

Sun Life Assurance Company of Canada

W-2 Tax Reporting Service Agreement and Election for Long Term and Short Term Disability



Group Policy Number:

Policyholder Name:

Any disabled employee receiving a Long Term or Short Term Disability (LTD or STD) benefit under a Sun Life Assurance Company of Canada Group Policy must receive a W-2 form showing taxable and non-taxable disability income, and taxes withheld, if any.

To help you with this W-2 reporting requirement, Sun Life Assurance Company of Canada offers a W-2 Tax Reporting Service. Please read the Service Agreement below and make your election on Page 2.

W-2 Tax Reporting Service Agreement

If you elect this service:

1. Sun Life Assurance Company of Canada will provide a W-2 form to each employee who received an LTD or STD benefit. The W-2 form will be mailed to the employee's home by January 31 of the following year.
2. Sun Life Assurance Company of Canada's Employer Identification Number (EIN) will be used on all W-2 forms that we prepare.
3. Sun Life Assurance Company of Canada will continue to provide you with the Disability Income Benefit reports which provide information about each employee who received an LTD or STD benefit.
4. Sun Life Assurance Company of Canada will conduct the federal reporting necessary for the W-2 form for the employees who received an LTD or STD benefit. We also will maintain the necessary records to answer any questions that you, your employees or governmental agencies may have.
5. You will notify Sun Life Assurance Company of Canada of any discrepancies discovered on the Disability Income Benefit reports we provide. These reports provide information on the appropriate FICA withholding based on an employee's premium contribution to the LTD or STD benefits you specified on the initial claim form submitted for benefits. The employee's premium contribution, whether paid with pre-tax or post tax dollars, affects FICA withholding and determines whether the benefit is considered taxable income. You are responsible for any liability resulting from errors in such information and agree to indemnify and hold harmless Sun Life Assurance Company of Canada for any expense, including taxes and penalties, incurred in connection with erroneous information you provide.
6. You will continue to report and deposit your share of any FICA tax withheld when applicable. In addition, you will adjust your Form 941 and produce any other applicable forms required to reconcile Form 941 in accordance with IRS Publication 15-A (Employer's Supplemental Tax Guide).
7. You are not relieved of your obligation to provide a federal W-2 form for other types of income or for any state, municipal or other form for employee income or employment tax purposes.

Group Policy Number:

Policyholder Name:

8. Either you or Sun Life Assurance Company of Canada may terminate this service upon 30 days written notice to the other.
9. This service will terminate upon the termination of the Group Policy and/or the LTD or STD provision but will not terminate for those disabled employees who continue to receive LTD or STD income benefits under the Sun Life Group Policy unless we are advised otherwise by you.
10. This offer only applies to disabled employees insured under the Sun Life Assurance Company of Canada group LTD or STD policy.

Please indicate in the following boxes whether you elect to let Sun Life Assurance Company of Canada produce W-2 Forms for employee disability income associated with this group LTD and/or STD policy.

Before you elect to have Sun Life Assurance Company of Canada produce the W-2's, your payroll department or payroll service should be notified to ensure there is no duplication of effort in producing the W-2's. As described in this agreement, you as employer still have certain tax responsibilities to be maintained and these issues also need to be discussed with your payroll department or payroll service.

Long Term Disability: W-2 Tax Reporting Service		Short Term Disability: W-2 Tax Reporting Service	
Tax Year 2002 and thereafter • I have read and understand the above and <input type="checkbox"/> ELECT <input type="checkbox"/> DECLINE the W-2 Tax Reporting Service		Tax Year 2002 and thereafter • I have read and understand the above and <input type="checkbox"/> ELECT <input type="checkbox"/> DECLINE the W-2 Tax Reporting Service	
Policyholder name		Group policy number	
Name of person completing this form (Must be authorized employer representative)		Title	
Signature of authorized employer representative X		Date signed (mm/dd/yyyy)	
Sun Life Assurance Company of Canada authorized signature X	Print name and title	Date signed	

Please keep a copy of this entire agreement for your file and return the original to Sun Life Assurance Company of Canada. This form must be returned by December 1st of the tax year for which we are providing W-2's. If it is received after that date, your election/declination will not become effective until the following tax year.