

Adjustable Life policies – help Clients manage the upcoming price adjustment

Adjustable Whole Life (AWL) is a non-participating whole life product issued by Sun Life from 1983 to 1994. Premiums, death benefits (DB), cash values (CSV), and reduced paid-up (RPU) values are adjustable every third policy anniversary, on the triennials (i.e. 3rd, 6th, 9th, etc.).

This review, identified a need to adjust some of these policies, based primarily on the continued low interest rates and changes in mortality.

Starting in September 2019, and for the next three years, we'll mail letters to all AWL Clients ::

- All Clients experiencing an adjustment will now have the option to choose a premium increase or a death benefit decrease to maintain their current premium. If we don't hear back, we'll apply the adjustment based on their choice for previous adjustments.
- Most Clients with reduced paid up policies will experience a death benefit reduction.
- Some Clients' will experience no change. We'll advise them of their policy values for the next three years.

Paid up at age 100

We have made a decision to make these policies fully paid-up at the anniversary following the insured's 100th birthday and we'll no longer pass on unfavourable adjustments to the death benefit following that date. Client letter will include this news.

We'll mail letters 60 days before the Client's policy anniversary to allow Clients enough time to make a decision. Changes will take effect on the Client's triennial policy anniversary between November 1, 2019 and October 31, 2022.

Please contact these Clients to help them make a decision, if applicable, based on their current insurance needs. You'll receive a listing of policies prior to the first letter being sent. You will also receive a copy of the Client's letter in Activity Centre as we mail them.

Contact: lifeproduct@sunlife.com