

A Demand Loan Split Dollar Arrangement



Prepared for Mr. Client
Prepared by Summit Alliance Financial
14785 Preston Road, Suite 1000
Dallas, TX 75254

©2007 Sun Life Assurance Company of Canada. All rights reserved. Sun Life Financial and the globe are registered trademarks of Sun Life Assurance Company of Canada.

Not FDIC/NCUA insured. May lose value. No bank/credit union guarantee.
Not a deposit. Not insured by any federal government entity.



Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

NOTE: In April 2007, the IRS released Notice 2007-34, specifically addressing the application of the Section 409A deferred compensation rules to split dollar arrangements. The IRS has taken the position that most split dollar arrangements do not fall within the purview of Code Section 409A. The only split dollar arrangements that may have a deferred compensation component are the "equity" ones, and those are subject to the 409A rules. The three types of split dollar arrangements identified in the Notice as subject to Section 409A are:

- 1) Endorsement Equity Plans that give the insured current or future access to the cash value of the policy;
- 2) Collateral Assignment Equity Plans that provide a portion of the policy cash value to the insured upon termination of the arrangement; and
- 3) Loan Regime Plans that contain an agreement to forgive employer advances or to charge less than a "market rate of interest".

Split Dollar is a technique that provides for a sharing of the cost of an employee benefit between the employee and the employer. The terms or the interests of the parties are set out in a split dollar agreement, and a collateral assignment, a loan arrangement or the beneficiary designation in the case of endorsement split dollar, distributes the interests between the parties for the duration of the agreement. Like other non-qualified employee benefit plans, split dollar allows the employer to choose who participates and at what level of benefits. The employee receives death benefit protection for family and, depending on the plan design, may have access to some cash values in the policy. The business can arrange for full cost recovery under the terms of the split dollar agreement.

Sarbanes-Oxley Act of 2002: Split Dollar arrangements may be affected by the Sarbanes-Oxley Act of 2002 which prohibits the extension of credit by public companies to their directors and executive officers. It is recommended that you consult you legal and tax advisors for more information.

Uses of Split Dollar

Fringe Benefit: Split dollar is most often used as a method to fund a fringe benefit. By providing some of the funds needed for an employee to have substantial death benefit protection for family members, the employer is providing a valuable form of additional compensation.

Funding a Cross Purchase Buy Sell: Split dollar can provide cost recovery to the business of funding the plan. Cross owned policies can be used to facilitate the business buy sell plan.

Shareholder Benefit: A shareholder can use split dollar as a technique to finance life insurance protection while avoiding the dividend treatment required when funding for other forms of insurance provided by the corporation.

Alternative to a "Salary Continuation" Plan for the Spouse: Split dollar can be more tax efficient than deferred compensation plans in providing post death income to a surviving spouse. The benefits paid under a deferred compensation plan are included in the employee's estate and are income taxable to the recipient. When the split dollar arrangement is properly structured, the benefit paid to the spouse can be income tax free and estate tax free.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
Software Version 2.8.1

Texas
Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada
An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Types of Split Dollar Plans and their Taxation

***NOTE:** IRS Final Regulations on Split Dollar arrangements were published on September 13, 2004. The regulations require the parties to a split-dollar life insurance arrangement to be taxed under one of two "mutually exclusive regimes": the Economic Benefit Regime or the Loan Regime. Under the Economic Benefit Regime, the premium payments by the employer result in taxable "economic benefits" to the employee. Under the Loan Regime, premium payments by the employer are treated as a series of interest bearing loans to the employee.*

Non-Equity Collateral Assignment Split Dollar is an arrangement wherein the key employee owns the life insurance policy and the employer advances premiums for the benefit of the employee (or a third party owner such as the employee's ILIT or spouse). The policy owner collaterally assigns the policy cash value to the employer. At termination of the arrangement, the employer is typically repaid the greater of premiums advanced or cash value in the contract. The assignment is released, resulting in full policy ownership by the employee.

Taxation: During the course of the arrangement, the employee pays income tax on the economic benefit associated with the life insurance benefit received. The taxable benefit is not deductible by the employer. The employee may contribute a portion of the premium payment equal to the economic benefit rather than be taxed on it. If the life insurance policy is owned by a third party (e.g., an ILIT or spouse), the employee will be deemed to have made a gift of the economic benefit or premium payment to the third party owner. If the gift is a "future interest" gift, the employee will be required to file a gift tax return.

Endorsement Split Dollar is an arrangement wherein the employer owns a life insurance policy on the life of a key employee. Typically, the employer endorses some or all of the death benefit to the employee for pre-retirement death benefit protection for the employee's beneficiaries in the event the employee dies while employed. At retirement of the key employee, the endorsement is terminated.

Taxation: The employee is taxed annually on the economic value associated with the life insurance benefit received. The measure of the economic benefit is provided in IRS Table 2001. The taxable benefit is not deductible by the employer.

Loan Regime Split Dollar is an arrangement wherein the key employee (or a third party like the employee's ILIT or spouse) is the owner of the life insurance policy on the employee's life and the employer advances premium payments. The advances are considered to be loans to the employee, secured by the policy for repayment to the employer.

Taxation: In a below-market rate loan under IRC §7872, interest income is imputed to the employee, who pays tax on the interest income. The imputed interest income is usually a deductible expense for the employer. At the death of the employee, the death benefit to the named beneficiary(ies) is income tax free and, if structured properly, may be estate tax free.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
Software Version 2.8.1

Texas
Form #UL-SCOLI-07 CVAT GI

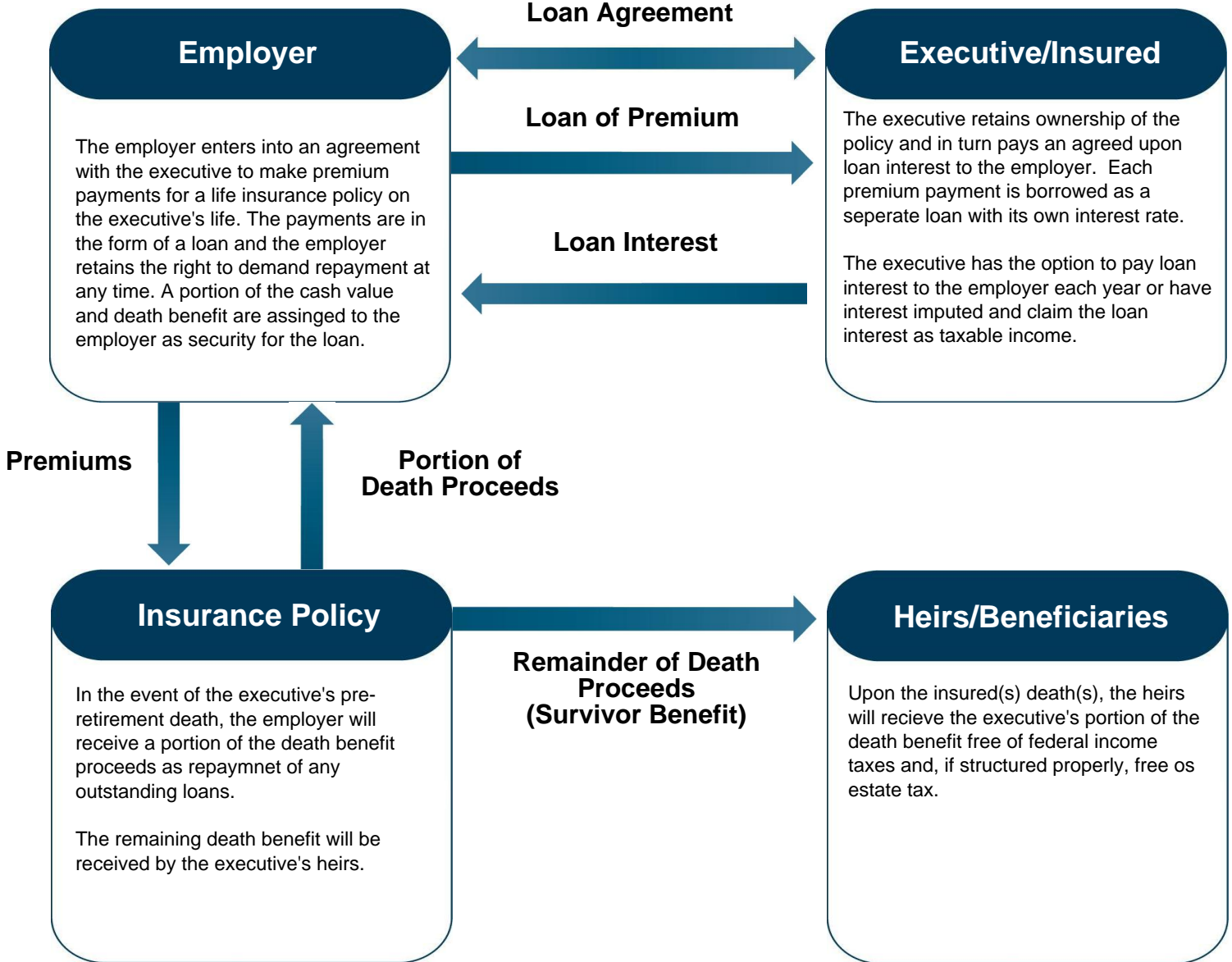
Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Demand Loan (How it works)



Loan Repayment: At the earlier of termination of the split dollar arrangement or the executive's retirement/separation from service, the employer is entitled to repayment of any outstanding loans. The executive may access the cash value and/or other assets to repay the loans.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
Software Version 2.8.1

Texas
Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada
An Illustration of Sun Executive UL Life Insurance (2009)

Client Name	: Mr. Client	Specified Face Amount:	\$449,367
Age/Sex/Class	: 50/Male/Standard Non-Tobacco	Death Benefit Option:	B to A in Year 11
First Payment	: \$25,000.00	Premium Frequency:	Annual

Benefits to the Employer

Employee retention: A selective and additional fringe benefit makes it easier to recruit and retain employees.

Simplicity: Filing and reporting requirements are minimal.

Flexibility: The employer can vary benefits among participants allowing for individually designed incentive programs to meet the needs of both the business and the executive.

Cost recovery: If the employee dies during the term of employment or if the plan is terminated prior to employee's death, the employer is paid the amount of any outstanding loans from death proceeds or the cash value.

Benefits to the Executive

Life insurance protection: Current life insurance protection is provided at a reasonable cost and is received by heirs free of federal income tax and, if properly structured, free of estate tax.

Flexible design: The plan can be tailored to meet each key employee's individual needs.

Gift tax leverage: Through the use of annual exclusions.

Insurability is protected: The policy provides a hedge against future health deterioration.

Valued service: The benefit recognizes the value of the employee to the employer.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
Software Version 2.8.1

Texas
Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada
An Illustration of Sun Executive UL Life Insurance (2009)

Client Name	: Mr. Client	Specified Face Amount:	\$449,367
Age/Sex/Class	: 50/Male/Standard Non-Tobacco	Death Benefit Option:	B to A in Year 11
First Payment	: \$25,000.00	Premium Frequency:	Annual

Exit Strategies for Split Dollar Plans

Each time a split dollar agreement is entered into by an executive and employer, an exit strategy should be considered. Termination, or "roll-out", of a split agreement works best when it is planned for at the outset. The planning must incorporate how the employer is repaid its advances, and how the policy will be funded on an ongoing basis. Problems will occur when there is inadequate value to carry out these objectives. Keep in mind the basic rule is that when a split dollar plan is terminated, if the employer passes to the employee something of value to which it is entitled, the employer will be entitled to a deduction for the amount given up and the executive will include a corresponding amount as ordinary income in the year received. (IRC § 83).

Examples

1. Endorsement Split Dollar: At executive's retirement, if the employer terminates the agreement and transfers the policy to the executive, the employer would deduct the amount of the cash value of the policy transferred (keeping an amount equal to its premiums paid if previously agreed to), and the executive would include the net cash value in his/her ordinary income that year. If value is transferred to the employee, the split dollar agreement may be subject to Code Section 409A Final Regulations. Care must be taken that there is adequate value to carry the policy forward or another means of funding is arranged for.

2. Loan Regime Split Dollar: Executive pays back loans to employer. Care must be taken that there is adequate value to pay back the loans and to fund the policy on an ongoing basis. It may be necessary to arrange for collateral planning techniques (i.e. GRAT with remainder interest going to the owner of the policy) to fulfill the purpose of the insurance. No further tax consequence to the executive unless some or all of the loan is forgiven. Forgiveness would result in ordinary income tax to the executive on the amount forgiven in the year received. If the loan is forgiven, the split dollar agreement may be subject to Code Section 409A Final Regulations.

3. Non-Equity Collateral Assignment: The premiums advanced as well as any equity in the contract belong to the employer. Therefore on a termination of the agreement another source of funding must be planned for if the employee intends to continue the policy, since there will no longer be any cash. If the employer transfers its interest in the policy to the employee upon termination of the arrangement, the employee would include the value in ordinary income and the employer would deduct the amount.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
Software Version 2.8.1

Texas
Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
 Age/Sex/Class : 50/Male/Standard Non-Tobacco
 First Payment : \$25,000.00

Specified Face Amount: \$449,367
 Death Benefit Option: B to A in Year 11
 Premium Frequency: Annual

Summary Presentation - Section 7872 Demand Loans

Employer Tax Bracket: 34.00%

Employee Tax Bracket: 35.00%

Yr	Age	Policy Outlay	Employer							Executive		
			Annual Employer Loan	Bonus Paid	Net Tax Impact	After-Tax Annual Outlay	Cumulative Loan	Net Cash Surrender Value	Net Death Benefit	Net Annual Outlay	Net Cash Surrender Value	Net Death Benefit
1	51	25,000	25,000	263	-89	25,173	25,000	24,501	25,000	92	0	448,868
2	52	25,000	25,000	525	-179	25,347	50,000	49,419	50,000	184	0	448,786
3	53	25,000	25,000	788	-268	25,520	75,000	74,933	75,000	276	0	449,300
4	54	25,000	25,000	1,050	-357	25,693	100,000	100,000	100,000	368	921	450,288
5	55	25,000	25,000	1,313	-446	25,866	125,000	125,000	125,000	459	2,196	451,563
6	56	25,000	25,000	1,575	-536	26,040	150,000	150,000	150,000	551	3,548	452,915
7	57	25,000	25,000	1,838	-625	26,213	175,000	175,000	175,000	643	3,324	452,691
8	58	25,000	25,000	2,100	-714	26,386	200,000	200,000	200,000	735	9,634	459,001
9	59	25,000	25,000	2,363	-803	26,559	225,000	225,000	225,000	827	17,398	466,765
10	60	25,000	25,000	2,625	-893	26,733	250,000	250,000	250,000	919	26,699	476,066
Total		250,000	250,000	14,438		259,529				5,053		
11	61	0	0	2,625	-893	1,733	250,000	250,000	250,000	919	39,501	476,066
12	62	0	0	2,625	-893	1,733	250,000	250,000	250,000	919	52,875	476,066
13	63	0	0	2,625	-893	1,733	250,000	250,000	250,000	919	66,869	476,066
14	64	0	0	2,625	-893	1,733	250,000	250,000	250,000	919	81,415	476,066
15	65	0	0	250,000	0	-85,000	0	0	0	0	254,408	638,566
16	66	0	0	0	0	0	0	0	0	0	265,279	638,566
17	67	0	0	0	0	0	0	0	0	0	276,564	638,566
18	68	0	0	0	0	0	0	0	0	0	288,303	638,566
19	69	0	0	0	0	0	0	0	0	0	300,337	638,566
20	70	0	0	0	0	0	0	0	0	0	312,716	638,566
Total		250,000	250,000	274,938		181,459				8,728		
21	71	0	0	0	0	0	0	0	0	0	325,558	638,566
22	72	0	0	0	0	0	0	0	0	0	338,860	638,566
23	73	0	0	0	0	0	0	0	0	0	352,686	638,566
24	74	0	0	0	0	0	0	0	0	0	366,825	638,566
25	75	0	0	0	0	0	0	0	0	0	381,363	638,566
26	76	0	0	0	0	0	0	0	0	0	396,395	638,566
27	77	0	0	0	0	0	0	0	0	0	412,022	638,566
28	78	0	0	0	0	0	0	0	0	0	428,359	638,566
29	79	0	0	0	0	0	0	0	0	0	445,430	638,566
30	80	0	0	0	0	0	0	0	0	0	463,389	638,566
Total		250,000	250,000	274,938		181,459				8,728		

The assumed loan rate is 3.00%. The assumed Applicable Federal Rate is 0.69%.

The arrangement being illustrated is a 7872 Demand loan and is regulated by the Internal Revenue Service Final Split Dollar Regulations. The Employer is assigned Cash Value and Death Benefit as collateral for premium contributions. The Final Regulations provide for two split dollar regimes: Economic Benefit and Loan. The regime chosen dictates the method used to value the coverage received under the arrangement. In calculating the value of coverage under the economic benefit regime, IRS Revenue Ruling 66-110 and Notice 2002-8 apply and provide for the use of the "current published premium rates charged by an insurer for individual 1-year term life insurance available to all standard risks." The use of these rates for valuation purposes may be changed or withdrawn by the IRS at any time and without prior notice. The 1-year term rates available in this illustration are for the Sun Life 1-year term product, however, Sun Life and its representatives make no representation that the rates illustrated herein meet the IRS requirements for use in valuing life insurance protection in split dollar arrangements. If loan regime is selected, premiums are treated as interest-bearing loans. This illustration is based upon the interest rate entered. Actual interest rates can and will change, altering the results of this illustration. You should consult your tax and legal advisors prior to entering into any split dollar arrangement.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
 Software Version 2.8.1

Texas
 Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Summary Presentation - Section 7872 Demand Loans

Employer Tax Bracket: 34.00%

Employee Tax Bracket: 35.00%

Yr	Age	Policy Outlay	Employer							Executive			
			Annual Employer Loan	Bonus Paid	Net Tax Impact	After-Tax Annual Outlay	Cumulative Loan	Net Cash Surrender Value	Net Death Benefit	Net Annual Outlay	Net Cash Surrender Value	Net Death Benefit	
31	81	0	0	0	0	0	0	0	0	0	0	482,370	647,369
32	82	0	0	0	0	0	0	0	0	0	0	502,287	662,690
33	83	0	0	0	0	0	0	0	0	0	0	523,009	678,960
34	84	0	0	0	0	0	0	0	0	0	0	543,717	695,040
35	85	0	0	0	0	0	0	0	0	0	0	565,010	711,701
36	86	0	0	0	0	0	0	0	0	0	0	585,984	727,846
37	87	0	0	0	0	0	0	0	0	0	0	607,633	744,805
38	88	0	0	0	0	0	0	0	0	0	0	630,008	762,690
39	89	0	0	0	0	0	0	0	0	0	0	653,154	781,578
40	90	0	0	0	0	0	0	0	0	0	0	677,114	801,520
Total		250,000	250,000	274,938			181,459					8,728	
41	91	0	0	0	0	0	0	0	0	0	0	701,934	822,536
42	92	0	0	0	0	0	0	0	0	0	0	727,745	844,716
43	93	0	0	0	0	0	0	0	0	0	0	754,633	867,806
44	94	0	0	0	0	0	0	0	0	0	0	782,130	891,075
45	95	0	0	0	0	0	0	0	0	0	0	810,811	914,912
46	96	0	0	0	0	0	0	0	0	0	0	840,211	938,367
47	97	0	0	0	0	0	0	0	0	0	0	871,415	961,957
48	98	0	0	0	0	0	0	0	0	0	0	905,108	984,921
49	99	0	0	0	0	0	0	0	0	0	0	942,443	1,006,389
50	100	0	0	0	0	0	0	0	0	0	0	985,419	1,024,836
Total		250,000	250,000	274,938			181,459					8,728	

The assumed loan rate is 3.00%. The assumed Applicable Federal Rate is 0.69%.

The arrangement being illustrated is a 7872 Demand loan and is regulated by the Internal Revenue Service Final Split Dollar Regulations. The Employer is assigned Cash Value and Death Benefit as collateral for premium contributions. The Final Regulations provide for two split dollar regimes: Economic Benefit and Loan. The regime chosen dictates the method used to value the coverage received under the arrangement. In calculating the value of coverage under the economic benefit regime, IRS Revenue Ruling 66-110 and Notice 2002-8 apply and provide for the use of the "current published premium rates charged by an insurer for individual 1-year term life insurance available to all standard risks." The use of these rates for valuation purposes may be changed or withdrawn by the IRS at any time and without prior notice. The 1-year term rates available in this illustration are for the Sun Life 1-year term product, however, Sun Life and its representatives make no representation that the rates illustrated herein meet the IRS requirements for use in valuing life insurance protection in split dollar arrangements. If loan regime is selected, premiums are treated as interest-bearing loans. This illustration is based upon the interest rate entered. Actual interest rates can and will change, altering the results of this illustration. You should consult your tax and legal advisors prior to entering into any split dollar arrangement.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
Software Version 2.8.1

Texas
Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name	: Mr. Client	Specified Face Amount:	\$449,367
Age/Sex/Class	: 50/Male/Standard Non-Tobacco	Death Benefit Option:	B to A in Year 11
First Payment	: \$25,000.00	Premium Frequency:	Annual

Employer Summary - Section 7872 Demand Loans

Employer Tax Bracket: 34.00%

Employee Tax Bracket: 35.00%

		Cash Flow							Security Interest			
Yr	Age	Policy Outlay	Annual Employer Loan	Taxable Interest to Employer	Bonus Paid	Policy Loan/WDL	Rollout Payment to Employer	Net Tax Impact	After-Tax Annual Outlay	Cumulative Employer Loan	Net Cash Surrender Value	Net Death Benefit
1	51	25,000	25,000	-263	263	0	0	-89	25,173	25,000	24,501	25,000
2	52	25,000	25,000	-525	525	0	0	-179	25,347	50,000	49,419	50,000
3	53	25,000	25,000	-788	788	0	0	-268	25,520	75,000	74,933	75,000
4	54	25,000	25,000	-1,050	1,050	0	0	-357	25,693	100,000	100,000	100,000
5	55	25,000	25,000	-1,313	1,313	0	0	-446	25,866	125,000	125,000	125,000
6	56	25,000	25,000	-1,575	1,575	0	0	-536	26,040	150,000	150,000	150,000
7	57	25,000	25,000	-1,838	1,838	0	0	-625	26,213	175,000	175,000	175,000
8	58	25,000	25,000	-2,100	2,100	0	0	-714	26,386	200,000	200,000	200,000
9	59	25,000	25,000	-2,363	2,363	0	0	-803	26,559	225,000	225,000	225,000
10	60	25,000	25,000	-2,625	2,625	0	0	-893	26,733	250,000	250,000	250,000
Total		250,000	250,000		14,438	0	0		259,529			
11	61	0	0	-2,625	2,625	0	0	-893	1,733	250,000	250,000	250,000
12	62	0	0	-2,625	2,625	0	0	-893	1,733	250,000	250,000	250,000
13	63	0	0	-2,625	2,625	0	0	-893	1,733	250,000	250,000	250,000
14	64	0	0	-2,625	2,625	0	0	-893	1,733	250,000	250,000	250,000
15	65	0	0	0	250,000	0	250,000	0	-85,000	0	0	0
Total		250,000	250,000		274,938	0	250,000		181,459			

The assumed loan rate is 3.00%. The assumed Applicable Federal Rate is 0.69%.

The arrangement being illustrated is a 7872 Demand loan and is regulated by the Internal Revenue Service Final Split Dollar Regulations. The Employer is assigned Cash Value and Death Benefit as collateral for premium contributions. The Final Regulations provide for two split dollar regimes: Economic Benefit and Loan. The regime chosen dictates the method used to value the coverage received under the arrangement. In calculating the value of coverage under the economic benefit regime, IRS Revenue Ruling 66-110 and Notice 2002-8 apply and provide for the use of the "current published premium rates charged by an insurer for individual 1-year term life insurance available to all standard risks." The use of these rates for valuation purposes may be changed or withdrawn by the IRS at any time and without prior notice. The 1-year term rates available in this illustration are for the Sun Life 1-year term product, however, Sun Life and its representatives make no representation that the rates illustrated herein meet the IRS requirements for use in valuing life insurance protection in split dollar arrangements. If loan regime is selected, premiums are treated as interest-bearing loans. This illustration is based upon the interest rate entered. Actual interest rates can and will change, altering the results of this illustration. You should consult your tax and legal advisors prior to entering into any split dollar arrangement.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
Software Version 2.8.1

Texas
Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
 Age/Sex/Class : 50/Male/Standard Non-Tobacco
 First Payment : \$25,000.00

Specified Face Amount: \$449,367
 Death Benefit Option: B to A in Year 11
 Premium Frequency: Annual

Executive Summary - Section 7872 Demand Loans

Employer Tax Bracket: 34.00%

Employee Tax Bracket: 35.00%

Yr	Age	Loan Info		Cash Flow						Policy Values			
		Policy Outlay	Cumulative Employer Loan	Annual Loan Interest at 3.00%	Interest Paid to Employer	Executive Premium Payment	Bonus Received	Rollout Payment to Employer	Tax Paid	Net Annual Outlay	Net Cash Surrender Value	Net Death Benefit	
1	51	25,000	25,000	750	0	0	263	0	0	354	92	0	448,868
2	52	25,000	50,000	1,500	0	0	525	0	0	709	184	0	448,786
3	53	25,000	75,000	2,250	0	0	788	0	0	1,063	276	0	449,300
4	54	25,000	100,000	3,000	0	0	1,050	0	0	1,418	368	921	450,288
5	55	25,000	125,000	3,750	0	0	1,313	0	0	1,772	459	2,196	451,563
6	56	25,000	150,000	4,500	0	0	1,575	0	0	2,126	551	3,548	452,915
7	57	25,000	175,000	5,250	0	0	1,838	0	0	2,481	643	3,324	452,691
8	58	25,000	200,000	6,000	0	0	2,100	0	0	2,835	735	9,634	459,001
9	59	25,000	225,000	6,750	0	0	2,363	0	0	3,189	827	17,398	466,765
10	60	25,000	250,000	7,500	0	0	2,625	0	0	3,544	919	26,699	476,066
Total		250,000				0	14,438	0	0		5,053		
11	61	0	250,000	7,500	0	0	2,625	0	0	3,544	919	39,501	476,066
12	62	0	250,000	7,500	0	0	2,625	0	0	3,544	919	52,875	476,066
13	63	0	250,000	7,500	0	0	2,625	0	0	3,544	919	66,869	476,066
14	64	0	250,000	7,500	0	0	2,625	0	0	3,544	919	81,415	476,066
15	65	0	0	0	0	0	250,000	250,000	87,500	87,500	0	254,408	638,566
16	66	0	0	0	0	0	0	0	0	0	0	265,279	638,566
17	67	0	0	0	0	0	0	0	0	0	0	276,564	638,566
18	68	0	0	0	0	0	0	0	0	0	0	288,303	638,566
19	69	0	0	0	0	0	0	0	0	0	0	300,337	638,566
20	70	0	0	0	0	0	0	0	0	0	0	312,716	638,566
Total		250,000				0	274,938	250,000	87,500		8,728		
21	71	0	0	0	0	0	0	0	0	0	0	325,558	638,566
22	72	0	0	0	0	0	0	0	0	0	0	338,860	638,566
23	73	0	0	0	0	0	0	0	0	0	0	352,686	638,566
24	74	0	0	0	0	0	0	0	0	0	0	366,825	638,566
25	75	0	0	0	0	0	0	0	0	0	0	381,363	638,566
26	76	0	0	0	0	0	0	0	0	0	0	396,395	638,566
27	77	0	0	0	0	0	0	0	0	0	0	412,022	638,566
28	78	0	0	0	0	0	0	0	0	0	0	428,359	638,566
29	79	0	0	0	0	0	0	0	0	0	0	445,430	638,566
30	80	0	0	0	0	0	0	0	0	0	0	463,389	638,566
Total		250,000				0	274,938	250,000	87,500		8,728		

The assumed loan rate is 3.00%. The assumed Applicable Federal Rate is 0.69%.

The arrangement being illustrated is a 7872 Demand loan and is regulated by the Internal Revenue Service Final Split Dollar Regulations. The Employer is assigned Cash Value and Death Benefit as collateral for premium contributions. The Final Regulations provide for two split dollar regimes: Economic Benefit and Loan. The regime chosen dictates the method used to value the coverage received under the arrangement. In calculating the value of coverage under the economic benefit regime, IRS Revenue Ruling 66-110 and Notice 2002-8 apply and provide for the use of the "current published premium rates charged by an insurer for individual 1-year term life insurance available to all standard risks." The use of these rates for valuation purposes may be changed or withdrawn by the IRS at any time and without prior notice. The 1-year term rates available in this illustration are for the Sun Life 1-year term product, however, Sun Life and its representatives make no representation that the rates illustrated herein meet the IRS requirements for use in valuing life insurance protection in split dollar arrangements. If loan regime is selected, premiums are treated as interest-bearing loans. This illustration is based upon the interest rate entered. Actual interest rates can and will change, altering the results of this illustration. You should consult your tax and legal advisors prior to entering into any split dollar arrangement.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
 Software Version 2.8.1

Texas
 Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Executive Summary - Section 7872 Demand Loans

Employer Tax Bracket: 34.00%

Employee Tax Bracket: 35.00%

		Loan Info		Cash Flow							Policy Values		
Yr	Age	Policy Outlay	Cumulative Employer Loan	Annual	Interest	Executive	Rollout			Tax Paid	Net Annual Outlay	Net Cash Surrender Value	Net Death Benefit
				Loan Interest at 3.00%	Paid to Employer	Premium Payment	Bonus Received	Payment to Employer	Policy Loan/WDL				
31	81	0	0	0	0	0	0	0	0	0	0	482,370	647,369
32	82	0	0	0	0	0	0	0	0	0	0	502,287	662,690
33	83	0	0	0	0	0	0	0	0	0	0	523,009	678,960
34	84	0	0	0	0	0	0	0	0	0	0	543,717	695,040
35	85	0	0	0	0	0	0	0	0	0	0	565,010	711,701
36	86	0	0	0	0	0	0	0	0	0	0	585,984	727,846
37	87	0	0	0	0	0	0	0	0	0	0	607,633	744,805
38	88	0	0	0	0	0	0	0	0	0	0	630,008	762,690
39	89	0	0	0	0	0	0	0	0	0	0	653,154	781,578
40	90	0	0	0	0	0	0	0	0	0	0	677,114	801,520
Total		250,000				0	274,938	250,000	87,500		8,728		
41	91	0	0	0	0	0	0	0	0	0	0	701,934	822,536
42	92	0	0	0	0	0	0	0	0	0	0	727,745	844,716
43	93	0	0	0	0	0	0	0	0	0	0	754,633	867,806
44	94	0	0	0	0	0	0	0	0	0	0	782,130	891,075
45	95	0	0	0	0	0	0	0	0	0	0	810,811	914,912
46	96	0	0	0	0	0	0	0	0	0	0	840,211	938,367
47	97	0	0	0	0	0	0	0	0	0	0	871,415	961,957
48	98	0	0	0	0	0	0	0	0	0	0	905,108	984,921
49	99	0	0	0	0	0	0	0	0	0	0	942,443	1,006,389
50	100	0	0	0	0	0	0	0	0	0	0	985,419	1,024,836
Total		250,000				0	274,938	250,000	87,500		8,728		

The assumed loan rate is 3.00%. The assumed Applicable Federal Rate is 0.69%.

The arrangement being illustrated is a 7872 Demand loan and is regulated by the Internal Revenue Service Final Split Dollar Regulations. The Employer is assigned Cash Value and Death Benefit as collateral for premium contributions. The Final Regulations provide for two split dollar regimes: Economic Benefit and Loan. The regime chosen dictates the method used to value the coverage received under the arrangement. In calculating the value of coverage under the economic benefit regime, IRS Revenue Ruling 66-110 and Notice 2002-8 apply and provide for the use of the "current published premium rates charged by an insurer for individual 1-year term life insurance available to all standard risks." The use of these rates for valuation purposes may be changed or withdrawn by the IRS at any time and without prior notice. The 1-year term rates available in this illustration are for the Sun Life 1-year term product, however, Sun Life and its representatives make no representation that the rates illustrated herein meet the IRS requirements for use in valuing life insurance protection in split dollar arrangements. If loan regime is selected, premiums are treated as interest-bearing loans. This illustration is based upon the interest rate entered. Actual interest rates can and will change, altering the results of this illustration. You should consult your tax and legal advisors prior to entering into any split dollar arrangement.

This Supplemental Illustration is not valid unless accompanied by the Basic Life Insurance Illustration dated 11/23/2009 which includes both Guaranteed and Non-Guaranteed elements and other important information about the Life Insurance Policy.

Date Prepared: 11/23/2009 1:43 PM
Software Version 2.8.1

Texas
Form #UL-SCOLI-07 CVAT GI

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Narrative Summary

A LIFE INSURANCE ILLUSTRATION:

This is an illustration of Sun Life Assurance Company of Canada's Sun Executive UL life insurance product, which is generically known as Flexible Premium Universal Life. This illustration assumes that the currently illustrated non-guaranteed elements (credited interest rates, and cost of insurance (COI) charges) will continue unchanged for all years shown. This will not occur. Actual results will be more or less favorable than those shown.

Please be advised that the actual credited interest rates and actual cost of insurance charges will change over time and are dependent on the company's investment results, mortality costs and expense experience. Any values in this illustration are not intended to predict the actual values that you will receive over time.

ILLUSTRATION AND YOUR POLICY:

This illustration is not a contract and will not become part of any policy issued by us. The policy constitutes the actual agreement of coverage and contains the entire terms of the contract.

OVERVIEW OF YOUR POLICY:

1. You choose the face amount of insurance, the death benefit option and the amount and frequency of premium payments.
2. A premium expense load is deducted from each target premium paid. This charge is currently 20% in policy year 1, 9% policy years 2-10, and 3.25% thereafter. These charges will be determined by us from time to time based on our expectations of future expenses and taxes but cannot exceed 35% in policy year 1, 12% policy years 2-10, and 5% thereafter. All premiums in excess of the target premium are currently charged 3.5% in policy years 1-10, 3.25% thereafter and cannot exceed 5% in all policy years.
3. At the beginning of each month, we will deduct from the Account Value the cost of insurance (COI), a \$5 monthly expense charge and the cost of any supplemental benefits. A current monthly face amount charge of \$0.07 per thousand of Specified Face Amount is also deducted at the beginning of each month for the first 10 policy years. A \$10 monthly expense charge and an expense charge of \$0.20 per thousand is applied to the Specified Face Amount in the illustration pages which display guaranteed charges.
4. At the end of each month, the Account Value is credited with interest.
5. The Cash Surrender Value equals the Account Value plus the Enhancement Benefit, and less any policy loans and outstanding loan interest. The Enhancement Benefit is an additional value payable on Policy surrenders. The enhancement described above will not apply to complete surrenders that qualify for treatment as a tax-exempt exchange under Section 1035 of the Internal Revenue Code. In those cases, the Cash Surrender Value equals the Account Value less any outstanding Policy Debt.

Note: There are no monthly deductions or premium payments after the monthly anniversary day at which the insured's attained age equals 121. Interest will continue to be credited to the Account Value.

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Narrative Summary

ILLUSTRATION GLOSSARY OF TERMS:

Account Value: The amount of premium outlay minus charges taken, plus interest credited, as described in the overview section.

Age 121 Continuation: If the policy is in force at the insured's age 121, the policy will continue to be in force beyond age 121. The death benefit after age 121 will be the greater of the Cash Surrender Value or the Total Policy Face Amount at age 121, reduced by any outstanding loan balance. We will not accept any more premiums and will continue to adjust the Account Value daily, but there will be no deductions for Cost of Insurance or expense charges. Any loan at age 121 will continue and interest on it will continue to accrue. There is no premium charge for this feature. Beyond age 100 of the insured, this policy may not qualify as life insurance and may be subject to adverse tax consequences. The company will not be responsible for any adverse tax consequences resulting from the extension of the policy past age 100. Sun Life Assurance Company of Canada recommends that you receive counsel from your tax advisor.

Cash Surrender Value: The illustrated amount available to the policyholder upon surrender of the policy at the end of the referenced policy year, as described in the overview section.

Policy Loan: An amount borrowed against the Account Value and paid to you in cash. Loans are assumed to be taken at the beginning of the referenced policy year. In this illustration it is assumed that any policy loan will incur interest at the loan interest rate of 4.00% during the first 10 policy years and 3.00% thereafter. The loaned portion of your Account Value will be credited with 3.00% interest. The outstanding loan balance will reduce the amount available as a cash surrender benefit and as a death benefit. Any outstanding loan balance is reflected in the illustrated Cash Surrender Values and Death Benefits, which are, therefore, on a net, after loan basis. A loan repayment may be illustrated. It can be identified via a negative in the loan column on the illustration's cash flow summary.

Premium Frequency: This illustration assumes that the premium outlay is made at the beginning of each year. The timing of the premium outlay is important. Payment at an earlier or later date than illustrated will affect policy values.

Premium Outlay: The premium outlay is the illustrated out-of-pocket payment. This product does not require that a specified premium be paid each year. You can determine the amount and timing of premium payments that will meet your objectives. Any objective that is desired may require a higher or lower premium outlay than illustrated; or may require that the illustrated premium outlay be paid for a shorter or longer period of time. Please be advised that the amount of variation can be significant.

Keep in mind that the policy will terminate when the Account Value less policy loans and outstanding interest is zero. Therefore, it is necessary for you to monitor the policy values each year to determine the premium outlay needed to keep the policy in force or to accomplish a specific cash surrender value objective.

Underwriting Classification (Class): The illustrated policy values assume this policy will be issued in the Non-Tobacco underwriting classification. The actual class will depend on the result of the underwriting process. If the actual class does differ from what is illustrated, the cost of insurance (COI) and monthly expense charges will differ from those used in this illustration and will affect policy values. COIs are also subject to change without a corresponding change to the underwriting class.

Death Benefit: The illustrated amounts payable assuming that death occurs at the end of any referenced policy year. The Specified Face Amount is the initial death benefit of \$473,868, and the illustration is based on Death Benefit Option B (total face amount plus Account Value) switching to Option A (level) in year 11. You must request in writing to us that the death benefit option be switched at the appropriate time.

Sun Life Assurance Company of Canada
An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Narrative Summary

POLICY PROVISIONS AND OTHER SUPPLEMENTAL BENEFITS:

Supplemental Insurance Amount (SIA): The amount of life insurance coverage provided by the policy is composed of the policy's basic coverage together with any coverage you elect from the SIA, an optional rider available only at issue. A policy that combines basic coverage with a SIA may be more economical than coverage that consists of only basic coverage. In deciding whether to add coverage from the SIA, there are several factors to consider:

- The current expense charge of the SIA is generally less than that of the basic coverage.
- The charge for cost of insurance rates are currently the same for basic coverage and the SIA, but could be changed in the future to be different from each other.
- The coverage provided by the SIA cannot exceed 80% of the Total Face Amount.
- Unlike basic coverage, the SIA coverage is not eligible for the benefits provided by the Charitable Giving Benefit Rider.
- SIA coverage ends at age 121.

Your Producer can provide you with additional illustrations showing the effects of different proportions of Specified Face Amount and SIA coverage to help you make your decision.

Sun Life Assurance Company of Canada
An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

TAX BENEFITS OF LIFE INSURANCE:

Taxation of Distribution from the Policy: The Technical and Miscellaneous Revenue Act (TAMRA) of 1988 classifies certain policies as Modified Endowment Contracts (MEC). Distributions from these policies in the form of policy loans and certain partial withdrawals are taxed differently from policies that are not MEC's and may also be subject to an IRS 10% penalty tax. The initial annual 7-pay premium for this policy is \$25,000.00. Based on the assumptions used in this illustration, the policy would not become a MEC.

The following applies whether or not the policy is classified as a MEC.

If you surrender your policy for its cash surrender value or allow your policy to lapse, there may be an amount that is taxable. This will depend on the relation of the cumulative premium outlay to the cash surrender value received plus any untaxed prior policy loans and partial withdrawals. Also under certain conditions, a portion or all of any annual policy loan or partial withdrawal may be subject to taxation.

IRC Life Insurance Test: IRC section 7702(a) provides a test to determine whether a Life Insurance policy will maintain the specific tax benefits of life insurance. This illustration uses the Cash Value Accumulation Test.

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Numeric Summary

The summary below has been prepared using three sets of interest rates and COI charges.

		Guaranteed	Non Guaranteed		
		Interest Rates:	Midpoint	Current	
		Year 1 Years 2 - 71	5.30% 3.00%	5.30% 4.15% 5.30%	
	Premium Outlay	COI Charges	Guaranteed Rate	Midpoint*	Current
Year 5	\$25,000	Cumulative Net Outlay Cash Surrender Value Death Benefit	\$125,000 \$96,596 \$545,963	\$125,000 \$108,087 \$557,454	\$125,000 \$127,196 \$576,563
Year 10	\$25,000	Cumulative Net Outlay Cash Surrender Value Death Benefit	\$250,000 \$207,508 \$656,875	\$250,000 \$240,535 \$689,902	\$250,000 \$276,699 \$726,066
Year 20	\$0	Cumulative Net Outlay Cash Surrender Value Death Benefit	\$162,500 \$88,224 \$569,375	\$162,500 \$190,899 \$602,402	\$162,500 \$312,716 \$638,566
Age 70	\$0	Cumulative Net Outlay Cash Surrender Value Death Benefit	\$162,500 \$88,224 \$569,375	\$162,500 \$190,899 \$602,402	\$162,500 \$312,716 \$638,566
		Year Coverage Ceases:	Year 26 (Age 76)	Year 35 (Age 85)	Age 121

*The Midpoint charges equal one-half the sum of (Current + Guaranteed) charges.

I have received a copy of this illustration and understand that this illustration assumes that currently illustrated non-guaranteed elements will continue unchanged for all years shown. This is not likely to occur and actual results may be more or less favorable than those shown.

Date

Applicant's Signature

I have informed the applicant or policyowner that this illustration assumes that the currently illustrated non-guaranteed elements will continue unchanged for all years shown. This is not likely to occur, and actual results may be more or less favorable than those shown.

Date

Sales Representative's Signature

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Year	Age	Premium Outlay	Net Annual Outlay	<u>Guaranteed Basis</u>		<u>Basis #1</u>			<u>Basis #2</u>		
				Cash Surrender Value	Death Benefit	Account Value	Cash Surrender Value	Death Benefit	Account Value	Cash Surrender Value	Death Benefit
26	76	0	0	0	0	291,532	291,532	623,711	396,395	396,395	638,566
27	77	0	0			296,582	296,582	623,711	412,022	412,022	638,566
28	78	0	0			301,253	301,253	623,711	428,359	428,359	638,566
29	79	0	0			305,375	305,375	623,711	445,430	445,430	638,566
30	80	0	0			308,933	308,933	623,711	463,389	463,389	638,566
31	81	0	0			311,904	311,904	623,711	482,370	482,370	647,369
32	82	0	0			314,258	314,258	623,711	502,287	502,287	662,690
33	83	0	0			315,961	315,961	623,711	523,009	523,009	678,960
34	84	0	0			315,106	315,106	623,711	543,717	543,717	695,040
35	85	0	0			312,589	312,589	623,711	565,010	565,010	711,701
36	86	0	0			305,951	305,951	623,711	585,984	585,984	727,846
37	87	0	0			296,794	296,794	623,711	607,633	607,633	744,805
38	88	0	0			284,676	284,676	623,711	630,008	630,008	762,690
39	89	0	0			269,023	269,023	623,711	653,154	653,154	781,578
40	90	0	0			249,116	249,116	623,711	677,114	677,114	801,520
41	91	0	0			224,059	224,059	623,711	701,934	701,934	822,536
42	92	0	0			193,005	193,005	623,711	727,745	727,745	844,716
43	93	0	0			154,596	154,596	623,711	754,633	754,633	867,806
44	94	0	0			104,287	104,287	623,711	782,130	782,130	891,075
45	95	0	0			40,904	40,904	623,711	810,811	810,811	914,912
46	96	0	0			0	0	0	840,211	840,211	938,367
47	97	0	0						871,415	871,415	961,957
48	98	0	0						905,108	905,108	984,921
49	99	0	0						942,443	942,443	1,006,389
50	100	0	0						985,419	985,419	1,024,836
51	101	0	0						1,037,584	1,037,584	1,037,584
52	102	0	0						1,092,515	1,092,515	1,092,515
53	103	0	0						1,150,356	1,150,356	1,150,356
54	104	0	0						1,211,263	1,211,263	1,211,263
55	105	0	0						1,275,398	1,275,398	1,275,398
56	106	0	0						1,342,933	1,342,933	1,342,933
57	107	0	0						1,414,047	1,414,047	1,414,047
58	108	0	0						1,488,929	1,488,929	1,488,929
59	109	0	0						1,567,781	1,567,781	1,567,781
60	110	0	0						1,650,812	1,650,812	1,650,812
61	111	0	0						1,738,243	1,738,243	1,738,243
62	112	0	0						1,830,308	1,830,308	1,830,308
63	113	0	0						1,927,253	1,927,253	1,927,253
64	114	0	0						2,029,335	2,029,335	2,029,335
65	115	0	0						2,136,828	2,136,828	2,136,828
Total		250,000	162,500								

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Year	Age	Premium Outlay	Net Annual Outlay	<u>Guaranteed Basis</u>		<u>Basis #1</u>		<u>Basis #2</u>		Death Benefit
				Cash Surrender Value	Death Benefit	Cash Surrender Value	Death Benefit	Cash Surrender Value	Death Benefit	
66	116	0	0					2,250,019	2,250,019	2,250,019
67	117	0	0					2,369,208	2,369,208	2,369,208
68	118	0	0					2,494,714	2,494,714	2,494,714
69	119	0	0					2,626,872	2,626,872	2,626,872
70	120	0	0					2,766,035	2,766,035	2,766,035
71	121	0	0					2,912,573	2,912,573	2,912,573
Total		250,000	162,500							

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Cash Flow Summary

Year	Age	Annualized Premium Outlay	Annual Partial Surrender	Annual Loan	Annual Loan Interest	Net Annual Outlay	Cumulative Net Annual Outlay
1	51	25,000	0	0	0	25,000	25,000
2	52	25,000	0	0	0	25,000	50,000
3	53	25,000	0	0	0	25,000	75,000
4	54	25,000	0	0	0	25,000	100,000
5	55	25,000	0	0	0	25,000	125,000
Total		125,000	0	0	0	125,000	
6	56	25,000	0	0	0	25,000	150,000
7	57	25,000	0	0	0	25,000	175,000
8	58	25,000	0	0	0	25,000	200,000
9	59	25,000	0	0	0	25,000	225,000
10	60	25,000	0	0	0	25,000	250,000
Total		250,000	0	0	0	250,000	
11	61	0	0	0	0	0	250,000
12	62	0	0	0	0	0	250,000
13	63	0	0	0	0	0	250,000
14	64	0	0	0	0	0	250,000
15	65	0	87,500	0	0	-87,500	162,500
Total		250,000	87,500	0	0	162,500	
16	66	0	0	0	0	0	162,500
17	67	0	0	0	0	0	162,500
18	68	0	0	0	0	0	162,500
19	69	0	0	0	0	0	162,500
20	70	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
21	71	0	0	0	0	0	162,500
22	72	0	0	0	0	0	162,500
23	73	0	0	0	0	0	162,500
24	74	0	0	0	0	0	162,500
25	75	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
26	76	0	0	0	0	0	162,500
27	77	0	0	0	0	0	162,500
28	78	0	0	0	0	0	162,500
29	79	0	0	0	0	0	162,500
30	80	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
31	81	0	0	0	0	0	162,500
32	82	0	0	0	0	0	162,500
33	83	0	0	0	0	0	162,500
34	84	0	0	0	0	0	162,500
35	85	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Cash Flow Summary

Year	Age	Annualized Premium Outlay	Annual Partial Surrender	Annual Loan	Annual Loan Interest	Net Annual Outlay	Cumulative Net Annual Outlay
36	86	0	0	0	0	0	162,500
37	87	0	0	0	0	0	162,500
38	88	0	0	0	0	0	162,500
39	89	0	0	0	0	0	162,500
40	90	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
41	91	0	0	0	0	0	162,500
42	92	0	0	0	0	0	162,500
43	93	0	0	0	0	0	162,500
44	94	0	0	0	0	0	162,500
45	95	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
46	96	0	0	0	0	0	162,500
47	97	0	0	0	0	0	162,500
48	98	0	0	0	0	0	162,500
49	99	0	0	0	0	0	162,500
50	100	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
51	101	0	0	0	0	0	162,500
52	102	0	0	0	0	0	162,500
53	103	0	0	0	0	0	162,500
54	104	0	0	0	0	0	162,500
55	105	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
56	106	0	0	0	0	0	162,500
57	107	0	0	0	0	0	162,500
58	108	0	0	0	0	0	162,500
59	109	0	0	0	0	0	162,500
60	110	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
61	111	0	0	0	0	0	162,500
62	112	0	0	0	0	0	162,500
63	113	0	0	0	0	0	162,500
64	114	0	0	0	0	0	162,500
65	115	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
66	116	0	0	0	0	0	162,500
67	117	0	0	0	0	0	162,500
68	118	0	0	0	0	0	162,500
69	119	0	0	0	0	0	162,500
70	120	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	
71	121	0	0	0	0	0	162,500
Total		250,000	87,500	0	0	162,500	

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
 Age/Sex/Class : 50/Male/Standard Non-Tobacco
 First Payment : \$25,000.00

Specified Face Amount: \$449,367
 Death Benefit Option: B to A in Year 11
 Premium Frequency: Annual

Internal Rate of Return on Surrender Value and Death Benefit Report Based on Current Cost of Insurance Rates and Current Expenses

Year	Age	Net Annual Outlay	Cumulative Net Annual Outlay	Cash Surrender Value	IRR On Cash Surrender Value	Total Death Benefit	IRR On Death Benefit
1	51	25,000	25,000	24,501	-2.00%	473,868	1795.47%
2	52	25,000	50,000	49,419	-0.78%	498,786	299.46%
3	53	25,000	75,000	74,933	-0.04%	524,300	135.55%
4	54	25,000	100,000	100,921	0.37%	550,288	81.69%
5	55	25,000	125,000	127,196	0.58%	576,563	56.20%
6	56	25,000	150,000	153,548	0.67%	602,915	41.71%
7	57	25,000	175,000	178,324	0.47%	627,691	32.45%
8	58	25,000	200,000	209,634	1.04%	659,001	26.36%
9	59	25,000	225,000	242,398	1.49%	691,765	22.01%
10	60	25,000	250,000	276,699	1.84%	726,066	18.79%
11	61	0	250,000	289,501	2.25%	726,066	16.18%
12	62	0	250,000	302,875	2.56%	726,066	14.18%
13	63	0	250,000	316,869	2.79%	726,066	12.60%
14	64	0	250,000	331,415	2.97%	726,066	11.32%
15	65	-87,500	162,500	254,408	3.07%	638,566	10.40%
16	66	0	162,500	265,279	3.15%	638,566	9.61%
17	67	0	162,500	276,564	3.21%	638,566	8.94%
18	68	0	162,500	288,303	3.27%	638,566	8.36%
19	69	0	162,500	300,337	3.32%	638,566	7.86%
20	70	0	162,500	312,716	3.36%	638,566	7.41%
21	71	0	162,500	325,558	3.40%	638,566	7.01%
22	72	0	162,500	338,860	3.43%	638,566	6.65%
23	73	0	162,500	352,686	3.46%	638,566	6.33%
24	74	0	162,500	366,825	3.49%	638,566	6.04%
25	75	0	162,500	381,363	3.51%	638,566	5.78%
26	76	0	162,500	396,395	3.52%	638,566	5.53%
27	77	0	162,500	412,022	3.54%	638,566	5.31%
28	78	0	162,500	428,359	3.56%	638,566	5.11%
29	79	0	162,500	445,430	3.57%	638,566	4.92%
30	80	0	162,500	463,389	3.59%	638,566	4.74%
31	81	0	162,500	482,370	3.60%	647,369	4.63%
32	82	0	162,500	502,287	3.62%	662,690	4.55%
33	83	0	162,500	523,009	3.64%	678,960	4.49%
34	84	0	162,500	543,717	3.65%	695,040	4.42%
35	85	0	162,500	565,010	3.65%	711,701	4.36%
36	86	0	162,500	585,984	3.66%	727,846	4.30%
37	87	0	162,500	607,633	3.66%	744,805	4.25%
38	88	0	162,500	630,008	3.66%	762,690	4.19%
39	89	0	162,500	653,154	3.66%	781,578	4.15%
40	90	0	162,500	677,114	3.66%	801,520	4.11%

Sun Life Assurance Company of Canada

An Illustration of Sun Executive UL Life Insurance (2009)

Client Name : Mr. Client
Age/Sex/Class : 50/Male/Standard Non-Tobacco
First Payment : \$25,000.00

Specified Face Amount: \$449,367
Death Benefit Option: B to A in Year 11
Premium Frequency: Annual

Internal Rate of Return on Surrender Value and Death Benefit Report

Based on Current Cost of Insurance Rates and Current Expenses

Year	Age	Net Annual Outlay	Cumulative Net Annual Outlay	Cash Surrender Value	IRR On Cash Surrender Value	Total Death Benefit	IRR On Death Benefit
41	91	0	162,500	701,934	3.66%	822,536	4.07%
42	92	0	162,500	727,745	3.66%	844,716	4.04%
43	93	0	162,500	754,633	3.66%	867,806	4.01%
44	94	0	162,500	782,130	3.66%	891,075	3.97%
45	95	0	162,500	810,811	3.66%	914,912	3.94%
46	96	0	162,500	840,211	3.66%	938,367	3.91%
47	97	0	162,500	871,415	3.66%	961,957	3.88%
48	98	0	162,500	905,108	3.66%	984,921	3.85%
49	99	0	162,500	942,443	3.67%	1,006,389	3.82%
50	100	0	162,500	985,419	3.69%	1,024,836	3.77%
51	101	0	162,500	1,037,584	3.72%	1,037,584	3.72%
52	102	0	162,500	1,092,515	3.75%	1,092,515	3.75%
53	103	0	162,500	1,150,356	3.78%	1,150,356	3.78%
54	104	0	162,500	1,211,263	3.81%	1,211,263	3.81%
55	105	0	162,500	1,275,398	3.84%	1,275,398	3.84%
56	106	0	162,500	1,342,933	3.87%	1,342,933	3.87%
57	107	0	162,500	1,414,047	3.89%	1,414,047	3.89%
58	108	0	162,500	1,488,929	3.92%	1,488,929	3.92%
59	109	0	162,500	1,567,781	3.94%	1,567,781	3.94%
60	110	0	162,500	1,650,812	3.96%	1,650,812	3.96%
61	111	0	162,500	1,738,243	3.98%	1,738,243	3.98%
62	112	0	162,500	1,830,308	4.01%	1,830,308	4.01%
63	113	0	162,500	1,927,253	4.03%	1,927,253	4.03%
64	114	0	162,500	2,029,335	4.05%	2,029,335	4.05%
65	115	0	162,500	2,136,828	4.07%	2,136,828	4.07%
66	116	0	162,500	2,250,019	4.08%	2,250,019	4.08%
67	117	0	162,500	2,369,208	4.10%	2,369,208	4.10%
68	118	0	162,500	2,494,714	4.12%	2,494,714	4.12%
69	119	0	162,500	2,626,872	4.14%	2,626,872	4.14%
70	120	0	162,500	2,766,035	4.15%	2,766,035	4.15%
71	121	0	162,500	2,912,573	4.17%	2,912,573	4.17%