

Portability vs. Conversion

Options for employees losing their Group Basic Life, Optional Life, or Voluntary AD&D coverage

Our Group Optional Life insurance plans give employers two ways to offer continued coverage to an employee who is leaving her/his job, reducing hours, or is no longer eligible for benefits:

- Portability
- Conversion

Here are answers to frequently asked questions about these two options.

What's Portability?

Portability means that an employee carries or "ports" her/his current Group Life coverage after employment ends, without having to answer any medical questions. Portability is for an employee who is leaving her/his job, reducing hours, or has reached the age when coverage may be reduced or eliminated, and still wants to maintain the protection that life insurance provides.

At Sun Life Financial Employee Benefits Group, Portability is available with Basic Life, Optional Life, and Voluntary AD&D policies. Portability is Group Term Life insurance -- the policy lasts a certain number of years. It does not include the opportunity to build cash-value.

What's Conversion?

Conversion means that an employee changes or "converts" her/his Group Life coverage to an Individual Life Insurance policy without having to answer any medical questions. Conversion is for an employee who is leaving her/his job, reducing hours, or has reached the age when coverage may be reduced or eliminated, and still wants to maintain the protection that life insurance provides.

At Sun Life Financial Employee Benefits Group, Conversion is available on both Basic and Optional Life coverage. Conversion is Permanent life insurance--the policy lasts for the lifetime of the insured, as long as premiums are paid. In addition, our Conversion option, Sun Universal Protector Plus®, has the opportunity to build cash-value.

Can employees apply for both Conversion and Portability coverage?

Depending on the employer's Group Policy, employees may have the option of applying for Portability or Conversion, or a combination of the two. It's important to note that typically, both Portability and Conversion have 31-day deadlines that run concurrently.

To help employees evaluate what their costs will be with Portability, we provide employers with an Employee Portability Kit, which includes a rate chart.

To help employees evaluate what your costs might be for Conversion, we provide employers with an Employee Conversion Kit. It includes example rates (an employee's actual rates will be different as they will be personally created for each employee).

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Can I have both Portability and Conversion coverage at the same time?

There is one situation where you can have both Portability and Conversion at the same time:

If you choose to apply for Portability, and your current Basic and/or Optional Life coverage amount through your employer is higher than the Portability limit, you can apply for Conversion for the amount in excess of the Portability limit.

Please note that you cannot apply for a combination of Portability and Conversion for an amount below the Portability limit.

Are there any other Conversion options available?

Yes. If you live in New York or West Virginia, a one-year term policy is available.

What are the differences between Portability and Conversion coverage at Sun Life Financial?

	Portability	Conversion
Description	Term Life insurance protection	Individual Universal Permanent (lifetime) Life insurance protection, with the opportunity to build cash-value. Our conversion option is called Sun Universal Protector Plus®.
Availability on Which Benefits	<ul style="list-style-type: none"> • Basic Employee Life • Basic Dependent Life • Basic AD&D • Optional Employee Life • Optional Dependent Life • Optional AD&D • Voluntary AD&D <p>Dependent Portability is only available if the dependent is currently covered under the Group policy.</p>	<ul style="list-style-type: none"> • Optional Employee Life • Optional Dependent Life • Basic Employee Life • Basic Dependent Life <p>Dependent Conversion is only available if the dependent is currently covered under the Group policy. Conversion is not available on Optional AD&D, Voluntary AD&D, or Basic AD&D.</p>
Benefit Duration	To age 70.	Lifetime of the insured.
Coverage Amounts	Employee may port the coverage amounts she/he previously had under the Group policy, up to \$500,000.	Employees may convert up to the amount of coverage that terminated or reduced, as described in the Eligibility section above. Minimum and maximum coverage requirements may apply and may vary by state.
Medical Questions	No. Employee doesn't have to answer any medical questions.	No. Employee doesn't have to answer any medical questions.
Eligibility	<p>Employee must be covered under a Group Policy that includes Portability. An employee who is age 69 or younger may apply if she/he is not terminating due to retirement, illness, or injury.</p> <p>Dependent Portability is only available if the dependent is currently covered under the Group policy.</p>	<p>To be eligible for Conversion, you must be currently covered under a Group Life Policy.</p> <p>Employee can elect an amount up to, but not more than, the amount of life insurance terminated due to any of the following reasons:</p> <ul style="list-style-type: none"> • Termination of employment • Termination of membership in an eligible class • Reduction of coverage due to policy age provisions • Retirement • Termination of Waiver of Premium continuation • Termination of Continuation due to lay-off or approved leave-of-absence • Dependent no longer meets the definition of dependent <p>Dependent Conversion is only available if the dependent is currently covered under the Group policy.</p>

	Portability	Conversion
How to Apply	<ol style="list-style-type: none"> Employer fills out sections 1-4 of the Portability Notice, and gives it, with a Portability Kit and Application, to the employee. Employee completes application, and sends it with a check for the first premium to the address provided on the application. 	<ol style="list-style-type: none"> Employer completes the Conversion Notice, and provides it to employee. Employee gathers the following information: <ul style="list-style-type: none"> Group Policy Number Name, address and date-of-birth Social Security Number Name and address of the employer that covered employee with a Group Policy The amount of Group Life coverage that was terminated or reduced Termination date or date benefits were reduced Dependent information: <ul style="list-style-type: none"> Name(s) and date(s)-of-birth Address(es) Social Security Number(s) Employee calls our Customer Service Center at 1-800-247-6875, and: <ul style="list-style-type: none"> Asks us for a Group Life Conversion Application. Provides us with the information described above in #2. <p>Then, we send out the application with personalized rates.</p> Employee completes the application and required forms, writes a check for the first premium, and sends everything to the address provided in the application.
Application Deadline	<p>Typically, the employee has 31 days from the date of termination to apply for Portability.</p> <p>Actual deadline may vary by state and the Group Policy of the employer.</p>	<p>Typically, the employee has 31 days from the date of termination to apply for Conversion.</p> <p>Actual deadline may vary by state and the Group Policy of the employer.</p>

How Do I Learn More?

To ask questions and learn more about coverage options for employees when they lose Group Optional Life coverage, contact your local Sun Life Financial Group Representative.

Product offerings may not be available in all states and may vary depending on state laws, regulations, and group size requirements. In addition, if Portability was purchased prior to August 2007, the features and eligibility restrictions may be different than those described in this flyer.

In NY and WV, a one-year term policy option is available. Voluntary AD&D Portability is currently not available in FL, LA, MD, MN, NY, PR, SD, TN, VT, WA, and WV. Optional Life Portability is currently not available in LA, MN, PR, SD, and VT.

In some states, such as LA, MN, SD, and VT, Portability is not available. For those states, Continuation is available. For information about Continuation, please review our Continuation Flyer.

Group insurance policies are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) in all states except New York. In New York, group insurance policies are underwritten by Sun Life Insurance and Annuity Company of New York (New York, NY). Group insurance policies are underwritten by Sun Life and Health Insurance Company (U.S.)* (Wellesley Hills, MA) in all states.

Sun Universal Protector Plus is underwritten by Sun Life Assurance Company of Canada in all states, except New York, under Policy Form Number ULN-2002. In New York, Sun Universal Protector Plus is underwritten by Sun Life Insurance and Annuity Company of New York under Policy Form Number ULN-2007-NY.

*Formerly known as Genworth Life and Health Insurance Company.

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