

Perspecta Universal Life Insurance Product Disclosure

1. Product Features and Benefits

Perspecta universal life insurance is more than just insurance; it provides a complete portfolio with financial security all in one policy. It can be used for traditional protection purposes, or when used to its fullest potential, for investment purposes as well. Perspecta allows policyholders considerable control and flexibility by letting them select and modify the amount of insurance coverage, the amount of premiums to be deposited, the premium payment period and the investment options.

Key features

Universal Life coverage for one or more persons:

- Single Life
- Joint First to Die
- Joint Last to Die
- Multiple Life

Death Benefit options:

When there is one Perspecta coverage under the policy, the death benefit can be:

- Level
- Increasing
- Hybrid

When there are multiple Perspecta coverages under the policy, the death benefit will be:

- Multiple increasing:

Choice of different types of investment accounts:

- Managed Accounts (including Predetermined Portfolio Accounts)
- Indexed Accounts (including Strategic Asset Allocation Accounts)
- Term Investment Accounts
- Daily Interest Account

Three types of Cost of Insurance (COI) rates:

- Yearly Renewable Term-100 (YRT-100)
 - Yearly Renewable Term-85/20 (YRT-85/20)
 - Level COI
- ✓ Issue ages 0 to 80 (18-80 equivalent single age for joint policies)
 - ✓ Preferred rates for sums insured of \$100,000 and over
 - ✓ Easy access to funds (if the cash surrender value is positive. The cash surrender value is equal to the total investment accounts less the surrender fees, outstanding policy loans and, in the case of term investment accounts, market value adjustments.)
 - ✓ Shelter Optimizer and Account Optimizer features are available to maximize the investment component of the policy ensuring the policy keeps its tax-exempt status
 - ✓ Client bonus payments
 - ✓ Several additional riders and benefits
 - ✓ Disability Benefit Payout

We also offer the following riders and benefits:

- 10- and 20-year renewable and convertible term riders
- Protecta Critical Illness Insurance riders for adults and children
- Children's protection and children's enhanced protection riders
- Guaranteed Insurability Benefit
- Accidental Death Benefit
- Waiver of cost on disability
- Enhanced waiver of cost on disability
- Death and disability waiver
- Survivor's insurance benefit 65 or 70

For more information on these benefits, including the guaranteed and non-guaranteed features as well as limitations and exclusions, please consult the contract provisions pertinent to each benefit at www.advisors.standardlife.ca, under "Contract Provisions" in the *Perspecta Universal Life Insurance* section.

2. Guaranteed and Non-Guaranteed Product Features

A. Guaranteed features

COI types

All COI rates are guaranteed for the duration of the policy and are based on the initial insured, sum insured and death benefit option.

Investment Options

Term Investment Accounts

The minimum Term Investment Account interest rate for each term is guaranteed to equal the greater of 90% of the Government of Canada Bond rate for the same term, less 1.75%, and the percentage minimums as follows

- ✓ 0% for the 1- and 3-Year Term Investment Accounts
- ✓ 1% for the 5-Year Term Investment Account
- ✓ 2% for the 10-, 15- and 20-Year Term Investment Accounts

These guarantees apply to each Term Investment Account mentioned above, as long as the account is available. We also guarantee to offer, as long as the policy is in force, at least one Term Investment Account.

- Daily Interest Account: as long as the account is available, we guarantee the interest rate will never be less than zero.
- Management Fees on Indexed Accounts (IAs) and Strategic Asset Allocation Accounts (SAAs) are guaranteed never to increase. Management Fees on Managed Accounts (MAs) and Predetermined Portfolio Accounts are subject to change without prior notice, but are guaranteed never to exceed 2.5% per year.
- If the Investment Account Value (IAV) is paid as a Death Benefit, we guarantee that the value of the sum of the SAAs and the IA will never be less than 75% of all net Deposits minus any Account Benefit, any Disability Benefit Payout, any Investment Account Value paid as part of a Death Benefit, any other fees and total monthly deductions from Indexed Accounts and Strategic Asset Allocation Accounts. This guarantee does not apply to the Science and Technology Equity Account, to the Managed Accounts and the Predetermined Portfolios.
- Transit Account: The minimum daily interest rate is guaranteed to be 90% of the rate on 3-month Government of Canada Treasury Bills, less 2%, but never less than zero.

Bonus

- Unconditional and guaranteed Loyalty Bonus on the first policy anniversary and on each subsequent policy anniversary, as long as the policy is in force. This Loyalty Bonus is equal to 0.70% of the Investment Account Value less any Outstanding Loan Balance on the anniversary date.
- There is also an Enhanced bonus at two levels and it is equal to a percentage of the Investment Account Value (IAV). It is paid at the end of the policy year if certain conditions are met. If all conditions are met, when added together, level 1 and level 2 can equal up to 0.8% of the IAV.

B. Features subject to change

- We reserve the right, at our discretion, to introduce additional Investment Accounts or to withdraw exiting ones from time to time. We also reserve the right, at our discretion, to transfer funds out of an investment account, which is terminated or ceases to be marketed. In the case where a Term Investment Account (TIA) is withdrawn, affected funds will only be transferred at the end of the term.
- The return on investment will affect the investment account value and therefore the premium payment period.
- Past performance may not be repeated.
- The Terminal Illness Benefit (Compassionate Benefit) is a non-contractual benefit.

3. Premium and Fees Information

The client decides on the frequency of premium payments.

They can be paid:

- Annually
- Semi-annually
- Quarterly
- Monthly

There are no modal charges.

The total charges include:

- COI*
- Provincial taxes on deposit
- \$8 per month* per policy
- \$2 per month* per Perspecta coverage
- Premiums for additional benefits and riders
- Flat extra charges

* These amounts are no longer withdrawn when all Perspecta coverages are paid-up.

The COI rates are based on the client's health and lifestyle and are determined by our underwriting department. For a Perspecta single coverage issued for an insured under 18, when the insured reaches age 18 or after, he can request non-smoker COI rates for the policy year following the request. The insured will need to provide evidence of non-smoking status that is satisfactory to us.

There is a first year minimum premium to be paid in order for the policy to remain in force. It is based on the COI option selected and the province of residence of the policyholder.

Management fees for the investment options

You can view the Perspecta Management Fees and underlying Fund Management Expense Ratio (MER) at www.advisors.standardlife.ca, under "Marketing Materials" in the *Perspecta Universal Life Insurance* section.

Surrender Fees and Policy Loans

With a partial or full surrender of the policy, there are surrender fees corresponding to a percentage of the first year minimum premium. The fees apply for the first nine years following the issue of the policy or an increase of the sum insured requested by the policyholder.

Partial and full surrenders and transfers from each Term Investment Account (TIA) segment are subject to a market value adjustment. No market value adjustments are applicable to monthly deductions from the TIAs.

The interest rate on policy loans is the rate of the Daily Interest Account plus 2%.

We also reserve the right to charge a fee for services related to any requests for change of information made by the owner.

4. Limitations, Reductions, Exclusions

Before settling any claims, we will require evidence that is satisfactory to us. We will deduct any amount owed to us from the policy proceeds before settling any claims.

Contract Validity

The validity of the contract is conditional upon the accurate representation of the facts required by us to issue or reinstate the policy. Any misrepresentation related to medical condition and smoking habits in the application or any document related to the contract may cause the policy/coverage to be terminated and we can contest the validity of the claim.

Also, if any misstatement of age or sex is made in an application, we will adjust the sum insured before determining the death benefit payable and the coverage will be terminated based on the true age of the insured.

5. Consumer Rights and Responsibilities

The owner has the right to return his Perspecta policy within 10 days of receiving it. The policy will then be deemed void and any premiums paid will be reimbursed.

Over and above the 10-day right, the owner may return the policy, if unsatisfied with the sales process, at any time within 6 months of the issue date. The policy will then be deemed void. A refund will be made equal to the investment account value (less any applicable market value adjustments), plus the value of the Transit Account, plus the sum of all monthly deductions made to date (fixed expense charges, cost of insurance charges, deductions for each rider, additional benefit or flat extra charge), plus all premium tax deducted, plus any surrender charges made.

The refund under both the right to return and the Total Customer Satisfaction Guarantee will not apply if this policy has been issued in lieu of a previous policy or as a result of exercising an option contained in a previous policy.

See our TCS pamphlet on our web site for all the details on our Total Customer Satisfaction Guarantee and the way to proceed when returning a policy.

6. Effective Date of Coverage

The contract takes effect when all of the following conditions are met:

- a) the provisions pertaining to the coverage are delivered to you; and
- b) the full amount of the first monthly deduction pertaining to the coverage has been paid to us; and
- c) no change has taken place in the insurability of the insured between the time the application was completed and the time the provisions pertaining to that coverage were delivered to you.

Learn more about our Perspecta Universal Life Insurance policy in our client pamphlet *This is all about Perspecta Universal Life with Standard Life*. You will find this pamphlet in PDF format on our web site in the *Universal Life Insurance* section.

The Standard Life Assurance Company of Canada

Perspecta Universal Life Insurance is offered by the Standard Life Assurance Company of Canada. Both The Standard Life Assurance Company of Canada and Standard Life Assurance Limited are members of Assuris. Assuris provides protection to the policyholders of member companies. For more information, visit their web site at www.assuris.ca. Also, if you wish to get information on consumer assistance, you can visit The Canadian Life and Health Insurance Association web site at www.clhia.ca. They provide impartial resources on life and health insurance products and services.

If you wish to speak to a Standard Life customer service representative concerning Perspecta, you can contact us from everywhere in Canada at **1-888-841-6633**.

For more details on Standard Life Canada, you can visit our web site at www.standardlife.ca under the section "About us".

www.standardlife.ca

The Standard Life Assurance Company of Canada
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