

## Sun Lifetime Advantage GIF Illustration

Sun Lifetime Advantage Guaranteed Investment Fund (GIF) is a unique, innovative solution that gives you guaranteed income, protection against market volatility and inflation protection – something no other product in the market currently offers.

### Designed for:

John Doe  
Jane Doe

### Presented by:

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## Product overview

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You've been saving and growing your assets over the years, and need to consider how to best handle your finances as you prepare for and approach retirement. It's challenging to predict how much money you'll need in retirement; having a guaranteed income is an important part of your retirement plan. Moving your assets into a guaranteed product usually means being locked in at low interest rates and losing out on potential growth. At the same time, leaving your money invested leaves you vulnerable to market downturns which are a concern you don't want to worry about in retirement.

Sun Lifetime Advantage Guaranteed Investment Fund (GIF) is a unique solution that mitigates key retirement risks: it guarantees a minimum level of income for life, but also provides growth potential by resetting your income upward when markets improve and interest rates increase. Other benefits include:

- Automatic annual resets on income during your deferral period
- A broad fund selection to satisfy different investing preferences
- Annuity settlement option

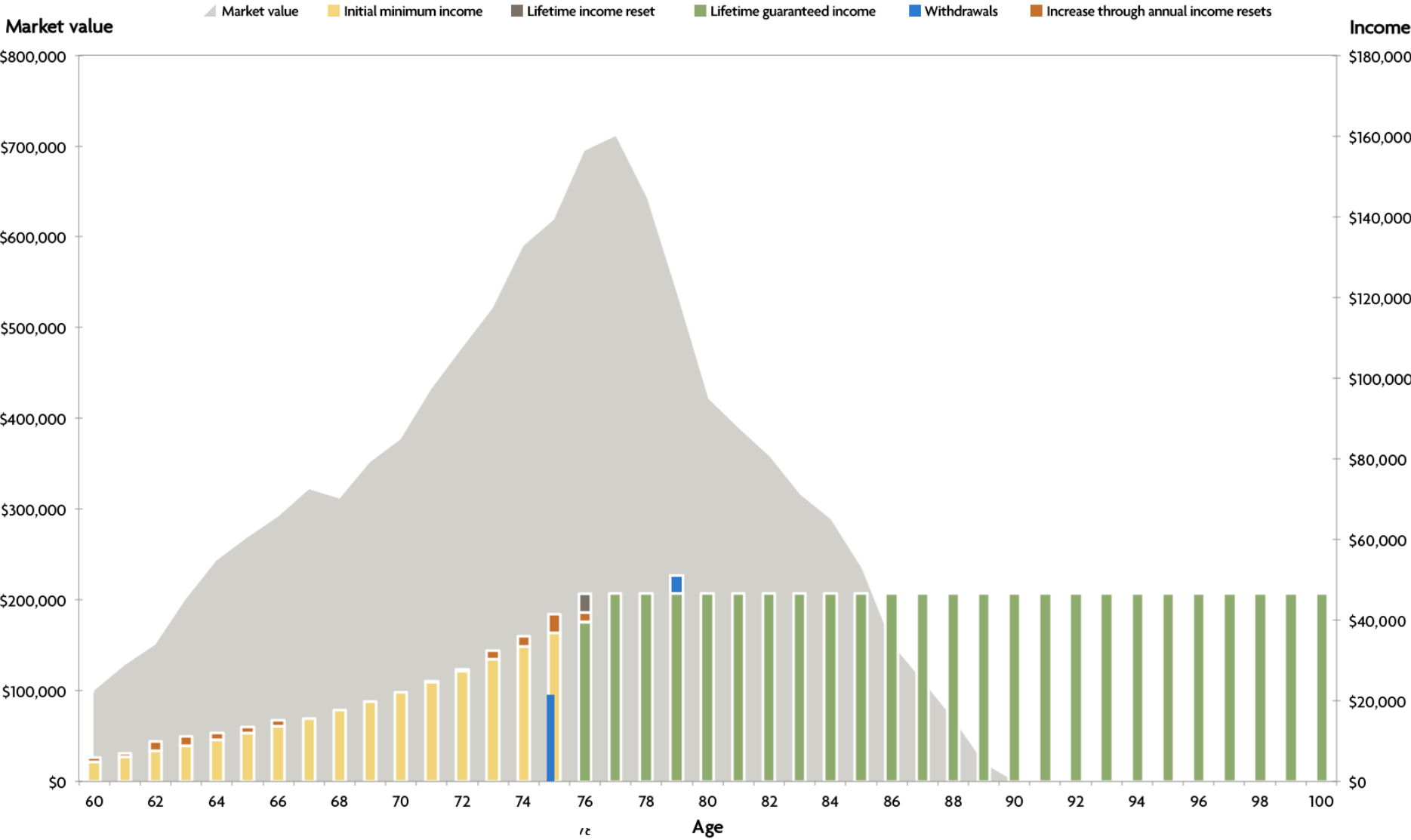
This illustration is intended to show you the lifetime guaranteed income you could receive from Sun Lifetime Advantage GIF based on transactions made and assumptions chosen. With the assistance of your advisor, this illustration can help you understand all of the benefits that Sun Lifetime Advantage GIF has to offer and can also help plan your financial future and your retirement income.

# Illustration summary

<b>Annuitant</b>	<b>John Doe</b> Male, born November 30, 1955	<b>Joint life</b>	<b>Jane Doe*</b> Female, born December 13, 1957
<b>Plan details</b>	<b>Contract type:</b> RRSP to RRIF <b>Lifetime guaranteed income option:</b> Joint life <b>* Income will be based on the youngest person's age</b>		

Scenarios illustrated			
<b>Personalized scenario:</b>	Historical model 1984-2014, flat income rate	<b>Negative scenario:</b>	-2.00% Market return, decreasing income rate
Asset Allocation		Personalized scenario – Rate of return	
70% equity / 30% fixed income		5.00%	

Transactions summary			
Year	Transaction type	Amount	Details
2015 (Age 55)	Deposit	\$100,000	Lump sum
2020 (Age 60)	Elect guaranteed income	-	-
<b>Total deposits:</b>			<b>\$100,000</b>



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## DEFERRAL BENEFIT

This chart shows how your guaranteed income increased through deferring the start of income. This shows the minimum income you would have received had you chosen to elect income at any of the following ages. This does not take into consideration resets, which you would have received through a combination of market value and interest rate movements. These minimums are guaranteed at the time of deposit. The deferral benefit stops when you elect to take income.

Year	Age	Minimum income at each age (\$)
2015	60	3,200
2016	61	3,400
2017	62	3,600
2018	63	3,800
2019	64	4,000

## RESET HISTORY – From initial deposit to election at age 64

This reset calculation happens every year until you decide to take income. We do this calculation for every age. Resets, rates and performances shown in this illustration are not guaranteed. On your anniversary date, if your potential minimum income (market value X lifetime income rate) is greater than your current minimum income, we reset your minimum income higher.

Reset date	Age	Current minimum income for age 64 (\$)	Market value (\$)	Lifetime income rate	Potential minimum income (\$)	Reset	Reset new minimum income (\$)
May 1, 2015	60	4,200	110,000	4.20%	4,620	No	4,620
May 1, 2016	61	4,620	112,000	4.30%	4,816	No	4,816
May 1, 2017	62	4,816*	118,000	4.50%	5,310	Yes	5,310
May 1, 2018	63	5,310*	113,000	4.10%	4,633	No	5,310
<b>Final reset that establishes the lifetime guaranteed income due to the election of income:</b>							
May 1, 2019	64	5,310	121,000	5.10%	6,171	Yes	6,171

\* Current minimum income value changed due to additional transactions.

Rates shown are not guaranteed, income is only guaranteed when a deposit is made.

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## INCOME DETAILS

Year	Age	Return	Deposits (\$)	Withdrawals (\$)	Market value Dec. 31 (\$)	Lifetime guaranteed income (\$)	Death benefit guarantee (\$)
2015	60	0.00%	100,000	-	100,000	-	100,000
2016	61	10.00%	-	-	110,000	-	100,000
2017	62	1.82%	-	-	112,000	-	100,000
2018	63	5.36%	-	-	118,000	-	100,000
2019	64	-4.24%	-	-	113,000	6,171	100,000
2020	65	5.00%	-	6,171	121,000	6,171	94,900
2021	66	6.20%	-	6,171	127,050	6,171	90,291
2022	67	3.10%	-	6,171	128,756	6,171	85,963
2023	68	6.80%	-	6,171	126,577	6,171	81,772
2024	69	4.50%	-	6,171	129,013	6,171	77,861
2025	70	-2.00%	-	6,171	128,647	6,171	74,126
2026	71	5.60%	-	6,171	119,903	6,171	70,311
2027	72	8.20%	-	6,171	120,447	6,171	66,709
2028	73	-4.00%	-	6,171	124,153	6,171	63,393
2029	74	-2.00%	-	6,171	113,016	6,171	59,931
2030	75	7.50%	-	6,171	104,584	6,171	56,395
2031	76	8.50%	-	6,171	106,257	6,171	53,120
2032	77	5.20%	-	6,171	109,118	6,171	50,116
2033	78	-6.20%	-	6,171	108,621	6,171	47,269
2034	79	-5.40%	-	6,171	95,715	6,171	44,221
2035	80	4.80%	-	6,171	84,376	6,171	40,987
2036	81	4.00%	-	6,171	82,255	6,171	37,912
2037	82	-2.10%	-	6,171	79,374	6,171	34,964
2038	83	5.80%	-	6,171	71,536	6,171	31,948
2039	84	6.50%	-	6,171	69,514	6,171	29,112
2040	85	5.00%	-	6,171	67,862	6,171	26,465
2041	86	-1.00%	-	6,171	65,084	6,171	23,956
2042	87	3.50%	-	6,171	58,262	6,171	21,418
2043	88	4.20%	-	6,171	54,130	6,171	18,976
2044	89	5.50%	-	6,171	50,233	6,171	16,645
2045	90	-2.60%	-	6,171	46,824	6,171	14,452
2046	91	-8.10%	-	6,171	39,436	6,171	12,190
2047	92	4.50%	-	6,171	30,071	6,171	9,689
2048	93	5.40%	-	6,171	25,253	6,171	7,321
2049	94	5.50%	-	6,171	20,446	6,171	5,111

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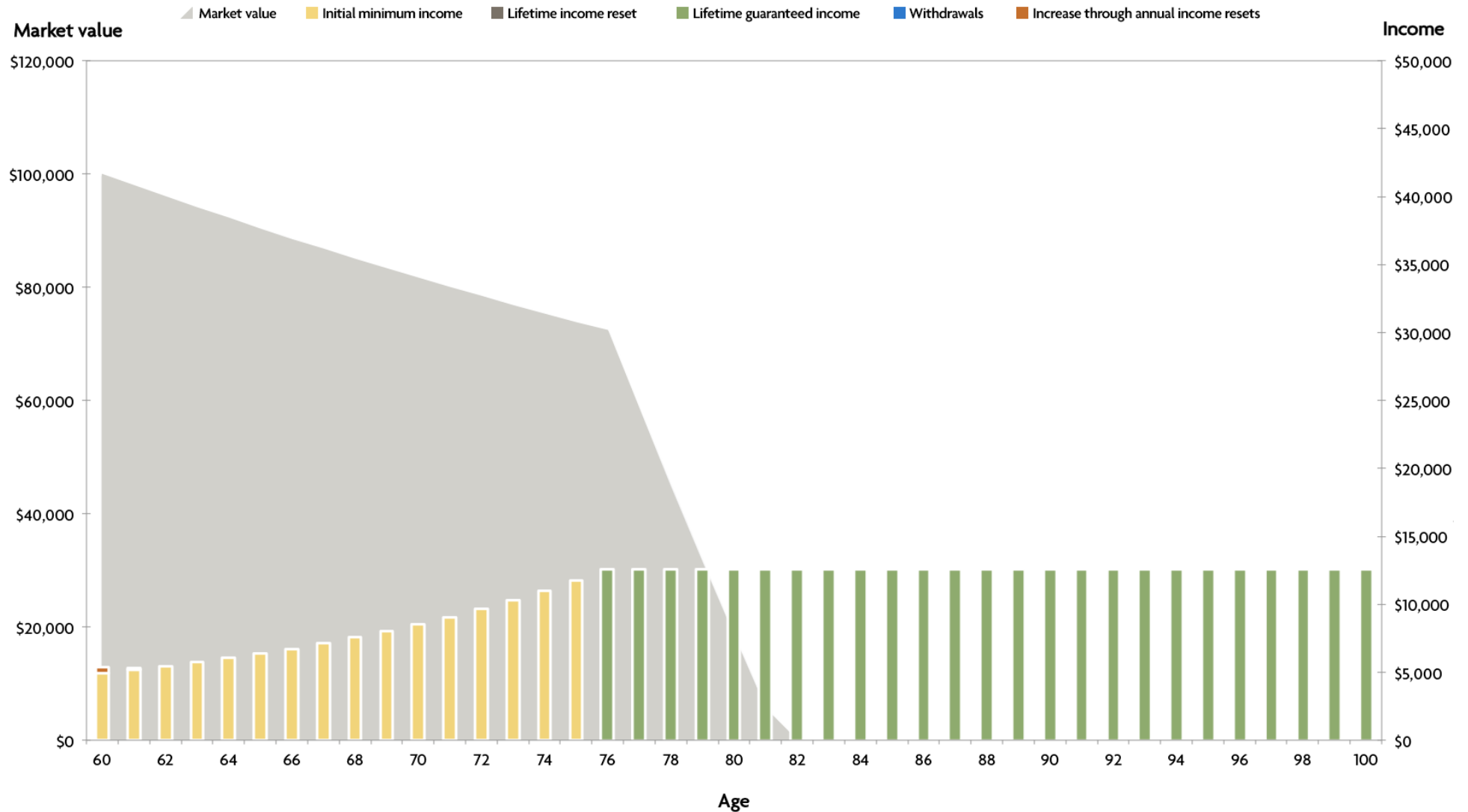
# Personalized scenario

Historical model 1984-2014, flat income rate (continued)



Year	Age	Return	Deposits (\$)	Withdrawals (\$)	Market value Dec. 31 (\$)	Lifetime guaranteed income (\$)	Death benefit guarantee (\$)
2050	95	6.80%	-	6,171	15,399	6,171	3,063
2051	96	4.20%	-	6,171	10,275	6,171	1,223
2052	97	-2.50%	-	6,171	4,536	6,171	-
Contract entering guaranteed payment phase							
2053	98	3.90%	-	6,171	-	6,171	-
2054	99	5.80%	-	6,171	-	6,171	-
2055	100	4.20%	-	6,171	-	6,171	-

## Negative scenario -2.00% Market return, decreasing income rate



Continued...



## DEFERRAL BENEFIT

This chart shows how your guaranteed income increased through deferring the start of income. This shows the minimum income you would have received had you chosen to elect income at any of the following ages. This does not take into consideration resets, which you would have received through a combination of market value and interest rate movements. These minimums are guaranteed at the time of deposit. The deferral benefit stops when you elect to take income.

Year	Age	Minimum income at each age (\$)
2015	60	3,200
2016	61	3,400
2017	62	3,600
2018	63	3,800
2019	64	4,000

## RESET HISTORY – From initial deposit to election at age 64

This reset calculation happens every year until you decide to take income. We do this calculation for every age. Resets, rates and performances shown in this illustration are not guaranteed. On your anniversary date, if your potential minimum income (market value X lifetime income rate) is greater than your current minimum income, we reset your minimum income higher.

Reset date	Age	Current minimum income for age 64 (\$)	Market value (\$)	Lifetime income rate	Potential minimum income (\$)	Reset	Reset new minimum income (\$)
May 1, 2015	60	4,200	110,000	4.20%	4,620	No	4,620
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## Negative scenario -2.00% Market return, decreasing income rate (continued)

### INCOME DETAILS

Year	Age	Return	Deposits (\$)	Withdrawals (\$)	Market value Dec. 31 (\$)	Lifetime guaranteed income (\$)	Death benefit guarantee (\$)
2015	60	0.00%	100,000	-	100,000	-	100,000
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Continued...

## Negative scenario -2.00% Market return, decreasing income rate (continued)

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Contract entering guaranteed payment phase							
2053	98	3.90%	-	6,171	-	6,171	-
2054	99	5.80%	-	6,171	-	6,171	-
2055	100	4.20%	-	6,171	-	6,171	-

# Important illustration notes

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## DISCLAIMERS

The purpose of this illustration is to give you an overview of how the product works using a hypothetical market and income rate scenario. The illustration does not form part of any contract that may be issued and is not meant to provide legal or tax advice.

The figures shown in this illustration are not guaranteed. They are based on assumptions that will change and are not an estimate or a guarantee of future performance. Actual results will differ upward or downward from those shown depending on future performance. Even a small change in one of these assumptions can have a large impact on the figures shown in this illustration.

The market value of the investment can be withdrawn at any time. Each scenario assumes the withdrawal amounts shown do not include any surrender charges. Certain fees may apply for withdrawals and small account balances. These fees are not shown in the illustration.

Withdrawals will proportionally reduce your maturity and death benefit guarantees.

The maturity guarantee applicable to the contract is not shown in the illustration. The maturity guarantee is the greater of 75 per cent of your deposits (reduced proportionally for withdrawals) or current market value on the contract maturity date (December 31st of the year in which the annuitant turns age 100).

The death benefit guarantee is the greater of 75 per cent of your deposits (reduced proportionally for withdrawals) or the current market value on the death of the final annuitant.

## GUARANTEED INCOME DISCLAIMERS

Withdrawing more than the lifetime guaranteed income could negatively impact your guaranteed income. For RRIF contracts, we calculate a notional RRIF minimum and withdrawing up to the notional RRIF minimum annual payment will not impact the guarantees.

Payments of the lifetime guaranteed income can continue until death of annuitant or their spouse (if the joint life option is chosen).

The scenarios illustrated use the annuitant's age for the single life option, or the younger spouse's age for the joint life option, at the end of the calendar year. We illustrate up to age 100 of the client for each illustration to reflect the contract maturity date.

The income option must be selected when the first deposit is made. If the joint life income option is selected, the joint life must be the spouse or common-law partner of the annuitant. Only one person can be named as the joint life and the joint life may not be changed.

*Continued...*

## Important illustration notes (continued)

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### RATE OF RETURN ASSUMPTIONS

The performance shown is not a guarantee of future results. The actual returns of your investments may vary. The unit value of any segregated fund is not guaranteed and can change.

Income returns reflect the historical returns of the DEX Universe Total Return Bond Index. Equity returns reflect the historical returns of 60% of the S&P/TSX Composite Index and 40% MSCI EAFE Index.

The assumptions are a result of the asset mix selected by you and your advisor. Your asset mix can be changed to have a higher or lower allocation to equities or fixed income. In general, a higher allocation to equities will result in a higher rate of return with more volatility, while a higher allocation to income will result in a lower return with lower volatility. The hypothetical rates of return in each illustration are compounded annual returns net of all applicable MERs over the illustrated period.

**Historical model scenario 1984-2014** is based on actual equity and fixed income returns during this period.

**High volatility** is a series of hypothetical returns with adjustments for above-average returns and volatility.

**Low volatility** is a series of hypothetical returns with adjustments for below-average returns and volatility.

**1970s – 2014** is based on actual equity and fixed income returns during this period.

**1980s – 2014** is based on actual equity and fixed income returns during this period.

**1990s – 2014** is based on actual equity and fixed income returns during this period.

**2000s – 2014** is based on actual equity and fixed income returns during this period.

### INCOME RATE SCENARIOS

Lifetime income rates are based on a number of factors and are subject to change daily. For current rates please visit [www.sunlifegifs.com/rates](http://www.sunlifegifs.com/rates)

**Flat rates** assume that the current income rates do not change.

**Higher rates** assume that income rates are slightly volatile with a slightly higher average than the current income rates.

**Lower rates** assume that income rates are slightly volatile with a slightly lower average than the current income rates.

**Volatile rates** assume that income rates are volatile with the same average as the current income rates.

*Continued...*

## Important illustration notes (continued)

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### DEFINITIONS

**Death benefit guarantee:** the guaranteed benefit we pay on the last surviving annuitant's death less any required tax or government fees.

**Deposit:** the premium amount you pay us or the amount you transition, less any sales charges, or government fees.

**Lifetime income rate:** the rate we apply to a deposit which determines the amount of guaranteed income you will receive.

**Guaranteed payment phase:** This phase begins when the market value of Income Series units becomes \$0 and there is still a lifetime guaranteed income. The death benefit and maturity benefit are \$0. We will continue to pay the lifetime guaranteed income.

**Information folder:** the document(s) you receive when you purchase a segregated fund contract. It provides details about the contract and your investment options.

**MER:** Is the management expense ratio of the fund. The MER of a fund is calculated based on the insurance fees, the management fee, and the fund's operating expenses.

**Minimum Income:** the lifetime guaranteed income you are guaranteed to receive if you elect if you elect income at an income age.

**Minimum income rate:** the rate we apply to a deposit which determines the amount of guaranteed income you will receive

**Lifetime guaranteed income:** the maximum amount of lifetime guaranteed income that will be available each calendar year for withdrawals for the life of the annuitant or joint life if selected.

**Valuation day:** is every day that the Toronto Stock Exchange is open for business, and a value is available for the underlying assets.

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## Important illustration notes (continued)

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### Why Sun Life?

**Financial strength** – Sun Life Financial is a leading international financial services organization. On September 30, 2014, the Sun Life Financial group of companies had total assets under management of \$698 billion. We provide a diverse range of protection and wealth products and services to individuals and corporate customers in key markets around the world.

**Risk management excellence** – Founded in 1865, Sun Life Financial has been helping Canadians manage and grow their assets for over 150 years. We touch the lives of one in five Canadians, helping them achieve lifetime financial security. As one of Canada's oldest and most trusted financial institutions, Sun Life is recognized for its sustainability and time-tested risk management strategies.

To understand the calculations for the guarantees and the options available to you in the Sun Lifetime Advantage Contract, please discuss them with your advisor and refer to the information folder and contract. If there's a discrepancy between the information folder and contract and this illustration, the information folder and contract including any supplements will override this illustration.

The benefits shown in this illustration are described in the Sun Lifetime Advantage information folder and contract. Calculations follow the product rules on the date the illustration is created. Sun Life Assurance Company of Canada is the issuer of Sun Lifetime Advantage individual variable annuity contract and the guarantor of the guarantee provisions.