

Basic Life

Plan design and rates

Employee Basic Life and AD&D plan design

Employee Basic Life	
Eligible employees	All Full-Time United States Employees working in the United States who are scheduled to work a minimum of 30 hours per week
Effective Date	January 1, 2022
Class 1	
Class description	All Eligible Employees
Waiting Period	First of the month following 60 days of employment
Benefit amount	Flat \$25,000
Maximum benefit	\$25,000
Guaranteed Issue amount	Up to the maximum benefit
Contributions	Noncontributory
Participation requirement	100%

Employee Basic AD&D	
Eligible employees	All Full-Time United States Employees working in the United States who are scheduled to work a minimum of 30 hours per week
Effective Date	January 1, 2022
Class 1	
Class description	All Eligible Employees
Benefit amount	Flat \$25,000
Maximum benefit	\$25,000
Compulsory coverage	Yes
Contributions	Noncontributory
Participation requirement	100%

Basic Life rates

Coverage	Total employees	Monthly rate	Total estimated monthly volume	Total estimated monthly premium	Total estimated annual premium
Employee Basic Life	78	\$0.270	\$1,941,750	\$524	\$6,291
Employee Basic AD&D	78	\$0.020	\$1,941,750	\$39	\$466
Total estimated premium				\$563	\$6,757

Rate basis: Per \$1,000 of volume

There could be income tax and ERISA implications if the employer-funded Basic Life rates shown above have been reduced in cost (subsidized) by employee-funded Voluntary Life rates that may also be in this proposal. Subsidized rates can potentially create additional imputed income for some employees (under IRC Section 79) and potentially violate ERISA's fiduciary rules. As a group insurance carrier, Sun Life cannot make this determination for you. We recommend that you consult with your tax consultant and attorney before implementing the Basic and Voluntary Life rates in this proposal.

Sequence Number: 4

Group Basic Life and AD&D coverage is underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 15-GP-01.

Included in this plan:

- A flat 10% broker commission
- 12-month rate guarantee from the Effective Date
- Employee age reductions: All coverage amounts reduce to 67% at age 70, 50% at age 75.
- Waiver of Premium: For employees with an approved disability prior to age 65, premium is waived until age 65 or for 12 months (whichever is later). For employees disabled on or after age 65 but prior to age 70, premium is waived for 12 months. There is an Elimination Period of 6 months which must be satisfied before the waiver of premium begins. The definition of Total Disability is disabled from any occupation.

Waiver of premium is provided on the following benefits: Employee Basic Life.

- Portability: Coverage may be ported upon termination of active employment.
- Conversion Privilege
- Employee Accelerated Death Benefit of 75% to a maximum of \$500,000.
- If Value-Added Services Choice #1 is selected, Emergency Travel Assistance is included for all employees and their dependents, and Identity Theft Protection is included for all employees.²
- If Value-Added Services Choice #2 is selected, Claimant Support Services and Online Will Preparation are included for all employees and their dependents.²
- Coverage will be continued on a premium-paying basis for a period of 1 month during a layoff.
- Coverage will be continued on a premium-paying basis for a period of 1 month during a leave of absence approved by the policyholder.
- Coverage will be continued on a premium-paying basis for a period of 12 months during a period of injury or sickness.
- Earnings definition: Earnings are defined as the current earnings reported by the employer. Earnings include deductions made for pre-tax contributions to a qualified deferred compensation plan, Section 125 plan, or flexible spending account. Earnings do not include commissions, bonuses, overtime, or any other compensation.
- 24-hour AD&D coverage
- Special AD&D benefits:
 - Air Bag
 - Bereavement Counselling
 - Seat Belt

Footnote information is located in the General Disclosures section on the last page of this proposal.

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