

SUN GUARANTEED INVESTMENTS

ADVISOR GUIDE

What's inside

Superflex/Income Master (Insurance GIC)

Sun GIC Max – non-redeemable (Trust GIC)

SLF Trust GIC – redeemable (Trust GIC)

Sun Guaranteed Investments

Sun Guaranteed Investments are designed for Clients who want to earn a guaranteed interest rate on their investments while protecting their principal investment.

Sun Life Global Investments offers a suite of guaranteed products including:

- Insurance GICs* – Superflex/Income Master, and
- traditional trust GICs – Sun GIC Max/SLF Trust GIC.

Insurance GICs provide the ability to name a beneficiary on any registration type and avoid the costs and delays associated with probate and estate settlement.

In addition, both non-redeemable (Sun GIC Max) and redeemable (Superflex/SLF Trust GIC) options are available. Sun GIC Max generally offers a higher interest rate over our redeemable products; however, unlike the Superflex and SLF Trust GIC, Clients may only withdraw from term investments at maturity.

This diverse product offering through Sun Guaranteed Investments is sure to meet the needs of all your Clients.

*Insurance GICs are accumulation annuities issued by Sun Life Assurance Company of Canada.

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Superflex/Income Master (Insurance GIC)

Superflex is an accumulation annuity (issued by Sun Life Assurance Company of Canada) or, as we commonly refer to it, an Insurance GIC.* It allows a Client to accumulate and reinvest earnings on their investments at guaranteed rates. Clients can make contributions into a range of investments, each with a fixed rate of interest for a specified term to maturity. Income Master is the retirement/income option.

*Insurance GICs are accumulation annuities issued by Sun Life Assurance Company of Canada.

Product at a glance

Registration types	<ul style="list-style-type: none"> • TFSA • Non-registered • RRSP • Spousal RRSP 	<ul style="list-style-type: none"> • LIRA/locked-in RRSP/RLSP • RRIF (Income Master) • Spousal RRIF (Income Master) • LIF/RLIF/RIF (Income Master)
Issue ages	<p>Owner</p> <ul style="list-style-type: none"> • RRSP (including LIRA) – ages 16-71 • RRIF – ages 18-90 • TFSA – ages 18-90 • Non-registered – ages 16-90* <p>*If the owner is also the annuitant.</p>	<p>Annuitant</p> <ul style="list-style-type: none"> • RRSP (including LIRA) – same as owner • RRIF – same as owner • TSFA – same as owner • Non-registered – ages 0-90
Policy maturity based on annuitant's age	<ul style="list-style-type: none"> • RRSP: age 71 • RRIF: age 100 • TFSA: age 100 	<ul style="list-style-type: none"> • Non-registered: age 100 • LIRA/Locked-in RRSP/RLSP: 71 • LIF/RLIF: Varies based on applicable legislation
Interest options	<ul style="list-style-type: none"> • Compound interest • Annual interest (not available for RRIF) 	<ul style="list-style-type: none"> • Annual payout* • Monthly payout* <p>*Not available for locked-in plans or Income Master RRIF option. Multiple interest types are available in the same contract.</p>
Investment options	<ul style="list-style-type: none"> • Daily interest investment • 90-day (not available on Income Master) • 1-10 years 	<ul style="list-style-type: none"> • Auto ladder • Client-selected end date • Longer terms are available for RRIF and LIF/RLIF accounts (Income Master)
Minimum investment	<ul style="list-style-type: none"> • \$250 per policy or monthly PAC • \$1,000 guaranteed interest investment 	<ul style="list-style-type: none"> • \$50 monthly PAC • \$5,000 Income Master RRIF/LIF
Interest rates	<ul style="list-style-type: none"> • 45-day rate guarantee available 	
Withdrawals	<ul style="list-style-type: none"> • May be subject to market value adjustment (MVA) if cashed prior to maturity. • Daily interest investment can be withdrawn at any time without MVA. 	<ul style="list-style-type: none"> • First withdrawal on an Income Master RRIF is MVA-free, up to a maximum of 10% of the January 1 value. This withdrawal is taken proportionally from all investments.
Investment term maturity action	<ul style="list-style-type: none"> • Automatically reinvests to the same term 	
Beneficiary	<ul style="list-style-type: none"> • Available for all registration types 	
Legacy Settlement Option	<ul style="list-style-type: none"> • Available: Term certain and/or Single life annuity 	
Successor annuitant	<ul style="list-style-type: none"> • Available for non-registered • The policy continues and the successor annuitant becomes the annuitant, the person whose life the policy is based on. 	
Deposit/premium protection	<ul style="list-style-type: none"> • Provided by Assuris, up to Assuris deposit/premium protection limit <p>For more information, visit assuris.ca</p>	
Creditor protection	<ul style="list-style-type: none"> • If the Client named a family class or irrevocable beneficiary, there may be creditor protection. • Provincial insurance legislation contains special rules regarding claims by creditors when it comes to life insurance policies and annuity contracts. For specific advice about this, the Client should speak with a lawyer. 	

**RRIF/LIF income
(Income Master)****Frequency**

- Monthly, quarterly, semi-annually or annually

Income types – subject to legislative minimum payment requirements

- Annual minimum
- Annual maximum (applicable to locked-in funds only)
- Level
- Interest only

Income payments are pro-rated across all terms.

Market value adjustments do not apply to income payments.

DEFINITION OF AN ANNUITANT

The annuitant is the person whose life the policy is based on. The death of the annuitant triggers payment of the death benefit and the policy terminates.

DID YOU KNOW?

For registered contracts, the annuitant must be the owner. For non-registered contracts, the annuitant doesn't have to be the owner.

Product information

Ownership details

Typically, on non-registered Superflex policies, an individual is both the owner and annuitant. However, there are other ownership/annuitant options available:

a) Joint ownership with rights of survivorship (not available in Quebec)

Jointly owned Superflex policies are issued this way by default as specified on the application. In Quebec, the default is that each joint owner is a subrogated policy owner for the share of the other owner unless otherwise specified.

- On the death of an owner who is not the last surviving annuitant, the other joint owner becomes the owner of the deceased owner's share of the contract.
- The T5 is issued in the names of the joint owners.
- Individual tax situations dictate who is best to claim the amount.

b) Contingent owner

- When the owner dies, the policy is automatically transferred to the person who was designated the contingent owner (unless the policy owner is also the annuitant).
- While still alive, the policy owner can change the appointment at any time and the contingent owner has no rights.
- If the contract is jointly owned, on the death of an owner who is not the last surviving annuitant, the other joint owner becomes the owner of the deceased owner's share of the contract, unless otherwise specified. Therefore, there's no need to name a contingent owner.
- In Quebec, the contingent owner is called the subrogated policyholder.

c) Successor annuitant — Non-registered only

- If a successor annuitant is named, the contract continues after the death of the annuitant and no death benefit is payable at that time; the successor annuitant then becomes the annuitant.

d) Younger annuitant

- This arrangement is based on the rationale that the contributor is too old to be the annuitant for a term of their choice because it would extend past age 100. Since the policy is based on the age of the annuitant, a younger life is used to obtain the desired term. Alternatively, this can be used if the money belongs to, or is intended for a minor (with the minor as annuitant).
- Naming a younger annuitant can be a solution if the Client's age exceed the maximum issue age of 90.

When establishing a policy where the annuitant and owner are different, you need to consider the following.

- POAs are not allowed to name contingent owners or beneficiaries.
- Only the owner has access to the funds in the policy.
- The annuitant must sign the application.
- If the annuitant dies the death benefit is paid directly to the named beneficiaries.
- The annuitant and beneficiary should not be the same person.
- It is important to name a contingent owner in the event the owner dies prior to the annuitant.
- Once the owner dies and the contingent owner has ownership, interest earned will be taxable to the new owner.
- Upon the death of the owner, no death benefit is payable. The policy will continue with the contingent owner as the new owner and investment terms, interest rates and maturity dates will remain the same.
 - If investment terms are redeemed early, an MVA will apply.
 - Once the contingent owner assumes the policy, they can make updates to the policy and change beneficiaries etc

e) Corporately Owned: A corporately owned Superflex policy must still have an individual named as the annuitant.

TIP

Making a child the annuitant is not an effective way for a parent or grandparent to leave a lump sum to a child. At the death of the owner, ownership passes to the contingent owner, if one has been appointed, or to the owner's estate, if one hasn't been appointed. The death benefit is paid out only on the death of the annuitant, not the death of the owner.

Beneficiary

Superflex is an annuity and, as such, a beneficiary can be named regardless of the registration type. A product from a bank or trust company can only offer this feature in a registered plan. As a result, when the annuitant dies, the funds in a Superflex policy are paid directly to the beneficiary(ies), avoiding unnecessary delays, probate and legal costs.

Note: There may be different rules in Quebec. For more information, see the beneficiary information section of the application.

Legacy settlement option

The Legacy Settlement Option provides customization for the distribution of the death benefit. This option provides a lump sum payment, a steady stream of lifetime income, income for a specified time, or any combination of these options to beneficiaries. This is useful if the Client wants to provide their beneficiaries with an income rather than a lump sum. The Legacy Settlement Option is fast and private. It makes sense in a number of situations where both traditional and complex family dynamics exist:

- Blended families with step children,
- Heirs with poor spending habits,
- Dependants with varying degrees of capability,
- Minors and financially dependent heirs, and
- When wealth skips a generation.

To add a Legacy Settlement Option to a new application or existing policy, complete Legacy Settlement Option form 5029.

Registration types

TFSA: A tax-free savings account is a flexible, general-purpose account. Contributions are not tax deductible but withdrawals and growth within the account, including investment income, are tax-free.

RRSP: A registered retirement savings plan is a tax-efficient way to save for retirement. Contributions are tax-deductible. Investments within an RRSP grow without being taxed. At age 71, an RRSP can be turned into taxable income.

LIRA: A locked-in retirement account/restricted locked-in savings plan (RLSP) holds locked-in funds transferred from a registered pension plan. The funds remain subject to pension law.

RRIF: A registered retirement income fund converts non-locked-in registered retirement savings into income payments that can be used during retirement.

LIF: A life income fund converts locked-in retirement savings into income payments that can be used during retirement.

Potential creditor protection

Unlike guaranteed investment certificates (GICs), Superflex/Income Master may offer creditor protection in some circumstances. If the Client named a family class or irrevocable beneficiary, there may be creditor protection. Provincial insurance legislation contains special rules regarding claims by creditors when it comes to life insurance policies and annuity contracts. For specific advice about this, the Client should speak with a lawyer. If the Client is self-employed or owns a business, protecting their savings from creditors can be especially important.

Deposit/premium limits

- Deposits/premiums, subject to Sun Life limits, may be made at any time and directed to any of the available investment types.
- Deposits/premiums may also be made through pre-authorized chequing (PAC) (excludes LIRA, LIF, RRIF, RLIF, RLSP).

Minimum amount

Superflex policy	\$250 or monthly PAC
Income Master option (initial policy minimum)	\$5,000
Monthly PAC (directed to the daily interest investment) – not applicable to Income Master	\$50
Guaranteed interest investment term (compound & annual interest)	\$1,000
Guaranteed interest investment term (annual & monthly interest payout) – not applicable to Income Master	\$5,000
RRIF payment minimum – if full amount of legislated minimum hasn't been met	Balance is paid out December 31 each year

Superflex/Income Master Applications

Available as a PDF, send completed application to servicenow@sunlife.com.

- 810-3549 Application for Superflex Deferred Annuity: RSP/LIRA/Non-registered or Income Master Annuity: RIF/LIF/RLIF
- 810-3584 Application for Superflex annuity: TFSA

Interest rates and enhancements

- Interest is calculated and added to the value of the guaranteed interest investment on a daily basis.
- Interest is quoted on an effective annual basis for all interest types and guaranteed interest investment terms.
- For monthly payout investments, the amount of interest earned each month equals 1/12th of the annual interest.
- Interest rates are subject to change at any time depending on market conditions and may change without notice.
- Once an investment is established, the interest rate is guaranteed and can't be changed.
- A 45-day rate guarantee (rate commitment) may be used to guarantee the current interest rate. This guarantee reserves a specific rate and doesn't guarantee "better of".

Note: You can request special rate enhancements for deposits/premiums of \$100,000 or more by calling the large case rate desk at **1-800-800-4SUN/4786**, option 1, 2, 3.

Interest rate commitments for new applications

- A Client applying for a new contract may find a current interest rate attractive and wish to reserve that rate for an investment. In order to reserve a rate for up to 45 days for an investment in a new policy, contact us.

- Call **1-800-800-4786**,
- Request centre - [Commit rate for new application](#), or

We will confirm the rate by sending a confirmation email to be attached to the new application

- Fax or email the completed application: **1-866-487-4745**, servicenow@sunlife.com.
- Forward the original application to our office.

Note: If our current rate for the investment has increased by the date we receive the funds, we'll apply the rate established under the rate commitment and not the current higher rate.

Client-selected end dates (CSED)

- This option allows Clients to select the end dates of their guaranteed interest investments. This offers a Client flexibility and control over their money by allowing them to choose an end date that suits their needs, whether they're planning for an upcoming large purchase, a vacation, or just looking to have all of their money roll each year on the same date.
- The interest rate is interpolated in order to find the rate for the Client. Interpolation is calculated to the nearest .01%.

Auto ladder

- Allows Clients to automatically apply a laddering strategy to their investment.
- A deposit is split equally among each of the 1- to 5-year guaranteed interest investment terms.
- As each guaranteed interest investment term matures, the balance is automatically invested in a new 5-year guaranteed interest investment at the rate in effect at the time the investment is established.

Withdrawals/transfers

- The Client can withdraw all or part of an investment at any time, except from a locked-in plan, which is subject to applicable legislation.
- All or part of an investment may be transferred into a new investment at any time. The amount transferred must meet the minimum amount required to open a new investment.
- MVA doesn't apply to the daily interest investment.

Limits and conditions

- Minimum withdrawal is \$500, subject to change.
- **An MVA may apply, except at the maturity date.**
- Unless the Client specifies the investment(s), the funds are withdrawn first from the daily interest investment and then from the investment closest to maturity.
 - For a RRIF, the MVA-free amount is withdrawn first and pro-rated across all terms.
- Annual payout investments change automatically to annual interest investments at the original terms, with no change in interest rate if the remaining balance is between \$1,000 and \$5,000.
- If the remaining investment balance doesn't meet the minimum, the funds are transferred to the daily interest investment.

RRIF income payment

- MVA doesn't apply to scheduled income payments.
- Income payments are pro-rated across all terms.

Market value adjustment (MVA)

The MVA formula is applied whenever funds are withdrawn from an investment before its maturity date. The result may be a decrease in the value of the investment.

The MVA formula takes into account:

- the term remaining to the end of the investment (years and days),
- the current basic interest rate in effect for an investment equal to the term remaining, rounded up to the next full year,
- the basic interest rate in effect in the existing investment, and
- an expense factor to recover upfront expenses and account for liquidity risk.

Termination and maturities

Termination

When the policy value is less than \$500 and regular monthly payments through PAC aren't being made, Sun Life may terminate the policy. This applies both to registered and non-registered Superflex policies. It doesn't apply to locked-in plans as the policy value may only be paid out according to the governing pension legislation.

Investment maturity

- Money in any guaranteed interest investment automatically reinvests at the maturity date into a new investment of the same term (except Auto Ladder), provided the new investment term doesn't end after the policy maturity date. However, if the term of the investment isn't a whole year, Sun Life reinvests the money to the closest whole-year term at the current interest rate on the date the investment matures.
- A guaranteed interest investment maturity date can't exceed the policy maturity date.

Policy maturity

The policy maturity date (the date a policy terminates) is as follows:

- For Superflex RRSP policies, this date is December 31 of the year the annuitant turns 71.
- For non-registered, TFSA and RRIF (Income Master) policies, this date is December 31 of the year the annuitant turns 100.
- For locked-in funds, maturity dates are as permitted by applicable legislation.

On or before the policy maturity date, the policy owner may choose to transfer the policy value to:

- an eligible annuity,
- an Income Master RRIF, if funds are in an RRSP,
- an Income Master LIF, if funds are locked-in, or
- cash (except for locked-in), subject to applicable legislation.

At the policy maturity date of a Superflex RRSP, if the owner hasn't selected one of these options, the contract is automatically amended to become a RRIF as offered by us at that time.

At the policy maturity date of a non-registered Superflex, if the owner hasn't selected one of these options, a life annuity benefit becomes payable as described in the policy.

TIP

For Clients nearing age 100, transferring the balance of their Superflex AA to a life annuity with a 10-year guarantee period means they would only have to take 10% of their money in the next year. This allows them to keep their money in an insurance contract while only having to remove a little bit at a time. Their first payment can be 12 months from the date the annuity is established.

Death benefit

- When the annuitant dies:
 - The beneficiary is paid a death benefit equal to the policy value regardless of who the owner is, or
 - If a successor annuitant is named on a non-registered contract, the contract continues after the death of the annuitant and no death benefit is payable at that time. The successor annuitant then becomes the annuitant.
- The death benefit isn't subject to any MVA calculation.
- LIRAs/RLSPs are governed by pension legislation. Depending on the pension legislation, the death benefit is treated either as locked-in funds or RRSP funds and may be payable to the spouse/pension partner instead of a named beneficiary, by law.
- If the Client's spouse is the sole beneficiary of their TFSA or RRIF, they have the option to either receive the death benefit or elect to continue the policy as planholder/owner and exercise all rights, including the right to name a beneficiary.
- For a TFSA, at death the tax-free status ends and any investment growth or interest earned after the date of death is taxable. This tax is due at the end of the calendar year following the year of death.

Administration

Statements

Superflex statements are issued annually. We also produce a statement when a new policy is issued. It confirms the details of each investment opened with the initial premium.

A statement shows:

- current status of the investments,
- all investment values, and
- total policy value.

Taxation

Any interest accrued in a non-registered policy is taxable to the owner. At the end of each calendar year, Sun Life issues a tax slip (T5) to the owner of the policy, reporting the interest accrued. Interest income is accrued on a policy anniversary basis. For example, if a policy was established in March 2019, the first policy anniversary will be March 2020. The T5 would be issued in early 2021 for the interest earned from March 2019 to March 2020.

The tax slip is issued in the name of the owner. It's not the responsibility of Sun Life to determine in whose hands the income is taxable. All information slips must record the social insurance number (SIN) of the person receiving the slip.

Amounts accrued under a non-registered Superflex qualify for the pension tax credit if the annuitant is 65 years of age or older. For additional tax information, Clients should speak with their tax advisor.

Tax receipts

As early as possible each year, Sun Life issues an RRSP receipt for each registered savings policy to which a new contribution has been made. The receipt shows the total contributions eligible to be deducted for the taxation year that ended the previous December 31. Separate receipts are issued for any contribution made during the first 60 days following the end of the taxation year. Receipts aren't issued for transfers from other registered accounts or plans.

For questions involving receipts or tax slips, direct Clients to the Sun Life customer care centre at **1-877-SUN-LIFE (786-5433)**.

Money laundering – when do requirements apply?

Always verify the identity of Clients and find out whether any third parties are involved for all non-registered wealth products. This helps Sun Life and you to manage risk and comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and other relevant legislation/regulations.

It's important to meet with Clients regularly to review their investments and help them with any contractual conversions to ensure their investments continue to meet their needs.

Sun GIC MAX non-redeemable (Trust GIC)

Sun GIC Max is a Trust GIC (issued by Sun Life Financial Trust Inc.) that provides Clients with a higher interest rate than the SLF Trust GIC by locking in their investments for the entire term.* The guaranteed interest means Clients aren't exposed to market fluctuations. Sun GIC Max is a good choice for young savers, busy families, and those nearing or enjoying retirement who want to minimize risk.

*Early terminations of guaranteed investment terms are not allowed.

Product at a glance

Registration types	<ul style="list-style-type: none"> • Non-registered • TFSA 	<ul style="list-style-type: none"> • RRSP/RRIF • Spousal RRSP/RRIF
Issue ages	<p>Owner</p> <ul style="list-style-type: none"> • RRSP – ages 18* -71 • Non-registered, TFSA and RRIF – ages 18*+ <p>*Or age of majority in the applicable province (see page 15).</p>	
Interest options	<ul style="list-style-type: none"> • Compound interest • Annual interest (not available on RRIF) 	<ul style="list-style-type: none"> • Monthly interest (not available on RRIF) <p>Only one interest type is available per contract.</p>
Investment options	<ul style="list-style-type: none"> • Daily interest investment • 30-364 days (not available on RRIF) • 1-5 years 	<ul style="list-style-type: none"> • 6-25 years (RRIF only) • Client-selected end date
Minimum investment	<ul style="list-style-type: none"> • \$250 contract • \$1,000 guaranteed interest investment 	<ul style="list-style-type: none"> • \$5,000 contract RRIF
Interest rates	<ul style="list-style-type: none"> • 45-day rate guarantee available 	
Withdrawals	<p>Term investments are not redeemable.</p> <ul style="list-style-type: none"> • Term investments may only be withdrawn at maturity. • Daily interest investment can be withdrawn at any time. 	
Investment term maturity action	<ul style="list-style-type: none"> • Short-term investments (less than 1 year) automatically reinvest to the same term. 	<ul style="list-style-type: none"> • 1- to 5-year investments roll to the daily interest investment.
Beneficiary	<ul style="list-style-type: none"> • RRSP/TFSA/RRIF – available in all jurisdictions except Quebec • Non-registered – not available 	
Deposit protection	<ul style="list-style-type: none"> • Provided by Canada Deposit Insurance Corporation (CDIC), up to CDIC deposit protection limit <p>For more information, visit cdic.ca</p>	
Creditor protection	<ul style="list-style-type: none"> • There may be creditor protection for RRSPs and RRIFs in bankruptcy situations and under some provincial legislation for other creditor situations. • TFSA and non-registered GICs don't have specific protection against creditors. 	
RRIF income	<p>Frequency</p> <ul style="list-style-type: none"> • Monthly or annually <p>Income types – subject to legislative minimum payment requirements</p> <ul style="list-style-type: none"> • Annual minimum • Level • Increasing income • No income • Interest only <p>Income payments are pro-rated across all terms.</p>	

Age of majority by province:

Province/Territory

Alberta	18	Nunavut	19
British Columbia	19	Ontario	18
Manitoba	18	Prince Edward Island	18
New Brunswick	19	Quebec	18
Newfoundland	19	Saskatchewan	18
Northwest Territories	19	Yukon	19
Nova Scotia	19		

Product information

Ownership details

Typically, on non-registered Sun GIC Max contracts, an individual is the owner. There are, however, other ownership options available:

a) Joint tenants with right of survivorship (JTWROS)

- The contract automatically transfers to the surviving owner and any interest credited prior to death is reported to the deceased and the surviving owner.
- Any interest credited after the date of death is taxed to the surviving owner.
- The T5 slip is issued in the names of the joint owners.
- This option is not available in Quebec.

b) Joint tenants in common (JTIC)

- The contract becomes the property of the estate of the deceased and the surviving owner.
- Any interest credited prior to death is taxed to the deceased and the surviving owner.
- Any interest credited after the date of death is taxed to the estate of the deceased and the surviving owner.
- We require a copy of the probated will if the value of the deceased owner's share of products with Sun Life is more than \$100,000.
- The T5 slip is issued in the names of the joint owners.

Beneficiary

In all provinces except Quebec, a beneficiary can be named on a Sun GIC Max with TFSA, RRSP or RRIF registration types. When the owner dies, the funds in a Sun GIC Max contract are paid directly to the beneficiary, avoiding unnecessary delays, probate and legal costs. Beneficiary designations aren't available for non-registered GIC products

Creditor protection

Non-registered and TFSA GICs don't have specific protection against creditors. There may be creditor protection for RRSPs or RRIFs in bankruptcy situations and under some provincial legislation for other creditor situations.

Don't forget...

- An annuitant can only be named on an insurance product (Superflex AA).
- GIC products do not have an annuitant.
- Locked-in registrations types such as LIRA/LIF are only available on our Insurance GIC* products: Superflex/Income Master.
- Non-registered GICs don't allow for beneficiary designations; it's therefore very important to ensure a Superflex application is completed if the Client wishes to have a beneficiary named for their non-registered funds.

TIP

GIC products can be corporately owned. The application form is the same; however, there are a few additional requirements. Completion of the Identity verification and third party determination for entity owners (4831), the Certificate of incumbency (4207), and the International tax classification for an entity (4545) forms are required along with the applicable corporate documents.

Deposit limits

- Subject to Sun Life limits, deposits may be made at any time and directed to any of the available investment terms.

Minimum amount

Sun GIC Max contract	\$250
Guaranteed interest investment	\$1,000
Sun GIC Max contract – RRIF	\$5,000

RRIF payment minimum – if full amount of legislated minimum hasn't been met, the balance is paid out on December 31 each year.

Sun GIC Max Applications

Available as a PDF, send completed application to servicenow@sunlife.com

- 810-3547 Application for Sun GIC Max or Guaranteed Investment Certificate (GIC): RSP/RIF or Non-registered
- 810-3548 - Application for Sun GIC Max or Guaranteed Investment Certificate (GIC): Tax-Free Savings Account

Interest rates and enhancements

- Interest is quoted on an effective annual basis for all interest types and guaranteed investment terms.
- Interest rates are subject to change at any time depending on market conditions and may change without notice.
- Once an investment is established, the interest rate is guaranteed and can't be changed.
- A 45-day rate guarantee (rate commitment) may be used to guarantee the current interest rate. This guarantee reserves a specific rate and doesn't guarantee "better of".

Note: You can request special enhancements for deposits/premiums of \$100,000 or more by calling the sales support team at **1-800-800-4SUN/4786** (select options 1, 2, 3).

*Insurance GICs are accumulation annuities issued by Sun Life Assurance Company of Canada.

DID YOU KNOW?

A non-redeemable investment provides a higher interest rate than a redeemable investment option because the Client is staying invested for the entire term. At the end of the term, the Client can withdraw or reinvest for another term.

Interest rate commitments for new applications

- A Client applying for a new contract may find a current interest rate attractive and wish to reserve that rate for an investment. In order to reserve a rate for up to 45 days for an investment in a new contract, contact us.

- Call **1-800-800-4786**,
- Request centre - [Commit rate for new application](#), or

We will confirm the rate by sending a confirmation email to be attached to the new application

- Fax or email the completed application: **1-866-487-4745**, servicenow@sunlife.com.
- Forward the original application to our office.

Note: If our current rate for the investment has increased by the date we receive the funds, we apply the rate established under the rate commitment and not the current higher rate.

Client-selected end dates (CSED)

- This option allows Clients to select the end dates of their guaranteed interest investments. This offers a Client flexibility and control over their money by allowing them to choose an end date that suits their needs, whether they're planning for an upcoming large purchase, a vacation, or just looking to have all of their money roll over each year on the same date.
- The interest rate will be interpolated in order to find the rate for the Client. Interpolation is calculated to the nearest .01%.

Withdrawals/transfers

- On guaranteed interest investments, early withdrawals aren't permitted.
- The Client can withdraw at any time from the daily interest investment. A market value adjustment (MVA) doesn't apply.
- All or part of a daily interest investment may be transferred into a new investment at any time. The amount transferred must meet the minimum amount required to open a new investment.
- If the contract is to remain in force, a minimum of \$250 must be left in the contract.

Limits and conditions

- A RRIF can only have up to 5 investments (plus a daily interest investment).
- Withdrawals aren't permitted on guaranteed interest investments.

RRIF income amount

- MVA doesn't apply to income payments.
- Income payments are pro-rated across all terms.

Termination and maturities

Termination

At any time when the contract value is less than \$250, Sun Life may terminate the contract. This applies to registered and non-registered Sun GIC Max contracts.

Investment maturity

- Money in any long-term (1 to 25 years) guaranteed interest investment is credited to the daily interest investment at maturity, unless investment instructions are provided before the investment matures.
- Money in any short-term Sun GIC Max (30 to 364 days) automatically renews at the maturity date into a new investment of the same term.

Contract maturity

The contract maturity date is the date the Sun GIC Max contract must terminate:

- For RRSP policies, this date is December 31 of the year the owner turns 71.
 - Guaranteed interest investments in the Sun GIC Max RRSP that mature after December 31 of the year the Client turns 71 must be transferred to a Sun GIC Max RRIF.
- For non-registered, TFSA and RRIF contracts, there is no contract maturity date.

Death benefit

Non-registered

- Beneficiary designations aren't allowed.
- For an individually held contract, the accumulated value on the date of death is paid to the owner's legal representative. The claimant must provide proof of the claim and the right to receive the benefit.
- For a jointly held contract with rights of survivorship, the Sun GIC Max becomes the sole property of the surviving owner. The surviving owner must provide proof of the death of the deceased owner. The option of joint tenants with rights of survivorship isn't available in Quebec.
- For a jointly held contract with tenants in common, the Sun GIC Max becomes the property of the surviving owner and the estate of the deceased owner. The personal representative of the deceased owner must provide proof of death and direction of any name changes. Probate may be required.

Registered retirement savings plan (RRSP) and registered retirement income fund (RRIF)

- Beneficiary designations are allowed in all jurisdictions except Quebec.
- On the death of the owner, the accumulated value on the date of death is paid to the named beneficiary or the owner's legal representative; in Quebec, it's paid to the estate of the deceased.
- Proof of claim and the right to receive the benefit must be provided.
- For a RRIF, if the owner elected their spouse to be the successor contractholder, then upon their death the spouse becomes the contractholder and has all rights under the plan. If a beneficiary has been named, the balance of the GIC is paid to them. If no beneficiary has been named, then the balance of the GIC is paid to the owner's estate.

Tax-free savings account (TFSA)

- Beneficiary designations are allowed in all jurisdictions except Quebec.
- At death, the Client's tax-free status ends and any investment growth or interest earned after the date of death is taxable. This tax is due at the end of the calendar year following the year of death.
- If the Client's spouse is the sole beneficiary, they have the option to either receive the death benefit or elect to continue the contract as successor planholder and exercise all rights, including the right to name a beneficiary.

Administration

Statements

Sun GIC Max statements are issued annually. We also produce a statement when a new contract is issued. It confirms the details of each investment opened with the initial premium.

A statement shows:

- current status of the investments,
- all investment values, and
- total contract value.

Taxation

Any interest accrued in a non-registered plan is taxable to the owner. At the beginning of a new calendar year, Sun Life issues a tax slip (T5) to the owner of the contract, reporting the interest accrued in the previous year.

The tax slip is issued in the name of the owner. It's not the responsibility of Sun Life to determine in whose hands the income is taxable. All information slips must record the social insurance number (SIN) of the person receiving the slip.

Tax receipts

As early as possible each year, Sun Life issues an RRSP receipt for each registered savings plan to which a new contribution has been made. The receipt shows the total contributions eligible to be deducted for the taxation year that ended the previous December 31. Separate receipts are issued for any contribution made during the first 60 days following the end of the taxation year. Receipts are not issued for transfers from other registered accounts or plans.

For questions involving receipts or tax slips, direct Clients to the Sun Life customer care centre at

1-877-SUN-LIFE (786-5433).

Money laundering – when do requirements apply?

Always verify the identity of Clients and find out whether any third parties are involved for all non-registered wealth products. This helps Sun Life and you to manage risk and comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and other relevant legislation/regulations.

SLF Trust GIC redeemable (Trust GIC)

SLF Trust GIC (issued by Sun Life Financial Trust Inc.) is a good choice for young savers, busy families, and those either nearing or enjoying retirement who want to minimize risk. The guaranteed interest means Clients aren't exposed to market fluctuations. The redeemability ensures they have access to their money should they need it. A market value adjustment (MVA) may apply to withdrawals if made prior to maturity.

Product at a glance

Registration types	<ul style="list-style-type: none"> • Non-registered • TFSA 	<ul style="list-style-type: none"> • RRSP/RRIF • Spousal RRSP/RRIF
Issue ages	<p>Owner</p> <ul style="list-style-type: none"> • RRSP – ages 18’ -71 • Non-registered, TFSA and RRIF – ages 18’+ *Or age of majority in the applicable province (see page 22). 	
Interest options	<ul style="list-style-type: none"> • Compound interest • Annual interest (not available for RRIF) 	<ul style="list-style-type: none"> • Monthly interest (not available for RRIF) Only one interest type is available per contract.
Investment options	<ul style="list-style-type: none"> • Daily interest investment • 30-364 days (not available for RRIF) • 1-5 years 	<ul style="list-style-type: none"> • 6-25 years (RRIF only) • Client-selected end date
Minimum investment	<ul style="list-style-type: none"> • \$250 contract • \$1,000 guaranteed interest investment 	<ul style="list-style-type: none"> • \$5,000 contract RRIF
Interest rates	<ul style="list-style-type: none"> • 45-day rate guarantee available 	
Withdrawals	<ul style="list-style-type: none"> • May be subject to market value adjustment (MVA) if cashed prior to maturity. • Daily interest investment can be withdrawn at any time without MVA. 	
Investment term maturity action	<ul style="list-style-type: none"> • Short-term investments (less than 1 year) automatically reinvest to the same term. • 1- to 5-year investments roll to the daily interest investment. 	
Beneficiary	<ul style="list-style-type: none"> • RRSP/TFSA/RRIF – available in all jurisdictions except Quebec • Non-registered – not available 	
Deposit protection	<ul style="list-style-type: none"> • Provided by Canada Deposit Insurance Corporation (CDIC), up to CDIC deposit protection limit For more information, visit cdic.ca 	
Creditor protection	<ul style="list-style-type: none"> • There may be creditor protection for RRSPs and RRIFs in bankruptcy situations and under some provincial legislation for other creditor situations. • Non-registered TFSA and GICs don’t have specific protection against creditors. 	
RRIF income	<p>Frequency</p> <ul style="list-style-type: none"> • Monthly or annually <p>Income types – subject to legislative minimum payment requirements</p> <ul style="list-style-type: none"> • Annual minimum • Level • Increasing income • No income • Interest only <p>Income payments are pro-rated across all terms.</p>	

Age of majority by province:

Province/Territory

Alberta	18	Nunavut	19
British Columbia	19	Ontario	18
Manitoba	18	Prince Edward Island	18
New Brunswick	19	Quebec	18
Newfoundland	19	Saskatchewan	18
Northwest Territories	19	Yukon	19
Nova Scotia	19		

Product information

Ownership details

Typically, on non-registered SLF Trust GIC contracts, an individual is the owner. There are, however, other ownership options available:

a) Joint tenants with right of survivorship (JTWROS)

- The contract is automatically transferred to the surviving owner and any interest credited prior to death is reported to the deceased and the surviving owner.
- Any interest credited after the date of death is taxed to the surviving owner.
- The T5 slip is issued in the names of the joint owners.
- This option is not available in Quebec.

b) Joint tenants in common (JTIC)

- The contract becomes the property of the estate of the deceased and the surviving owner.
- Any interest credited prior to the date of death is taxed to the deceased and the surviving owner.
- Any interest credited after the date of death is taxed to the estate of the deceased and the surviving owner.
- Probate is required if the value of the deceased owner's share of products with us is \$100,000 or more.
- The T5 slip is issued in the names of the joint owners.

Note: It's important to remember that GIC products don't have an annuitant.

Beneficiary

In all provinces, except Quebec, a beneficiary can be named on an SLF Trust GIC with TFSA, RRSP or RRIF registration. When the owner dies, the funds in an SLF Trust GIC contract are paid directly to the beneficiary, avoiding unnecessary delays, probate and legal costs. Beneficiary designations aren't available for non-registered GIC products.

Creditor protection

Non-registered and TFSA GICs don't have specific protection against creditors. There may be creditor protection for RRSPs and RRIFs in bankruptcy situations and under some provincial legislation for other creditor situations.

DID YOU KNOW?

Sun Life Financial Trust is a member of the Canada Deposit Insurance Corporation (CDIC), a Crown corporation designed to protect the money invested with member institutions. For more information visit cdic.ca or call **1-800-461-2342**.

Don't forget...

- An annuitant can only be named on an insurance investment product (Superflex/Income Master).
- GIC products don't have an annuitant.
- Locked-in registration types such as LIRA and LIF are only available on our Insurance GIC* products (Superflex/Income Master).
- Non-registered GICs don't allow beneficiary designations. It's therefore very important to ensure a Superflex application is completed if the Client wishes to have a beneficiary on their non-registered funds.

Deposit limits

- Deposits, subject to Sun Life limits, may be made at any time and directed to any of the available investment terms.

Minimum amount

Sun GIC Max contract	\$250
Guaranteed interest investment	\$1,000
Sun GIC Max contract – RRIF	\$5,000

SLF Trust GIC applications

Available as a PDF, send completed application to servicenow@sunlife.com

- 810-3547 Application for Sun GIC Max or Guaranteed Investment Certificate (GIC): RSP/RIF or Non-registered
- 810-3548 - Application for Sun GIC Max or Guaranteed Investment Certificate (GIC): Tax-Free Savings Account

Interest rates and enhancements

- Interest is quoted on an effective annual basis for all interest types and guaranteed investment terms.
- Interest rates are subject to change at any time depending on market conditions and may change without notice.
- Once an investment is established, the interest rate is guaranteed and can't be changed.
- A 45-day rate guarantee (rate commitment) may be used to guarantee the current interest rate. This guarantee reserves a specific rate and doesn't guarantee "better of".

Note: You can request special enhancements for deposits/premiums of \$100,000 or more by calling the sales support team at **1-800-800-4SUN/4786** (select options 1, 2, 3).

*Insurance GICs are accumulation annuities issued by Sun Life Assurance Company of Canada.

Interest rate commitments for new applications

- A Client applying for a new contract may find a current interest rate attractive and wish to reserve that rate for an investment. In order to reserve a rate for up to 45 days for an investment in a new contract, contact us.

- Call **1-800-800-4786**,
- Request centre - [Commit rate for new application](#), or

We will confirm the rate by sending a confirmation email to be attached to the new application

- Fax or email the completed application: **1-866-487-4745**, servicenow@sunlife.com.
- Forward the original application to our office.

Note: If our current rate for the investment has increased by the date we receive the funds, we apply the rate established under the rate commitment and not the current higher rate.

Client-selected end dates (CSED)

- This option allows Clients to select the end dates of their guaranteed interest investments.
- This offers a Client flexibility and control over their money by allowing them to choose an end date that suits their needs, whether they're planning for an upcoming large purchase, a vacation, or looking to have all of their money roll over each year on the same date.
- The interest rate is interpolated in order to find the rate for the Client. Interpolation is calculated to the nearest .01%.

Withdrawals/transfers

- A market value adjustment (MVA) may apply to withdrawals if processed prior to maturity of the investment term.
- The Client can withdraw all or part of an investment at any time.
- All or part of an investment may be transferred into a new investment at any time. The amount transferred must meet the minimum amount required to open a new investment.
- MVA doesn't apply to the daily interest investment.

Limits and conditions

- Minimum withdrawal is \$1000, subject to change.
- Unless the Client specifies the investment(s), the funds are withdrawn first from the daily interest investment and then from the investment closest to maturity.
 - For a RRIF, the MVA-free amount is withdrawn first and will be pro-rated across all terms.
- If the remaining investment balance doesn't meet the minimum, the funds are transferred to the daily interest investment.
- A RRIF can only have up to 5 investments (plus a daily interest investment).

RRIF income payment

- MVA doesn't apply to income payments.
- Income payments are pro-rated across all terms.

Market value adjustment (MVA)

The MVA formula is applied whenever funds are withdrawn from an investment before its maturity date and may result in a decrease in the value of the investment.

The MVA formula takes into account:

- the term – years and days – remaining to the end of the investment,
- the current basic interest rate in effect for an investment equal to the term remaining (rounded up to the next full year),
- the basic interest rate in effect in the existing investment, and
- an expense factor to recover upfront expenses and account for liquidity risk.

Termination and maturities

Termination

At any time when the contract value is less than \$250, Sun Life may terminate the contract. This applies to registered and non-registered SLF Trust GIC contracts.

Investment maturity

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The contract maturity date is the date the SLF Trust GIC contract must terminate:

- For RRSP policies, this date is December 31 of the year the owner turns 71.
- For non-registered, TFSA and RRIF policies, there's no contract maturity date.

Death benefit

Non-registered

- Beneficiary designations are not allowed.
- For an individually held contract, the accumulated value on the date of death is paid to the owner's legal representative (i.e. Estate). The claimant must provide proof of the claim and the right to receive the benefit.
- For a jointly held contract with rights of survivorship, the SLF Trust GIC becomes the sole property of the surviving owner. The surviving owner must provide proof of the death of the deceased owner. The option of joint tenants with rights of survivorship isn't available in Quebec.
- For a jointly held contract with tenants in common, the SLF Trust GIC becomes the property of the surviving owner and the estate of the deceased owner. The personal representative of the deceased owner must provide proof of death and direction of any name changes.

Registered retirement savings plan (RRSP) and registered retirement income fund (RRIF)

- Beneficiary designations are allowed in all jurisdictions except Quebec.
- On the death of the owner, the accumulated value on the date of death is paid to the named beneficiary or if there is no surviving beneficiary the owner's legal representative. In Quebec, it's paid to the estate of the deceased.
- Proof of claim and the right to receive the benefit must be provided.
- For a RRIF, if the owner elected their spouse to be the successor contractholder, then on their death the spouse becomes the contractholder and has all rights under the plan. If the spouse is not the successor contractholder and a beneficiary has been named, the balance of the GIC is paid to them. If no beneficiary has been named, then the balance of the GIC is paid to the owner's estate.

Tax-free savings account (TFSA)

- Beneficiary designations are allowed in all jurisdictions except Quebec.
- At death, the Client's tax-free status ends and any investment growth or interest earned after the date of death is taxable. This tax is due at the end of the calendar year following the year of death.
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Questions? We're here to help!

You can contact us in three different ways:

- For general inquiries call 1-800-800-4SUN (4786)
- Email servicenow@sunlife.com for general inquiries and investment renewal requests or servicedirect@sunlife.com (French requests)
- Mail: Sun Life Assurance Company of Canada, 227 King Street South, Waterloo, ON N2J 1R2

Clients can contact us directly by:

- Phone: 1-877-SUN-LIFE (786-5433)
- Mail: Sun Life Assurance Company of Canada, 227 King Street South, Waterloo, ON N2J 1R2

Clients need to include their policy number when corresponding with us.



For more information, contact your Wealth Sales Team or:

Visit [sunlifeglobalinvestments.com](https://www.sunlifeglobalinvestments.com) | Call **1-800-800-4786**

Sun Life Global Investments is a trade name of SLGI Asset Management Inc., Sun Life Assurance Company of Canada, and Sun Life Financial Trust Inc. Sun Life Assurance Company of Canada is the issuer of guaranteed insurance contracts, including Accumulation Annuities (Insurance GICs), Payout Annuities, and Individual Variable Insurance Contracts (Sun Life GIFs). Sun Life Financial Trust Inc. is the issuer of Sun GIC Max and Guaranteed Investment Certificates.

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