

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA,
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC,
NOVA SCOTIA AND NEWFOUNDLAND

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR
EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF SUN LIFE FINANCIAL SERVICES OF CANADA INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Sun Life Financial Services of Canada Inc. (the "Filer") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") providing an exemption from the insider reporting requirements of the Legislation (the "Insider Reporting Requirements"), subject to certain conditions for the directors and senior officers of certain subsidiaries of the Filer;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this Application;

AND WHEREAS the Filer has represented to the Decision Makers that:

1. the Filer is a reporting issuer or equivalent under the Legislation in each of the Jurisdictions and is not in default of its obligations under such Legislation. Sun Life Assurance Company of Canada ("Sun Life") is a reporting issuer in Ontario and is not in default of any of the requirements under the Legislation in Ontario;
2. the Filer was incorporated under *the Insurance Companies Act (Canada)* pursuant to letters patent on August 5, 1999, as a wholly-owned subsidiary of Sun Life. Pursuant to the plan of demutualization relating to the Filer and Sun Life (the "Demutualization"), the Filer has become the parent company of Sun Life and all of its subsidiaries;
3. the authorized capital of the Filer consists of an unlimited number of common shares (the "Common Shares"), an unlimited number of Class A Shares, issuable in series, and an unlimited number of Class B Shares, issuable in series. On March 22, 2000, the Filer entered into underwriting agreements with syndicates of investment dealers providing for the offering to the public of some of the Common Shares that were issued to policyholders upon the Demutualization and the offering of additional Common Shares from treasury. The Common

Shares are listed on The Toronto Stock Exchange, the New York Stock Exchange, the London Stock Exchange and the Philippine Stock Exchange;

4. the list of companies in the attached appendix A ("Appendix A") includes all subsidiaries of the Filer that have, as reflected in the annual audited financial statements of Sun Life for the 1999 fiscal year filed with the Decision Makers in the Jurisdictions, either:

(i) assets, on a consolidated basis with their subsidiaries during the 1999 fiscal year, representing 10 percent or more of the consolidated assets of Sun Life shown on the balance sheet, or

(ii) revenues, on a consolidated basis with their subsidiaries during the 1999 fiscal year, representing 10 percent or more of the consolidated revenues of Sun Life shown on the statement of income and loss; and

(the subsidiaries of the Filer referred to in clauses (i) and (ii) above are collectively referred to herein as the "Major Subsidiaries");

5. a "Significant Subsidiary" of the Filer shall be any subsidiary where:

(i) the value of the assets of the subsidiary, on a consolidated basis with its subsidiaries, as reflected in the most recent annual audited balance sheet of the Filer filed with the Decision Makers in the Jurisdictions, are 10 percent or more of the consolidated assets of the Filer shown on that balance sheet, or

(ii) the revenues of the subsidiary, on a consolidated basis with its subsidiaries, as reflected in the most recent annual audited statement of income and loss of the Filer filed with the Decision Makers in the Jurisdictions, are 10 percent or more of the consolidated revenues of the Filer shown on that statement of income and loss.

6. with the exception of the Managing Director of SLC Asset Management Limited, none of the directors and senior officers of any of the subsidiaries of the Filer that are not Major Subsidiaries or Significant Subsidiaries, either:

(i) participate in the day to day management or operation of the Filer, or

(ii) receive or have access to, in the ordinary course, information respecting material facts or material changes with respect to the Filer prior to general disclosure of such material facts or material changes;

7. the Filer shall maintain a continuous review of the relevant facts contained in the representations upon which this Decision Document is based, and shall maintain a list of directors and senior officers exempted by this Decision (as hereinafter defined) and the basis upon which each of the directors and senior officers comes within the terms of the Decision;

8. the Filer shall promptly advise the Commission des valeurs mobilières du Québec (the "Quebec Commission") of the name of every director and senior officer who becomes, or ceases to be, exempted by this Decision, and shall provide an updated list of the directors and senior officers to the Quebec Commission annually; and

9. the Filer shall, at the request of the Decision Makers, furnish any information necessary for the Decision Makers to determine whether a senior officer or director of any subsidiary of the Applicant is or is not exempted by this Decision Document.

AND WHEREAS pursuant to the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that all present and future directors or senior officers of the subsidiaries of the Filer are exempt from the Insider Reporting Requirements with respect to their ownership of or control or direction over securities of the Filer, provided that the exemptions contained in this Decision Document shall not apply to any person who:

(i) in the ordinary course, receives information as to material facts or material changes concerning the Filer before the material facts or material changes are generally disclosed;

(ii) is or becomes a director or senior officer of the Filer or a Major Subsidiary listed in Appendix A or any company which, after the date hereof, is or becomes a Significant Subsidiary, except as provided by another decision of the Decision Makers;

(iii) is or becomes an insider (as defined in the Legislation) of the Filer in a capacity other than as a director or senior officer of a subsidiary; or

(iv) is denied the exemptions contained in this Decision Document by another decision of a Decision Maker.

DATED at Toronto, Ontario on this "3rd" day of "April" , 2000.

Iva Vranic
Manager, Corporate Finance

APPENDIX A

The Major Subsidiaries of Sun Life Financial Services Inc., as disclosed in the Application for Exemption from the insider requirements dated March 6, 2000, are:

Sun Life Assurance Company of Canada
Sun Life Assurance Company of Canada (U.S.)
Massachusetts Financial Services Company
Sun Life of Canada (U.S.) Holdings, Inc.
Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc.
Sun Life of Canada (U.S.) Financial Services Holdings, Inc.
Sun Life of Canada U.K. Holdings plc
Sun Life Assurance Company of Canada (U.K.) Limited

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief for senior officers and directors of certain "minor" subsidiaries of reporting issuer from the insider reporting requirements, subject to certain conditions.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as amended, ss. 1(1), 107, 108, 121(2)(a)(ii).

Applicable Ontario Regulations

Regulation made under the *Securities Act*, R.R.O. 1990, Reg. 1015, as amended, Part VIII.

Applicable Ontario Policy Statements

Ontario Securities Commission Policy Statement No. 10.1.