



EMPLOYEE BENEFITS

2016 DI Policy of Incorporation

Annotated Sample

SUN LIFE ASSURANCE COMPANY OF CANADA

Executive Office:
One Sun Life Executive Park
Wellesley Hills, MA 02481

(800) 247-6875
www.sunlife.com/us

Policyholder:	2016 DI Sample
Policy Number:	15-GP-01
Policy Effective Date:	April 1, 2017
Issue State:	Massachusetts

READ YOUR POLICY CAREFULLY.

We agree to provide the rights and benefits of this Policy according to its conditions and provisions. This Policy provides benefits for the following:

Basic Short Term Disability Income Insurance
Basic Long Term Disability Income Insurance

This Policy is issued to the Policyholder shown above in consideration of the Policyholder's application and payment of premiums. The Policyholder must pay premiums to Sun Life Assurance Company of Canada at its U.S. Headquarters or at another location chosen by us. The first premium is due on the effective date. Subsequent premiums are due on the first day of each month ("Premium Due Date").

This Policy is delivered in and governed by the laws of the Issue State shown above, unless otherwise preempted by the federal Employee Retirement Income Security Act ("ERISA"), where applicable.

Signed at Wellesley Hills, Massachusetts.

Dean A. Connor
President and Chief Executive Officer

Brigitte K. Catellier
Vice-President, Associate General Counsel and
Corporate Secretary

GROUP INSURANCE POLICY
Non-Participating



The Policy of Incorporation (POI) houses all of the rules and requirements that focus on the interaction between Sun Life Financial and our Policyholder. Every Sun Life Financial policy will have at least one POI supporting each Certificate of Insurance (COI); sometimes there will be more.

2016 DI POI Sample policy

This is a sample 2016 Disability Sample policy. Actual benefits are those requested by the employer and may vary by state. Other options are available.

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1. INCORPORATION PROVISIONS

The following are incorporated in and made part of this Policy:

- any Policy amendments, endorsements or riders;
- the application of the Policyholder;
- the certificate(s); and
- any certificate amendments, endorsements or riders.

This Policy is the entire contract.

The certificate(s) and/or any certificate amendments, endorsements or riders include but are not limited to the following provisions that apply to the Employees of the Policyholder:

- benefit amounts and maximum limits;
- eligibility and effective date provisions;
- benefit plan provisions;
- termination provisions;
- exclusions and limitations; and
- other certificate provisions pertaining to state insurance requirements or that are related to the benefits provided under the certificate(s).

Premium Rates

Our rates do not change during the rate guarantee period, unless there is a change to benefits or to the number of employees covered by the policy.

2. PREMIUMS

Payment of Premiums

The premiums due under this Policy on each Premium Due Date are based upon the premium rates in effect for the benefits provided. The premiums due are the sum of the monthly premiums for all persons insured for all benefits.

Premiums payable to us will be paid in United States dollars on the Premium Due Date.

The premium for additional or increased insurance becoming effective during a Policy month will be charged from the next Premium Due Date.

The premium for insurance terminated during a Policy month will cease at the end of the Policy month in which such insurance terminates.

Premium Rates

We determine initial or any subsequent monthly premium rates on the basis of the insurance being provided. After the initial monthly premium rates have been in effect for 24 months from January 1, 2017, we have the right to recalculate any premium rate. However, we have the right to recalculate the initial or any subsequent monthly premium rate when any of the following occurs:

- the terms or benefits of this Policy are changed;
- a new division or subsidiary or affiliated Company is added to or deleted from this Policy;
- the number of Employees covered under this Policy or a benefit changes by more than 25% from the number on the Policy Effective Date or any anniversary of the Policy Effective Date thereafter; or
- one or more classes are added to or deleted from this Policy.

We will provide written notification of any increases in the premium rates to the Policyholder at least 31 days prior to the effective date of the increase. Premium rate increases may take effect on an earlier date when both the Policyholder and we agree.

Grace Period

The grace period means the 31 day period of time following the Premium Due Date during which premium payment may be made. If the Policyholder does not pay the required premium before the end of the grace period, this Policy will automatically cease at the end of the grace period. If the Policyholder gives us advance written notice that this Policy will cease on an earlier date, then this Policy will cease on that date; but no such termination will take effect during any period for which the required premium has been paid to us.

The Policyholder is responsible for the premium that is due during that part of the grace period that the insurance remains in force or the entire grace period if written notice is not received prior to the end of the grace period.

Premiums

3. TERMINATION

Termination of Benefit Provision

A benefit provision made part of this Policy will terminate for any of the following reasons:

The Policyholder may terminate a benefit provision by advance written notice delivered to us at least 31 days prior to the termination date. The benefit provision will not terminate during any period for which premium has been paid. The Policyholder will be liable to us for all premiums due and unpaid for the full period that the benefit provision is in force.

We may terminate a benefit provision on any Premium Due Date by giving written notice to the Policyholder at least 31 days in advance if the Policyholder fails to promptly furnish any information we may reasonably require.

We may terminate any benefit provision on any policy anniversary by giving written notice to the Policyholder at least 31 days in advance if:

- less than 100% of all Eligible Employees are insured for Basic Short Term Disability Income Insurance;
- less than 100% of all Eligible Employees are insured for Basic Long Term Disability Income Insurance; or
- the number of insured Employees for that benefit is less than 10.

Termination of a benefit provision may take effect on an earlier date when both the Policyholder and we agree.

Termination of benefit

This section describes when and how provisions or entire benefits may end. Participation requirements vary, based on specific contribution provisions.

Termination of Policy

This Policy will terminate on the earliest of:

- the last day of the grace period if premiums remain unpaid;
- the termination date requested by the Policyholder in writing but no earlier than the last date for which premium has been paid;
- the date that we specify in advance written notice to the Policyholder. We may give this notice at any time, but not less than 31 days in advance of such date. Occasions on which we may give this notice include but are not limited to:
 - at any time when the Policyholder fails:
 - to furnish promptly any information that we may reasonably require; or
 - to perform any other obligations pertaining to this Policy;
 - at any time when the Policyholder ceases to qualify for insurance coverage under this Policy in accordance with our then current standard underwriting rules and practices.
- any date the Policyholder does not have at least 10 Employees insured under this Policy; or
- any date the Policyholder is not actively engaged in the business that we agreed to insure.

We have the right to terminate this Policy on the policy anniversary after we give the Policyholder at least 60 days notice of our intent to terminate.

Once this Policy terminates, the insurance it provides will end automatically.

Termination of policy

This section describes when the policy ends.

4. GENERAL PROVISIONS

Agency

For all purposes of this Policy, the Policyholder or Employer acts on its own behalf or as an agent of the Employee. Under no circumstances will the Policyholder or Employer be deemed an agent of Sun Life Assurance Company of Canada.

Certificate of Insurance

We will provide the Policyholder with a certificate of insurance to be given to each Employee. The certificate will explain the important features of this Policy and to whom we will pay benefits.

Incontestability

The validity of this Policy shall not be contested, except for nonpayment of premium or fraud, after it has been in force for two years from the Policy Effective Date.

Information We May Need

The Policyholder and the Employer must give us, on our forms, any information that we may need to compute premiums, provide insurance coverage and keep records. Such information as to any individual will be binding upon that individual, and we will rely on it as such. At all reasonable times while this Policy is in force and until we resolve all rights and duties under it, we can inspect any of the Policyholder's or Employer's records that would, in our judgment, have any effect on the insurance provided under this Policy.

Insurer's Authority

Sun Life has discretionary authority to make all final determinations regarding claims for benefits under this Policy. This discretionary authority includes, but is not limited to, the right to determine eligibility for benefits and the amount of any benefits due, and to construe the terms of the Policy.

Any decision made by us in the exercise of this authority, including review of a denial of benefit, is conclusive and binding on all parties. Any court reviewing such a decision shall uphold it unless the claimant proves that it was arbitrary and capricious.

Policy Changes

This Policy may be changed in whole or in part. Only an officer of Sun Life Assurance Company of Canada is authorized to make a change which must be endorsed on or attached to this Policy.

Any other person, including an agent, may not change this Policy or waive any part of it.

Statements

All statements made in any Application are considered representations and not warranties. No representation by the Policyholder in applying for this Policy will render it void unless the representation is contained in the Application.

No representation by any Employee in applying for insurance under this Policy, will be used to reduce or deny a claim unless a copy of the Employee's written application for insurance is or has been given to the Employee or the Employee's beneficiary, if any.

Time Periods

For the purpose of effective dates and termination date under the Policy, all days begin at 12:00 midnight and end at 11:59:59 PM at the Policyholder's location.

Workers' Compensation

This Policy is not in lieu of, and does not affect, any requirement for coverage by Workers' Compensation Insurance.

Certificate of Insurance

The Certificate of Insurance (COI) is a separate document which contains all of the plan design features and benefit details for each line of coverage in-force under the Policy.

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Group insurance policies are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) in all states, except New York, under Policy Form Series 16-DI-C-01 and 15-GP-01. Product offerings may not be available in all states and may vary depending on state laws and regulations. The group insurance policies described in this advertisement provide disability income insurance only.

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SLPC 28363 05/17 (exp. 05/19)