



Sun Life Share Account

including terms
and conditions

This booklet is for residents of Canada.

Life's brighter under the sun





This booklet contains information about your Sun Life common shares in the Share Account.

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General Information

A Share Account was established for eligible policyholders in Canada to hold the shares of Sun Life issued when Sun Life Assurance Company of Canada demutualized in March, 2000. If your shares are held in the Share Account, your shares are registered in the name of TSX Trust Company "TSX Trust" as the nominee who holds them on your behalf, and you would have received a Share Ownership Statement.

Former shareholders of Clarica Life Insurance Company who received a Share Ownership Statement at the time of the combination transaction between Sun Life and Clarica Life Insurance Company (May 2002) may also hold their shares in the Share Account for Canadian residents.

TSX Trust administers the Share Account in Canada and keeps a record of the number of shares held on your behalf in the account.

Canada

TSX Trust Company
Fax: 1-888-249-6189
Within Canada Tel: 1 877 224-1760 (English)
Outside Canada Tel: (416) 682-3865
Mon. to Fri. 8:30 am to 6:00 pm (Eastern Time)

sunlifeinquiries@tmx.com
<https://tsxtrust.com/sun-life>

Courier or Personal Delivery:

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c/o TSX Trust Company
1701 - 1190 Avenue des
Canadiens-de-Montréal
Montréal, Quebec
H3B 0G7

Mailing Address:

Sun Life Financial Inc.
c/o TSX Trust Company
P.O. Box 700
Station B
Montreal, Quebec H3B 3K3

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Share Selling Service

As a participant in the Share Account, you may sell your shares by using the Share Selling Service. You cannot buy additional shares through the service. The Share Selling Service is only available to residents of Canada who have shares in the Share Account. If you remove your shares from the Share Account or if you do not reside in Canada, you cannot use the Share Selling Service. TSX Trust administers the Share Selling Service. For more information on the Share Selling Service, see “Share Selling Service – Terms and Conditions” in Section 5.

How to sell your shares held in the share account

You can sell some or all of your shares held on your behalf in the Share Account.

To request the sale of your shares, you should tear off Form A found on the front of your Share Ownership Statement, complete the form and mail it to TSX Trust. *If you do not have a Share Ownership Statement contact TSX Trust to request a replacement.* You can also send a signed written request to TSX Trust

TSX Trust will not provide investment advice – you will have to make your own decision about whether to keep or sell your shares. TSX Trust can arrange the sale of your shares, you do not need to retain your own stock broker.

If shares are owned by more than one person, all shareholders who own the shares must authorize the sale in writing.

Corporations, trusts, estates (the representatives of a shareholder who has died), partnerships, legal guardians, holders of power of attorney and other entities wishing to sell the shares should contact TSX Trust for more information on other requirements that will apply.

Once you request that your shares be sold, you cannot cancel or change your request.

How your shares will be sold

Shares sold under the Share Selling Service will be pooled with the shares of other shareholders using the service and sold on The Toronto Stock Exchange through a stock broker. The shares may be sold on the next trading day after a share sale order is received provided that there is a sufficient number of other shares to be sold on that day. At a minimum, the shares will be sold within five business days after the sale order has been received and authenticated.

The price you will receive for your shares

Shares will be sold at the market price at the time your shares are sold. You will receive the weighted average price for all shares sold in your pool, less the transaction fees (described below) for use of the service. Because the Share Selling Service operates this way, you will not be able to dictate the exact date on which your shares are sold or the price at which they are to be sold.

The price of your shares could decrease or increase, and the value of your shares could change significantly, between the time you request a share sale and the time your shares are actually sold.

TSX Trust will mail you a cheque for the proceeds (in Canadian dollars) within four business days after your shares are sold.

Fees to sell your shares

The fee for each sale transaction is CAD\$15.00 plus CAD\$0.03/share and will be deducted from your sale proceeds. These fees are generally lower than what you would pay to sell your shares through a full service stock broker.

Sun Life is not subsidizing the costs of using the Share Selling Service.

Availability of the Share Account and Share Selling Service

Sun Life may close the Share Account or discontinue the Share Selling Service at any time. *If this happens, shareholders with shares in the Share Account will receive at least 90 days' notice and information about other options for holding their shares.*



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Transferring Your Shares to a Broker Account

If you transfer your shares to a broker account, you must transfer all of your shares held in the Share Account at the same time, and you will not be entitled to return to the Share Account or use the Share Selling Service.

The following explanation applies to individuals only. Corporations, trusts, estates (the representatives of a shareholder who has died), partnerships, legal guardians, holders of a power of attorney and other entities should contact their advisor for more information, documents and requirements that might apply.

You should be able to use your Share Ownership Statement as proof of ownership of your shares to transfer your shares to a broker account in Canada.

To transfer your shares to a broker account, tear off Form B found on the back of your Share Ownership Statement and complete it with the help of your advisor. *Contact TSX Trust if you do not have an ownership statement* (TSX Trust contact information is on page 3). You will also need

to get a signature guarantee. Visit TSX Trust's web site <https://www.tsxtrust.com/resource/en/96> to download the transfer form and learn more about signature guarantee. Once the form is completed, your advisor must send it to TSX Trust.

If you do not have an account with a broker, you will have to open one. There may be a fee to open an account. One of the benefits of transferring your shares to a broker account is that you can instruct the advisor to sell your shares at any time, either at the market price or at a price you specify.

TSX Trust will not charge you a fee for transferring your shares to a broker account.

TSX Trust will process all completed requests to transfer shares to a broker account within two business days after receiving the request. Transfers which require further documentation may take longer to process.



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Requesting a DRS Statement

You may remove your shares from the Share Account and obtain a DRS Statement at any time. Sun Life issues shares through the Direct Registration System (DRS). If you request a DRS Statement, it must be for all of your shares – you cannot keep a portion of your shares in the Share Account. We remind you that if you remove your shares from the Share Account, you will not be entitled to return to the Share Account or use the Share Selling Service.

How to request a DRS Statement from a share account

If you are an individual, you can request a DRS Statement in writing by mail, scanned signed letter via email, or fax. If shares are owned by more than one person, all owners must request a DRS Statement in writing by mail, scanned signed letter via email, or fax.

Corporations, trusts, estates (the representatives of a shareholder who has died), partnerships, legal guardians, holders of a power of attorney and other entities wishing to request a DRS statement should contact TSX Trust for more information as additional requirements will apply.

Fees for obtaining a DRS Statement

There is no fee for obtaining a DRS Statement from the Share Account.

Advantages of holding a DRS Statement

- can be replaced at any time, no cost involved
- easy process to transfer shares to a broker account



Share certificates

If you would like a share certificate, you should mail a written request to TSX Trust. In order for the request to be valid, it must be signed by you and by any other owners of the shares.

TSX Trust will mail your share certificate within two business days after receiving your request.

Disadvantages of holding a share certificate

Most Canadian investors do not hold share certificates of companies listed on stock exchanges. The main reasons are:

- the steps required to sell shares using a share certificate,
- and
- the inconvenience and cost involved to replace it if you lose it.

If you have a share certificate and you would like to sell your shares, you must deliver the certificate, together with any other required documents, to your broker and arrange for your broker to sell your shares. If you do not have an account with a broker, you will have to open one. There may be a fee to open an account.



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Share Selling Service Terms and Conditions

The following are the terms and conditions upon which you agree to sell your shares using the Share Selling Service in Canada (the "Service") arranged by Sun Life Financial Inc. ("the Corporation").

1. Operation of the Service

The Service is operated by TXS Trust Company ("TXS Trust"). The Corporation has authority, in consultation with TXS Trust, to interpret these terms and conditions and, from time to time, to formulate administrative provisions for the implementation and operation of the Service.

Only common shares held in the Canadian Share Account with TXS Trust may be sold under the Service.

The Corporation, Sun Life Assurance Company of Canada, TXS Trust and their respective employees, representatives and agents will not provide investment or tax advice or recommendations of any kind to shareholders. *Before deciding to sell your shares, you may want to seek advice from a financial, tax or other professional advisor.*

2. Eligibility to Use the Service

The Service may only be used by shareholders resident in Canada who (i) hold the Corporation's common shares in the Share Account established by the Corporation when Sun Life Assurance Company of Canada demutualized or (ii) are former shareholders of Clarica Life Insurance Company who became shareholders of the Corporation as a result of the combination transaction between the Corporation and Clarica Life Insurance Company in May 2002. These former shareholders of Clarica Life Insurance Company received a Share Ownership Statement in June 2002.

You will no longer be eligible to use the Service if you sell all your shares, transfer all your shares to a stock broker or their nominee or transfer ownership of all your shares to someone else, or request a DRS statement for your shares. If you are no longer a resident of Canada, you will not be eligible to use the Service.

3. Share Sale Requests

You must instruct TSX Trust to sell your shares in writing (using Form A attached to your Share Ownership Statement or another written form of share sale request).

TSX Trust will arrange to sell your shares through a broker on a stock exchange.

You may sell all or a part of your shares when you request a share sale under the Service. After you have requested a share sale, you cannot change or cancel your request. You may sell any of your remaining shares in the Share Account in one or more separate transactions under the Service.

To request the sale of your shares, tear off Form A attached to your Share Ownership Statement and complete, sign and mail it to TSX Trust as indicated on the form.

You may also deliver another form of written share sale request which must include your name, complete address, social insurance number, Shareholder Account Number (found on your Share Ownership Statement) and the number of shares you wish to sell.

In order for a written share sale request to be properly completed, it must be signed by you and by all other shareholders, as shown on the front of your Share Ownership Statement. The signature on the request received by TSX Trust must be an original. Accordingly, shareholders must mail or deliver their requests to sell shares. Requests to sell shares by fax or by e-mail will not be accepted.

4. Authenticating Share Sale Requests

TSX Trust will authenticate share sale requests. In order to confirm that a share sale request is valid, TSX Trust will require additional documentation from certain types of shareholders using the Service, including corporations, trusts, estates, partnerships, holders of a power of attorney and legal guardians. Details are available from TSX Trust. In addition, TSX Trust may request other information to authenticate a share sale request.

TSX Trust reserves the right to reject any share sale request, and will reject any request which has not been authenticated to AST's satisfaction.

5. Processing of Share Sale Requests

TSX Trust will pool all authenticated share sale requests it receives, and an order to sell those shares will be

transmitted to the designated securities broker.

Shares will be sold on a pooled basis. ***After the order is received and authenticated, the shares for any share sale request may be sold on the next trading day provided that there are a sufficient number of other shares to be sold on that day. At a minimum, shares will be sold within five business days of receipt and authentication of a share sale request with respect to those shares.***

For the purpose of these terms and conditions, share sale requests received on a day that is not a business day will be deemed to have been received on the next day that is a business day.

Your shares will not be sold if:

- (a) normal trading is suspended on a stock exchange on which the shares are listed; or
- (b) normal trading is disrupted on a stock exchange on which the shares are listed and TSX Trust has been advised by a broker that the market disruption could have a material adverse effect on the ability to sell shares or on the selling price.

Once the suspension of trading or market disruption has ceased, your shares will be sold.

6. Price

Shares will be sold at the market price. You will receive the weighted average price for all shares sold in your pool, less transaction fees charged for the use of the Service. You may receive a higher or lower price when your shares are sold in a pool than if your shares were sold individually through a stock broker.

7. Fees

For each share sale request, TSX Trust will deduct a transaction fee. These fees are subject to change without notice. Contact TSX Trust to request information about the applicable fees.

8. Payment of Proceeds

TSX Trust will issue and mail a cheque in Canadian dollars for the net proceeds from the sale of your shares. The cheque will be issued in the name of the shareholder or shareholders appearing on TSX Trust's records.

TSX Trust will mail proceeds of sale cheques to the address of the shareholder(s) on TSX Trust's records within four business days of the sale of the shares. The information listed on or accompanying a cheque will

include the number of shares sold, the price received per share, the total proceeds of the transaction, the fees charged for the sale of the shares and the net proceeds.

9. Requesting a Replacement Share Ownership Statement

If you have lost your Share Ownership Statement and would like a replacement you must write to TSX Trust by mail and request one. Please provide your Sun Life Financial shareholder account number which is located on the stub of your dividend cheque.

10. Change of Terms and Conditions of the Service

Subject to clause 7 of these terms and conditions, the Corporation and TSX Trust reserve the right to change the terms and conditions of the Service at any time. If the Corporation determines that a change is not material, you will not receive notice of the change. If it determines that a change is material, TSX Trust or the Corporation will send you notice (at your address as recorded in AST's records) at least 15 days in advance of the change. The Corporation will determine, in its sole discretion, whether a change is material.

The terms and conditions of the Service may be amended without notice to you to make any change required by law, a regulatory body or a stock exchange on which the Corporation's shares are listed.

Any amended version of these terms and conditions will be available from TSX Trust.

11. Termination of the Service

The Corporation may terminate the Service at any time. Notice of termination of the Service will be mailed to shareholders eligible to use the Service at least 90 days prior to the termination date.

The Corporation may terminate the Service at any time without notice to you if it determines that the operation of the Service is not in compliance with applicable laws or rules of any stock exchange on which the Corporation's shares are listed or other regulatory body.

12. Agreement to Other Terms and Conditions

By using the Service to sell your shares, you:

- (a) acknowledge that you have no recourse against the Corporation, Sun Life Assurance Company of Canada, TSX Trust or any broker, and their

respective directors, employees, representatives or agents, for any reason, including failure to sell your shares;

- (b) acknowledge that you cannot change or cancel a share sale request once made;
- (c) acknowledge that none of the Corporation, Sun Life Assurance Company of Canada, TSX Trust or the broker executing the sale of your shares has provided you with any investment or tax advice concerning your decision to sell your shares, or is obligated to provide any such advice;
- (d) acknowledge that it is likely that your shares will not be sold on the same day on which your share sale request is received by TSX Trust;
- (e) if sales orders pooled are not executed in full on a trading day, the remainder will be sold as soon as reasonably practicable thereafter and proceeds will be distributed on a weighted average basis for all shares sold as part of the original pool;
- (f) agree that TSX Trust may determine at any time whether any share sale request made in writing has been properly completed and constitutes a valid authorization to sell shares under the Service and TSX Trust may also determine to accept an incomplete share sale request;
- (g) ***acknowledge that you are aware that the price of shares can decrease or increase and the value of your shares could change significantly between the time you request a share sale and the time when the shares are actually sold for you and you acknowledge that, even if the share price changes significantly, your shares will still be sold, unless TSX Trust does not place the sale request due to a suspension or disruption referred to in clause 5 of these terms and conditions. Once the suspension or disruption has ceased, your shares will be sold;***
- (h) release, and acknowledge that you have no recourse against, the Corporation, Sun Life Assurance Company of Canada, TSX Trust or any broker, and their respective directors, employees, representatives or agents, from and for any claims relating to the price at which your shares were sold under the Service;

- (i) acknowledge that all cheques, statements and other documents, as well as notices, sent to you under these terms and conditions will be sent to you by mail (or another method in the Corporation's discretion) at your risk at the address in TSX Trust's records;
- (j) acknowledge that it is your responsibility to keep your address up to date with TSX Trust;
- (k) acknowledge that these terms and conditions may be amended in accordance with clause 10 of these terms and conditions; and
- (l) acknowledge your understanding of the other aspects of the Service as described in these terms and conditions.

The terms and conditions of the Service are governed by and will be interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable in Ontario.