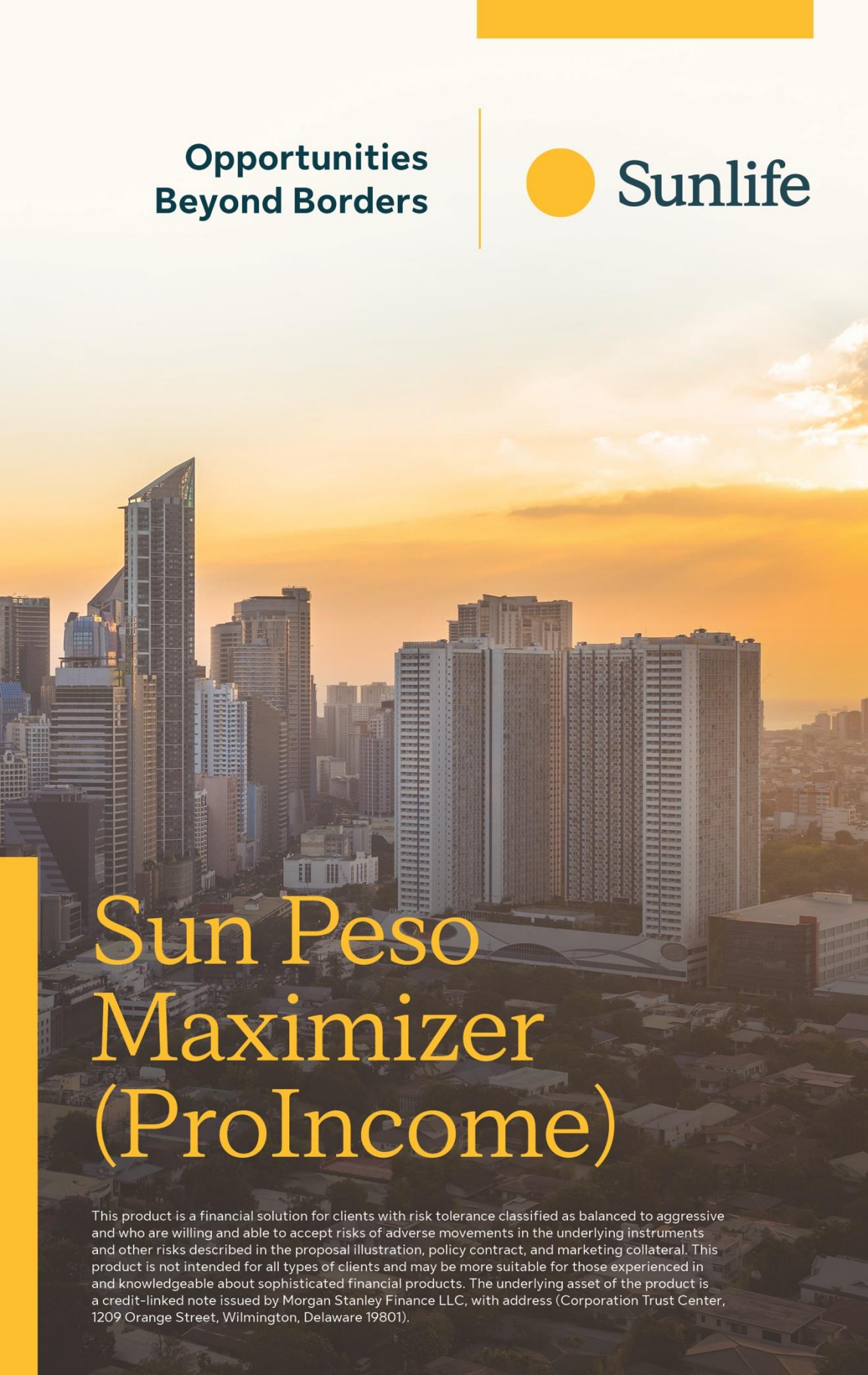
Opportunities
Beyond Borders

Sunlife



Sun Peso Maximizer (ProIncome)

This product is a financial solution for clients with risk tolerance classified as balanced to aggressive and who are willing and able to accept risks of adverse movements in the underlying instruments and other risks described in the proposal illustration, policy contract, and marketing collateral. This product is not intended for all types of clients and may be more suitable for those experienced in and knowledgeable about sophisticated financial products. The underlying asset of the product is a credit-linked note issued by Morgan Stanley Finance LLC, with address (Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801).

Opportunities Beyond Borders

With your Philippine Pesos, you can now get access to top-quality and high-yielding offshore asset and boost your money's earning power with Sunlife's latest offering of **Sun Peso Maximizer**!

An investment-linked life insurance product, **Sun Peso Maximizer (ProIncome)** provides protection for seven years, while enhancing the value of your money even amid market changes. Its intelligent investment approach seeks a bright view in any market condition, offering you the potential to earn more from global investment opportunities without the fear of losing your capital.

> "offering you the potential to earn more from global investment opportunities with the goal of wealth preservation"



LIFE INSURANCE COVERAGE*

Secure your loved ones' future with guaranteed life insurance benefit equivalent to at least 125% of your one-time premium payment.



ANNUAL INCOME PAYOUTS AND CAPITAL PROTECTION**

Enjoy FIXED ANNUAL INCOME PAYOUTS and receive your FULL SINGLE PREMIUM at the end of the seven-year holding period.



DIVERSIFICATION THROUGH GLOBAL INVESTMENTS

Go global with your Pesos and enjoy easier access to offshore investments that allows you to earn attractive fixed payouts until maturity.



GUARANTEED ACCEPTANCE

Experience a hassle-free application and policy approval through the **Guaranteed Insurability Offer**, subject to the limits of Sunlife.

NOTE: The information indicated in this brochure is subject to the specific guidelines set by Sunlife and the actual provisions of the insurance policy contract. As an investment-linked product, the policy owner must understand that the product may be subject to investment risks which could affect the value of the policy. To further understand the nature of the risks involved, you may refer to the risk definitions found in this material.

*For application settled under Guaranteed Insurability Offer (GIO) where the life insured dies within the first two (2) years after the policy Effective Date, and such death is due to causes other than accident, the death benefit payable will be limited to the Fund Value plus charges paid.

**Capital protection and continuity of income payouts are dependent on the absence of the Note Issuer's (Morgan Stanley Finance LLC) default, any Credit Event on the Republic of the Philippines, or other similar factors such as Change in Law, and the client holding the policy to maturity.

How Does Sun Peso Maximizer (ProIncome) Work?

Sun Peso Maximizer (**ProIncome**) invests in a credit-linked note issued by Morgan Stanley Finance LLC, where the underlying credit reference is the Republic of the Philippines. The structured instrument enables Sun Peso Maximizer (ProIncome) to provide insurance coverage for 7 years and fixed **Annual Income Payouts** starting at the end of the first policy year up until maturity, regardless of the performance of the underlying asset*. The amount of each payout will be based on an **Annual Income Rate** that will be provided by the Note Issuer (Morgan Stanley Finance LLC) at policy inception.

Aside from the final fixed payout at the end of the 7-year holding period, Sun Peso Maximizer (ProIncome) provides a Maturity Benefit* that is equal to 100% of the Single Premium.

SAMPLE ILLUSTRATION

Assuming an indicative fixed Annual Income Rate of 5.40% and a Single Premium of PHP 500,000:



Death Benefit: Higher of PHP 625,000 or the Fund Value

Maturity Benefit*
= 100% of Single Premium

Total Benefit at Maturity:
= Single Premium + 7th Year Annual Income Payout

*Capital protection and continuity of income payouts are dependent on the absence of the Note Issuer's (Morgan Stanley Finance LLC) default, any Credit Event on the Republic of the Philippines, or other similar factors such as Change in Law, and the client holding the policy to maturity.

Notes:
- All values indicated in this material are used for illustrative purposes only and do not represent any future trends or performance.
- The illustration assumes absence of an Issuer's Default and any Credit Event of Republic of the Philippines or other similar factor such as Change in Law (where the Note Issuer is no longer permitted to issue or hold such debt or notes). In case of such an eventuality, the policy owner can lose some or all of the Single Premium as well as any unpaid Annual Income Payout.
- A default generally occurs when the issuer is unable to fulfill a financial obligation, such as interest and/or principal payment within a specified period.
- A credit event includes, but may not be limited to, reference entity bankruptcy, failure to pay, obligation acceleration, debt repudiation and debt moratorium.

A Closer Look at Sun Peso Maximizer (ProIncome)

What is Sun Peso Maximizer (ProIncome)?

Sun Peso Maximizer (ProIncome) is a single-pay, Peso-denominated, life insurance product that provides protection equal to at least 125% of the Single Premium and is linked to a structured investment that matures after seven (7) years. The plan invests in a single asset – a credit-linked note that pays fixed annual income payouts at the end of each policy year and 100% of the principal at maturity, providing the opportunity to increase the value of your peso while protecting your capital.[1]

What is a Structured Note and how does it work?

A Structured Note or Structured Investment is a debt instrument, whose return characteristics, such as coupon amount or market value, are linked to the performance of other underlying derivative instruments.

These other underlying instruments may include equities, indices, interest rates, credit default swaps, or a basket of instruments. In the case of Sun Peso Maximizer (ProIncome), the underlying credit reference is the Republic of the Philippines.

In the absence of Note Issuer's (Morgan Stanley Finance LLC) default, a credit event on the Republic of the Philippines or early redemption by the Note Issuer due to other factors such as change in law, and the client holding the policy to maturity, the policy owner will receive (i) an Annual Income Payout at the end of each policy year for seven (7) years and (ii) a Maturity Benefit of 100% of the Single Premium.

Minimum Single Premium	**PHP 500,000** Note: Only premium increments of PHP 50,000 will be accepted.
Issue Ages	Insured: 0 (7 days) to Age 70 Policyholder: Age 18 and above

Is this product for me?

Sun Peso Maximizer (ProIncome) is a financial solution for clients with risk tolerance classified as balanced to aggressive, and who are looking to diversify their excess liquid assets into financial instruments with potentially higher returns. They aim for wealth accumulation and/or wealth preservation by capitalizing on global investment opportunities within a 7-year investment horizon.
If you are a client that fits this description, then this product may be for you. You can verify this through the results of your Financial Needs Analysis (FNA) and Risk Profile Questionnaire (RPQ) completed during policy application stage.

If in case your FNA and RPQ results do not match with this product's terms and features but you still want to proceed with obtaining a policy, you must understand the attendant risks and be willing and capable to accept losses in a worst case scenario, which may result from selecting this type of Variable Life Insurance product that is beyond your risk profile.

In view of the risk of adverse movements in the underlying instruments, your single premium should not exceed 20% of your available/investible assets (Available Assets will be Annual Income less expenses and financial obligations, such as mortgage payments, bank loans, etc.). It is recommended to diversify your assets and minimize concentration risk. You should not put all eggs in one basket.

How much is my life insurance coverage and how long will I be insured?

You are insured up to a maximum of seven (7) years. The amount of coverage is the higher of your policy's fund value or the guaranteed death benefit equivalent to 125% of the Single Premium.

Can I make withdrawals from my fund anytime?

Only full withdrawal is allowed for this particular product subject to a surrender charge.

Surrender Charges* (as percentage of the amount of fund withdrawn)

Year 1	7%	Year 5	3%
Year 2	6%	Year 6	2%
Year 3	5%	Year 7	1%
Year 4	4%		

*Surrender charges are deducted from the amount to be withdrawn.

Surrendering your policy prior to maturity will also subject the value of the policy to market risk. Thus, you may receive significantly less than the initial single premium paid and will no longer receive any succeeding payouts.

The Structured Note underlying the Sun Peso Maximizer (ProIncome) is denominated in Philippine Peso (PHP) but is settled in US Dollars (USD). If held to maturity, and in the absence of any Credit Event, Note Issuer (Morgan Stanley Finance LLC) default, or other similar factors such as Change in Law (where the Note Issuer is no longer permitted to issue or hold such debt or notes), the policy owner will not be subject to foreign exchange risk as the USD/PHP exchange rate used for the currency conversion is fixed for the duration of the product via a cross-currency transaction.

However, in case of a Credit Event, Note Issuer (Morgan Stanley Finance LLC) default or other similar factors such as Change in Law, or should the policy owner opt to surrender the policy before maturity, the policy owner's final redemption/recovery amount will be determined by the actual market value of the Structured Note which will be subject to the prevailing USD/PHP exchange rate to convert the USD proceeds to PHP. In such cases, the policy owner will be subject to currency risk (or foreign exchange risk) and market risk. As such, the policy owner may receive significantly less than the initial single premium paid.



What are the other charges for Sun Peso Maximizer (ProIncome)?

For the first five (5) years, your policy shall be subject to an Annual Periodic Charge of 2.48% and an Annual Insurance Charge of 0.12% of the Single Premium. These charges are deducted directly from the investment fund and shall be reflected in the Net Asset Value Per Unit (NAVPU). Annual Income Payouts provided, however, are net of these charges. Thus, it is important that you, as policy owner, keep the policy until maturity to receive all payouts for 7 years and capital protection at maturity.

[1]How can the product provide capital protection?

The plan invests in a credit-linked Morgan Stanley Finance LLC-issued note that enables the policy owner to receive fixed annual income payouts and get back the full Single Premium at maturity. This will, however, be subject to the ability of Morgan Stanley Finance LLC to repay its obligations and the absence of any credit event by the Republic of Philippines or other similar factors.

What happens in case of a credit event on The Republic of the Philippines or in case of Note Issuer (Morgan Stanley Finance LLC) default?

In the event of a Morgan Stanley Finance LLC default, credit event on the Republic of the Philippines or other similar factors, the maturity date of the policy will accelerate to the date of the issuer default or credit event. The proceeds at the accelerated maturity date will be subject to the investment risks and shall be based on the number of outstanding units and the unit price of the fund based on the recovery value of the note. Moreover, in the event that a credit trigger occurs or if a continuing risk that a credit trigger may occur, the final redemption of the note may be deferred for a substantial period of time which may be beyond the scheduled maturity date. In such an eventuality, the policy owner can lose some or all of the Single Premium invested in the note.

What instances will lead to possibly losing some or all of my Single Premium invested in the Structured Note?

A policy owner can lose some or all of the Single Premium invested in a Structured Note if any of the following happens:

- Inability of Sunlife to fulfill its financial obligations
- Event of default of the Note Issuer (Morgan Stanley Finance LLC)[2]
- Credit event on The Republic of the Philippines
- Client's early surrender of the policy
- Early redemption by the Note Issuer (Morgan Stanley Finance LLC) due to but not limited to: change in law or FX disruption event.

[2]A default generally occurs when the issuer is unable to fulfill a financial obligation, such as interest and/or principal payment within a specified period. A credit event includes, but may not be limited to, reference entity bankruptcy, failure to pay, obligation acceleration, debt repudiation, debt moratorium, and restructuring.

Additional Risk Disclosures



Credit Risk

This risk refers to the probability that Morgan Stanley Finance LLC or the Republic of the Philippines may not be able to fulfill its obligations accordingly, resulting to an adverse effect on the value of this product, capital protection and investment returns.



Currency Risk (or Foreign Exchange Risk)

This risk applies to securities denominated in or linked to foreign currencies. These securities are subject to fluctuations in exchange rates, which can be affected by economic factors including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks, or occurrence of market disruption events, that could have an adverse effect on the value or price of, or income derived from, the investment.



Interest Rate Risk

This risk refers to the possibility that the value of an investment with holdings in fixed-income securities such as bonds may rise and fall as interest rates change. When interest rates fall, the value of an existing bond rises. On the contrary, when interest rates rise, the value of an existing bond generally falls.



Liquidity Risk

This risk refers to the possibility that assets or securities may not be bought or sold within a desired time and at fair value, which in turn may affect the value of an investment or satisfy investment purchase and redemption services of SLOCPI to its policy owners.



Market Risk

This risk refers to the probability that the market value of an investment will rise or fall based on overall market conditions. The value of the market can vary with changes in the general economic and financial conditions as well as political, social and environmental factors.



Regulatory Risk

This risk refers to the probability that certain laws and regulations applicable to investments, including income tax and securities laws, and the administrative policies and practices of regulatory authorities may change in a manner that adversely affects the value of an investment.



Taxation Risk

This risk refers to the probability that the application of tax on investment may differ from jurisdiction to jurisdiction and tax treatment may change before the maturity or redemption date of an investment. For more information on the effects of tax on the acquisition, ownership or liquidation of investment funds, it is best for the customer to consult a personal, independent tax adviser.



Concentration Risk

This risk refers to a high concentration of one product in an investment portfolio. Investments in credit equity-linked products should not exceed a small part of an investment portfolio. Policy owners should discuss the individual allocation with their sales representative.

Note: (1) This sales brochure in respect of Sun Peso Maximizer (ProIncome) has not been prepared nor verified by Morgan Stanley Finance LLC Neither Morgan Stanley Finance LLC or its affiliates nor any of their respective directors, officers, or agents makes any representation or warranty, or accepts any responsibility or liability, to any party in relation to any whole or part of this document. (2) The description of the asset is provided by Morgan Stanley Finance LLC as the Note Issuer. Morgan Stanley Finance LLC and its affiliates are not the issuer of the investment-linked product and thus take no responsibility over it and of any public or third-party information or data used or comprised in the underlying asset (including its components). Morgan Stanley Finance LLC has no fiduciary duty or any liability to either Sunlife or any policy owner and has no contractual relationship with any policy owner. (3) All trademarks are the property of their respective owners or sponsors.

Boost your money's growth and income through

Sun Peso Maximizer (ProIncome)

Connect with us SunlifePH

Sun Life of Canada (Philippines), Inc. is regulated by the Philippines' Insurance Commission (IC).

For client assistance, know about our process at **sunlife.co/SunLifeCAMS** or contact:
02-8849-9888 sunlink@sunlife.com
Sunlife Centre, 5th Ave. cor Rizal Drive, BGC, Taguig City

For consumer concerns, contact IC (Manila, Cebu & Davao) at
02-8523-8461 loc 103/127 | 0917-116-0007 (Globe) | 0999-993-0637 (Smart)
publicassistance@insurance.gov.ph.



Sunlife is a leading international financial services organization providing asset management, wealth, insurance, and health solutions to individual and institutional Clients. Sunlife has operations in a number of markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Australia, Singapore, Vietnam, Malaysia and Bermuda. In the Philippines, Sunlife is the first and longest-standing life insurance company, helping Filipinos in their journey towards a brighter life.

Sun Life Financial Inc. trades on the Toronto (TSX), New York (NYSE) and Philippine (PSE) stock exchanges under the ticker symbol SLF.

In the Philippines, Sunlife is represented by Sun Life of Canada (Philippines), Inc. which offers life insurance products; Sun Life Asset Management Company, Inc. which distributes the Sun Life Prosperity Funds; Sun Life Financial Plans, Inc. which administers the company's education and pension plans; and Sun Life Investment Management & Trust Corporation which offers multi-strategy portfolio management solutions.

Sunlife

This document is issued by Sun Life of Canada (Philippines), Inc. Important information about the product is contained in the policy proposal (available through your Sunlife Advisor) and the insurance policy contract. Should there be any discrepancy between the statement(s) contained in this material and the insurance policy contract, the provisions of the insurance policy contract will prevail.

Investment risks, including but not limited to credit risk, market risk, taxation risk, regulatory risk, currency risk, interest risk, liquidity risk and default risk due to a Credit Event* or Issuer Default**, associated with this product are to be borne solely by the policy owner.

(*) Credit Events, as defined by the International Swaps and Derivatives Association (ISDA) and standard Credit Events for Asian Sovereigns (such as The Republic of the Philippines), include Failure to Pay, Repudiation/Moratorium and Restructuring. Failure to Pay is defined to be a failure by The Republic of the Philippines to make, when and where due, any payments under one or more obligations. Repudiation/Moratorium would arise in situations where The Republic of the Philippines disaffirms, disclaims or otherwise challenges the validity of the relevant obligation and ceases payment. Restructuring includes one or more of a reduction in interest payable or principal amount, postponement or deferral of payment dates, change in the ranking in priority of payment of an obligation resulting in the subordination of claims.

(**) In the event of Note Issuer's (Morgan Stanley Finance LLC) default or other similar factors such as the occurrence of a Change in Law event, the maturity date of this policy will accelerate to the determined date. Amount at the accelerated maturity date is subject to investment risks.

About the Note Issuer:
Morgan Stanley (A1/A-/A+) is an American multinational investment bank and financial services company headquartered in New York City. It operates globally, with offices in numerous countries, around these three primary segments: institutional securities, wealth management, and investment management.