

Frequently Asked Questions

1. Why is Sun Life choosing to no longer sell Annuity and Life products?

The decision to stop selling new variable annuity and individual life products is an outcome of a recent strategic review of the Company's operations. The Company's U.S. operations will focus on becoming a leader in group insurance and voluntary benefits in the U.S. marketplace. Discontinuing the sale of variable annuity and individual life products reflects the Company's focus on reducing volatility in its operations and improving the return of shareholders' equity by shifting capital to businesses with superior growth, risk and return characteristics.

2. Why now?

With interest rates at historic lows, and new capital requirements double those of our American competitors, our outlook on variable annuities is different. The risks now outweigh the rewards.

3. What products are being discontinued?

This announcement impacts the sale of Sun Life Financial Masters VA, Sun Life Solutions VA, Sun Care WL, Sun Executive UL and VUL, Sun Accumulator UL, and Corporate Owned Life Insurance. We will continue to provide service and process claims on these products and our other inforce annuity and life business.

4. When is the last day to submit an application for either U.S. Annuity or Life products?

Annuity Product Transition Rules

- Sun Life Solutions Variable Annuities has been closed to new business effective December 16, 2011. Sun Life Masters Variable Annuities will close to new sales effective December 30, 2011. (Note: no changes are being made to the previously announced transition rules for the Magnastar PPVA product.)

Life Product Transition Rules

- Sun Care WL and Sun Executive UL and VUL and Sun Accumulator UL will be closed to new business on December 30, 2011; applications received in good order by December 30, 2011 must be paid within 60 days. Sun Care interviews must be completed by January 31, 2012. Please note: interviews must be scheduled at least two weeks prior to January 31, 2012 to meet the deadline.
- COLI will be closed to new business on January 31, 2012; applications received in good order by January 31, 2012 must be paid by March 31, 2012.

5. What does this mean to the financial strength of Sun Life?

Sun Life Financial is strong and well-capitalized, with a diverse group of businesses across multiple geographies and ratings that place its operating companies among the highest-rated insurance companies in North America. The changes position Sun Life for greater success to pursue strategic growth opportunities in the U.S. and around the world.