for the lives of the two Annuitants.

The first example assumes the following:

- (i) the Annuitants are ages 65 and 70;
- (ii) the Owner makes a Deposit into Income Class of \$200,000 at age 65 of the younger Annuitant and selects the Two-Life Income Stream;
- (iii) the LWA Base and 5% Bonus Base are established at \$200,000 (the amount of the Deposit) and the LWA is calculated, based on the age of the younger Annuitant, as \$7,000 annually (3.5% of the LWA Base);
- (iv) the Owner begins withdrawing the LWA immediately and withdraws the full amount of the LWA (but no more) each year; and
- (v) the Owner experiences investment performance of -2% per year, after Management Fees and expenses.

DOWN MARKET SCENARIO

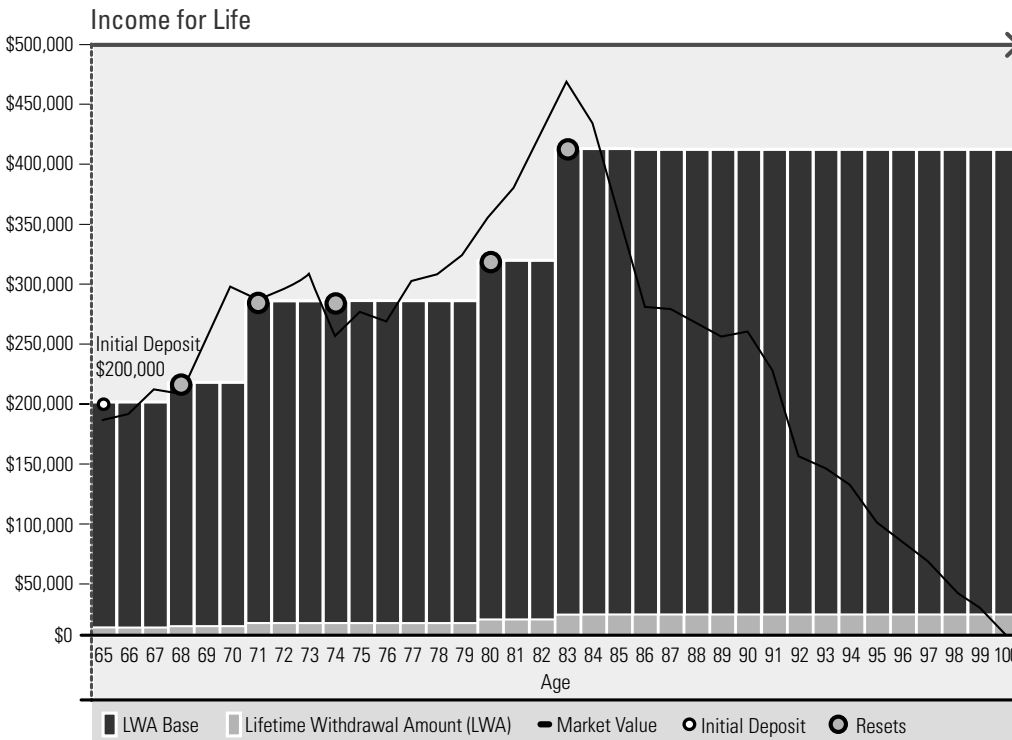


This chart is for illustrative purposes only. It is not intended to predict or project investment results. Illustration assumes negative investment performance, declining 2% per year, after Management Fees and expenses. The LWA Rate only increases if a reset occurs when the younger Annuitant's age is within a different age tier. Exceeding the maximum annual withdrawal limit may have a negative impact on future payments. The LWA is available after December 31st of the year the younger Annuitant turns age 64.

As illustrated above, the LWA remains \$7,000 per year until the death of the first Annuitant, even though the Aggregate Unit Value of the Income Class Units allocated to the Contract is reduced to zero after 18 years.

The second example assumes the same facts as the first example above, except the investment performance. In the example below, it is assumed that investment performance is volatile but averages 6.47% per year, after Management Fees and expenses.

UP MARKET SCENARIO



This chart is for illustrative purposes only. It is not intended to predict or project investment results. Illustration assumes a volatile market, gaining on average 6.47% per year, after Management Fees and expenses. The LWA Rate increases only if a GLWB Reset occurs when the younger Annuitant's age is within a different age tier. Making withdrawals exceeding the LWA in any year may have a negative impact on future payments. The LWA is available after December 31st of the year the younger Annuitant turns age 64.

As illustrated above, the Owner benefits from market growth of the Income Class Units allocated to the Contract and by automatic GLWB Resets. The LWA Base initially is \$200,000, and is compared every three years to the Aggregate Unit Value of the Income Class Units then allocated to the Contract.

When such Aggregate Unit Value is higher than the LWA Base, the LWA Base and 5% Bonus Base are increased to such Aggregate Unit Value. The LWA then is recalculated by multiplying the increased LWA Base by the LWA Rate based on the age of the younger Annuitant on the GLWB Reset date. (See the Calculating the Lifetime Withdrawal Amount (LWA) for further information.)

(b) 5% Bonus prior to the LWA Commencement Date

Below is an illustration of how the LWA Base, 5% Bonus Base and 5% Bonus are calculated prior to the LWA Commencement Date. It is assumed that:

- (i) the Owner makes a Deposit into Income Class of \$100,000 in July when the younger Annuitant is age 55;
- (ii) the LWA Base and 5% Bonus Base are established at \$100,000 (the amount of the Deposit); and
- (iii) the Owner makes a subsequent Deposit into Income Class of \$100,000 in July when the younger Annuitant is age 56.

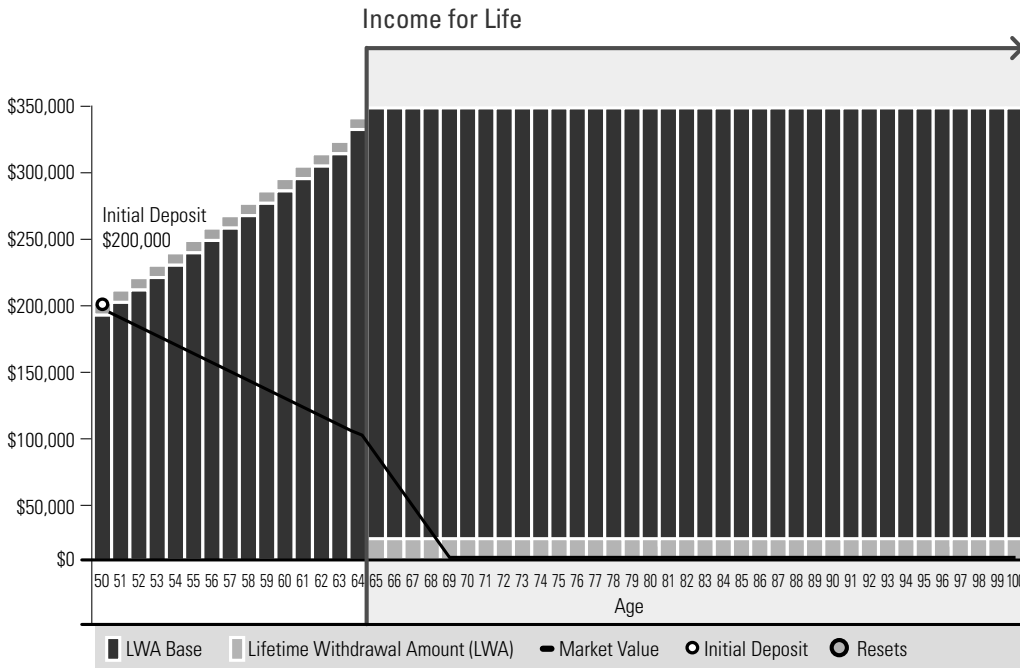
Date	Older Annuitant Age	Younger Annuitant Age	5% Bonus Base	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
July 15, 2010 \$100,000 Deposited into Income Class Units	60	55	\$100,000	\$100,000	N/A	\$75,000 (\$100,000 * 75%)	\$100,000 (\$100,000 * 100%)
December 31, 2010 5% Bonus, prorated for July-December 2010 (\$100,000 * 5% * 2/4 = \$2,500)	60	55	\$100,000 (unchanged)	\$102,500 (\$100,000 + \$2,500)	N/A	\$75,000 (unchanged)	\$100,000 (unchanged)
July 19, 2011 LWA Base Addition of \$100,000	61	56	\$200,000 (\$100,000 + \$100,000)	\$202,500 (\$102,500 + \$100,000)	N/A	\$150,000 (\$75,000 + \$100,000 * 75%)	\$200,000 (\$100,000 + \$100,000 * 100%)
December 31, 2011 5% Bonus: (\$100,000 * 5%) + (\$100,000 * 5% * 2/4) = \$7,500	61	56	\$200,000 (unchanged)	\$210,000 (\$202,500 + \$7,500)	N/A	\$150,000 (unchanged)	\$200,000 (unchanged)

Below are two further examples of the 5% Bonus and its impact on the calculation of the LWA.

The first example assumes the following:

- (i) the Annuitants are ages 50 and 55;
- (ii) the Owner makes a Deposit into Income Class of \$200,000 at age 50 of the younger Annuitant and select the Two-Life Income Stream;
- (iii) the LWA Base and 5% Bonus Base are established at \$200,000 (the amount of the Deposit);
- (iv) the Owner makes no withdrawals for the first 15 years and therefore receive a 5% Bonus each year (including a prorated amount for the year of the Deposit); and
- (v) the Owner experiences investment performance of -2% per year, after Management Fees and expenses.

DOWN MARKET SCENARIO

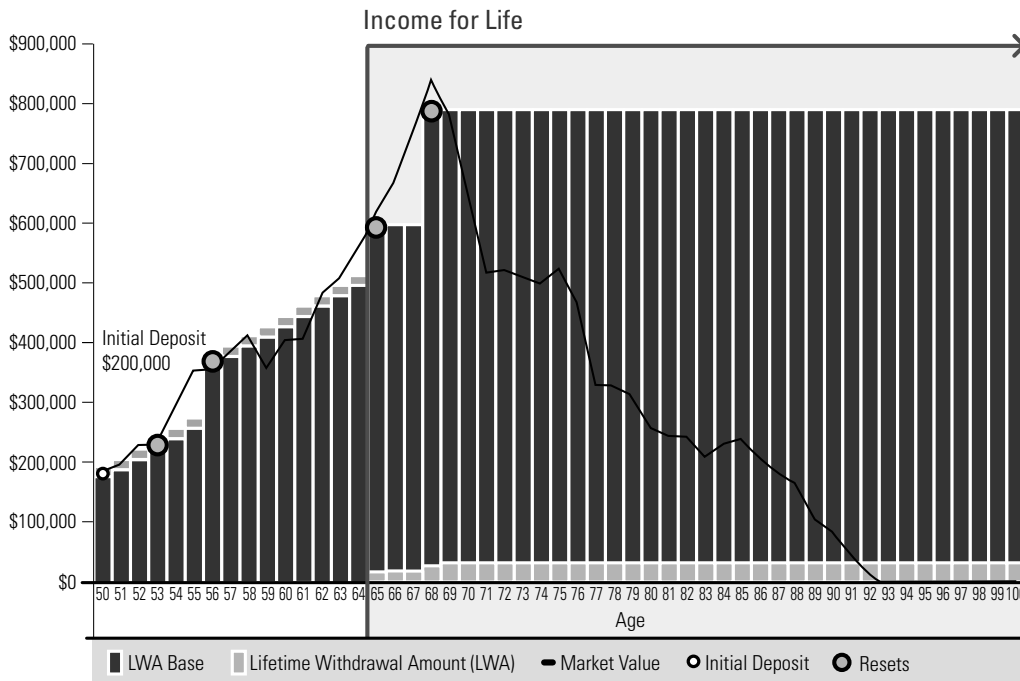


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As illustrated above, after 15 years the LWA Base has increased to \$347,500 due to the 5% Bonuses each year, even though the Owner experienced negative investment performance during that period. After December 31 of the year in which the younger Annuitant turns 64, the Annuitants can select to begin receiving the LWA in an annual amount of \$12,250 (3.5% of \$350,000) for the lives of the two Annuitants.

The second example assumes the same facts as the first example, except the investment performance. In the example below, it is assumed that investment performance is volatile but averages 6.47% per year, after Management Fees and expenses.

UP MARKET SCENARIO



This chart is for illustrative purposes only. It is not intended to predict or project investment results. Illustration assumes a volatile market, gaining on average 6.47% per year, after Management Fees and expenses. The LWA Rate increases only if a GLWB Reset occurs when the younger Annuitant's age is within a different age tier. Making withdrawals exceeding the LWA in any year may have a negative impact on future payments. The LWA is available after December 31st of the year the younger Annuitant turns age 64.

As illustrated above, the Owner benefits from 5% Bonuses, market growth of the Income Class Units allocated to the Contract and by automatic GLWB Resets. At December 31 of the year the younger Annuitant turns age 64, the LWA is calculated as \$18,428 (3.5% of \$526,512). At age 65 of the younger Annuitant the LWA Base is subject to an automatic GLWB Reset and the LWA is recalculated as \$20,357 (3.5% of \$581,629). Assuming the continued growth based on the same investment performance, at age 68 of the younger Annuitant the LWA Base is subject to another automatic GLWB Reset and the LWA is recalculated as \$27,478 (3.5% of \$785,074).

(c) Automatic GLWB Resets and Death Benefit Base resets**(i) With Resets**

The following is an illustration of how automatic GLWB Resets and resets of the Death Benefit Base can increase the LWA and the Class Death Benefit. It assumes that:

- (i) the Owner makes a Deposit into Income Class of \$200,000 at age 65 of the younger Annuitant;
- (ii) the Owner begins withdrawing the LWA immediately and withdraw the full amount of the LWA (but no more) each year; and
- (iii) investment performance is volatile, gaining on average 6.47% per year, after Management Fees and expenses

Older Annuitant Age	Younger Annuitant Age	Aggregate Unit Value of Income Class Units	5% Bonus Base	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
70	65	\$200,000	\$200,000	\$200,000	\$7,000 ($\$200,000 * 3.5\%$)	\$150,000 ($\$200,000 * 75\%$)	\$200,000 ($\$200,000 * 100\%$)
Assume the Aggregate Unit Value of Income Class Units on the reset date at age 68 is \$206,890							
73	68	\$206,890	\$206,890 (increased to Aggregate Unit Value)	\$206,890 (increased to Aggregate Unit Value)	\$7,241 ($\$206,890 * 3.5\%$)	\$134,369	\$206,890
Assume Annual LWA withdrawal of \$7,241 at end of year at age 68							
73	68	\$195,457 ($\$202,698 - \$7,241$)	\$206,890 (unchanged)	\$206,890 (unchanged)	\$7,241 (unchanged)	\$129,569 ($[(\$202,698 - \$7,241) / \$202,698 * \$134,369]$)	\$199,500 ($[(\$202,698 - \$7,241) / \$202,698 * \$206,890]$)
Assume the Aggregate Unit Value of Income Class Units on the reset date at age 80 is \$323,661							
85	80	\$323,661	\$323,661 (increased to Aggregate Unit Value)	\$323,661 (increased to Aggregate Unit Value)	\$14,565 ($\$323,661 * 4.5\%$) Note: The LWA Rate increased due to the reset at a different age tier of the younger Annuitant	\$90,057	\$323,661
Assume Annual LWA withdrawal of \$14,565 at end of year at age 80							
85	80	\$337,538 ($\$352,103 - \$14,565$)	\$323,661 (unchanged)	\$323,661 (unchanged)	\$14,565 (unchanged)	\$86,332 ($[(\$352,103 - \$14,565) / \$352,103 * \$90,057]$)	\$310,272 ($[(\$352,103 - \$14,565) / \$352,103 * \$323,661]$)

(ii) Without Resets

The following is an illustration of the impact when there are no automatic GLWB Resets or resets of the Death Benefit Base. It assumes the same facts as the example immediately above, except it assumes negative investment performance averaging -2% per year, after Management Fees and expenses.

Older Annuitant Age	Younger Annuitant Age	Aggregate Unit Value of Income Class Units	5% Bonus Base	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
70	65	\$200,000	\$200,000	\$200,000	\$7,000 (\$200,000 * 3.5%)	\$150,000 (\$200,000 * 75%)	\$200,000 (\$200,000 * 100%)
Assume the Aggregate Unit Value of Income Class Units on the reset date at age 68 is \$159,810							
73	68	\$159,810	\$200,000 (unchanged)	\$200,000 (unchanged)	\$7,000 (\$200,000 * 3.5%) (unchanged)	\$132,811	\$177,888
Assume Annual LWA withdrawal of \$7,000 at end of year at age 68							
73	68	\$131,840 (\$138,840 - \$7,000)	\$200,000 (unchanged)	\$200,000 (unchanged)	\$7,000 (unchanged)	\$126,115 [(\$138,840 - \$7,000) / \$138,840 * \$132,811]	\$168,919 [(\$138,840 - \$7,000) / \$138,840 * \$177,888]
Assume the Aggregate Unit Value of Income Class Units on the reset date at age 80 is \$20,600							
85	80	\$20,600	\$200,000 (unchanged)	\$200,000 (unchanged)	\$7,000 (unchanged) (\$200,000 * 3.5%)	\$39,939	\$49,183
Assume Annual LWA withdrawal of \$7,000 at end of year at age 80							
85	80	\$13,196 (\$20,196 - \$7,000)	\$200,000 (unchanged)	\$200,000 (unchanged)	\$7,000 (unchanged)	\$26,096 [(\$20,196 - \$7,000) / \$20,196 * \$39,939]	\$32,136 [(\$20,196 - \$7,000) / \$20,196 * \$49,183]

(d) LWA Base Addition (With GLWB Resets)

The following is an illustration of how an LWA Base Addition after the LWA Commencement Date increases the LWA: It assumes that:

- (i) the Owner makes a Deposit into Income Class of \$200,000 at age 65 of the younger Annuitant;
- (ii) the LWA Base is established at \$200,000 (the amount of the Deposit) and the LWA is calculated as \$7,000 annually (3.5% of the LWA Base);
- (iii) the Owner begins withdrawing the LWA immediately and withdraws the full amount of the LWA (but not more) each year;
- (iv) the Owner makes a subsequent Deposit of \$50,000 to Income Class at age 66 of the younger Annuitant; and
- (v) investment performance is volatile, gaining on average 6.47% per year, after Management Fees and expenses.

Older Annuitant Age	Younger Annuitant Age	Aggregate Unit Value of Income Class Units	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
70	65	\$200,000	\$200,000	\$7,000 (\$200,000 * 3.5%)	\$150,000 (\$200,000 * 75%)	\$200,000 (\$200,000 * 100%)
Assume an LWA Base Addition of \$50,000 at age 66						
71	66	\$239,236 (\$189,236 + \$50,000)	\$250,000 (\$200,000 + \$50,000)	\$8,750 (\$250,000 * 3.5%)	\$176,956 (\$139,456 + \$50,000 * 75%)	\$233,967 (\$183,967 + \$50,000 * 100%)
Assume the Aggregate Unit Value of Income Class Units on the reset date at age 71 is \$371,694						
76	71	\$371,694	\$371,694 (increased to Aggregate Unit Value)	\$13,939 (\$371,694 * 3.75%) Note: The LWA Rate increased due to the reset at a different age tier of the younger Annuitant	\$150,189	\$371,694 (increased to Aggregate Unit Value)

(e) LWA Base Addition (No GLWB Resets)

The following is an illustration of how an LWA Base Addition after the LWA Commencement Date increases the LWA when no GLWB Resets occur. It assumes the same facts as the example immediately above with an additional LWA Base Addition of \$35,000 at age 72 and assumes investment performance is volatile, gaining on average 5.25% per year, after Management Fees and expenses.

Older Annuitant Age	Younger Annuitant Age	Aggregate Unit Value of Income Class Units	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
70	65	\$200,000	\$200,000	\$7,000 (\$200,000 * 3.5%)	\$150,000 (\$200,000 * 75%)	\$200,000 (\$200,000 * 100%)
Assume an LWA Base Addition of \$50,000 at age 66						
71	66	\$248,532 (\$198,532 + \$50,000)	\$250,000 (\$200,000 + \$50,000)	\$8,750 (\$250,000 * 3.5%)	\$179,069 (\$138,569 + \$50,000 * 75%)	\$234,758 (\$184,758 + \$50,000 * 100%)
No Reset at age 68 and 71						
Assume an LWA Base Addition of \$35,000 in January at age 72						
77	72	\$281,331 (\$246,331 + \$35,000)	\$285,000 (\$250,000 + \$35,000)	\$10,063 [(\$250,000 / (\$250,000 + \$35,000) * 3.5% + (\$35,000 / (\$250,000 + \$35,000) * 3.75%)] * \$285,000 BLENDED LWA RATE LWA Payment Increases due to subsequent Deposit	\$169,162 (\$142,912 + \$35,000 * 75%)	\$255,806 (\$220,806 + \$35,000 * 100%)

(f) Continuation of the Contract upon death of the younger Annuitant under a Joint Annuitant Contract

The following is an illustration of how the LWA continues upon the death of the younger Annuitant for a Joint Annuitant Contract where the Two-Life Income Stream was selected. It assumes that:

- (i) the Owner makes a Deposit into Income Class of \$150,000 at age 67 of the younger Annuitant and selects the Two-Life Income Stream;
- (ii) the Owner begins withdrawing the LWA immediately and withdraws the full amount of the LWA (but no more) each year;
- (iii) the younger Annuitant dies at age 68;
- (iv) the spouse or common-law partner of the deceased Annuitant is age 74 when the Contract is continued; and
- (v) investment performance is negative, declining -2% per year, after Management Fees and expenses.

Older Annuitant Age	Younger Annuitant Age	Aggregate Unit Value of Income Class Units	LWA Base	LWA	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
73	67	\$150,000	\$150,000	\$5,250 (\$150,000 * 3.5%)	\$108,563	\$144,665
Upon the death of the younger Annuitant at age 68, the LWA continues unchanged for the older Annuitant						
74	68	\$128,951	\$150,000	\$5,250 (\$150,000 * 3.5%)	\$108,563 (unchanged)	\$144,665 (unchanged)
The LWA Base remains at \$150,000 and the LWA remains at 3.5% of \$150,000. The older Annuitant can receive \$5,250 for the rest of his or her life.						

Guaranteed Lifetime Withdrawal Benefit (GLWB) – Age 55 LWA Election

Below is an illustration of how the LWA Base, 5% Bonus Base and 5% Bonus are calculated when Age 55 LWA Election is made. It is assumed that:

- (i) the Owner makes a Deposit into Income Class of \$100,000 in July when the Annuitant is age 50;
- (ii) the LWA Base and 5% Bonus Base are established at \$100,000 (the amount of the Deposit);
- (iii) the Owner elects Age 55 LWA Election and begins withdrawing 3% LWA at age 55 and withdraws the full amount of the LWA (but no more) each year; and
- (iv) a GLWB Reset occurs in July at ages 53, 56, 62, 65, with a final GLWB Reset at age 68.

The LWA Base and 5% Bonus Base increase to the market value but the LWA Rate remains at 3% since the Age 55 LWA Election was made.

Date	Age	LWA Base	LWA	5% Bonus Base	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
July 15, 2010 \$100,000 Deposited into Income Class Units	50	\$100,000		\$100,000	\$75,000 (\$100,000 * 75%)	\$100,000 (\$100,000 * 100%)
December 31, 2010 5% Bonus, prorated for July-December 2010 (\$100,000 * 5% * 2/4 = \$2,500)	50	\$102,500 (\$100,000 + \$2,500)		\$100,000 (unchanged)	\$75,000 (unchanged)	\$100,000 (unchanged)

LWA Payments	55 to 67	\$131,846 [\$102,500 + \$5,000 * 2 + (\$119,860 - \$112,500) + 5,993 * 2]	\$3,955	\$119,860	\$52,247	\$216,406
July 15, 2028 Reset	68	\$316,691	\$9,501 (\$316,691 * 3%) No increase in the LWA Rate as Age 55 LWA Election has been made and a withdrawal made	\$316,691	\$51,538	\$316,691 (\$316,691 * 100%)

Below is an illustration of how the LWA Base, 5% Bonus Base and 5% Bonus are calculated when Age 55 LWA Election is made. It is assumed that:

- (i) the Owner makes a Deposit into Income Class of \$100,000 in January when the Annuitant is age 55;
- (ii) the LWA Base and 5% Bonus Base are established at \$100,000 (the amount of the Deposit);
- (iii) the Owner makes the Age 55 LWA Election and begins withdrawing 3% LWA at age 56 and withdraws the full amount of the LWA (but no more) each year. A GLWB Reset occurs in January at ages 58, 61 and 64;
- (iv) the Owner makes the LWA Base Addition into Income Class of \$100,000 at age 67; and
- (v) a GLWB Reset occurs in January at ages 70 and 73.

The LWA Base and 5% Bonus Base increase to the market value and the LWA Rate is recalculated. Only the deposits made after age 65 will be eligible to receive the higher LWA Rate for the current age tier on reset (if you choose the Age 55 LWA Election, the LWA Rate will not be recalculated for the proportion of the LWA Base arising from the deposits made before age 65).

Date	Age	LWA Base	LWA	5% Bonus Base	Minimum Class Contract Maturity Benefit	Minimum Class Death Benefit
January 15, 2010 \$100,000 Deposited into Income Class Units	55	\$100,000	\$3,000 (\$100,000 * 3%)	\$100,000	\$75,000 (\$100,000 * 75%)	\$100,000 (\$100,000 * 100%)
December 31, 2010 5% Bonus,	55	\$105,000 (\$100,000 + \$5,000)	\$3,150 (\$105,000 * 3%)	\$100,000 (unchanged)	\$75,000 (unchanged)	\$100,000 (unchanged)
LWA Payments	56 to 66	\$105,000	\$3,150	\$100,000	\$53,820	\$148,365
January 19, 2022 LWA Base Addition of \$100,000	67	\$263,946 (\$163,946 + \$100,000)	\$8,918 [(\$163,946 / (\$163,946 + \$100,000) * 3%) + (\$100,000 / (\$163,946 + \$100,000) * 4%)] * \$263,946 BLENDED LWA RATE LWA Payment Increases due to subsequent Deposit	\$263,946 (\$163,946 + \$100,000)	\$128,820 (\$53,820 + \$100,000 * 75%)	\$248,365 (\$148,365 + \$100,000 * 100%)

January 15, 2028 Reset since Market Value is \$411,721	73	\$411,721	\$14,436 [$(\$243,739 / (\$243,739 + \$167,982) * 3\% + (\$167,982 / (\$243,739 + \$167,982) * 4.25\%]) * \$411,721$ Only the proportion of deposits made after age 65 will receive the increase in the LWA Rate.	\$411,721	\$107,015	\$411,721 ($\$411,721 * 100\%$)
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ADDITIONAL GENERAL INFORMATION

Correspondence that will be sent to you

We will send you confirmations for every financial transaction affecting your Contract, except for recurring transactions such as a pre-authorized chequing plan, regular withdrawals (including LWA payments) and payments of Contract-Level Fees.

If you have selected the Guaranteed Lifetime Withdrawal Benefit for your Contract, we also will show you the current standing of your Guaranteed Lifetime Withdrawal Benefit. Recurring financial transactions will be summarized for you quarterly in either a statement or a confirmation.

TAX INFORMATION

Taxation – Registered Contracts

Based on legislation currently in force and subject to the provisions contained in the RRSP or RRIF endorsement to the Contract (as the case may be), a SunWise Essential Series 2 Individual Annuity Contract qualifies for registration as an RRSP or RRIF.

If you have a Registered Contract that is a RRIF and your spouse or common-law partner is designated as sole beneficiary, upon your death he or she may elect to continue payments under your Contract, subject to the additional terms described in the Guaranteed Lifetime Withdrawal Benefit Exceptions for Annuitants and Registered Contracts Section. Otherwise, in general, if you have a Registered Contract, the value of your contract is included in your income in the year of your death unless the beneficiary of your contract is your spouse, common-law partner or a qualifying child or grandchild.

Taxation – Non-Registered Contracts

The taxation of (a) the amount, if any, by which the Maturity Benefit exceeds the Total Contract Value on the Maturity Date, and (b) LWA payments made during the Guaranteed Payment Phase, is uncertain at this time. We will report the Guaranteed Benefit based on our understanding of the tax legislation at the time the Guaranteed Benefit is payable.

THE FUNDS**Funds Available in Income Class**

Below is a list of the Funds that may be purchased under Income Class:

Fund Name	Income Class	PIM Income
Global Balanced		
SunWise Essential 2 CI Black Creek Global Balanced Segregated Fund	Yes	Yes
SunWise Essential 2 CI Signature Global Income & Growth Segregated Fund	Yes	Yes
SunWise Essential 2 Sun Life MFS Global Total Return Segregated Fund	Yes	N/A
Canadian Balanced		
SunWise Essential 2 CI Signature Canadian Balanced Segregated Fund	Yes	N/A
SunWise Essential 2 CI Signature Income & Growth Segregated Fund	Yes	Yes
SunWise Essential 2 Fidelity Canadian Asset Allocation Segregated Fund	Yes	N/A
SunWise Essential 2 Sun Life BlackRock Canadian Balanced Segregated Fund	Yes	N/A
Portfolio Series		
SunWise Essential 2 Portfolio Series Balanced Growth Segregated Fund	Yes	Yes
SunWise Essential 2 Portfolio Series Balanced Segregated Fund	Yes	Yes
SunWise Essential 2 Portfolio Series Conservative Balanced Segregated Fund	Yes	Yes
SunWise Essential 2 Portfolio Series Conservative Segregated Fund	Yes	Yes
SunWise Essential 2 Portfolio Series Income Segregated Fund	Yes	Yes
Granite Managed Portfolios		
SunWise Essential 2 Sun Life Managed Balanced Growth Portfolio Segregated Fund	Yes	N/A
SunWise Essential 2 Sun Life Managed Balanced Portfolio Segregated Fund	Yes	N/A
SunWise Essential 2 Sun Life Managed Conservative Portfolio Segregated Fund	Yes	N/A
SunWise Essential 2 Sun Life Managed Moderate Portfolio Segregated Fund	Yes	N/A
Bundles		
SunWise Essential 2 CI American Value Segregated Bundle	Yes	Yes
SunWise Essential 2 CI Black Creek Global Leaders Segregated Bundle	Yes	Yes
SunWise Essential 2 CI Cambridge American Equity Segregated Bundle	Yes	Yes
SunWise Essential 2 CI Cambridge Canadian Asset Allocation Segregated Balanced Bundle	Yes	Yes
SunWise Essential 2 CI Cambridge Canadian Equity Segregated Bundle	Yes	Yes
SunWise Essential 2 CI Cambridge Global Equity Segregated Bundle	Yes	Yes
SunWise Essential 2 CI Cambridge Segregated Diversified Bundle	Yes	N/A
SunWise Essential 2 CI Canadian Investment Segregated Bundle	Yes	Yes
SunWise Essential 2 CI Harbour Growth & Income Segregated Balanced Bundle	Yes	Yes
SunWise Essential 2 CI Harbour Segregated Bundle	Yes	Yes
SunWise Essential 2 CI Harbour Segregated Diversified Bundle	Yes	N/A
SunWise Essential 2 CI Signature Dividend Segregated Bundle	Yes	Yes
SunWise Essential 2 CI Signature Select Canadian Segregated Bundle	Yes	Yes
SunWise Essential 2 Fidelity NorthStar [®] Segregated Bundle	Yes	N/A
SunWise Essential 2 Fidelity True North [®] Segregated Bundle	Yes	N/A
SunWise Essential 2 Sun Life BlackRock Canadian Equity Segregated Bundle	Yes	N/A
SunWise Essential 2 Sun Life MFS Global Growth Segregated Bundle	Yes	N/A
SunWise Essential 2 Sun Life MFS Global Value Segregated Bundle	Yes	N/A

Fund Name	Income Class	PIM Income
SunWise Essential 2 Sun Life MFS U.S. Growth Segregated Bundle	Yes	N/A
SunWise Essential 2 Sun Life MFS U.S. Value Segregated Bundle	Yes	N/A
Income		
SunWise Essential 2 CI Select Income Managed Segregated Fund	Yes	Yes
SunWise Essential 2 CI Signature Diversified Yield II Segregated Fund	Yes	Yes
Money Market		
SunWise Essential 2 CI Money Market Segregated Fund	Yes	Yes

"N/A" = Not available in non-PIM Units or PIM Units

INSURANCE FEES AND LWA BASE FEES

Insurance Fees

Below is a summary of the annual percentages of the Insurance Fees that are charged in respect of each Fund in the Income Class. The Insurance Fee limit for each Fund in the Income Class is noted in parenthesis.

Fund	Annual Insurance Fee (and limit) for Income Class (%) ⁽¹⁾
Global Balanced	
SunWise Essential 2 CI Black Creek Global Balanced Segregated Fund	0.78 (1.28)
SunWise Essential 2 CI Signature Global Income & Growth Segregated Fund	0.78 (1.28)
SunWise Essential 2 Sun Life MFS Global Total Return Segregated Fund	0.75 (1.25)
Canadian Balanced	
SunWise Essential 2 CI Signature Canadian Balanced Segregated Fund	0.78 (1.28)
SunWise Essential 2 CI Signature Income & Growth Segregated Fund	0.78 (1.28)
SunWise Essential 2 Fidelity Canadian Asset Allocation Segregated Fund	0.80 (1.30)
SunWise Essential 2 Sun Life BlackRock Canadian Balanced Segregated Fund	0.75 (1.25)
Portfolio Series	
SunWise Essential 2 Portfolio Series Balanced Growth Segregated Fund	0.76 (1.26)
SunWise Essential 2 Portfolio Series Balanced Segregated Fund	0.76 (1.26)
SunWise Essential 2 Portfolio Series Conservative Balanced Segregated Fund	0.76 (1.26)
SunWise Essential 2 Portfolio Series Conservative Segregated Fund	0.71 (1.21)
SunWise Essential 2 Portfolio Series Income Segregated Fund	0.56 (1.06)
Granite Managed Portfolios	
SunWise Essential 2 Sun Life Managed Balanced Growth Portfolio Segregated Fund	0.75 (1.25)
SunWise Essential 2 Sun Life Managed Balanced Portfolio Segregated Fund	0.75 (1.25)
SunWise Essential 2 Sun Life Managed Conservative Portfolio Segregated Fund	0.55 (1.05)
SunWise Essential 2 Sun Life Managed Moderate Portfolio Segregated Fund	0.75 (1.25)
Bundles	
SunWise Essential 2 CI American Value Segregated Bundle	0.93 (1.43)
SunWise Essential 2 CI Black Creek Global Leaders Segregated Bundle	0.93 (1.43)
SunWise Essential 2 CI Cambridge American Equity Segregated Bundle	0.93 (1.43)
SunWise Essential 2 CI Cambridge Canadian Asset Allocation Segregated Balanced Bundle	0.78 (1.28)
SunWise Essential 2 CI Cambridge Canadian Equity Segregated Bundle	0.93 (1.43)
SunWise Essential 2 CI Cambridge Global Equity Segregated Bundle	0.93 (1.43)
SunWise Essential 2 CI Cambridge Segregated Diversified Bundle	0.93 (1.43)

Fund	Annual Insurance Fee (and limit) for Income Class (%) ⁽¹⁾
SunWise Essential 2 CI Canadian Investment Segregated Bundle	0.93 (1.43)
SunWise Essential 2 CI Harbour Growth & Income Segregated Balanced Bundle	0.78 (1.28)
SunWise Essential 2 CI Harbour Segregated Bundle	0.93 (1.43)
SunWise Essential 2 CI Harbour Segregated Diversified Bundle	0.93 (1.43)
SunWise Essential 2 CI Signature Dividend Segregated Bundle	0.93 (1.43)
SunWise Essential 2 CI Signature Select Canadian Segregated Bundle	0.93 (1.43)
SunWise Essential 2 Fidelity NorthStar [®] Segregated Bundle	0.95 (1.45)
SunWise Essential 2 Fidelity True North [®] Segregated Bundle	0.95 (1.45)
SunWise Essential 2 Sun Life BlackRock Canadian Equity Segregated Bundle	0.90 (1.40)
SunWise Essential 2 Sun Life MFS Global Growth Segregated Bundle	0.90 (1.40)
SunWise Essential 2 Sun Life MFS Global Value Segregated Bundle	0.90 (1.40)
SunWise Essential 2 Sun Life MFS U.S. Growth Segregated Bundle	0.90 (1.40)
SunWise Essential 2 Sun Life MFS U.S. Value Segregated Bundle	0.90 (1.40)
Income	
SunWise Essential 2 CI Select Income Managed Segregated Fund	0.51 (1.01)
SunWise Essential 2 CI Signature Diversified Yield II Segregated Fund	0.76 (1.26)
Money Market	
SunWise Essential 2 CI Money Market Segregated Fund	0.25 (0.75)

⁽¹⁾ For Income Class and PIM Income Class, this Insurance Fee is calculated based on the LWA Base. See Section 10.1 of the Contract for additional information.

LWA Base Fees

Below is a summary of the annual percentages of the LWA Base Fees that are charged in respect of Income Class Units of each Fund allocated to the Contract and which are calculated based on the LWA Base. See the LWA Base Fees Section additional information.

Fund	LWA Base Fee (%)
Global Balanced	
SunWise Essential 2 CI Black Creek Global Balanced Segregated Fund	0.65
SunWise Essential 2 CI Signature Global Income & Growth Segregated Fund	0.65
SunWise Essential 2 Sun Life MFS Global Total Return Segregated Fund	0.65
Canadian Balanced	
SunWise Essential 2 CI Signature Canadian Balanced Segregated Fund	0.55
SunWise Essential 2 CI Signature Income & Growth Segregated Fund	0.63
SunWise Essential 2 Fidelity Canadian Asset Allocation Segregated Fund	0.65
SunWise Essential 2 Sun Life BlackRock Canadian Balanced Segregated Fund	0.40
Portfolio Series	
SunWise Essential 2 Portfolio Series Balanced Growth Segregated Fund	0.65
SunWise Essential 2 Portfolio Series Balanced Segregated Fund	0.50
SunWise Essential 2 Portfolio Series Conservative Balanced Segregated Fund	0.40
SunWise Essential 2 Portfolio Series Conservative Segregated Fund	0.40
SunWise Essential 2 Portfolio Series Income Segregated Fund	0.35

Fund	LWA Base Fee (%)
Granite Managed Portfolios	
SunWise Essential 2 Sun Life Managed Balanced Growth Portfolio Segregated Fund	0.65
SunWise Essential 2 Sun Life Managed Balanced Portfolio Segregated Fund	0.50
SunWise Essential 2 Sun Life Managed Conservative Portfolio Segregated Fund	0.35
SunWise Essential 2 Sun Life Managed Moderate Portfolio Segregated Fund	0.40
Bundles	
SunWise Essential 2 CI American Value Segregated Bundle	0.50
SunWise Essential 2 CI Black Creek Global Leaders Segregated Bundle	0.50
SunWise Essential 2 CI Cambridge American Equity Segregated Bundle	0.50
SunWise Essential 2 CI Cambridge Canadian Asset Allocation Segregated Balanced Bundle	0.65
SunWise Essential 2 CI Cambridge Canadian Equity Segregated Bundle	0.50
SunWise Essential 2 CI Cambridge Global Equity Segregated Bundle	0.50
SunWise Essential 2 CI Cambridge Segregated Diversified Bundle	0.50
SunWise Essential 2 CI Canadian Investment Segregated Bundle	0.50
SunWise Essential 2 CI Harbour Growth & Income Segregated Balanced Bundle	0.65
SunWise Essential 2 CI Harbour Segregated Bundle	0.50
SunWise Essential 2 CI Harbour Segregated Diversified Bundle	0.50
SunWise Essential 2 CI Signature Dividend Segregated Bundle	0.50
SunWise Essential 2 CI Signature Select Canadian Segregated Bundle	0.50
SunWise Essential 2 Fidelity NorthStar [®] Segregated Bundle	0.50
SunWise Essential 2 Fidelity True North [®] Segregated Bundle	0.50
SunWise Essential 2 Sun Life BlackRock Canadian Equity Segregated Bundle	0.50
SunWise Essential 2 Sun Life MFS Global Growth Segregated Bundle	0.50
SunWise Essential 2 Sun Life MFS Global Value Segregated Bundle	0.50
SunWise Essential 2 Sun Life MFS U.S. Growth Segregated Bundle	0.50
SunWise Essential 2 Sun Life MFS U.S. Value Segregated Bundle	0.50
Income	
SunWise Essential 2 CI Select Income Managed Segregated Fund	0.30
SunWise Essential 2 CI Signature Diversified Yield II Segregated Fund	0.60
Money Market	
SunWise Essential 2 CI Money Market Segregated Fund	0.22

Fees and Charges paid by the Funds or you

The following table summarizes which fees and charges are paid by each Fund and which fees and charges are paid by you.

Description of Fee or Charge	Paid by Fund	Paid by You
Insurance Fee:		
Income Class	No	Yes
Management Fee:		
Income Class (other than PIM Income Class)	Yes	No
PIM Management Fee	Part	Part
LWA Base Fee:		
LWA Base Fee	No	Yes
Compensation of Distributor:		
Commission (Initial Sales Charge Units)	No	Yes
Commission (Deferred Sales Charge Units)	No	No
Servicing commission	No	No
PIM investment advisory fee	No	Yes
Transaction-specific:		
Deferred sales charge	No	Yes
Early withdrawal fee	No	Yes
Change fee (transfer or reclassification)	No	Yes

SUN LIFE ASSURANCE COMPANY OF CANADA

Sun Life Assurance Company of Canada was incorporated in Canada in 1865 and commenced business in 1871. Sun Life's Head Office address is 150 King Street West, Toronto, Ontario, M5H 1J9.

For more information about the innovative features
and benefits of SunWise Essential Series 2,
please visit www.sunwiseessentialseries.com

Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies, is the sole issuer of the individual variable annuity contract providing for investment in SunWise Essential Series 2 segregated funds. A description of the key features of the applicable individual variable annuity contract is contained in the Information Folder. **Any amount that is allocated to a segregated fund is invested at the risk of the contractholder and may increase or decrease in value.** CI Investments and CI Investments design, Harbour Advisors, Harbour Funds, Cambridge, and Signature Global Asset Management are registered trademarks of CI Investments Inc. Portfolio Series and Signature Funds are trademarks of CI Investments Inc. SunWise is a registered trademark of Sun Life Assurance Company of Canada.



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