Acquisition of Assurant Employee Benefits\textsuperscript{1}
Frequently asked questions
June 1, 2016

General Q&A

1. What changes will brokers and employers experience due to the acquisition and integration efforts?
Over the past several months, we’ve been working diligently to bring the Sun Life and Assurant Employee Benefits businesses together under the Sun Life brand. Our integration efforts are progressing, and they impact our customer audiences in different ways.

For brokers, June 1 marks an important milestone: we announce the availability of a broadened product portfolio that brings together strengths from both businesses. We are also excited to announce that our separate distribution and account management teams are now one unified Sun Life sales and account management team. See the broker-specific Q&A for more details.

For employers, everything stays the same in the way you manage your policy, submit claims, pay your premium, and access customer service. You can continue to consult the same websites that you do today to manage benefits and call the same toll-free telephone numbers you use today. See the Employer/Employee-specific Q&A for more details.

We will keep our brokers and employers well informed of appropriate updates as we fully integrate the two businesses to ensure a high-quality and seamless service experience.

2. To what degree will the two entities be integrated? (That is, will the acquired business be a stand-alone organization, partially consolidated, or fully integrated?)
We will fully integrate the two businesses under the Sun Life brand, and you will start to see changes over time. An integration team, composed of leaders from both Sun Life and Assurant Employee Benefits, is managing the transition and implementing plans for the combined organization, including enhancements to products and programs and the merging of teams, systems, and processes. In light of competitive and client considerations, Disability RMS will continue to operate as a dedicated business unit.

3. What is the broadened array of employee benefits solutions that is now offered?
The transaction included the purchase of a leading dental business and provider network, a successful group life and disability business, strong products and capabilities in voluntary benefits and vision, and integrated capabilities in benefits communication, deductions reporting, and administration. You will now see greater breadth and depth of product and service offerings introduced under the Sun Life brand. These offerings include Life, AD&D, LTD, STD, Accident, Critical Illness, Cancer, Supplemental Medical Expense “Gap,” Dental, Vision, and Stop-Loss insurance, and both issue-age and attained-age Voluntary products.

4. How will the Assurant Employee Benefits brand evolve?
As we work to bring the two businesses together under the Sun Life brand, you will start to see the Sun Life logo replace the Assurant Employee Benefits logo across communications and websites. The Assurant Employee Benefits brand and logo will be phased out by March 1, 2017.

5. Who are the leaders and what is the leadership structure of the newly combined organization?
Dan Fishbein is continuing as President of Sun Life Financial U.S. The leadership team for the U.S. Group Benefits business brings together talent from both organizations. Read our news release on the key leadership appointments, which took effect on March 1, 2016.

6. **Will the combined business continue to operate in all current Sun Life and former Assurant Employee Benefits locations? Will there be any office closings?**
The U.S. headquarters will remain in Wellesley, MA. The combined business will continue to operate in multiple sites, including the former Assurant Employee Benefits main office in Kansas City, MO, and in Edina, MN; sales offices across the country; and Sun Life’s offices in Windsor, CT; Scarborough, ME; Portsmouth, NH; Waterford, Ireland; and Hamilton, Bermuda. As part of our multisite and agile workforce strategy, we will continue to have talent across the country in key locations to support the needs of the business, including field sales offices in major markets. Disability RMS will continue to operate as an independent business unit in the South Portland, ME, area.

7. **How much overlap was there between Sun Life and Assurant Employee Benefits customers?**
Combined, we have a customer base of more than 60,000 groups/employers across small, middle, and large companies. Assurant Employee Benefits’ business had focused mostly on small and mid-sized employers, while Sun Life’s business has focused on mid-sized and large employers. Assurant Employee Benefits brought a stronger focus on Dental business, while Sun Life has a major Stop-Loss business, which Assurant Employee Benefits has not offered. The two businesses were therefore largely complementary, so we expect minimal overlap and meaningful opportunities for customers to add new lines of coverage.

8. **Has the acquisition affected the financial strength ratings?**
Sun Life Financial is proud of the financial strength ratings that back the claims-paying ability of our insurance subsidiaries, Sun Life Assurance Company of Canada, which issues group policies in all states except New York, and Sun Life and Health Insurance Company (U.S.), which issues group insurance policies in New York.

Assurant Employee Benefits is the brand name for insurance products underwritten by Union Security Insurance Company and for prepaid products provided by prepaid dental companies.² In New York, insurance products are underwritten and prepaid products are provided by Union Security Life Insurance Company of New York. Both of these insurance entities will continue to underwrite new and existing Assurant Employee Benefits policies and maintain solid financial ratings. Prepaid dental companies, which provide prepaid dental benefits, are not rated for financial strength.

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9. **What community support and philanthropic programs will continue as part of the combined organization?**
Sun Life will continue to partner with organizations on initiatives that encourage healthy living, with a specific focus on diabetes prevention and on recovery from complications due to diabetes. Sun Life will also continue its comprehensive employee-giving programs and local volunteerism, both of which support a wide range of causes in the communities in which we live, work, and do business.

In 2016, these initiatives will include Assurant Employee Benefits’ Project Perseverance and the Kansas City–area organizations and events previously supported by Assurant Employee Benefits, such as the American Diabetes Association’s Wheels to Weston Tour de Cure, Hospital Hill Run, Team Smile, and the Children’s Center for the Visually Impaired.

10. **Why did Assurant sell Assurant Employee Benefits?**
Assurant, Inc., announced in April 2015 that the company would sharpen its focus on housing and lifestyle protection products and services. As a result, Assurant decided to explore the sale of Assurant Employee Benefits to a company that was more focused in the employee benefits industry.

11. Why did Sun Life Financial acquire Assurant Employee Benefits?
The acquisition aligned with our strategy, and Sun Life’s and Assurant’s employee benefits businesses are complementary. The Assurant Employee Benefits customer base, along with its broker relationships, will benefit from being aligned with a company like Sun Life, which is dedicated to providing leading solutions and services to the employee benefits marketplace.

The acquisition increased distribution and scale and enhanced our solutions with the addition of key capabilities, including a leading dental business and provider network, a successful group life and disability business, strong products and capabilities in voluntary benefits and vision, and integrated capabilities in benefits communications, deductions reporting, and administration.

The acquisition also included Disability RMS, the leader in partnering with other insurers to provide disability products. The transaction also accelerated Sun Life’s strategy to grow our U.S. group benefits business by increasing our business in force from US$2.6 billion to approximately US$4 billion. The increase to our existing business established Sun Life Financial as the sixth-largest group benefits carrier in the U.S. based on 2016 revenues.

1. Assurant Employee Benefits (AEB) is the brand name for insurance and prepaid dental products underwritten or provided by Union Security Insurance Company (Kansas City, MO) and administered by Sun Life Assurance Company of Canada (SLOC) (Wellesley Hills, MA). In New York, insurance products and prepaid dental products are underwritten or provided by Union Security Life Insurance Company of New York (Fayetteville, NY) and are administered by Sun Life and Health Insurance Company (U.S.) (Windsor, CT). AEB is also the brand name for Group Hospital Confinement Indemnity “Gap” or Supplemental Medical Expense “Gap” insurance underwritten by Fidelity Security Life Insurance Company and administered by SLOC.

2. Certain prepaid dental plans are provided by prepaid dental companies that are now members of the Sun Life Financial family of companies. There is no change in the benefits provided, nor any action required. Prepaid dental companies are Denticare of Alabama, Inc., United Dental Care of Arizona, Inc., UDC Dental California, Inc., United Dental Care of Colorado, Inc., Union Security DentalCare of Georgia, Inc., United Dental Care of Missouri, Inc., Union Security DentalCare of New Jersey, Inc., United Dental Care of New Mexico, Inc., UDC Ohio, Inc., United Dental Care of Texas, Inc., and United Dental Care of Utah, Inc. In New York, prepaid dental products are provided by Union Security Life Insurance Company of New York (Fayetteville, NY) and administered by Sun Life and Health Insurance Company (U.S.) (Windsor, CT).

3. The acquiring entity is Sun Life Assurance Company of Canada, a subsidiary of Sun Life Financial Inc. As a result of the transaction, Sun Life Financial’s U.S. group benefits business is the sixth-largest group benefits carrier (excluding group health care) in the U.S. based on pro forma combined revenue from an internal analysis of publicly available information as of May 31, 2016.

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GMPOT-5536 SLPC 27522 05/16 (exp. 05/17)