

Sun Life Financial

# Keypoint Index MultiPoint

OFFERED BY SUN LIFE ASSURANCE COMPANY OF CANADA (U.S.)



## The Future is Now

When you think about your retirement, have all your dreams come true? If you're nearing retirement, or just considering it, it's important to review your financial plan now to help ensure you'll have the income you need to live the lifestyle you choose for tomorrow.

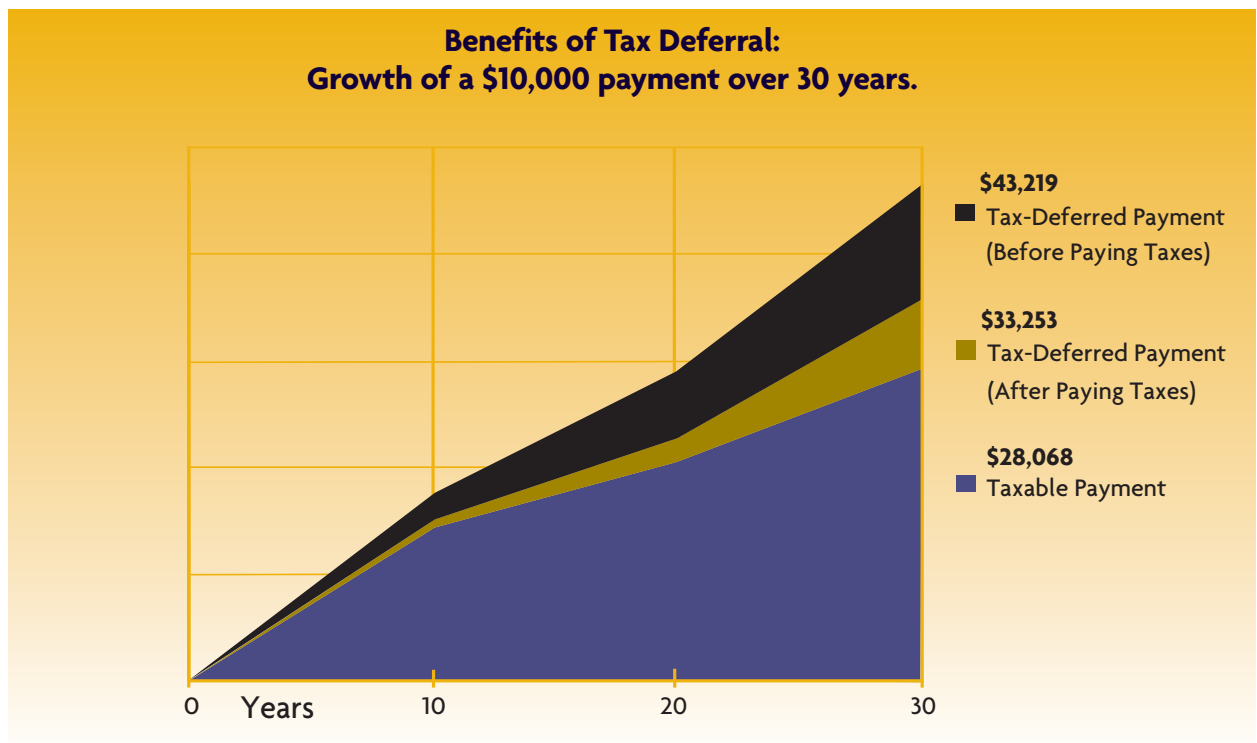
If your retirement plans require a minimum growth rate, and you would like the opportunity for possible additional growth, an equity-indexed annuity may be for you. The Sun Life Financial Keyport Index MultiPoint Equity-Indexed Annuity combines the benefits of a fixed annuity with a percentage of market participation. It also offers a guaranteed minimum.

The Sun Life Financial Keyport Index MultiPoint Annuity is issued and guaranteed by the financial strength of Sun Life Assurance Company of Canada (U.S.), a member of the Sun Life Financial group of companies. Sun Life Financial and its partners have helped people meet their financial goals for over 125 years. As a leading international financial services organization, Sun Life Financial provides a range of wealth accumulation and protection products and services to individuals and corporate clients.

## The Annuity Advantage

The Sun Life Financial Keyport Index MultiPoint Annuity offers many of the benefits found in most fixed annuities. These benefits include tax-deferred growth, income options, and a standard death benefit.

- **Tax-deferred growth:**<sup>1</sup> A tax-deferred contribution allows you the potential to grow your annuity more quickly because your earnings grow tax-deferred until withdrawn<sup>2</sup> or distributed. The chart illustrates a taxable payment, a tax-deferred payment before paying taxes, and a tax-deferred payment after paying taxes. In this example, the difference between the taxable and tax-deferred amounts is over \$5,000 — a significant savings.
- **Flexible income options:**<sup>3</sup> When it is time to receive income, you have the flexibility of choosing different payment alternatives: income for life, income for a predetermined period of time, life with a certain period guaranteed, or a joint or survivor option.
- **A standard death benefit:**<sup>4</sup> Your beneficiary can choose to continue the contract or take a lump sum equal to the indexed value, including full vesting of all index increases, as of the anniversary prior to death.



This is a hypothetical illustration and does not represent the projected performance of any contribution. The chart assumes a 5% annual return and a 30% combined federal and state income tax rate. Taxes are paid when the money is withdrawn. Annuities offer other features and benefits that are important for long-term goals, such as retirement planning.

This chart does not apply to annuity contracts that are purchased as an Individual Retirement Annuity (IRA) or through some other tax-qualified retirement plan. Annuities have no additional tax deferral benefit in such cases since funds used to purchase the contract are already afforded tax-deferred status. Please consult a tax professional for information specific to your circumstances.

<sup>1</sup> The benefits of tax-deferral in an annuity do not apply to contracts purchased as an Individual Retirement Annuity (IRA) or inside some other tax-qualified retirement plan because these plans already have tax-deferred status.

<sup>2</sup> All withdrawals of earnings will be subject to ordinary income tax, and withdrawals made prior to age 59½ may incur a 10% federal penalty.

<sup>3</sup> A retirement income payment may change during the payment period if Sun Life Assurance Company of Canada (U.S.) learns the annuitant's stated age or gender is incorrect.

<sup>4</sup> Annuity death benefit is taxable when received.

## Protecting Your Future

As you plan your retirement, it's important to review your portfolio regularly to guard against market volatility. The Sun Life Financial Keyport Index MultiPoint Annuity can help you lock in growth and smooth out volatility, all while having your original contribution guaranteed by Sun Life Assurance Company of Canada (U.S.). The Sun Life Financial Keyport Index MultiPoint:

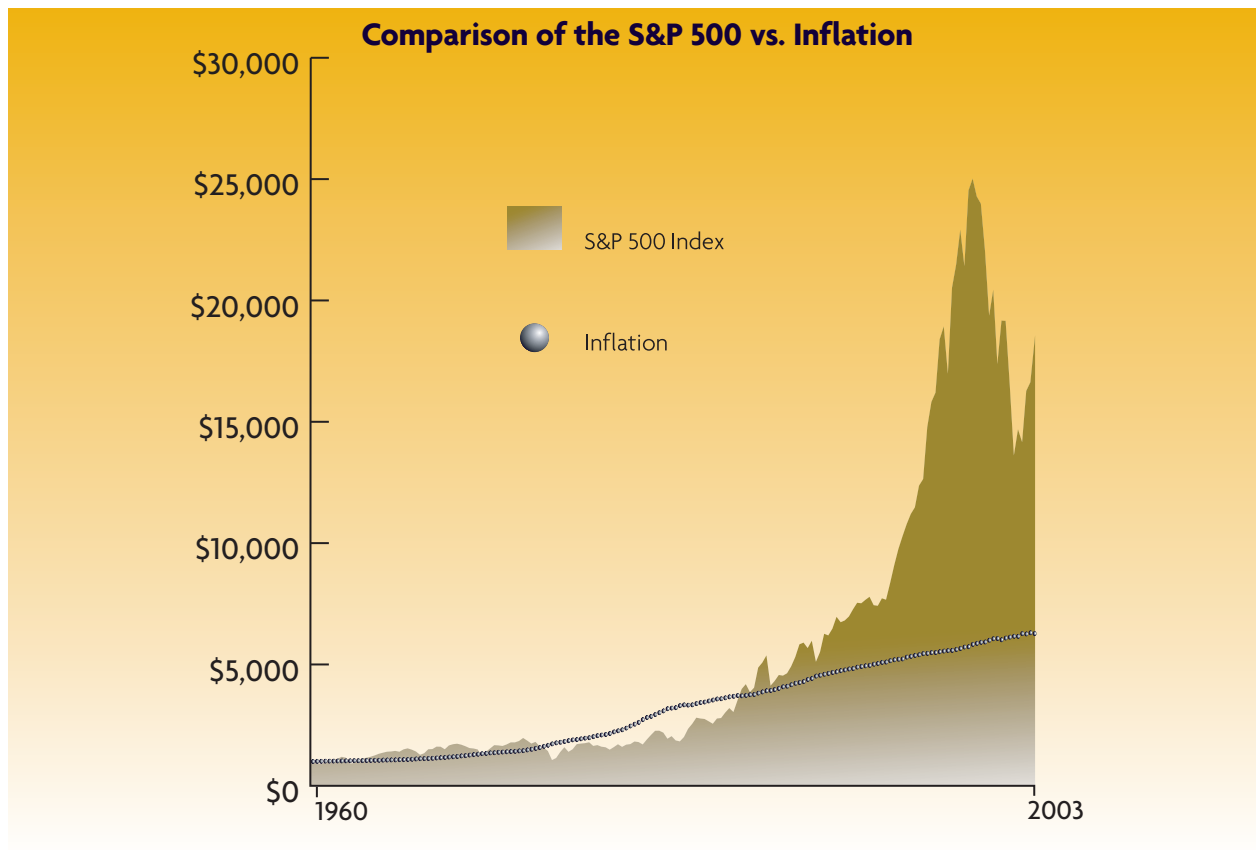
- **Links Growth Potential to the S&P 500®:** The Sun Life Financial Keyport Index MultiPoint offers much more than just a fixed interest rate. Your annuity may benefit from a percentage of the growth of the S&P 500. This percentage is referred to as the “participation rate,” and is used to calculate the annuity’s total index value. (More information regarding this calculation can be found with this brochure.)
- **Smooths Out Volatility:** The Sun Life Financial Keyport Index MultiPoint is all about “MultiPoints.” MultiPoints let you lock in S&P 500 values every month instead of recording performance annually, all the while keeping a running average. This method dramatically reduces the impact of short-term declines while still retaining the potential of strong growth.
- **Guarantees Your Contribution:** At the end of the term you will never receive less than the amount you originally contributed (less withdrawals) plus a minimum guarantee — regardless of the S&P 500 performance.
- **Choice of Terms:** With Sun Life Financial Keyport Index MultiPoint you can decide between a term of 1, 5, 7 or 10<sup>1</sup> years. Each term offers a set participation rate in addition to a minimum guarantee at the end, all guaranteed by Sun Life Assurance Company of Canada (U.S.).
- **Minimum Guarantees:** By locking in the highest average growth of the S&P 500 during the term, market fluctuation influence is minimized. With the Sun Life Financial Keyport Index MultiPoint you will always receive 100% of your contribution (minus withdrawals) plus a minimum interest guarantee<sup>2</sup> at term end, regardless of S&P 500 performance.

<sup>1</sup> The 10-year term option may not be available.

<sup>2</sup> Minimum guarantee for 1-year term is 100% of premium. For all other terms the minimum interest guarantee is 1.75% growth on 90% of premium payment. The surrender value will not be less than the minimum required by your state. This guarantee is backed by the financial strength of Sun Life Assurance Company of Canada (U.S.).

## The Strength of the S&P 500 vs. Inflation

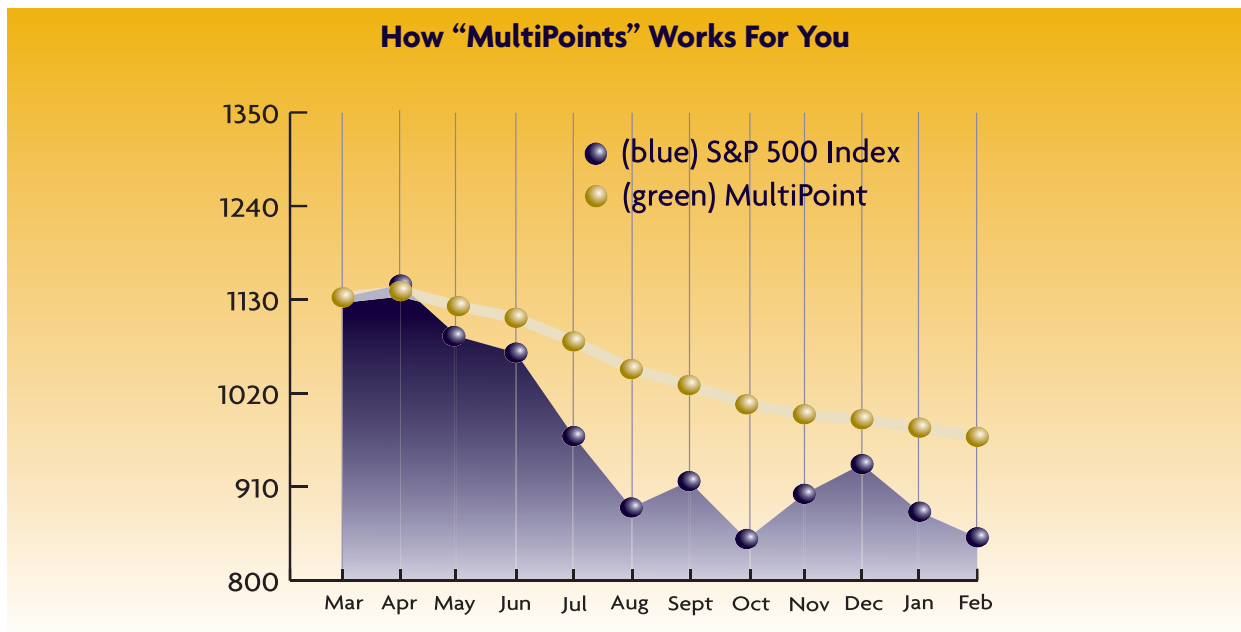
The S&P 500 Index, the benchmark for the U.S. equity markets, represents the general health of the overall financial market. Over the past fifteen years, the equity market has been a strong performer. The chart compares the overall strength of the market to the rate of inflation. The ability to outpace inflation gives you the potential to earn more than you would with a fixed interest rate — a strong factor in planning for your retirement. As illustrated, the S&P 500 Index has outperformed inflation by a significant margin.



Source: Lipper, Inc. This historical illustration compares the growth of the S&P 500 Index to the CPI inflation rate as it relates to purchasing power from 12/31/59 to 12/31/03. Past performance of the S&P 500 is no indicator of future results or of future values of Sun Life Financial Keyport Index MultiPoint. It is important to remember the S&P 500 measures stock market performance. It does not include dividend earnings so neither the S&P 500 nor Sun Life Financial Keyport Index MultiPoint is comparable to a direct investment in the equity markets.

## Why “MultiPoints”?

Over the past few years the equity market has been particularly unpredictable. The chart below illustrates the hypothetical month-end values of the S&P 500 Index over a 12-month period, and how the Sun Life Financial Keyport Index MultiPoint would be calculated over the same time period. As illustrated, the monthly averaging of the Sun Life Financial Keyport Index MultiPoint may help shield the annuity from dramatic changes in the market. Results for Sun Life Financial Keyport Index MultiPoint are hypothetical and used to show how the annuity would work.



The chart above shows hypothetical monthly end values of the S&P 500 Index as well as a Sun Life Financial Keyport Index MultiPoint 1-year term averaged over the same time period. **This is a hypothetical illustration and does not represent the projected performance of any annuity. Actual results will vary.**

## Access to Money<sup>1</sup>

You may withdraw a percent of the interest earnings from your annuity at each contract anniversary in accordance with the vesting schedule below. Interest earned through increases in the S&P 500 is subject to a vesting schedule. These earnings that are vested may be withdrawn at any time without affecting future interest. If you need access to more of your money, you can make additional withdrawals from your annuity, keeping a minimum balance of \$4,000 of surrender value. These withdrawals would affect future interest earnings.

If you decide to fully surrender your account, you will be guaranteed<sup>1</sup> to receive a minimum surrender value<sup>2</sup>. This would be the greater of 90% of premium at 1.75% interest (see chart), or 90% of premium plus vested credits<sup>2</sup>. Your entire indexed value may also be withdrawn without penalty during a 45-day window at the end of your term.

Contract Anniversary	1-Year Term	5-Year Term	7-Year Term	10-Year <sup>1</sup> Term
1	100%	20%	14%	10%
2	n/a	40%	28%	20%
3	n/a	60%	42%	30%
4	n/a	80%	57%	40%
5	n/a	100%	71%	50%
6	n/a	n/a	85%	60%
7	n/a	n/a	100%	70%
8	n/a	n/a	n/a	80%
9	n/a	n/a	n/a	90%
10	n/a	n/a	n/a	100%

End of year /term									
1	2	3	4	5	6	7	8	9	10
91.6%	93.2%	94.8%	96.5%	98.2%	99.9%	101.6%	103.4%	105.2%	107.1%
Minimum Surrender Value as % of Original Premium <sup>2</sup>									

<sup>1</sup> Withdrawals of taxable amounts may be subject to income tax and may also be subject to a 10% IRS penalty tax if withdrawn before age 59½. Partial withdrawals will not participate in any future growth of the S&P 500 and future interest credits will be reduced if partial withdrawals during term exceed interest credited according to vesting schedule.

<sup>2</sup> Guaranteed by the financial strength of Sun Life Assurance Company of Canada (U.S.). The surrender value will not be less than the minimum required by your state.

<sup>3</sup> The ten-year term option may not be available.

## Look Forward to Retirement

Talk with your financial consultant today. The Sun Life Financial Keyport Index MultiPoint can help to protect you from the ups and downs of the market. MultiPoint provides you with the opportunity for growth potential linked to a market index and the chance to outpace inflation — balanced with a minimum interest rate guaranteed by Sun Life Assurance Company of Canada (U.S.).

The Sun Life Financial Keyport Index MultiPoint Annuity can be an instrumental part of your retirement strategy, helping you keep or create the retirement lifestyle you've dreamed about.



## About Sun Life Assurance Company of Canada (U.S.)

Sun Life Assurance Company of Canada (U.S.) is a member of the Sun Life Financial group of companies. Sun Life Financial is a leading international financial services organization providing a diverse range of wealth accumulation and protection products and services to individuals and corporate customers. Tracing its roots back to 1865, Sun Life Financial and its partners today have operations in key markets worldwide. As of September 30, 2003 the Sun Life Financial group of companies has total assets under management of US \$255.1 billion. Sun Life Financial trades on the New York Stock Exchange under ticker symbol "SLF"

In the U.S., the Sun Life Financial group of companies sells a wide variety of innovative financial products and services, including fixed and equity-indexed annuities. These annuities are issued by Sun Life Assurance Company of Canada (U.S.), Wellesley Hills, MA and distributed through MFS/Sun Life Financial Distributors, Inc. Both companies are members of the Sun Life Financial group of companies. Sun Life Assurance Company of Canada (U.S.) guarantees the death benefits, fixed accounts and annuity income payouts.

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This policy has limitations. For costs and complete details of coverage, ask an investment professional who is an insurance licensed agent.

This brochure reflects our understanding of the current federal income tax laws and contains information of a general nature. We suggest you consult your own tax advisor as to the applicability of this information in your own situation.

The Sun Life Financial Keyport Index MultiPoint single premium equity-indexed annuity [form #SPDA(14)/CERT or #SPDA(14)/IND] provides an end-of term guarantee of principal (less prior withdrawals) by Sun Life Assurance Company of Canada (U.S.) plus interest earnings linked, based on participation rate to the performance of the S&P 500 Composite Stock Price Index, which excludes dividend income. The Sun Life Financial Keyport Index MultiPoint is designed for building long-term wealth toward retirement and is not a substitute for an S&P 500-linked mutual fund or any other equity investment.

The Sun Life Financial Keyport Index MultiPoint is not designed to meet the minimum distribution requirements under the Internal Revenue Code. Annuities are not issued nor guaranteed by the FDIC. Surrenders during a term will result in a penalty of up to 10% of the purchase payment. Surrenders of taxable amounts are subject to income tax; surrenders prior to age 59½ may also be subject to an additional 10% IRS penalty tax. The Sun Life Financial Keyport Index MultiPoint single premium deferred annuity is issued by Sun Life Assurance Company of Canada (U.S.), Wellesley Hills, MA and distributed through MFS/Sun Life Financial Distributors, Inc. Both companies are members of the Sun Life Financial group of companies.

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KM03-3108

SLPC 11956 (02/04)

