



August 4, 2010

To: Sun Life Financial Distribution Partners

For many years, Sun Life has enjoyed a reputation for steady, focused growth and financial strength. We are committed to helping consumers achieve lifetime financial security and this means prudently managing our risks so Sun Life can deliver on our promises well into the future.

To that end, we have been diversifying our product mix and de-emphasizing our No-Lapse Guarantee (NLG) products. NLG continues to be a price driven market which compresses margins and presents limited opportunities to differentiate our offerings. In addition, a number of external factors continue to negatively impact this business, including:

- Continued low interest rates,
- The risk of significant increases to capital and reserving requirements, and
- High costs of funding structures.

To further accelerate our shift away from this business, Sun Life is exiting the NLG market so that we can focus our capital on markets with greater potential for sustainable, profitable growth.

Sun Life has gained market share by focusing on needs-based products, such as small business solutions with our Sun Executive product suite and larger business solutions through our COLI business. We also offer solutions that can provide supplemental income for retirement and college-planning needs through our new cash accumulation product, Sun AccumULATORSM. Sun Life will continue to offer VUL solutions focused on estate planning and wealth transfer. Please note that Sun Protector VUL is not impacted by this decision.

As Sun Life accelerates our focus on these markets and products, we will be reviewing our distribution partners to ensure they align with our product portfolio and profit expectations.

This decision is in the best interest of our shareholders and future customers. Sun Life is dedicated to maintaining our financial strength, growing responsibly and delivering on our promises to all our stakeholders. We will continue to provide high quality service and claims processing on our in force NLG business. The attached Insurance Bulletin provides the transition rules on the closing of these products.

We look forward to working with you to provide solutions for your customers' needs. Thank you for your continued support.

Sincerely,

A handwritten signature in black ink that reads "Janet V. Whitehouse". The signature is written in a cursive, flowing style.

Janet Whitehouse
SVP & GM, Sun Life Financial Individual Life