



SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

NOTICE OF ANNUAL SHAREHOLDERS' MEETING

To all shareholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Sun Life Prosperity Dollar Wellspring Fund, Inc. shall be held on **14 July 2021 (Wednesday)** at 2:00 p.m. via Zoom Webinar at http://bit.ly/SLPF_ASHM2021, to consider the following:

AGENDA

1. Call to Order
2. Proof of Notice of Meeting
3. Determination and Certification of Quorum
4. Chairman's Address
5. Review of 2020 Operations
6. 2020 Fund Performance
7. Election of Directors for the 2021 to 2022 term
8. Approval of the Minutes of the 2019 Stockholders' Meeting
9. Confirmation and Ratification of All Acts and Proceedings of the Board and Corporate Officers
10. (Annex A)
11. Appointment of External Auditor
12. Other Matters
13. Adjournment

Representatives of Navarro Amper & Co./Deloitte Touche Tohmatsu are expected to be present during the annual meeting to respond to appropriate questions and to make a statement if they so desire.

The Board of Directors has, in accordance with the By-Laws, fixed the close of business on **30 April 2021** as the record date for the determination of the shareholders entitled to notice of and to vote as such in the annual shareholders' meeting and any adjournment thereof.

The Fund will accept proxy votes from its stockholders by emailing SunLifeFunds@sunlife.com until Sunday, 04 July 2021 (at least 10 days prior to the ASHM). The same shall be remotely validated by the Fund before the close of business hours on or before 09 July 2021 (at least 5 days prior to the ASHM).

Shareholders and/or their proxies must pre-register using the provided link. Identification of the registrant will be verified during the pre-registration process.

Taguig City, Metro Manila, 09 June 2021

ATTY. ANNA KATRINA C. KABIGTING-IBERO
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

Preliminary Information Statement Definitive Information Statement

2. Name of Registrant as specified in its charter: Sun Life Prosperity Dollar Wellspring Fund, Inc.

3. Province, country or other jurisdiction of incorporation or organization: Philippines

4. SEC Identification Number: CS201517778

5. BIR Tax Identification Code: 008-123-698-000

6. Address of Principal Office: 8th Floor Sun Life Centre, 5th Avenue cor Rizal Drive, Bonifacio Global City, Taguig City 1634

7. Registrant's telephone number, including area code: (632) 8555-8888

8. Date, time, place of the meeting of security holders:

14 July 2021 (Wednesday), 2:00 P.M.
via Zoom Webinar at http://bit.ly/SLPF_ASHM2021
to be hosted from 8F Sun Life Centre, 5th Avenue corner Rizal Drive
Bonifacio Global City, Taguig City 1634

9. Approximate date on which the Information Statement is first to be sent or given to security holders: 16 June 2021

10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor: Ms. Marleen Kaye Simbillo

Address and Telephone Number: 8th Floor Sun Life Centre, 5th Avenue cor Rizal Drive, Bonifacio Global City, Taguig City 1634; (632) 8849-9888 ; marleen.kaye.simbillo@sunlife.com

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of shares of Common Stock Outstanding
Common Shares, PHP1.00 par value	5,968,856 shares (as of 31 May 2021)

12. Are any or all of the Company's securities listed on the Philippine Stock Exchange ("PSE")?

Yes No

PART I.
INFORMATION REQUIRED IN THE INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Meeting of Security Holders

a. The annual shareholders' meeting of Sun Life of Canada Prosperity Dollar Wellspring Fund, Inc. (the "Company") will be held on 14 July 2021 at 2:00 p.m. via Zoom Webinar at http://bit.ly/SLPF_ASHM2021 to be hosted from 8F Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City 1634. The principal office of the Company is located at 8th Floor Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City 1634.

b. The approximate date on which the information statement and proxy form ("ASHM materials") will be sent to all shareholders is on 16 June 2021. Shareholders will receive the ASHM materials personally, by mail (by physical or electronic transmission). Further, shareholders will also receive an advance copy via e-mail and will have access to the ASHM materials via the SLAMCI website.

Item 2. Dissenter's Right of Appraisal. The Revised Corporation Code of the Philippines, specifically its Sections 80 to 85 of Title X, gives a dissenting shareholder or a shareholder who votes against certain corporate actions specified by law, the right to demand payment of the fair market value of his/her shares, commonly referred to as Appraisal Right. There is no matter or item to be submitted to a vote or acted upon in the annual shareholders' meeting of the Company which falls under the instances provided by law when dissenting shareholders can exercise their Appraisal Right.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

a. No current director or officer of the Company, or nominee for election as directors of the Company or any associate thereof, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon other than election to office.

b. No director has informed the Company in writing that he intends to oppose any action to be taken by the Company at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

a. The Company has 5,968,856 outstanding common shares as of 31 May 2021. Each common share shall be entitled to one (1) vote with respect to all matters to be taken up during the annual shareholders' meeting.

b. The record date for determining shareholders entitled to notice of and to vote during the annual shareholders' meeting is 30 April 2021.

c. In the forthcoming annual shareholders' meeting, shareholders shall be entitled to elect five (5) members to the Board of Directors. Each shareholder may vote such number of shares for as many as five (5) persons he may choose to be elected from the list of nominees, or he may cumulate said shares and give one (1) candidate as many votes as the number of his shares multiplied by five (5) shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by five (5).

d. **Security Ownership of Certain Beneficial Owners and Management**

1. **Security Ownership of Certain Beneficial Owners.** Holders of more than 5%, if any, are included in the list of the Top 20 Shareholders, which is submitted to the SEC through a confidential disclosure.

On 7 March 2013, SEC en banc approved the confidential treatment of the list of Top 20 shareholders of the Sun Life Prosperity Funds, including its 5% and 10% beneficial owners. This is to protect the investors' privacy, which is a privilege they enjoy when they invest in other shared investment vehicles, such as unit investment trust funds, and when they invest in bank deposits.

2. **Security Ownership of Management as of 31 March 2021 follows:**

Title of Class	Name of Beneficial Owner	Number of Shares ¹	Nature of Ownership	Citizenship	Percent of Class
Common	Benedicto C. Sison	1	Beneficial (B) and Record (R)	Filipino and American	0.00%
Common	Ma. Josefina A. Castillo	1	B & R	Filipino	0.00%
Common	Aleli Angela G. Quirino	1	B & R	Filipino	0.00%
Common	Cielito F. Habito <i>(outgoing)</i>	1	B & R	Filipino	0.00%
Common	Oscar M. Orbos	1	B & R	Filipino	0.00%

As incoming Independent Director for election on 14 July 2021, the Fund will assign to them their qualifying share on the same day:

Common	Oscar S. Reyes	1	B & R	Filipino	0.00%
--------	----------------	---	-------	----------	-------

The above individual owners can be contacted through the Corporate Secretary of the Company, Atty. Kabigting-Ibero, 6th Floor Sun Life Centre, 5th Avenue cor Rizal Drive, Bonifacio Global City, Taguig City 1634.

3. **Voting Trust Holders of 5% or More.** No holder of 5% or more of the Company's common shares has any voting trust or similar agreement that vest voting rights or other powers to a voting trustee.

4. **Changes in Control.** There has been no change in control of the Company since the beginning of the last fiscal year.

Item 5. Directors and Executive Officers

Nominees for Independent Directors were nominated by Ms. Maria Josefina A. Castillo, President of the Fund, to the Corporate Governance Committee (then Nomination Committee). Ms. Castillo is independent of the said nominees. The Corporate Governance Committee composed of Atty. Quirino as Chairman and Mr. Sison and Mr. Orbos as Members, pre-screens and shortlists all candidates nominated to become a member of the Board of Directors in accordance with the qualifications and disqualifications of the regulations named above and in accordance with the procedure outlined in the Company's Manual on Corporate Governance ("Manual").

Except for committee members who are independent directors themselves, none of the members of the Corporate Governance Committee are related to the independent directors.

a. The Company's directors—including independent directors—and executive officers are as follows:

<i>Name</i>	<i>Citizenship</i>	<i>Position</i>	<i>Age</i>	<i>Term of Office</i>	<i>Period Served</i>
Benedicto C. Sison	Filipino and American	Director/President Director/Chairman	60	2015 – June 2018 July 2018 - present	5 terms 3 terms

¹ Number of shares held in their capacity as Director or Chairperson

Maria Josefina A. Castillo	Filipino	Director/President	47	2018 - present	3 terms
Aleli Angela G. Quirino	Filipino	Independent Director	77	2018-present	3 terms
Oscar M. Orbos	Filipino	Independent Director	70	2015-present	6 terms
Oscar S. Reyes (<i>incoming</i>)	Filipino	Independent Director	75		
Candy S. Esteban	Chinese	Treasurer	44	2015-present	6 terms
Anna Katrina C. Kabigting-Ibero	Filipino	Corporate Secretary	41	April 2020 - present	1 term
Frances Ianna S. Canto	Filipino	Assistant Corporate Secretary	32	September 2020 – present	
Jemilyn S. Camania	Filipino	Compliance Officer	45	April 2020 - present	1 term
Ria V. Mercado	Filipino	Risk Officer	45	2015-present	6 terms

A brief write-up on the business experience of the incumbent directors and executive officers of the Company are as follows:

BENEDICTO C. SISON

Chairman (2018 to present)

Director (2015 to 2018)

Mr. Benedicto C. Sison is the CEO and Country Head of the Sun Life group of companies in the Philippines from 01 July 2018. He is also the President of Sun Life Financial Philippine Holding Company, Inc. (December 2015 to present) and serves as the Director and Chairman of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., (September 2015 to present), Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc. (2017 to present), and Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to present). He is also the Director and Chairman of the Grepalife Funds such as Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation, and Grepalife Fixed Income Fund Corporation (September 2015 to present). He is the Vice President of Sun Life Financial – Philippines Foundation, Inc., (September 2015 to present) where he also served as Trustee (September 2010 to September 2013). He is currently a Senior Advisor to the Board of Trustees of the Philippine Investment Funds Association (PIFA) and Treasurer of the Philippine Life Insurance Association (PLIA).

Prior to his current role, Mr. Sison served as the Chief Strategy and Financial Management Officer of Sun Life of Canada (Philippines), Inc. (April 2015 to 2018). He also served as Chief Financial Officer of Sun Life Financial Asia (November 2012 to March 2015), Director of Sun Life Hong Kong Limited (December 4, 2012 to May 14, 2015), Commissioner of PT. Sun Life Indonesia Services (February 21, 2013 to July 5, 2013) and Commissioner of PT. Sun Life Indonesia (April 19, 2013 to April 23, 2015). He was also the Director/CFO and Treasurer of Sun Life Financial Philippine Holding Company, Inc. (September 2010 to December 2013), CFO and Treasurer of Sun Life Financial Plans, Inc. (September 2010 to December 2013), Director of Great Life Financial Assurance Corporation (July 2012 to September 2013) and Chief Financial Officer and Treasurer of Sun Life Asset Management Company, Inc. (September 2010 to June 2013) and Sun Life of Canada (Philippines), Inc. (September 2010 to October 2012). He also served as the Finance Director – Asia Pacific of Con-Agra International Food Group (September 2006 to August 2010).

He brings to the job a wealth of international finance experience gained primarily from ConAgra Foods, Inc., a multi-billion dollar global consumer products company. He held various positions with increasing responsibility in the areas of audit, financial control, planning and management in ConAgra's US, India and Asia-Pacific Operations. He was the Finance Director for the Asia Pacific Region, based in China, prior to joining Sun Life. Benedict also worked in the academe as well as in the aerospace, defense and public transit industries in the USA.

Mr. Sison is a Magna Cum Laude graduate of BS Business Administration from the University of the Philippines (1983). He earned his Master's degree in Business Administration, Major in Finance/Accounting (1988) from the Graduate School of Management of the University of California Riverside. He is a Certified Public Accountant (CPA) and is a member of the American Institute of CPAs.

MARIA JOSEFINA A. CASTILLO

President / Director (July 2018 to present)

Ms. Maria Josefina A. Castillo is the Director and President of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., and Sun Life Prosperity World Equity Index Feeder Fund, Inc. (July 2018 to present). She is also the Chief Financial Officer of Sun Life Financial Philippines (August 2015 to present) and the Treasurer of Sun Life of Canada (Philippines), Inc. Concurrently, she serves in the same capacity at Sun Life Financial Philippine Holding Company, Inc., Grepalife Asset Management Company, Inc., and Sun Life Grepa Financial Inc. (November 2012 to present). She serves as the Director and President of the Grepalife Funds such as Grepalife Bond Fund Corporation, Grepalife Dollar Bond Fund Corporation, and Grepalife Fixed Income Fund Corporation (July 2018 to present) and Treasurer (November 2012 to present), and a Director of Grepalife Realty Holdings Corporation (April 2020 to present)..

Prior to that, she was the Controller and Head of Financial Planning and Analysis (October 2013 to July 2015) and Head of Finance Integration (June 2011 to September 2013) of Sun Life of Canada (Philippines), Inc. She currently serves as the Vice President and Trustee of the Philippine Investments Funds Association (PIFA) (2013 - 2018) and is currently the Chairperson of the Finance and Investment Committee of the Philippine Life Insurance Association (PLIA) (2018, 2020 – present)..

Ms. Castillo has over 20 years of extensive finance experience in the life insurance industry. Prior to joining Sun Life Financial Philippines, she was the Head of Regional Accounting and Control (June 2006- June 2011) and Manager of Asia Accounting (November 2003 to May 2006) of Sun Life Financial Asia Services Ltd. She also worked with CMG Philippines (1998-2003), Permanent Plans, Inc. (1996-1997) and Sycip, Gorres, Velayo & Co. (1994-1996).

Ms. Castillo is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants (PICPA). She earned her Bachelor of Science in Accountancy degree from the Miriam College Foundation, Inc. and her Masters of Business Administration from the University of the Philippines (Diliman). She is a Fellow, Life Management Institute (FLMI) and an Associate, Customer Service (ACS) of the LOMA.

ALELI ANGELA G. QUIRINO

Independent Director – (2018 to present)

Atty. Aleli Angela G. Quirino, is an Independent Director of Sun Life of Canada Prosperity Bond Fund, Inc. (2000 to present), Sun Life of Canada Prosperity Balanced Fund, Inc. (2010 to present), Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.) (2004 to present), Sun Life Prosperity Dynamic Fund, Inc. (2012 to present), Sun Life Prosperity Dollar Starter Fund, Inc. (2017 to present), Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to present). She is also an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation (“Grepalife Funds”) (2011 to present).

Atty. Quirino is currently an Of Counsel of Angara Abello Concepcion Regala & Cruz Law Offices (ACCRA Law). She also serves as Director of ELC Beauty, Inc./Estee Lauder Phils. (2002 to present), among others. She also serves as a Director of Neo Pacific Property Management Corporation (2007 to present). She is the Vice-Chairman (2015 – present) of the Board of Trustees and Immediate Past President (2009 to 2015) of the Ateneo de Manila Law Alumni Association, Inc., and is a Trustee and Corporate Secretary of the Assumption College, Inc. (1996 to present). She is an Advisory Council Member (2012-present) and Vice-President for AIPPI of the Intellectual Property Association of the Philippines, Inc. (2012 to present). She is the Trustee-Treasurer (1998 to present) of the Intellectual Property Foundation, Inc. She is a Philippine Councillor of the Asian Patent Attorney Association (2004 to present). She is also the Immediate Past President of the ASEAN Intellectual Property Association (2017-2019) and the ASEAN Philippine Intellectual Property Association, Inc. (2015 to 2017). She is an EXCO member of the Association Internationale de la Propriete Intellectuelle (2004 to present).

Atty. Quirino received her Bachelor of Arts and Bachelor of Science in Education (magna cum laude) from Assumption College and Bachelor of Laws (with honors) from the Ateneo de Manila University.

OSCAR M. ORBOS

Independent Director (2015 to present)

Atty. Oscar M. Orbos, is an Independent Director of the Sun Life of Canada Prosperity Philippine Equity Fund, Inc. (2000 to present), Sun Life Prosperity Dollar Advantage Fund, Inc. (2009 to present), Sun Life Prosperity Dollar Abundance Fund, Inc. (2009 to present), Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc. and Sun Life Prosperity World Voyager Fund, Inc. (2015 to present), Sun Life Prosperity Dollar Starter Fund, Inc. (2017 to present), Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc. (2018 to present). He is also an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation (“Grepalife Funds”) (2018 to present).

Atty. Orbos has a distinguished public service career, which started with his election as Congressman (1987 to 1990 and 1992 to 1995) and then as Governor of the Province of Pangasinan (1995 to 1998). He also served as Secretary of the Department of Transportation and Communication (1990) and then as Executive Secretary (1990 to 1991) under the administration of President Corazon C. Aquino. Atty. Orbos also serves Chairman of the Board of Alpha Insurance & Surety Co., Inc. (2000 to present) and as Partner of Orbos Cabusora & Taguiam Law Office (1998 to present). He obtained his BS Economics and Bachelor of Laws from the University of the Philippines.

OSCAR S. REYES (*incoming*)

Mr. Oscar S. Reyes, is an Independent Director of the Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life of Canada Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc. (formerly DECA Homebuilder Fund, Inc.), Sun Life of Canada Prosperity Philippine Equity Fund, Inc., and Sun Life of Canada Prosperity Balanced Fund, Inc. He is also an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Bond Fund Corporation, and Grepalife Fixed Income Fund Corporation (“Grepalife Funds”).

Mr. Reyes' other current positions are: member of the Advisory Board of PLDT, Inc. and Basic Energy Corporation, Member, Advisory Council of the Bank of the Philippine Islands; Chairman, Pepsi Cola Products Philippines, Inc. Director of PXP Energy Corp. and PLDT Communications and Energy Ventures, Inc., Independent Director of Cosco Capital Inc., D.M. Wenceslao & Associates Inc., Sun Life Financial Plans, Inc., Pioneer Life Inc., Pioneer Insurance & Surety Corporation, Pioneer Intercontinental Insurance, Philippine Dealing System Holdings Corp., Philippine Dealing & Exchange Corporation, Philippine Depository & Trust Corporation, Philippine Securities Settlement Corporation, Team Energy Corporation, among other firms.

He completed his Bachelor of Arts degree in Economics at the Ateneo de Manila University in 1965 (Cum Laude) and did post-graduate studies at the Ateneo Graduate School of Business, Waterloo Lutheran University in Ontario, Canada and the Harvard Business School in Boston, Mass, USA.

CANDY S. ESTEBAN

Treasurer (2015 to present)

Ms. Esteban is the Treasurer of sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), (2015 to present), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc. (2016 to present), Sun Life Prosperity World Equity Index Feeder Fund, Inc. (2017 to present), Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., (March 2018) and the Sun Life Asset Management Company, Inc. (2015 to present). She is concurrently the Head of Financial Planning and Analysis for Sun Life Financial Philippines effective September 1, 2014. Ms. Esteban is responsible for all financial planning, management reporting and analysis for the Sun Life group of companies, as well as the Finance Business Partner for SLAMCI.

Prior to joining Sun Life, Ms. Esteban held various positions in Citibank and American Express Bank Philippines, two of the leading global banking institutions. Ms. Esteban has nearly 15 years of experience in the areas of controllership, profitability management, financial planning and management reporting, investments, insurance and loans in consumer, corporate banking, wealth management, commercial credit cards business and project management.

Ms. Esteban is a graduate of the Ateneo de Manila University with a Bachelor of Science degree in Management Engineering and she holds a Masters degree in Business Administration from INSEAD in Singapore and France.

JEMILYN S. CAMANIA

Compliance Officer and Data Protection Officer (April 2020 to present)

Atty. Jemilyn S. Camania is the Chief Compliance Officer of the sixteen Sun Life Prosperity Funds, i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (01 April 2020 to present) She is also the Chief Compliance Officer of Sun Life of Canada (Philippines), Inc.; Sun Life Financial Plans, Inc.; Sun Life Asset Management Company, Inc.; and Sun Life Financial – Philippines Foundation;

Atty. Camania started at Sun Life of Canada (Philippines), Inc. as Assistant Counsel (2004 to 2007), Counsel (2007 to 2011), Senior Counsel (2011 to 2012), and Deputy General Counsel (2012 to 2020) and Head of General Corporate Services (2016 to 2020). She also served as Senior International Counsel for Sun Life Asia (2016 to 2020). She also served as Corporate Secretary of Sun Life of Canada (Philippines), Inc. (2010 to 2020); Sun Life Financial Plans, Inc. (2010 to 2020); Sun Life Asset Management Company, Inc. (2005 to 2020); Sun Life Financial Philippine Holding Company, Inc. (2012 to 2020); Sun Life Financial – Philippines Foundation (2012 to 2020); the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Money Market Fund, Inc., (2005 to 2020), Sun Life Prosperity Dynamic Fund, Inc. (2012 to 2020),

Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc. (2015 to 2020), Sun Life Prosperity World Equity Index Feeder Fund, Inc., and Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to 2020); Grepalife Asset Management Corporation (2011 to 2020); the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation (2011 to 2020); and the Assistant Corporate Secretary of Sun Life Grepa Financial, Inc. (2011 to 2020). Prior to joining Sun Life, she worked as an Associate at the Cayetano Sebastian Ata Dado & Cruz Law Offices (2001 to 2004).

Atty. Camania received her Bachelor of Arts in Psychology (1992) and Bachelor of Laws (2001) degrees from the University of the Philippines (Diliman). She passed the Bar Examinations in 2002. She is also a Fellow, Life Management Institute (2010), Professional, Customer Service (with honors) (2011), and Associate, Insurance Regulatory Compliance (2014) of the Life Office Management Association (LOMA).

ANNA KATRINA C. KABIGTING-IBERO

Corporate Secretary (April 2020 to present)

Atty. Anna Katrina C. Kabigting-Ibero is the Corporate Secretary of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., (April 2020 to present) and the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation, (April 2020 to present). She is also the Corporate Secretary of Sun Life of Canada (Philippines), Inc., Sun Life Asset Management Company, Inc., Sun Life Financial Plans, Inc., Grepalife Asset Management Corporation, Sun Life Financial Philippine Holding Company, Inc., Sun Life Financial – Philippines Foundation, Inc., and Assistant Corporate Secretary of Sun Life Grepa Financial, Inc. (April 2020 to present). She was appointed as Corporate Secretary of Sun Life Investment Management and Trust Corporation last September 2020.

Prior to joining Sun Life in 2014, Atty. Ibero worked as an Associate Lawyer at the David Cui-David Buenaventura and Ang Law Offices (2006 to 2010). She later joined the Bank of the Philippine Islands as Legal and Compliance Officer of the Bank's Asset Management and Trust Group (2010 to 2014).

Atty. Kabigting-Ibero received her Bachelor of Arts Major in Legal Management (2000) and Bachelor of Laws (2005) from the University of Santo Tomas. She was called to the Bar in 2006.

FRANCES IANNA S. CANTO

Assistant Corporate Secretary (September 2020 to present)

Atty. Frances Ianna S. Canto is the Assistant Corporate Secretary of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc. She is also the Assistant Corporate Secretary of Sun Life Asset Management Company, Inc. and Sun Life Investment Management and Trust Corporation (September 2020 – present).

Prior to joining Sun Life in May 2020, Atty. Canto worked as a Legal and Compliance Officer of Manulife Philippines (March 2017), where she also served as Assistant Corporate Secretary and Alternate Data Protection Officer. Before joining Manulife, Atty. Canto briefly worked as a consultant with the Office of the Secretary of the Climate Change Commission and prior to that, as an Associate Lawyer at the Medialdea Ata Bello and Suarez Law Office (2013-2016).

Atty. Canto received her Juris Doctor degree from the Ateneo de Manila University. She was admitted to the Bar in May 2014.

RIA V. MERCADO

Risk Officer (2015 to present)

Ms. Ria V. Mercado is the Risk Officer of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., (2015-present) and the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation, (July 2019 to present). She has been the Head of Risk Management of Sun Life Philippines since 2015 and the Risk Officer of Sun Life Asset Management Company, Inc., Grepalife Asset Management Corporation, Sun Life of Canada (Philippines), Inc., Sun Life Grepa Financial, Inc. (July 2015 to present) and Sun Life Financial – Philippines Foundation, Inc. (December 2019 to present).

Prior to joining Sun Life in 2015, she was with Deutsche Knowledge Services (DKS), where she was Debt and Client Risk & Control Lead. In this capacity, she was responsible for risk and control initiatives and for proactively identifying and mitigating operations risks through quality assurance initiatives. Prior to DKS, she was with Standard Chartered Bank where she rose from Graduate Associate to AVP – Unit Operational Risk Manager.

Ms. Mercado holds a Master in Business Management degree from the Asian Institute of Management. She is a BS Business Administration graduate of the University of the Philippines (Diliman).

1. **Independent Directors.** Nominees for Independent Directors were nominated by Ms. Maria Josefina A. Castillo, President of the Fund, to the Corporate Governance Committee (then Nomination Committee). Ms. Castillo is independent of the said nominees. The nomination in accordance with the guidelines and requirements set in the Securities and Exchange Commission (SEC) Memorandum Circular Nos. 24 (s. 2019) and 16 (s. 2002) and SRC Rule 38. Qualifications of Directors as enumerated in said circulars are strictly followed.

2. **Nomination Process.** The Corporate Governance Committee composed of Atty. Quirino as Chairman and Mr. Sison and Mr. Orbos as Members, pre-screens and shortlists all candidates nominated to become a member of the Board of Directors in accordance with the qualifications and disqualifications of the regulations named above and in accordance with the procedure outlined in the Company’s Manual on Corporate Governance (“Manual”).

Except for committee members who are independent directors themselves, none of the members of the Corporate Governance Committee are related to the independent directors. The following Final List of Candidates to the 2021 Board of Directors has been approved:

- 2.1 Mr. Benedicto C. Sison
- 2.2 Ms. Maria Josefina A. Castillo
- 2.3 Atty. Oscar M. Orbos
- 2.4 Atty. Aleli Angela G. Quirino
- 2.5 Mr. Oscar S. Reyes

Unless marked otherwise, proxies received will be voted for the election of each of the nominees stated in the proxy form.

- b. **Incorporators.** The incorporators of the Company are: Rizalina G. Mantaring, Ma. Karenina M. Casas, Valerie N. Pama, Oscar M. Orbos , and Melito S. Salazar, Jr.
- c. **Significant Employees.** The Company has no significant employees.
- d. **Family Relationships.** There are no family relationships up to the fourth civil degree either by consanguinity or affinity among directors, executive officers, or persons nominated by the Company to become its directors or executive officers.
- e. **Involvement in Certain Legal Proceedings.** None of the directors or persons nominated to become directors or executive officers of the Company has been involved during the past five (5) years in any legal proceeding which is material to an evaluation of their ability or integrity to serve as such, including, bankruptcy petition, conviction by final judgment, being subject to any order, judgment or decree, or violation of a securities or commodities law.
- f. **Certain Relationships and Related Transactions.** The Company is not involved in any transaction or series of similar transactions, proposed or otherwise, with or involving any of its subsidiaries in which a director, executive officer, or stockholder owns ten percent (10%) or more of total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest during the last two (2) years.
- g. **Parent of the Company.** The Company does not have a parent company.
- h. **Disagreement of Directors and Executive Officers.** None of the directors has resigned or declined to stand for re-election to the Board of Directors since the date of the last annual meeting of security holders because of a disagreement with the Company on any matter relating the Company's operations, policies, or practices.
- i. **Compliance with Leading Practices on Corporate Governance.** All of the directors and officers of the Company have attended a seminar on corporate governance given by a SEC-accredited provider. They attend a yearly training on Corporate Governance by a reputable provider, including topics global trends and best practices.

The Board reviews and updates its Manual on Corporate Governance at least annually to ensure that it is kept abreast of global leading practices and principles on good corporate governance. On a yearly basis, the Board Directors each accomplishes a Board Effectiveness Questionnaire to evaluate themselves as individual Directors and as a Board, to determine their skills and level of compliance with the Manual, as well as recommend changes to the Manual and Committee charters. This ensures that they remain independent and effective in implementing their respective mandates and discharging their duties and responsibilities. As a result of the recommendations from the Board on how to better improve Corporate Governance, they now hold a confidential meeting to discuss strategy every year.

The Company also has robust and effective risk management policies and procedures in place to identify, mitigate and manage risks arising from the Company's operations. On a yearly basis, the Company's Compliance Officer issues a Certification which confirms that the Company substantially adopted all the provisions in the Manual of Corporate Governance, as prescribed by the SEC. Accounts of deviation, if any, are duly reported by the Compliance Officer, as necessary.

Item 6. Compensation of Directors and Executive Officers

- a. **Compensation of Executive Officers.** The executive officers of the Company do not receive any form of compensation from their appointment up to the present.
- b. **Compensation of Directors.** The Fund's executive officers and directors who are officers and/or employees of SLOCPI and/or SLAMCI do not receive any form of compensation as such from the time of their appointments up to the present.

The Fund's directors who are not officers and/or employees of SLOCPI and/or SLAMCI (i.e., "Independent Directors") receive a per diem for their attendance at regular or special meetings of the Board at the rate of PHP 20,000.00 per meeting per Independent Director (the Fund has two [2] Independent Directors). There are no other forms of compensation which such Independent Directors are entitled to receive for meetings attended, other than said per diem and a retainer's fee not to exceed PHP 15,000.00 per quarter. Payment of such retainer's fee shall be shared by the Fund with the other Sun Life Prosperity Funds which the Independent Director also serves, provided that each Independent Director shall receive only a maximum of PHP 15,000.00 per quarter from all the Sun Life Prosperity Funds combined. There are no standard arrangements, employment contracts, termination of employment, change-in-control or other arrangements with the directors. Such remuneration to be paid for by the Fund may be adjusted in the future as may be warranted by existing fund levels and other factors.

Total per diem received by the Fund's directors for the year 2020 and 2019 are US\$ 7,608 and US\$ 6,444, respectively.

The Board has four (4) regular quarterly meetings for 2021, including the organizational board meeting after the annual shareholders' meeting. For the four (4) meetings and with three (3) members of the Board who are external directors entitled to receive per diem, the Fund forecasts a total directors' per diem of PHP 240,000 (approximately US\$ 4,994) for the year 2021. The external directors are also forecasted to receive a total of PHP 15,070 (approximately US\$ 314) as retainer's fees for 2021.

c. **Employment Contracts and Termination of Employment and Change-in-Control Arrangements.** Other than that previously stated, there are no other standard or consulting arrangements or any compensatory plan relating to resignation/retirement by which directors and officers are to be compensated.

Item 7. Independent Public Accountants. During the two (2) most recent fiscal years, Navarro Amper and Co./Deloitte Touche Tohmatsu served as the Company's principal accountants and external auditors. The signing partner is Mr. Joeffrey Mark Ferrer, who has served in said capacity since 2020. The same auditors are being recommended for re-election at the scheduled annual shareholders' meeting. Representatives of the said firm are expected to be present at the upcoming annual shareholders' meeting to respond to appropriate questions and to make a statement if they so desire.

In compliance with SRC Rule 68, As amended, the Company intends to change external auditors or audit engagement partners, at least once every five (5) years.

Audit and Audit-Related Fees. The audit fees for 2020 and 2019 are US\$ 3,444 and US\$ 3,545, respectively. Prior year's fees include Interim and yearend Audit of the financial statements of the Fund in relation to statutory and regulatory filings.

There are no other assurance and related services rendered by the external auditor for the last two fiscal years that are reasonably related to the performance of the audit of the Fund's financial statements

The Company's Audit and Compliance Committee hears the client service plan and service fee proposal presented by the external auditor and recommends such for the approval of the Board of Directors if found acceptable. Said Committee is composed of the following: Atty. Orbos as Chairman and Dr. Habito and Atty. Quirino as Members.

Item 8. Compensation Plans. No action is to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed to its directors or employees.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange. No action is to be taken with respect to the authorization or issuance of any securities otherwise than for exchange for outstanding securities of the Company.

Item 10. Modification or Exchange of Securities. No action is to be taken with respect to the modification of any class of securities of the Company, or the issuance or authorization for issuance of one class of securities of the Company in exchange for outstanding securities of another class.

Item 11. Financial and Other Information. No actions to be taken with respect to items 9 or 10. Report on Management's Discussion is attached as part of the annexes to SEC Form Definitive 20-IS

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters. No action is to be taken with respect to any transactions involving the: 1. merger or acquisition of the Company into or with any other person or any other person into or with the Company; 2. acquisition of the Company or any of its security holders of securities of another person; 3. acquisition by the Company of any other going business or of the assets thereof; 4. sale or other transfer of all or any substantial part of the assets of the Company; or 5. liquidation or dissolution of the Company.

Item 13. Acquisition or Disposition of Property. No action is to be taken with respect to the acquisition or disposition of any property.

Item 14. Restatement of Accounts. No action is to be taken with respect to the restatement of any asset, capital or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports. The minutes of the meeting and related records are available for inspection by any shareholder at the office of the Company during business hours. Management recommends a vote FOR the approval of the minutes of the 2020 Shareholders' Meeting held on 22 July 2020. Also submitted for approval is the Annual Report (SEC Form 17A) and the audited Financial Statements for the year ended 31 December 2020 and the Quarterly Report for the First Quarter (SEC Form 17Q1).

Item 16. Matters Not Required to be Submitted. No action is to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

Item 17. Amendment of Charter, Bylaws, or Other Documents. No action is to be taken with respect to amendment of the Company's charter, by-laws, or other documents.

Item 18. Other Proposed Action. Aside from the foregoing, there is no other proposed action.

Item 19. Voting Procedures. All elections and all questions, except as otherwise provided by law, shall be decided by the plurality vote of the shareholders present in person or by proxy; provided that a quorum (10% of the voting stock) is present. In case of election of directors, a majority vote (50% of the voting stock + 1) is required.

The right to vote of investors as of the Record Date may be exercised in person, through proxy, or so when so authorized in the By-laws or when approved by the majority of the Board of Directors, through remote communication or in absentia. The Fund will accept proxy votes from its stockholders by emailing SunLifeFunds@sunlife.com until Sunday, 04 July 2021 (at least 10days prior to the ASHM). The same shall be remotely validated by the Fund before the close of business hours on or before 09 July 2021 (at least 5 days prior to the ASHM). Investors who will decide to attend the ASHM via Zoom may also exercise their right to vote in absentia via the Zoom poll functionality available during the conduct of the ASHM. Client identification may be verified during the pre-registration process.

Thereafter, the Corporate Secretary will proceed to count and tabulate the votes casted via remote communication or in absentia, and those who voted through proxy.

PART II. INFORMATION REQUIRED IN A PROXY FORM

Item 1. Identification. The solicitation of proxies is made for and on behalf of Ms. Castillo, President of the Company, and the proxy given will be voted in accordance with the authority contained therein. Atty. Anna Katrina C. Kabigting-Ibero, Corporate Secretary, will cast the votes in case of her absence.

Item 2. Instruction. Proxy forms attached to the notice of the annual shareholders' meeting appoint Ms. Castillo, President of the Company, to represent and vote all shares registered in the name of the shareholder. The following need to be indicated by the shareholder on the form: a. Date and place the form was signed; b. Shareholder's complete name; and c. Signature.

Upon receipt of a duly completed proxy form through courier, regular mail, fax, or email (sent using the shareholder's registered email address with the Company), the Company will ensure that the forms are in order and that the above requirements have been complied with. Shareholder names and signatures appearing on the proxy form that are irreconcilable against Company records will be considered void.

Should defects be noted on a duly completed proxy form with regard to items (a) and (b) above, the Company has the option to determine ways and means by which the defect could be corrected, in which case the proxy form would be considered valid. Proxy forms not meeting the above requirements would not be counted.

Item 3. Revocability of Proxy. A shareholder giving a proxy has the power to revoke it at any time prior to its exercise by voting in person at the Annual Meeting, by giving written notice to the Corporate Secretary prior to the Annual Meeting, or by giving another proxy with a later date provided it is received by the office of the Corporate Secretary not later than ten (10) days prior to the Annual Meeting.

Item 4. Persons Making the Solicitation.

a. The proxy solicitation is conducted on behalf of the Company by SLAMCI as part of its management services and is to be made through registered mail and courier service. No director of the Company has informed the Company in writing that he intends to oppose any action intended to be taken.

b. Proxies may also be solicited by SLAMCI employees assigned to Investor Services, without additional compensation, personally or by written communication, telephone or other electronic means. **Ms. Marleen Kaye Simbillo** has been designated as the contact person for all inquiries related hereto at contact number (632) 8849-9888 with address at 8th Floor Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City 1634, and email address marleen.kaye.simbillo@sunlife.com.

c. Likewise, no especially engaged employee or paid solicitors are to be involved in this exercise.

d. The Company will bear the cost of preparing and mailing this proxy statement and other materials furnished to shareholders in connection with the proxy solicitation. The foregoing is estimated to cost about PHP 1,000,000.00 for all the Sun Life Prosperity Funds.

Item 5. Interest of Certain Persons in Matters to be Acted Upon. As of 30 April 2021, records show that SLAMCI owns 13.516% of the Company's outstanding capital stock. Mr. Gerald L. Bautista, President of Sun Life Asset Management Company, Inc. ("SLAMCI"), has the power to vote of the shares or direct the voting of the shares.

SHAREHOLDERS OF RECORD ENTITLED TO NOTICE OF AND VOTE AT THE MEETING SHALL BE FURNISHED WITHOUT CHARGE, A COPY OF THE COMPANY'S ANNUAL REPORT OR SEC FORM 17-A, UPON WRITTEN REQUEST ADDRESSED TO:

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
OFFICE OF THE CORPORATE SECRETARY
6TH FLOOR SUN LIFE CENTRE, 5TH AVENUE COR RIZAL DRIVE
BONIFACIO GLOBAL CITY, TAGUIG CITY 1634

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct.

Sun Life Prosperity Dollar Wellspring Fund, Inc.
Issuer



ATTY. ANNA KATRINA C. KABIGTING-IBERO
Corporate Secretary

Date: 09 June 2021.

Annex “A”

ANNEX TO THE AGENDA

Sun Life of Canada Prosperity Bond Fund, Inc.
Sun Life of Canada Prosperity Balanced Fund, Inc.
Sun Life of Canada Prosperity Philippine Equity Fund, Inc.
Sun Life Prosperity Peso Starter Fund, Inc.
Sun Life Prosperity Dollar Advantage Fund, Inc.
Sun Life Prosperity Dollar Abundance Fund, Inc.
Sun Life Prosperity GS Fund, Inc.
Sun Life Prosperity Dynamic Fund, Inc.
Sun Life Prosperity Philippine Stock Index Fund, Inc.
Sun Life Prosperity Dollar Wellspring Fund, Inc.
Sun Life Prosperity World Voyager Fund, Inc.
Sun Life Prosperity Dollar Starter Fund, Inc.

Acts and Proceedings of the Board and Corporate Officers for Confirmation and Ratification of the Stockholders:

1. Election and/or appointment of officers, committee members and representatives to the Philippine Investment Funds Association (PIFA)
2. Continuation of the Management Agreement and Distribution Agreement and Transfer Agency Agreement with Sun Life Asset Management Company, Inc. (SLAMCI)
3. Amendment of Prospectus¹
4. Amended delegation of the Power to Amend the Prospectus
5. Amended delegation of the Power to Apply for Increase in the Authorized Capital Stock
6. Approval of the 2020 Audited Financial Statements
7. Approval of Manual on Corporate Governance
8. Approval of Board Committee Charters
9. Approval of Fund Management Outsourcing arrangement to be entered by the Corporation with SLAMCI at a later time. This includes the authority to access to the Corporation’s pertinent accounts, in preparation for this arrangement.
10. Approval of the delegation of the power to suspend the redemption of shares/units of the Corporation (approved by the Audit and Compliance Committee, acting as the Independent Oversight Entity).
11. The joint holding of the Sun Life Prosperity Funds’ Annual Stockholders’ Meetings on 14 July 2021 through remote communications in accordance with SEC Memorandum No. 6, dated March 12, 2020, using Zoom’s Video Conferencing facility. Stockholders of record of the Funds as of 30 April 2021 shall be entitled to notice of and to attend and vote at said meeting.

¹ Sun Life Prosperity Peso Starter, Dollar Starter, and World Voyager Funds

(DRAFT) MINUTES OF THE JOINT ANNUAL STOCKHOLDERS' MEETING

Sun Life of Canada Prosperity Bond Fund, Inc.
Sun Life of Canada Prosperity Balanced Fund, Inc.
Sun Life of Canada Prosperity Philippine Equity Fund, Inc.
Sun Life Prosperity Dollar Abundance Fund, Inc.
Sun Life Prosperity Dollar Advantage Fund, Inc.
Sun Life Prosperity Peso Starter Fund, Inc.
(formerly, Sun Life Prosperity Money Market Fund, Inc.)
Sun Life Prosperity GS Fund, Inc.
Sun Life Prosperity Dynamic Fund, Inc.
Sun Life Prosperity Philippine Stock Index Fund, Inc.
Sun Life Prosperity Dollar Wellspring Fund, Inc.
Sun Life Prosperity World Voyager Fund, Inc.
Sun Life Prosperity Dollar Starter Fund, Inc.

Held on 22 July 2020 from 1:00 p.m. to 2:07p.m.
via Zoom Webinar

Total number of shares present and represented: Please see Annex "A"

**Members of the Board
of Directors Present:**

BENEDICTO C. SISON
VALERIE N. PAMA
MA. JOSEFINA A. CASTILLO
OSCAR M. ORBOS*
ALELI ANGELA G. QUIRINO*
OSCAR S. REYES*
CIELITO F. HABITO*

Also Present:

CANDY S. ESTEBAN
MICHAEL GERARD D. ENRIQUEZ
ANNA KATRINA C KABIGTING-IBERO
WINLOVE APPLE SANDALO-ESPERANZA
NAVARRO AMPER & CO./DELOITTE TOUCHE
TOHMATSU

1. CALL TO ORDER

Mr. Benedicto C. Sison, Chairman, called to order the Joint Annual Stockholders' Meeting of the Sun Life of Canada Prosperity Bond Fund, Inc. ("Bond Fund"), Sun Life of Canada Prosperity Balanced Fund, Inc. ("Balanced Fund"), Sun Life of Canada Prosperity Philippine Equity Fund, Inc. ("Philippine Equity Fund"), Sun Life Prosperity GS Fund, Inc. ("GS Fund"), Sun Life Prosperity Peso Starter Fund, Inc. (formerly, Sun Life Prosperity Money Market Fund, Inc.) ("Peso Starter Fund"), Sun Life Prosperity Dollar Abundance Fund, Inc. ("Dollar Abundance Fund"), and Sun Life Prosperity Dollar Advantage Fund, Inc. ("Dollar Advantage Fund"), Sun Life Prosperity Dynamic Fund, Inc. ("Dynamic Fund"), Sun Life Prosperity Philippine Stock Index Fund, Inc. ("Philippine Stock Index Fund"), Sun Life Prosperity Dollar Wellspring Fund, Inc. ("Dollar Wellspring Fund"), Sun Life Prosperity World Voyager Fund, Inc. ("World Voyager Fund") and Sun Life Prosperity Dollar Starter Fund, Inc. ("Dollar Starter Fund") which are collectively known as the Sun Life Prosperity Funds (the "Funds"). He thereafter presided over the same. Atty. Winlove Apple Sandalo-Esperanza, Assistant Corporate Secretary, recorded the minutes thereof.

2. PROOF OF NOTICE OF MEETING

Atty. Anna Katrina Kabigting-Ibero, Corporate Secretary, confirmed that the holding of the virtual annual stockholders meeting is in accordance with the requirements set forth by the Securities and Exchange Commission. Likewise, the necessary approvals from the Board of Directors have been obtained and all requirements have been complied with in order to protect the interests of the stockholders.

Thereafter, she certified that the stockholders of record as of 30 April 2020 were duly notified of the meeting. The notices were sent electronically, posted on the Sun Life Asset Management Corporation, Inc. ("SLAMCI") website, and likewise published in newspapers of general circulation

3. CERTIFICATION OF QUORUM

The Secretary reported the attendance based on the Attendance Sheet as well as the proxies received before the meeting. The attendance is set forth in Annex "A" of the minutes.

4. CHAIRMAN'S ADDRESS

Through a pre-recorded video, Sun Life Prosperity Funds Chairman, Mr. Benedicto C. Sison, welcomed the stockholders to the Sun Life Prosperity Funds' annual meeting.

In his welcome message, Mr. Sison began by stating that the holding of a virtual shareholders meeting is a first for the Company. He recounted highlights of the year 2019, which was marked with significant milestones. Among these are the launch of the Sun Life Prosperity Achiever Funds, the Philippines' first ever target-dated mutual funds, and the introduction of a more affordable denomination of the Sun Life Prosperity Card.

Mr. Sison also shared the digital enhancements of the Company. In particular, SLAMCI Online, the Bills Payment facility, and the workplace savings plan called SUN RISE, proved to be very useful during the quarantine measures implemented earlier in the year. He noted that these digital tools allowed the Company to serve its investors' needs and provide much needed information and advice. In fact, as of end-of-June, the Company breached the mark of Php94billion assets under management.

He also emphasized the Company's commitment to being a lifetime partner of its investors. It is through the investors' trust and support that the Company innovated, improved and excelled over the year. In turn, he proudly shared that the Company received recognitions from the industry such as the 12 awards for fund performance from the 2019 Philippine Investment Fund Association Awards. The Company in fact garnered the most honors for the balanced fund and the money market fund categories.

Most importantly, Mr. Sison highlighted the 20th year anniversary of the Company noting that at present, the Company is the largest non-bank asset management company in the Philippines managing 16 funds with the launch of the Sun Life World Equity Index Feeder Fund. This milestone is made even more special by the fact that Sun Life Philippines, SLAMCI's mother company, is also marking its 125th anniversary. As a way of giving back to the country, Mr. Sison shared the Company's response to the pandemic. He informed the shareholders that the Company provided medical supplies and protective equipment to hospitals, offered free life insurance

coverage to medical frontliners, and donated food and basic necessities to vulnerable families, among others.

Mr. Sison expressed his confidence that the country will overcome the pandemic. It is because of this confidence that the Company is already putting in place a plan to help Filipinos rise to a bright new world. He ended his message by thanking the investors for the honor of serving them, looking forward to more decades of a bright partnership.

5. REVIEW OF 2019 OPERATIONS

Ms. Candy S. Esteban, Treasurer of the Funds, presented a review of the Funds' operations and financial performance in 2019.

6. 2019 FUND PERFORMANCE

Mr. Michael Gerard D. Enriquez, Chief Investment Officer, made a Video Presentation on the 2019 Fund Performance. After the video presentation, he invited the stockholders to join the Market Outlook Forum which will be held right after the Stockholders' Meeting.

7. ELECTION OF DIRECTORS FOR THE TERM 2020 to 2021

The Corporate Secretary informed the Chairman that the voting procedure and resumes of the nominees for directors have been stated in the SEC Form 20-IS and circulated to the stockholders prior to the annual meeting. The Assistant Corporate Secretary explained that eligible stockholders may cast their votes through the poll function of Zoom. She added that the preliminary results of votes on proxies submitted and validated as of 21 July 2020 shall be provided during the meeting, with the final results being reflected in the minutes of the meeting.

With the affirmative vote of 50% + 1 of the outstanding capital stock, the following were elected as members of the Boards of Directors:

a. SUN LIFE OF CANADA PROSPERITY BOND FUND, INC.

1. Benedicto C. Sison
2. Ma. Josefina A. Castillo
3. Oscar M. Orbos (independent)
4. Oscar S. Reyes (independent)
5. Aleli Angela G. Quirino (independent)

b. SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

1. Benedicto C. Sison
2. Ma. Josefina A. Castillo
3. Aleli Angela G. Quirino (independent)
4. Oscar M. Orbos (independent)
5. Cielito F. Habito (independent)

c. SUN LIFE PROSPERITY PHILIPPINE STOCK INDEX FUND, INC.

1. Benedicto C. Sison
2. Ma. Josefina A. Castillo
3. Aleli Angela G. Quirino (independent)
4. Oscar M. Orbos (independent)

5. Cielito F. Habito (independent)
- e. SUN LIFE PROSPERITY PESO STARTER FUND, INC. (formerly, Sun Life Prosperity Money Market Fund, Inc.)*
 1. Benedicto C. Sison
 2. Ma. Josefina A. Castillo
 3. Valerie N. Pama
 4. Oscar M. Orbos (independent)
 5. Oscar S. Reyes (independent)
 6. Aleli Angela G. Quirino (independent)

The following Funds failed to secure the required number of votes to elect its Boards of Directors for the term 2020-2021:

- a. Sun Life of Canada Prosperity Balanced Fund, Inc.
- b. Sun Life of Canada Prosperity Philippine Equity Fund, Inc.
- c. Sun Life Prosperity Dollar Advantage Fund, Inc.
- d. Sun Life Prosperity Dollar Abundance Fund, Inc.
- e. Sun Life Prosperity Dynamic Fund, Inc.
- f. Sun Life Prosperity GS Fund, Inc.
- g. Sun Life Prosperity World Voyager Fund, Inc.
- h. Sun Life Prosperity Dollar Starter Fund, Inc.

A continuation of the annual meeting will be held on 18 September 2020 at 11:00 a.m. via Zoom Conference. In the meantime, the present Board of Directors for the above Funds will continue to serve as such until their successors are elected and duly qualified.

8. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

With a majority vote of the stockholders present or represented during the online meeting, the minutes of the meetings held on 17 July 2019 and 13 September 2019 were approved.

9. CONFIRMATION AND RATIFICATION OF ALL ACTS AND PROCEEDINGS OF THE BOARD AND CORPORATE OFFICERS

With a majority vote of the stockholders present or represented during the online meeting, the resolution to approve the confirmation and ratification of all acts and proceedings of the Board of Directors and Officers of the previous year was approved.

10. APPOINTMENT OF EXTERNAL AUDITOR

With a majority vote of the stockholders present or represented during the online meeting, the stockholders appointed Navarro Amper and Co./Deloitte Touche Tohmatsu as the Funds' external auditor for 2020.

11. OTHER MATTERS

Amendments of the Articles of Incorporation

Due to the failure to meet the requirement that 2/3 of the outstanding capital stock should be present in person or by proxy, the agenda to amend Article VI of the Funds'¹ Articles of Incorporation to increase the number of directors to six (6), remain unapproved.

Likewise, due to the failure to meet the requirement that 2/3 of the outstanding capital stock should be present in person or by proxy, the agenda to amend Article III of the Funds'² Articles of Incorporation to amend the date and time of the annual stockholders meeting, remain unapproved.

Amendments of the By-Laws

Due to the failure to meet the requirement that majority of the outstanding capital stock should be present in person or by proxy, the agenda to amend Section 1, Article 1 and Articles I, II, III, IV, and VI of the By-Laws of Sun Life of Canada Prosperity Balanced Fund, Inc.'s on the date and time of Annual Stockholders Meeting and the delegation of power to amend to the Board of Directors, remain unapproved.

12. QUESTIONS FROM THE STOCKHOLDERS

From the Question & Answer Function of the Zoom Webinar Application, the moderator chose the four most-asked questions. The first one was on the pandemic's effect on the Company's business operations and how the Company services its clients' needs during this time. Mr. Sison responded that the health and welfare of the employees and advisors remain top priority. Thus through technology, the Company's workforce was empowered to remain productive while staying at home. Ms. Valerie N. Pama, President of SLAMCI, added that clients are encouraged to transact through digital platforms. She shared that the Company also holds regular market updates to provide clients with guidance and information. With the relaxation of quarantine measures in certain areas, select client service centers were reopened to increase access to clients. Mr. Enriquez assured the shareholders that the Company's investments team is fully equipped to monitor and manage investments remotely.

The second question raised was, "How will the prolonged lockdown impact the financial performance of the company? How is your liquidity and balance sheet? Can it withstand a prolonged lockdown?" Ms. Esteban responded that SLAMCI, as the Fund Manager and distributor of the Sun Life Prosperity Funds, as well as Sun Life Philippines and its other affiliates, continues to maintain a healthy balance sheet coming from years of prudent management of its resources, and strong cash flows from our net income. This is evidenced by the fact that despite the pandemic, SLAMCI's Assets Under Management reached a record high of PhP96billion.

The next question was whether the Sun Life Prosperity Peso Starter Fund, Inc. is a new fund. Ms. Pama clarified that the Sun Life Prosperity Money Market Fund, Inc. was renamed to the Peso Starter Fund. Being the same fund, the investment objective is still to provide potentially higher returns than traditional bank deposit products.

Lastly, the fourth most-commonly asked question during the meeting was what would be the Company's investment advice to its clients given the current market volatilities. Mr. Enriquez responded to the question and advised clients to assess if their asset allocation still matches their

¹ *Balanced Fund, Dollar Abundance Fund, Dollar Advantage Fund, Philippine Equity Fund, GS Fund, Dynamic Fund, Stock Index Fund, World Voyager Fund.*

² *Balanced Fund, Dollar Abundance Fund, and Philippine Equity Fund.*

ability and capacity to take on the risk. He added that clients should revisit their investment portfolio to determine if the price movements are still within the level they are willing to take at this point. If clients' cash flow isn't affected by the crisis, he reminded them to stick to their investment plan and to invest regularly, if they can.

13. ADJOURNMENT

There being no other matter for discussion, upon motion duly made and seconded, the Joint Annual Stockholders' Meeting of the Sun Life Prosperity Funds was adjourned at 2:07 pm.

WINLOVE APPLE SANDALO-ESPERANZA
Assistant Corporate Secretary

ATTESTED TO BY:

BENEDICTO C. SISON
Chairman
Sun Life Prosperity Funds*

MA. JOSEFINA A. CASTILLO
President
Sun Life Prosperity Funds*

VALERIE N. PAMA
Director
Peso Starter Fund

ALELI ANGELA G. QUIRINO
Independent Director
Bond, Peso Starter, GS, Dynamic, Dollar Starter, Stock Index, Wellspring, World Voyager and Balanced Fund

OSCAR M. ORBOS
Independent Director
Philippine Equity, Dollar Advantage, Dollar Abundance, Stock Index, Dynamic, Bond, Peso Starter, Wellspring, Dollar Starter and World Voyager Funds

CIELITO F. HABITO
Independent Director
Philippine Equity, GS, Balanced, Stock Index, Dollar Advantage, Dollar Abundance, Dollar Starter, Wellspring and World Voyager Funds

OSCAR S. REYES
Independent Director
Dollar Advantage, Dollar Abundance, GS, Peso Starter, Dynamic, Philippine Equity, Balanced and Bond Funds

Annex "A"

2020 Joint Annual Stockholders' Meetings Stockholders Present and Represented, Per Fund

Sun Life Prosperity Fund	Total Shares Subscribed (Outstanding Capital Stock as of 30 April 2020)	Stockholder Attendance (in shares)	Attendance (in percentage) for Quorum Requirement
Bond Fund	1,618,045,051	1,040,575,167	64.3%
Balanced Fund	2,445,714,964	877,267,847	35.87%
Equity Fund	2,162,986,073	615,352,636	28.45%
Dollar Advantage Fund	7,909,233	2,004,024	25.34%
Peso Starter Fund	19,995,759,503	17,782,923,867	88.93%
Dollar Abundance Fund	4,650,523	1,193,302	25.66%
GS Fund	163,859,343	70,560,224	43.06%
Dynamic Fund	1,519,478,777	711,639,490	46.83%
Index Fund	3,332,583,253	1,744,186,454	52.34%
Dollar Wellspring Fund	6,022,546	3,310,418	54.97%
World Voyager Fund	5,998,411	1,597,361	26.63%
Dollar Starter Fund	5,973,510	2,676,099	44.80%

**(DRAFT) MINUTES OF THE SPECIAL STOCKHOLDERS' MEETING
SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.**

Held on 13 November 2020 from 9:00 a.m. to 9:07 a.m.
via Zoom Webinar

Total number of shares present and represented: Please see Annex "A"

**Members of the Board
of Directors Present:**

BENEDICTO C. SISON
MA. JOSEFINA A. CASTILLO
OSCAR M. ORBOS*
ALELI ANGELA G. QUIRINO*
CIELITO F. HABITO*

Also Present:

EDGAR S. TORDESILLAS
ANNA KATRINA C KABIGTING-IBERO
FRANCES IANNA S. CANTO

1. CALL TO ORDER

Mr. Benedicto C. Sison, Chairman, called to order the Special Stockholders' Meeting of the Sun Life Prosperity Dollar Wellspring Fund, Inc. ("Dollar Wellspring Fund"). He thereafter presided over the same. Atty. Frances Ianna S. Canto, Assistant Corporate Secretary, recorded the minutes thereof.

2. PROOF OF NOTICE OF MEETING

Atty. Anna Katrina Kabigting-Ibero, Corporate Secretary, confirmed that the holding of the virtual annual stockholders meeting is in accordance with the requirements set forth by the Securities and Exchange Commission. Likewise, the necessary approvals from the Board of Directors have been obtained and all requirements have been complied with in order to protect the interests of the stockholders.

Thereafter, she certified that the stockholders of record as of 30 September 2020 were duly notified of the meeting. The notices were sent electronically to the shareholders.

3. CERTIFICATION OF QUORUM

The Assistant Corporate Secretary reported the attendance based on the Attendance Sheet as well as the proxies received before the meeting. The attendance is set forth in Annex "A" of the minutes.

4. DECLARATION OF 1.88% STOCK DIVIDENDS

The Assistant Corporate Secretary informed the Chairman that the approval of 1.88% Stock Dividends to stockholders of record as of 26 November 2020 requires the approval of at least 2/3

of the Fund's outstanding capital stock. The Assistant Corporate Secretary explained that eligible stockholders may cast their votes through the poll function of Zoom. She added that the preliminary results of votes on proxies submitted and validated as of 06 November 2020 shall be provided during the meeting, with the final results being reflected in the minutes of the meeting. The Assistant Corporate Secretary thereafter read the Rule sand Procedures in the conduct of the poll.

With the affirmative vote of 70.39% of the outstanding capital stock, the declaration of 1.88% Stock Dividends to stockholders of records as of 26 November 2020 was approved.

5. OTHER MATTERS AND ADJOURNMENT

There being no other matter for discussion, upon motion duly made and seconded, the Special Stockholders' Meeting of Sun Life Prosperity Dollar Wellspring Fund, Inc. was adjourned at 9:07 a.m.

FRANCES IANNA S. CANTO
Assistant Corporate Secretary

ATTESTED TO BY:

BENEDICTO C. SISON
Chairman

MA. JOSEFINA A. CASTILLO
President

OSCAR M. ORBOS
Independent Director

ALELI ANGELA G. QUIRINO
Independent Director

CIELITO F. HABITO
Independent Director

Annex "A"

Special Stockholders' Meeting of Sun Life Prosperity Dollar Wellspring Fund, Inc.
Stockholders Present and Represented

Sun Life Prosperity Fund	Total Shares Subscribed (Outstanding Capital Stock as of 30 September 2020)	Stockholder Attendance (in shares)	Attendance (in percentage) for Quorum Requirement
Dollar Wellspring Fund	5,961,369	4,196,301	70.39%

PROXY FORM

I/we, hereby nominate, constitute and appoint Ms. MA. JOSEFINA A. CASTILLO, President, with right of substitution and revocation, to represent and vote all shares registered in my/our name or owned by me/us and/or such shares as I am/we are authorized to represent and vote in my/our capacity as administrator, executor or attorney-in-fact for any and all matters presented during the Annual Stockholders' Meeting on 14 July 2021, and all adjournments and postponements thereof, of the following funds (please tick all applicable):

- | | |
|---|--|
| <input type="checkbox"/> Sun Life of Canada Prosperity Balanced Fund, Inc. | <input type="checkbox"/> Sun Life Prosperity Dynamic Fund, Inc. |
| <input type="checkbox"/> Sun Life of Canada Prosperity Bond Fund, Inc. | <input type="checkbox"/> Sun Life Prosperity Philippine Stock Index Fund, Inc. |
| <input type="checkbox"/> Sun Life of Canada Prosperity Philippine Equity Fund, Inc. | <input type="checkbox"/> Sun Life Prosperity World Voyager Fund, Inc. |
| <input type="checkbox"/> Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.) | <input type="checkbox"/> Sun Life Prosperity Dollar Wellspring Fund, Inc. |
| <input type="checkbox"/> Sun Life Prosperity Dollar Advantage Fund, Inc. | <input type="checkbox"/> Sun Life Prosperity Dollar Abundance Fund, Inc. |
| <input type="checkbox"/> Sun Life Prosperity Dollar Starter Fund, Inc. | <input type="checkbox"/> Sun Life Prosperity GS Fund, Inc. |

1. AUTHORITY TO VOTE FOR NOMINEES (A vote "FOR" the election of the nominees is recommended.)

- | | | |
|--------------------------|--------------------------|--|
| For | Against | |
| <input type="checkbox"/> | <input type="checkbox"/> | Authority to vote for all nominees (Please refer to Annex "A") |

2. OTHERS (A vote "FOR" the following items is recommended.)

- | | | |
|--------------------------|--------------------------|---|
| For | Against | |
| <input type="checkbox"/> | <input type="checkbox"/> | Approval of the Minutes of 2020 Joint Annual Stockholders' Meetings |
| <input type="checkbox"/> | <input type="checkbox"/> | Confirmation and Ratification of All Acts and Proceedings of the Board and Corporate Officers |
| <input type="checkbox"/> | <input type="checkbox"/> | Re-appointment of Navarro Amper & Co./Deloitte Touche Tohmatsu as External Auditor for 2021 |

Additional Items (for Balanced Fund, Dollar Abundance Fund, Dollar Advantage Fund, Philippine Equity Fund, GS Fund, Dynamic Fund, Stock Index Fund, World Voyager Fund only)

- | | | |
|--------------------------|--------------------------|---|
| For | Against | |
| <input type="checkbox"/> | <input type="checkbox"/> | Amendment of Article VI of the Articles of Incorporation to increase the number of directors to six (6) |

Additional Items (For Balanced Fund, Dollar Abundance Fund, and Philippine Equity Fund only)

- | | | |
|--------------------------|--------------------------|---|
| For | Against | |
| <input type="checkbox"/> | <input type="checkbox"/> | Amendment of Article III of the Articles of Incorporation to indicate principal office address as Sun Life Centre, Bonifacio Global City, Taguig City |

Additional Items (For Balanced Fund only)

- | | | |
|--------------------------|--------------------------|---|
| For | Against | |
| <input type="checkbox"/> | <input type="checkbox"/> | Amendment of Section 1, Article I of the By-laws (Date and Time of Annual Stockholders Meeting) |

- Delegation of the Power to amend Articles I, II, III, IV and VI of the By-Laws to the Board of Directors

Additional Items (For Peso Starter Fund, formerly Money Market Fund, and Dollar Starter Fund only)

For Against

- Amendment of Article I (Section 3) of the By-Laws (Notice of regular meetings to stockholders be sent out at least 21 calendar days prior to scheduled meeting date);
- Amendment of Article II (Section 1) of the By-Laws in (election of Independent Directors in the Board, pursuant to relevant regulations);
- Amendment of Article VIII (Section 1) of the By-Laws (update in the Investment Policy, to align with the provisions of the Investment Company Act-Implementing Rules and Regulations, as amended)
- Amendment of Article IX (Section 1) of the By-Laws (provision on the determination of net asset value, to be consistent with the Investment Company Act-Implementing Rules and Regulations, as amended)

Additional Items (For Peso Starter Fund, formerly Money Market Fund, only)

For Against

- Amendment of Article III (Sections 1, 4, 5 and 6) and Article VII (Section 1) of the By-Laws (election of a Compliance Officer as one of the corporate officers);
- Amendment of the Investment Objective in the Registration Statement/Prospectus

Additional Items (For Dollar Starter Fund only)

For Against

- Amendment of Article III (Sections 1 and 6) of the By-Laws (election of a Compliance Officer as one of the corporate officers);

This Proxy revokes all proxies which I/we may have previously executed concerning the above matters. This proxy shall be effective until withdrawn by me/us through notice in writing, or superseded by subsequent proxy, delivered to the Corporate Secretary at least ten (10) days before the Annual Stockholders' Meeting or any adjournments and postponements thereof, but shall cease to apply in instances where I/we personally attend the meeting.

EXECUTED ON _____ AT _____.

Printed Name and Signature

ANNEX A:

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS FOR 2021

Please tick the box to signify your vote for the nominee. If you have ticked "FOR" under Item 1 of the Proxy Form, we will consider this as a vote FOR all of the nominees below.

SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Cielito F. Habito
- Oscar M. Orbos
- Oscar S. Reyes

SUN LIFE PROSPERITY DYNAMIC FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Oscar M. Orbos
- Cielito F. Habito
- Teresita J. Herbosa

SUN LIFE OF CANADA PROSPERITY BOND FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Oscar M. Orbos
- Cielito F. Habito
- Teresita J. Herbosa

SUN LIFE PROSPERITY PHILIPPINE STOCK INDEX FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Aleli Angela G. Quirino
- Oscar M. Orbos
- Oscar S. Reyes

SUN LIFE OF CANADA PROSPERITY PHILIPPINE EQUITY FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Cielito F. Habito
- Oscar S. Reyes
- Aleli Angela G. Quirino

SUN LIFE PROSPERITY WORLD VOYAGER FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Aleli Angela G. Quirino
- Oscar M. Orbos
- Oscar S. Reyes

SUN LIFE PROSPERITY PESO STARTER FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Gerald L. Bautista
- Oscar M. Orbos
- Cielito F. Habito
- Teresita J. Herbosa

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Aleli Angela G. Quirino
- Oscar M. Orbos
- Oscar S. Reyes

SUN LIFE PROSPERITY GS FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Aleli Angela G. Quirino
- Oscar M. Orbos
- Cielito F. Habito

SUN LIFE PROSPERITY DOLLAR ABUNDANCE FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Aleli Angela G. Quirino
- Cielito F. Habito
- Teresita J. Herbosa

SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Aleli Angela G. Quirino
- Oscar M. Orbos
- Oscar S. Reyes

SUN LIFE PROSPERITY DOLLAR ADVANTAGE FUND, INC.

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Aleli Angela G. Quirino
- Cielito F. Habito
- Teresita J. Herbosa

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **OSCAR MUNOZ ORBOS**, Filipino, of legal age and a resident of No. 34 Monteverde Mansions, Xavier St. Greenhills, San Juan, Metro Manila, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of the following covered companies:

- Sun Life of Canada Prosperity Bond Fund, Inc.
- Sun Life of Canada Prosperity Balanced Fund, Inc.
- Sun Life Prosperity Dynamic Fund, Inc.
- Sun Life Prosperity GS Fund, Inc.
- Sun Life Prosperity Philippine Stock Index Fund, Inc.
- Sun Life Prosperity Dollar Wellspring Fund, Inc.
- Sun Life Prosperity World Voyager Fund, Inc.
- Sun Life Prosperity Dollar Starter Fund, Inc.
- Sun Life Prosperity World Equity Index Feeder Fund, Inc.
- Sun Life Prosperity Achiever Fund 2028, Inc.
- Sun Life Prosperity Peso Starter Fund, Inc.

2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
Alpha Insurance & Surety Company, Inc.	Chairman of the Board	2000 to present
Orbos Cabusora & Taguiam Law Office	Partner	1998 to present
Grepalife Dollar Bond Fund Corporation	Independent Director	2018 to present
Grepalife Balanced Fund Corporation	Independent Director	2018 to present
Grepalife Fixed Income Fund Corporation	Independent Director	2018 present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc. and Sun Life Prosperity Peso Starter Fund, Inc. (collectively, "Covered Companies"), as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

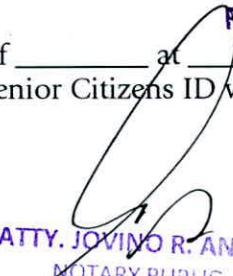
4. I am not related to the following director/officer/substantial shareholder of Covered Companies and their subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of Covered Companies of any changes in the abovementioned information within five days from its occurrence.

Done on the date and place indicated below.


OSCAR M. ORBOS
MAY 07 2021 Affiant

SUBSCRIBED AND SWORN to before me this ____ day of _____ at PASAY CITY
affiant personally appeared before me and exhibited to me his Senior Citizens ID with no. GGG-004555 issued on 19 June 2012.

Doc. No. 410 ;
Page No. 30 ;
Book No. W ;
Series of 2021.


ATTY. JOVINO R. ANGEL
NOTARY PUBLIC
UNTIL DEC. 31, 2022
PTR. NO. 7361920 01/04/2021 PASAY CITY
IBP NO. 141069 01/04/2021 PASAY CITY
COMMISSION NO. 19-37-PASAY CITY
MCLE NO. V-0024151-10-25-2016
ROLL NO. 28/61

REPUBLIC OF THE PHILIPPINES)
) S. S.

PASAY CITY

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ALELI ANGELA G. QUIRINO**, Filipino, of legal age and a resident of No. 404 Guevarra Avenue, San Juan City, Metro Manila, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of the following covered companies:

- Sun Life Prosperity Dollar Abundance Fund, Inc.
- Sun Life Prosperity Dollar Advantage Fund, Inc.
- Sun Life of Canada Prosperity Philippine Equity Fund, Inc.
- Sun Life Prosperity Dollar Starter Fund, Inc.
- Sun Life Prosperity GS Fund, Inc.
- Sun Life Prosperity Philippine Stock Index Fund, Inc.
- Sun Life Prosperity Dollar Wellspring Fund, Inc.
- Sun Life Prosperity World Voyager Fund, Inc.
- Sun Life Prosperity World Equity Index Feeder Fund, Inc.
- Sun Life Prosperity Achiever Fund 2028, Inc.
- Sun Life Prosperity Achiever Fund 2038, Inc.
- Sun Life Prosperity Achiever Fund 2048, Inc.

2. I am affiliated with the following companies or organizations listed below:

Company/Organization	Position/Relationship	Period of Service
Grepalife Balanced Fund Corporation	Independent Director	2011 to present
Grepalife Dollar Bond Fund Corporation	Independent Director	2011 to present
Grepalife Fixed Income Fund Corporation	Independent Director	2011 to present
ACCRA Law Offices	Of Counsel	2010 to present
ELC Beauty, Inc. /Estee Lauder Phils.	Director & Treasurer	2002 to present
Neo Pacific Property Management Corporation	Director	2007 to present
Ateneo de Manila Law Alumni Association, Inc.	Vice Chairman and Trustee	2013 to present
Asian Patent Attorney Association	Philippine Councillor	2007 to present
Intellectual Property Association of the Philippines	Advisory Council Member	2012 to present
Association Internationale pour la Protection dela Propriete Intellectuelle	ExCom member	2004 to present
Intellectual Property Foundation, Inc.	Trustee & Treasurer	1998 to present
Assumption College, Inc.	Trustee & Corporate Secretary	1996 To present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., and Sun Life Prosperity World Voyager Fund, Inc. Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc. and Sun Life Prosperity Achiever Fund 2048, Inc. (collectively, "Covered Companies"), as

provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am not related to the following director/officer/substantial shareholder of Covered Companies and their subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of Covered Companies of any changes in the abovementioned information within five days from its occurrence.

Done on the date and place written below.

ALELI ANGELA G. QUIRINO
Affiant

MAY 07 2021

PASAY CITY

SUBSCRIBED AND SWORN to before me this ____ day of _____ at _____, affiant personally appeared before me and exhibited to me her Passport with no. EC 8516762 with expiry date on 18 August 2021 issued at DFA NCR East.

Doc. No. 419 ;
Page No. 69 ;
Book No. W ;
Series of 2021.

ATTY. JOVINO R. ANGEL
NOTARY PUBLIC
UNTIL DEC. 31, 2022

PTR. NO. 7361920 01/04/2021 PASAY CITY
IBP NO. 141069 01/04/2021 PASAY CITY
COMMISSION NO. 19-37-PASAY CITY
MCLE NO. V-0024151-10-25-2016
ROLL NO. 28761

REPUBLIC OF THE PHILIPPINES)
PASAY CITY) S. S.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **OSCAR S. REYES**, Filipino, of legal age and a resident of Unit 6, Kasiyahan Homes, 58 McKinley Road, Forbes Park, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of the following covered companies:

- o Sun Life Prosperity Dollar Wellspring Fund, Inc.
- o Sun Life Prosperity World Voyager Fund, Inc.
- o Sun Life Prosperity Dollar Starter Fund, Inc.
- o Sun Life Prosperity Philippine Stock Index Fund, Inc.
- o Sun Life of Canada Prosperity Balanced Fund, Inc.
- o Sun Life of Canada Prosperity Philippine Equity Fund, Inc.
- o Sun Life Prosperity World Equity Index Feeder Fund, Inc.
- o Sun Life Prosperity Achiever Fund 2028, Inc.
- o Sun Life Prosperity Achiever Fund 2038, Inc.
- o Sun Life Prosperity Achiever Fund 2048, Inc.

2. I am affiliated with the following companies or organizations :

Company/Organization	Position	Period of Service
Sun Life Financial Plans Inc.	Independent Director	2006-present
Bank of the Philippine Islands	Independent Director	2003-2016
	Member, Advisory Council	2016-present
	Director	2001-2010
PLDT Inc.	Member, Advisory Board	2010-present
Basic Energy Corporation	Independent Director	2007-2019
	Member, Advisory Board	2019-present
Cosco Capital Inc.	Independent Director	2009-present
D.M. Wenceslao & Associates, Inc.	Independent Director	2019-present
Pepsi Cola Products Philippines, Inc.	Chairman	2007-present
PXP Energy Inc.	Director	2017-present
PLDT Equity Ventures Inc.	Director	2013-present
Link Edge, Inc.	Chairman	2002-present
Grepalife Fixed Income Fund Corporation	Independent Director	2011-present
Grepalife Dollar Bond Fund Corporation	Independent Director	2011-present
Grepalife Bond Fund Corporation	Independent Director	2011-present
Petrolift Inc.	Independent Director	2007-present
Eramen Minerals Inc.	Independent Director	2004-present
Pioneer Life Inc.	Member, Advisory Board	2019-present
Pioneer Insurance & Surety Corp.	Member, Advisory Board	2019-2020
	Independent Director	2020-present
Pioneer Intercontinental Insurance Corp.	Member, Advisory Board	2019-2020
	Independent Director	2020-present
Phil Dealing System Holdings Corp.	Independent Director	2019-present
Phil. Dealing Exchange Corporation	Independent Director	2019-present
Phil. Depository & Trust Corporation	Independent Director	2019-present
Phil. Securities Settlement Corporation	Independent Director	2019-present
Team Energy Corporation	Independent Director	2019-present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (collectively, "Covered Companies") as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am not related to any director/officer/substantial shareholder of Covered Companies and their subsidiaries and affiliates.
5. To the best of my knowledge, I am not the subject of any pending a criminal or administrative investigation or proceeding.
6. (For those in government service/affiliated with government agency or GOCC) I have the required written permission or consent from the (head of the agency/department) to be an independent director in in _____, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of the Covered Companies of any changes in the abovementioned information within five days from its occurrence.

Done on the date and place written below.

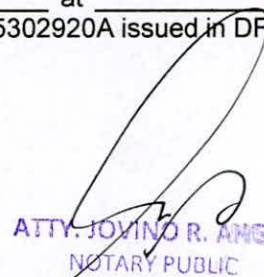

OSCAR S. REYES
 Affiant

MAY 07 2021

PASAY CITY

SUBSCRIBED AND SWORN to before me this ____ day of _____ at _____, affiant personally appeared before me and exhibited to me his Passport No. P5302920A issued in DFA NCR East valid until 10 December 2022.

Doc. No. 412
 Page No. 70 ;
 Book No. W ;
 Series of 2021.


ATTY. JOVINO R. ANGEL
 NOTARY PUBLIC
 UNTIL DEC. 31, 2022
 PTR. NO. 7361920 01/04/2021 PASAY CITY
 IBP NO. 141069 01/04/2021 PASAY CITY
 COMMISSION NO. 19-37-PASAY CITY
 MCLE NO. V-0024151-10-25-2016
 ROLL NO. 28761

COVER SHEET

CS201517778

S.E.C. Registration Number

S	U	N	L	I	F	E	P	R	O	S	P	E	R	I	T	Y	D	O	L	L	A	R			
W	E	L	L	S	P	R	I	N	G	F	U	N	D	I	N	C	.								

S	U	N	L	I	F	E	C	E	N	T	R	E	5	T	H	A	V	E	C	O	R	N	E	R
R	I	Z	A	L	D	R	I	V	E	B	O	N	I	F	A	C	I	O	G	L	O	B	A	L
C	I	T	Y	T	A	G	U	I	G	C	I	T	Y											

(Business Address : No. Street City / Town / Province)

Merobhe T. Esmele

Contact Person

8555-8888

Company Telephone Number

1	2
---	---

Month

3	1
---	---

Day

Fiscal Year

SEC Form 17-A

FORM TYPE

--	--

Month

--	--

Day

Annual Meeting

Mutual Fund Company

Secondary License Type, If Applicable

--	--	--

Dept. Requiring this Doc.

--

Amended Articles Number/Section

--

Total No. of Stockholders

Total Amount of Borrowings

--

Domestic

--

Foreign

To be accomplished by SEC Personnel concerned

--	--	--	--	--	--	--	--	--	--	--	--

File Number

LCU

--	--	--	--	--	--	--	--	--	--	--	--

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SEC Number: **CS201517778**

File Number: _____

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(Company's Full Name)

**Sun Life Centre, 5th Avenue corner Rizal Drive
Bonifacio Global City, Taguig City, Metro Manila, Philippines**

(Company's Address)

8555-88-88

(Telephone No.)

December 31

(Fiscal Year Ending)
(Month & Day)

SEC FORM 17-A ANNUAL REPORT

Form Type

Amendment Designation (If applicable)

December 31, 2020

Period Ended Date

OPEN-END INVESTMENT COMPANY

Secondary License Type and File Number

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended December 31, 2020
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698-000
4. Exact name of registrant as specified in its charter

Sun Life Prosperity Dollar Wellspring Fund, Inc.

5. Metro Manila, Philippines Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:

7. Sun Life Centre, 5th Avenue cor. Rizal Drive, Bonifacio Global City, Taguig City 1634
Address of principal office Postal Code

8. (02) 8555-8888
Registrant's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of December 31, 2020)
---------------------	---

<u>Common Shares, PHP1.00 Par Value</u>	<u>6,400,040 shares</u>
---	-------------------------

10. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes No

11. Check whether the registrant:

(a) Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports).

Yes No

(b) Has been subject to such filing requirements for the past 90 days.

Yes No

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

The Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Fund") is a registered open-end investment company under the Investment Company Act (R.A. 2629) and the Securities Regulation Code (R.A. 8799). It was incorporated on September 4, 2015 under SEC Registration No. CS201517778.

Sun Life Asset Management Company, Inc. ("SLAMCI"), a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. ("SLOCPI"), acts as the Fund Manager and Principal Distributor. The Fund aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities. For 2020, income of the Fund is composed of the following:

Trading Gains	83.07%
Dividend income	13.51%
Interest Income from fixed-income securities	2.81%
Interest Income from cash in banks	0.03%
Miscellaneous Income	0.58%

Incorporation

The Fund was incorporated on September 4, 2015 with 6,000,000 authorized shares with a par value of 1.00. The SEC approved the registration on March 22, 2016.

Approved changes

On September 7, 2015, the shareholders approved the blanket increase of the Fund's authorized share capital up to 100,000,000,000 shares with a par value of P1.00 per share. The increase will be implemented by the Chairman of the Board of Directors and President of SLAMCI acting jointly in tranches.

On September 21, 2017, the Chairman of the Board of Directors of the Fund and the President of SLAMCI jointly authorized the increase in Authorized Capital Stocks by Four Million Pesos (P4,000,000) divided into Four Million (4,000,000) shares at a par value of P1 per share. This increases the authorized capital stock from P6,000,000 divided into 6 million shares to P10,000,000 divided into 10 million shares.

In April 2018, requirements were already provided to SEC based on the evaluator's initial comments.

On July 25, 2018, the SEC approved the additional 4 Million shares increase in authorized capital stock, from 6 Million shares to 10 Million shares at a par value of P1.00 per share.

On September 18, 2018, the SEC received the registration statement filed by the Fund to register the approved 4,000,000 shares.

On October 23, 2019, SEC approved the registration statement for the 4,000,000 shares increase.

Stock Dividend

On March 13, 2018, the Board of Directors approved the declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of April 30, 2018, and payout date of July 20, 2018. Said declaration is conditional on the shareholders' approval during the stockholder's meeting on July 18, 2018.

Subsequently, on June 29, 2018, the Board of Directors approved the amendment of the dates of the declaration of stock dividends equivalent to 2% of the outstanding shares for stockholders of record to July 31, 2018, for payout on September 28, 2018.

On September 21, 2018, it was reported to the SEC that a declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of July 31, 2018, and payout date of September 28, 2018, or any reasonable date after approval of SEC on the stock dividend declaration has been obtained.

On October 26, 2018, 4,001,401 shares or 69.48% of the outstanding capital stock as at September 28, 2018 were present in person or by proxy; and by majority of the Board of Directors present, the declaration of 2% stock dividends to shareholders of record as of September 28, 2018 has been approved. The Board unanimously approved to move the dividend payout date from December 21, 2018 to October 26, 2018.

On October 7, 2019, 4,041,260 shares or 67.95% of the outstanding capital stock as at September 5, 2019 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 0.50% stock dividends to shareholders of record as of October 8, 2019 has been approved. The payout date was on October 9, 2019.

On November 13, 2020, 4,196,301 shares or 70.39% of the outstanding capital stock as at September 30, 2020 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 1.88% stock dividends to shareholders of record as of November 26, 2020 has been approved. The payout date was on November 27, 2020.

Current state

As at December 31, 2020, the Fund has 6,400,040 issued and outstanding shares out of the 10,000,000 ACS with a par value of P1.00 per share.

The Fund's common shares are available through SLAMCI's registered representatives and eligible securities dealers that have entered into an agreement with SLAMCI to sell shares.

The Fund is part of the sixteen (16) Sun Life Prosperity Funds which offer excellent value to investors as a result of SLAMCI's collective experience in fund management, strong investment philosophy, remarkable investment performance and strong organizational structure. However, it should be noted that past performance of any fund manager is no guarantee of future results. It is only an indication of their capabilities to deal with rapid changes in the economy and market conditions in the future.

The Sun Life Prosperity Funds make investing simple, accessible and affordable. The Sun Life Prosperity Funds offer a unique "family of funds" to choose from. The "family of funds" concept allows investors to modify their investment strategies over time, by letting them transfer from one fund to another, as their needs dictate, as much as ten times a year without paying any fees.

The financial statements have been prepared on the historical cost basis, except for financial assets carried either at fair value or at amortized cost. From January 1, 2018, the Fund has applied PFRS 9 and classifies its financial assets at fair value through profit or loss and at amortized cost.

The Fund does not have financial assets classified as fair value through other comprehensive income. Fair value movements on financial assets are taken through the statement of comprehensive income. The change to marked-to-market thus provides equitable treatment between investors coming in and out of the Fund.

The Fund principally competes directly with other mutual funds in the Philippines and with the Unit Investment Trust Funds (“UITFs”) offered by commercial banks, in terms of returns and the associated risks of the return. The Fund’s market strength is its wide distribution network that provides strategic distribution of Fund shares and the financial stability and reputation of its Investment Company Adviser, SLAMCI. The Fund intends to compete principally based on the reputation of SLAMCI for superior investment performance and corporate governance coupled with its distribution network and superior backroom operations.

The Fund participates in the mutual funds sector, which is a sub-sector of the financial services industry. There are no national geographical boundaries as the nature of the industry and prevailing technology make it possible for the various players to offer their services to almost any place in the country.

There are many potential advantages to investing in mutual funds and in the Offer Shares. However, in deciding to invest, the investor is strongly advised to also consider the risks involved in investing in mutual funds, and in the Offer Shares, as well as the risks that the Fund faces, given its underlying assets whose respective values essentially affect the Fund’s overall net asset value.

Market Risk: Market risk is the risk of possible decline in the value of the Fund due to fluctuations in prices of the fund's assets. Since the Fund may invest in both equity and fixed income securities, it is subject to two types of market risks: (1) Interest Rate Risk applicable to fixed income investments of the Fund; and (2) Equity Price Risk applicable to the equity investments of the Fund.

Interest Rate Risk: Interest Rate Risk is a type of Market Risk which is applicable to the Fund's investments in bonds, if any. This refers to the increase/decrease of a bond-price due to movement in market factors such as changes in interest rates. A change in interest rates is the period when interest rates rise or fall thus causing the decline or increase in the market price of the bonds held by the Fund, if any. This risk is minimized by closely monitoring the direction of interest rates and aligning it with the appropriate strategy of the Fund.

Equity Risk: For equity investments, changes in prices of equity refer to the equity investments held by the Fund either for strategic or trading purposes. These equity investments, if any, are subject to the daily price fluctuations, as determined by market forces. Hence, prices may vary as a result of the general economic and political conditions, as well as developments in the company's operations and overall profitability. To manage this risk, the equity investments included in the Fund's portfolio are carefully selected based on their fundamental soundness.

Liquidity Risk: The Funds are usually able to service redemptions of investors within 7 business days after receiving the notice of redemption by paying out redemptions from available cash or cash equivalents. When redemptions exceed these liquid holdings, the Funds will have to sell less-liquid assets, and during periods of extreme market volatility, the Funds may not be able to find a buyer for such assets. As such, the Funds may not be able to generate enough cash to pay for the redemptions within the normal 7-day period. To mitigate this risk, the Fund maintains adequate highly liquid assets in the form of cash, cash equivalents and near cash assets in its portfolio.

Credit Risk: Investments in bonds carry the risk that the issuer of the bonds might not be able to meet its interest and principal payments. In which case, the value of the bonds will be adversely affected and may result in a write-off of the concerned asset held by the Fund, resulting to a significant decrease in its NAVPS. To mitigate this risk, each Issuer/Borrower/Counterparty passes through a stringent credit process to determine whether its credit quality complies with the prescribed standards of the Fund. The credit quality of the Issuer/Borrower/Counterparty is reviewed periodically to ensure that

excellent credit standing is maintained. Moreover, a 15% exposure limit to a single entity is likewise observed.

Foreign Investment Risk: The Fund invests in securities issued by corporations in, or governments of, countries other than the Philippines. Investing in foreign securities can be beneficial in expanding your investment opportunities and portfolio diversification, but there are risks associated with foreign investments, including:

- companies outside of the Philippines may be subject to different regulations, standards, reporting practices and disclosure requirements than those that apply in the Philippines;
- the legal systems of some foreign countries may not adequately protect investor rights;
- political, social or economic instability may affect the value of foreign securities;
- foreign governments may make significant changes to tax policies, which could affect the value of foreign securities; and
- foreign governments may impose currency exchange controls that prevent a Fund from taking money out of the country.

To mitigate this risk, the Fund will only invest in securities that are domiciled in a country that is regulated by a credible regulatory authority.

Fund Manager Risk: The performance of the Funds is also dependent on the Fund Manager's skills. Hence, the Fund may underperform in the market and/or in comparison with similar funds due to investment decisions made by the Fund Manager, and may also fail to meet the Fund's investment objectives. The Board of Directors of the Funds, however, shall ensure that all investment policies and restrictions enumerated in this Prospectus are strictly followed.

Geographic Concentration Risk: Some Funds may invest a relatively large portion of their assets in issuers located in a single country, a small number of countries, or a particular geographic region. As a result, the performance of these Funds could be closely tied to the market, currency, economic, political, regulatory, geopolitical or other conditions in such countries or region, and could be more volatile than the performance of funds with more geographically-diversified holdings. The Fund manages this risk by complying with the exposure limits determined by the investment manager.

Passive Management Risk: Some Funds may invest in other mutual funds that are not actively managed, such as index funds. Passively managed funds would not sell a security if the security's issuer was in financial trouble, unless the security is removed from the applicable index being replicated. The passively managed fund must continue to invest in the securities of the index, even if the index is performing poorly. That means the passively managed fund won't be able to reduce risk by diversifying its investments into securities listed on other indices. As a result, the performance of a passively managed fund may differ significantly from the performance of an actively managed fund. This may in turn affect the performance of a Fund that invests in such passively managed fund.

Underlying Fund Risk: Some Funds may pursue its investment objectives indirectly by investing in shares of other mutual funds, including exchange-traded funds, in order to gain access to the strategies pursued by those underlying funds. There can be no assurance that any use of such multi-layered fund of fund structures will result in any gains for a Fund. If an underlying fund that is not traded on an exchange suspends redemptions, a Fund will be unable to value part of its portfolio and may be unable to redeem shares. Underlying funds that are traded on an exchange are subject to the following risks that do not apply to conventional mutual funds: (i) an exchange-traded fund's units often trade on the exchange at a premium or discount to the net asset value of such units; (ii) an active trading market for an exchange-traded fund's units may not develop or be maintained, and (iii) there is no assurance that the exchange-traded fund will continue to meet the listing requirements of the exchange. The Fund

manages this risk by conducting comprehensive due diligence on the underlying funds as well as their respective investment managers.

Dilution Risk: Being an open-end mutual fund, various investors may effectively subscribe to any amount of shares of the Fund. You then face the risk of your investments being diluted by the shares of the other investors of the Fund. The influence that the investors can exert over the control and management of the Fund decreases proportionately. To mitigate this risk, the Fund may impose single investor limits to the ownership of the fund, when necessary. This limits the extent to which any single investor can exercise control of the Fund.

Large Transaction Risk: If an investor in a Fund makes a large transaction, the Fund's cash flow may be affected. For example, if an investor redeems a large number of shares of a Fund, that Fund may be forced to sell securities at unfavorable prices to pay for the proceeds of redemption. This unexpected sale may have a negative impact on the net asset value of the Fund. To mitigate this risk, the Fund may impose single investor limits to the ownership of the fund, when necessary. This limits the extent to which redemptions from any single investor can impact the Fund's cash flow.

Non-Guarantee: Unlike deposits made with banks, an investment in the Fund is neither insured nor guaranteed by the PDIC. You carry the risk of losing the value of your investment, without any guarantee in the form of insurance. Moreover, as with any investment, it is important to note that past performance of the Fund does not guarantee its future success.

Regulatory Risk: The Funds' operations are subject to various regulations, such as those affecting accounting of assets and taxation. These regulations do change, and as a result, investors may experience lower investment returns or even losses depending on what such a regulatory change entails. For example, higher taxes would lower returns, and a mandated precautionary loan loss provisions could result in the Fund experiencing a loss in the value of assets. To mitigate this risk, the Fund adopts global best practices. Further, it maintains regular communications with the relevant government agencies to keep itself abreast of the issues giving them concern, and to have the opportunity to help them set standards for good governance. The Fund's investment manager, SLAMCI, also takes an active participation in the Philippine Investment Funds Association, Inc. ("PIFA"), an association of mutual fund companies in the Philippines.

Operational Risk: This is the risk of loss resulting from inadequate or failed internal processes, controls, people and systems. Categories of operational risks may fall under: sales and distribution, human resources, information technology, processes and people, accounting and finance, model risk, legal and regulatory and third party relationships. The Fund ensures that the internal controls and practices are consistent with enterprise wide policies supporting the management of operational risks. The Fund has established business specific guidelines. Comprehensive investment program, including appropriate level of self-insurance, is maintained to provide protection against potential losses.

The above risk factors are by no means exhaustive. New and/or unidentified risks may arise given the fast changing financial markets and economic environment.

Classification of the Fund into high, moderate or low risk investment: Given its investment objective - provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities – the Fund is classified as a balanced investment.

Item 2. Properties

The Fund has financial assets in the form of cash, fixed income securities, and equity securities. As prescribed by SEC Rules, all of its assets are held by its custodian bank, the Citibank, N.A.

Office space of the Fund is provided by SLAMCI pursuant to the Management Agreement between them. The Fund does not intend to acquire any real property in the course of its business.

Item 3. Legal Proceedings

There is no material pending legal proceeding to which the Fund or any of its affiliates is a party, or of which any of their property is the subject.

Item 4. Submission of Matters to a Vote of Security Holders

During the Annual Stockholders’ Meeting held on 22 July 2020, the Fund met the required quorum of majority of the outstanding capital stock. As such, the Fund was able to get the stockholder approval on the election of the directors for the term 2020-2021 as follows: Benedicto C. Sison, Ma. Josefina A. Castillo, Aleli Angela G. Quirino (independent), Oscar M. Orbos (independent), and Cielito F. Habito (Independent).

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant’s Common Equity and Related Stockholder Matters

1. Market Information

The shares of the Fund are traded over-the-counter. The Fund’s common stocks are available through registered representatives and eligible securities dealers that have entered into an agreement to sell shares with the Fund’s Principal Distributor, SLAMCI.

The following table shows the ranges of high and low prices (NAVPS) of the Fund’s common shares for each quarter within the last two calendar years:

	2020		2019	
	High	Low	High	Low
Q1	1.1546	0.9456	1.0838	1.0100
Q2	1.1153	0.9955	1.1128	1.0808
Q3	1.1845	1.1096	1.1233	1.1055
Q4	1.2021	1.1546	1.1288	1.1023

The Fund’s NAVPS is published daily through Business World, PSE Website, Philippine Daily Inquirer and Sun Life Websites.

Below table shows the investment company return information of the Fund in the last five (5) recently completed fiscal years:

Year on year yield (1-year)	7.0341%
3 Year - Simple	10.7926%
5Year - Simple	21.3140%

2. Holders

The Fund has approximately 616 shareholders as of December 31, 2020.

On 7 March 2013, SEC *en banc* approved the confidential treatment of the list of Top 20 shareholders of the Fund, including the 5% and 10% beneficial owners. This is to protect the investors’ privacy, which is a privilege they enjoy when they invest in other shared investment vehicles, such as unit investment trust funds, and when they invest in bank deposits.

The following table shows the number of institutional and retail investors and the percentage of their investments, and the geographic concentration of investments as of December 31, 2020.

% Ownership of Institutional Investors	% Ownership of Retail Investors
16.15%	83.85%

Area	Percentage of Investments
LUZON	93%
VISAYAS	5%
MINDANAO	2%
TOTAL	100%

3. Dividends

The Board of Directors of the Fund has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from the Fund's unrestricted retained earnings. The amount of such dividends (either in cash, stock, property or a combination of the foregoing) will depend on the Fund's profits, cash flows, capital expenditure, financial condition, and other factors. The existence of surplus profit arising from the operation of the Fund is needed before a dividend can be declared. The surplus profits or income must be a bona fide income founded upon actual earnings or profits. Actual earnings or profits shall be the net income for the year based on the audited financial statements, adjusted for unrealized items, which are considered not available for dividend declaration.

Cash dividends and property dividends may be declared by the Board of Directors and no stockholder approval is required. Stock dividends paid on the Offer Shares are subject to approval by both the Board of Directors and the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Fund at a stockholders' meeting called for such purpose. Stock dividends of 2%, 0.50% and 1.88% were declared in 2018, 2019 and 2020, respectively to the stockholders of record, as determined by the Company.

Under the Revised Corporation Code, Corporations with surplus profit in excess of 100% of its paid-in capital stock are required to declare dividends (cash or stock) and distribute it to its stockholders.

Dividends so declared will be automatically reinvested in additional shares on behalf of the shareholders, without sales charges, at the NAVPS on the payment date established for such dividends. Shareholders may also elect not to have dividends reinvested and receive payment in cash, net of tax.

Item 6. Management's Discussion and Analysis or Plan of Operation.

The Performance of the Fund could be measured by the following indicators:

1. **Increase/Decrease in Net Assets Value per Share (NAVPS.)** NAVPS is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding plus the total number of shares outstanding due to deposit for future subscriptions (DFFS) and for conversion to shares, if any, as of the end of the reporting day. Any increase or decrease in NAVPS translates to a prospective capital gain or capital loss, respectively, for the Fund's shareholders.
2. **Net Investment Income.** Represents the total earnings of the Fund from its investment securities, less operating expenses and income tax. This gauges how efficiently the Fund has utilized its resources in a given time period.

3. **Assets Under Management (AUM).** The assets under the Fund's disposal. This measures the profitability of the Fund (increase/decrease brought about by its operational income) as well as investor confidence (increase/decrease brought about by investor subscriptions/redemptions).
4. **Cash Flow.** Determines whether the Fund was able to achieve the optimal level of liquidity by being able to meet all its scheduled payments, while maintaining at the same time the maximum investments level and minimum cash level.

Accounting Policies for Financial Assets at Fair Value through Profit and Loss

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Fund commits to purchase or sell the asset.

At initial recognition, the Fund measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Classification and subsequent measurement

The Fund classifies its financial assets in the following measurement categories:

- FVTPL
- Fair value through other comprehensive income (FVTOCI); and
- Amortized cost

As at December 31, 2020 and 2019, the Fund does not have financial assets classified as FVTOCI.

Classification of financial assets will be driven by the entity's business model for managing the financial assets and the contractual cash flows of the financial assets.

A financial asset is to be measured at amortized cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument represent solely payment of principal and interest (SPPI).

All other debt and equity instruments must be recognized at fair value.

All fair value movements on financial assets are taken through the statement of comprehensive income, except for equity investments that are not held for trading, which may be recorded in the statement of comprehensive income or in reserves (without subsequent recycling to profit or loss).

Debt instruments

Subsequent measurement of debt instruments depends on the Fund's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the group classifies its debt instruments:

- **Amortized cost.** Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- FVTPL. Assets that do not meet the criteria for amortized cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of comprehensive income within other gains/(losses) in period in which it arises. Interest income from these financial assets is included in finance income.

The business model reflects how the Fund manages the assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Fund in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired (POCI) financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses (ECL), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than POCI financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

FINANCIAL MARKETS REVIEW (2020)

INVESTMENT APPROACH

The Dollar Wellspring Fund aims to provide clients access to diversified offshore investment outlets, with a neutral exposure of 30% in global equities and 70% in global fixed income funds and liquid assets.

PERFORMANCE REVIEW

There are certain events that define a calendar year for investors, top of mind, the Asian Financial Crisis in 1997, the Global Financial Crisis in 2008, the Federal Reserve 'Taper Tantrum' in 2013, and now more recently, the COVID-19 pandemic in 2020. If we had to single out common themes, these periods are remembered for spikes in market volatility, rapid sell-offs in asset prices, and economic uncertainty.

Heading into 2020, investors were expecting that the Federal Reserve was on its way to normalizing monetary policy, given relatively stable gains in the U.S. economy. Unfortunately, this narrative was eclipsed by the rapid spread of the COVID-19 virus across countries in such a short amount of time. The MSCI All-Country World Index (ACWI), the primary global equity gauge, declined a massive 33.7% from February 19, 2020 to March 23, 2020. By April 2020, the International Monetary Fund (IMF) estimated that economic lockdowns taken by all countries to stem further spreading of the virus, would potentially bring global growth down to -3%, the worst recession since the Great Depression in 1929.

Recognizing the impending risks to the global economy, national governments and regulatory bodies around the world stepped in to protect access to capital for both employers and households. This included reducing interest rates, allocating funds for emergency assistance loans to companies, and augmenting budgets of agencies directly involved in healthcare, transportation and other basic logistic needs.

Geopolitical events remained key factors in 2020, with Joseph Biden winning the November U.S. presidential elections, while the United Kingdom managed to finalize its Brexit trade deal with the European Union a few days before the December 31, 2020 deadline.

Despite the struggles in the first half of the year, equity markets largely ended 2020 in positive territory thanks to the sheer magnitude of stimulus programs launched globally and in part due to the relative success of mobility restrictions. The MSCI ACWI ended the year up 16.2%, while Asia ex Japan posted the best calendar year performance at +24.5% (USD-denominated Total Returns). Japan came in next at +24.2%, followed by the U.S. at +17.1%, and Europe at +7.5%.

U.S. 10-year Treasury yields declined 100 basis points from 1.91% at the end of 2019, to 0.91% by end-2020.

OUTLOOK

The team maintains the view that global central banks have the flexibility to keep monetary policy accommodative, while national governments remain focused on supporting growth via fiscal programs. This two-fold narrative is generally supportive of risk assets, which can continue to post positive returns in the current environment. Market volatility is largely here to stay, as investors try to take cues from economic data and vaccine rollout reports. Corporate earnings revisions for full year 2021 have continued to improve since 4Q 2020, which should serve to temper market valuation concerns.

FINANCIAL STATEMENT ANALYSIS

Material Changes in the 2020 Financial Statements

Statement of Financial Position and Statements of Changes in Equity – 31 December 2020 and 31 December 2019

	31-Dec-20	31-Dec-19	Movement	Percentage (%)	MDAS
	Audited	Audited			
Cash in banks	\$ 475,438	\$ 187,918	\$ 287,520	153.00%	Liquidity requirements were met.
Financial assets at fair value through profit or loss	7,283,361	6,590,513	692,848	10.51%	The increase was due to net acquisition of investments during the year.
Accrued interest receivable	1,173	226	947	100.00%	Collection of interest depends on the scheduled interest payments of each asset.
Other current assets	-	582	(582)	100.00%	Prepaid expenses from prior year were fully amortized during the year.
Total Assets	7,759,972	6,779,239	980,733	14.47%	
Accrued expenses and other payables	4,685	3,461	1,224	35.37%	Recorded payables for professional fees, custodian fees and withholding taxes have increased compared to prior year.
Payable to fund manager	11,086	10,434	652	6.25%	Increase in this account was due to higher average AUM for the year.
Due to brokers	50,000	-			
Income tax payable	68	213	(145)	100.00%	Lower net taxable income resulted to lower tax payable for the year.
Total Liabilities	65,839	14,108	1,731	12.27%	
Share capital	140,801	131,998	8,803	6.67%	New issuances of shares and stock dividends declared during the year.
Additional paid in capital	6,361,847	5,909,802	452,045	7.65%	
Retained earnings	1,191,485	730,396	461,089	63.13%	Net income for the period partly offset with the stock dividend declared.
Treasury Shares	-	(7,065)	7,065	-100.00%	Due to reissuance of all treasury shares during the year.
Net Assets	7,694,133	6,765,131	929,002	13.73%	Due to net income, new shares issuances and reissuance of treasury shares.
Net Assets Value per Share	\$ 1.2022	\$ 1.1287	P 0.0735	6.51%	

There were no known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing the Fund's liquidity in any material way.

There was no contingent liability reflected in the accompanying audited financial statements.

The Fund does not anticipate having any cash flow or liquidity problems as it complies with the liquidity requirements per ICA-IRR 6.10. The Fund was able to meet all its monetary obligations to its shareholders (for redemption) and creditors for the period covered. It does not foresee any event that could trigger a direct or contingent financial obligation that is material to its operations.

There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Fund with unconsolidated entities/other persons created during the reporting period. Likewise, there are no material commitments for capital expenditures, known trends, events, or uncertainties that have had or that are reasonably expected to have a material impact on net income/revenue from the continuing operations of the Fund.

There are no other significant events and transactions from the last annual reporting period that is required for disclosure this year.

Statement of Comprehensive Income for the Years Ended – 31 December 2020 and 31 December 2019

	31-Dec-20	31-Dec-19	Movement	Percentage (%)	MDAS
	Audited	Audited			
Investment Income	\$ 132,033	\$ 402,199	(\$ 270,166)	-67.17%	The decrease mainly pertains to the lower trading gains realized upon disposal of equity securities compared to prior year.
Investment Expense	1,207	625	582	93.12%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses	145,931	138,481	7,450	5.38%	This is due to the increase in management fees brought by higher AUM, custodian fees and directors' fees and partly offset with the decline in recorded taxes and licenses and printing and supplies incurred for the year.
Net Unrealized Gains (Losses) on Investments	611,533	477,765	133,768	28.00%	Increase due to higher fair value of the investments in global mutual and exchanged traded funds during the year.
Provision for Income Tax	316	229	87	37.99%	Income tax under MCIT and final taxes of interest income earned from fixed income investments.
Net Investment Income (Loss)	\$ 596,112	\$ 740,629	(144,517)	19.51%	

Average daily net asset value in 2020 and in 2019 is \$6,789,133 and \$6,537,632, respectively.

The Fund has no unusual nature of transactions or events that affect assets, liabilities, equity, net income or cash flows.

There were no commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Fund which are not reflected in the accompanying audited financial statements. The management of the Fund is of the opinion that there were no income or losses from these items that will have any material effect on its audited financial statements.

There were no known material events subsequent to the end of the annual reporting period that have not been reflected in the Fund's audited financial statements as at the period ended December 31, 2020. There were no significant elements of income or loss that did not arise from the Fund's continuing operations.

There were no changes in estimates of amount reported in the current financial year or changes in estimates of amounts reported in prior financial years.

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Fund.

The Fund is guided by its investment policies and legal limitations. All the proceeds from the sale of shares, including the original subscription payments at the time of incorporation constituting the paid-in capital, is held by the pertinent custodian banks.

The Fund is governed by the following fundamental investment policies:

1. As a Fund-of-Funds, the Fund shall be subject to the following:
 - a. The Fund shall invest more than fifty percent (50%) of net assets in more than one (1) collective investment scheme;
 - b. The Target Fund shall not be a Feeder Fund;
 - c. The Target Funds are CIS established by another fund manager/s, asset management company/ies or fund operator/s;
 - d. The Target Fund shall provide ample protection to the investors of the Fund-of-Funds. If the Target Fund is a foreign fund, it shall have assessed to have broadly implemented the IOSCO Principles relevant to collective investment schemes;
 - e. The Target Fund publishes Quarterly/Semi-Annual and Annual Reports
 - f. Investment limit of fifteen percent (15%) in non-collective investment scheme or entity;

- g. The investment objectives of the Target Fund is aligned with that of the Fund-of-Funds;
 - h. The Fund-of-Funds is compliant with Rule 6.10 of the Implementing Rules and Regulations of the Investment Company Act;
 - i. The Target Fund is supervised by a regulatory authority, as follows:
 - i. A local Target Fund shall either be registered with the Commission or approved by the Bangko Sentral ng Pilipinas;
 - ii. A Target Fund constituted in another economy shall be orize/approved, as the case may be in its home jurisdiction by a regulatory authority that is an ordinary or associate member of the IOSCO
 - j. Investments in Target Funds shall be held for safekeeping by an institution registered/authorized/approved by a relevant regulatory authority to act as third party custodian.
2. The Fund shall not issue senior securities.
 3. The Fund shall not incur any further debt or borrowing unless at the time of its incurrence or immediately thereafter there is an asset coverage of at least three hundred percent (300%) for all its borrowings. In the event that such asset coverage shall at any time fall below three hundred percent (300%), the Fund shall within three (3) days thereafter, reduce the amount of its borrowings to an extent that the asset coverage of such borrowings shall be at least three hundred percent (300%).
 4. The Fund shall not participate in any underwriting or selling group in connection with the public distribution of securities, except its own capital stock.
 5. The Fund will generally maintain a diversified portfolio. Geographic and asset allocations may vary at any time depending on the investment manager's overall view.
 6. The Fund shall not invest more than twenty percent (20%) of its net assets in real estate properties and developments, subject to investment restrictions and/or limitations under applicable law, if any.
 7. The Fund shall not purchase or sell commodity futures contracts.
 8. The proportion of the Fund's assets that shall be invested in each type of security shall be determined from time to time, as warranted by economic and investment conditions.
 9. Subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions.
 10. The Fund may use various techniques to hedge investment risks.
 11. The Fund will not change its investment objectives without the prior approval of a majority of its shareholders and prior notice to the SEC.

Item 7. Financial Statements

Copies of the following audited financial statements are attached as Exhibits:

1. Statements of Financial Position, 2020, 2019
2. Statements of Comprehensive Income, 2020, 2019, 2018
3. Statements of Changes in Equity, 2020, 2019, 2018
4. Statements of Cash Flows, 2020, 2019, 2018
5. Notes to Financial Statements

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Navarro Amper & Co. /Deloitte Touche Tohmatsu, with address at 19/F Net Lima Plaza, 5th Avenue corner 26th Street, Bonifacio Global City, Taguig City, Philippines, has acted as external auditor of the Fund since its incorporation.

There has been no disagreement with the accountants on any accounting and financial disclosures.

External Audit Services/Audit and Audit-Related Fees

For 2020 and 2019, aggregate fees billed for professional services rendered by the external auditor for the audit of the Fund's annual financial statements and services normally provided by external auditors in connection with statutory and regulatory filings amounted to \$3,444 and \$3,545, respectively inclusive of VAT and out-of-pocket expenses. There were no other payments made to the auditor for any other service, including assurance, tax, and related services.

External auditors of the Fund are designated in accordance with Section 29 of the ICA subject to ratification at the annual stockholders' meeting by the vote of a majority of the outstanding voting securities attending.

The Fund's Board of Directors has an Audit and Compliance Committee, which is composed of Mr. Melito S. Salazar, Jr. (independent director), Mr. Oscar Orbos (independent director), Ms. Rizalina G. Mantaring (2015-June 2018) and Mr. Benedicto C. Sison (July 2018 – present) as members. The Audit and Compliance Committee has considered and endorsed for the approval of the Board of Directors the external auditor's service fees, which were so approved.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers

1. Directors and Executive Officers

The Board of Directors is responsible for conducting all businesses of the Fund. It exercises general supervision over the duties performed by the Investment Company Adviser, Distributor, Administrator, Transfer Agent and Custodian of the Fund.

The following are the incumbent Directors and Executive Officers of the Fund:

	<i>Citizenship</i>	<i>Position</i>	<i>Age</i>	<i>Term of Office</i>	<i>Period Served</i>
Benedicto C. Sison	Filipino and American	Director/President Director/Chairman	59	2015 – June 2018 July 2018 - present	4 terms 2 terms
Maria Josefina A. Castillo	Filipino	Director/President	47	2018 - present	2 terms
Aleli Angela G. Quirino	Filipino	Independent Director	76	2018-present	2 terms
Oscar M. Orbos	Filipino	Independent Director	69	2015-present	5 terms
Cielito F. Habito	Filipino	Independent Director	67	2019 - present	1 term
Candy S. Esteban	Chinese	Treasurer	43	2015-present	5 terms
Jemilyn S. Camania	Filipino	Compliance Officer	44	April 2020 -present	
Anna Katrina C. Kabigting-Ibero	Filipino	Corporate Secretary	41	April 2020 -present	
Frances Ianna S. Canto	Filipino	Assistant Corporate Secretary	31	September 2020 - present	
Ria V. Mercado	Filipino	Risk Officer	44	2015-present	5 terms

A brief write-up on the business experience of the incumbent directors and executive officers of the Fund follows:

BENEDICTO C. SISON

Chairman (2018 to present)

Director (2015 to 2018)

Mr. Benedicto C. Sison is the CEO and Country Head of the Sun Life group of companies in the Philippines from 01 July 2018. He is also the President of Sun Life Financial Philippine Holding Company, Inc. (December 2015 to present) and serves as the Director and Chairman of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., (September 2015 to present), Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc. (2017 to present), and Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to present). He is also the Director and Chairman of the Grepalife Funds such as Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation, and Grepalife Fixed Income Fund Corporation (September 2015 to present). He is the Vice President of Sun Life Financial – Philippines Foundation, Inc., (September 2015 to present) where he also served as Trustee (September 2010 to September 2013). He is currently a Senior Advisor to the Board of Trustees of the Philippine Investment Funds Association (PIFA) and Treasurer of the Philippine Life Insurance Association (PLIA).

Prior to his current role, Mr. Sison served as the Chief Strategy and Financial Management Officer of Sun Life of Canada (Philippines), Inc. (April 2015 to 2018). He also served as Chief Financial Officer of Sun Life Financial Asia (November 2012 to March 2015), Director of Sun Life Hong Kong Limited (December 4, 2012 to May 14, 2015), Commissioner of PT. Sun Life Indonesia Services (February 21, 2013 to July 5, 2013) and Commissioner of PT. Sun Life Indonesia (April 19, 2013 to April 23, 2015). He was also the Director/CFO and Treasurer of Sun Life Financial Philippine Holding Company, Inc. (September 2010 to December 2013), CFO and Treasurer of Sun Life Financial Plans, Inc. (September 2010 to December 2013), Director of Great Life Financial Assurance Corporation (July 2012 to September 2013) and Chief Financial Officer and Treasurer of Sun Life Asset Management Company, Inc. (September 2010 to June 2013) and Sun Life of Canada (Philippines), Inc. (September 2010 to October 2012). He also served as the Finance Director – Asia Pacific of Con-Agra International Food Group (September 2006 to August 2010).

He brings to the job a wealth of international finance experience gained primarily from ConAgra Foods, Inc., a multi-billion dollar global consumer products company. He held various positions with increasing responsibility in the areas of audit, financial control, planning and management in ConAgra's US, India and Asia-Pacific Operations. He was the Finance Director for the Asia Pacific Region, based in China, prior to joining Sun Life. Benedict also worked in the academe as well as in the aerospace, defense and public transit industries in the USA.

Mr. Sison is a Magna Cum Laude graduate of BS Business Administration from the University of the Philippines (1983). He earned his Master's degree in Business Administration, Major in Finance/Accounting (1988) from the Graduate School of Management of the University of California Riverside. He is a Certified Public Accountant (CPA) and is a member of the American Institute of CPAs.

MARIA JOSEFINA A. CASTILLO

President / Director (2018 to present)

Ms. Maria Josefina A. Castillo is currently the Chief Financial Officer of Sun Life Financial Philippines (August 2015 to present) and the Treasurer of Sun Life of Canada (Philippines), Inc. Concurrently, she serves in the same capacity at Sun Life Financial Philippine Holding Company, Inc., Grepalife Asset Management Company, Inc., and Sun Life Grepa Financial Inc. (November 2012 to present). She serves as the Director and President of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., and Sun Life Prosperity World Equity Index Feeder Fund, Inc. (July 2018 to present). She is also the Director and President of the Grepalife Funds such as Grepalife Bond Fund Corporation, Grepalife Dollar Bond Fund Corporation, and Grepalife Fixed Income Fund Corporation (July 2018 to present) and Treasurer (November 2012 to present) and a Director of Grepalife Realty Holdings Corporation (April 2020 to present).

Prior to that, she was the Controller and Head of Financial Planning and Analysis (October 2013 to July 2015) and Head of Finance Integration (June 2011 to September 2013) of Sun Life of Canada (Philippines), Inc. She currently serves as the Vice President and Trustee of the Philippine Investments Funds Association (PIFA) (2013 - 2018) and is currently the Chairperson of the Finance and Investment Committee of the Philippine Life Insurance Association (PLIA) (2018, 2020 – present).

Ms. Castillo has over 20 years of extensive finance experience in the life insurance industry. Prior to joining Sun Life Financial Philippines, she was the Head of Regional Accounting and Control (June 2006-June 2011) and Manager of Asia Accounting (November 2003 to May 2006) of Sun Life Financial Asia Services Ltd. She also worked with CMG Philippines (1998-2003), Permanent Plans, Inc. (1996-1997) and Sycip, Gorres, Velayo & Co. (1994-1996).

Ms. Castillo is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants (PICPA). She earned her Bachelor of Science in Accountancy degree from the Miriam College Foundation, Inc. and her Masters of Business Administration from the University of the Philippines (Diliman). She is a Fellow, Life Management Institute (FLMI) and an Associate, Customer Service (ACS) of the LOMA.

ALELI ANGELA G. QUIRINO

Independent Director (2000 to present)

Atty. Aleli Angela G. Quirino, is an Independent Director of Sun Life of Canada Prosperity Bond Fund, Inc. (2000 to present), Sun Life of Canada Prosperity Balanced Fund, Inc. (2010 to present), Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.) (2004 to present), Sun Life Prosperity Dynamic Fund, Inc. (2012 to present), Sun Life Prosperity Dollar Starter Fund, Inc. (2017 to present), Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to present). She is also an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation (“Grepalife Funds”) (2011 to present). She is currently an Of Counsel of Angara Abello Concepcion Regala & Cruz Law Offices (ACCRA Law). She also serves as Director of ELC Beauty, Inc./Estee Lauder Phils. (2002 to present), among others. She also serves as a Director of Neo Pacific Property Management Corporation (2007 to present), She is the Vice-Chairman and Trustee of Ateneo de Manila Law Alumni Association,

Inc. (2008 to present), and Advisory Council Member of the Asian Patent Attorney Association (2012 to present). She is also the immediate past President and Philippine Councilor of ASEAN Intellectual Property Association (2015 to present) and Vice-President and ExCom Member of Association Internationale pour la Protection de la Propriété Intellectuelle (2004 to present). She is the Trustee of Cancare Foundation, Inc. (2010 to present), Trustee-Treasurer of Intellectual Property Foundation, Inc. (1998 to present), and Trustee-Corporate Secretary of Assumption College, Inc. (1996 to present). Atty. Quirino received her Bachelor of Arts and Bachelor of Science in Education (magna cum laude) from Assumption College and Bachelor of Laws (with honors) from the Ateneo de Manila University.

OSCAR M. ORBOS

Independent Director (2000 to present)

Atty. Oscar M. Orbos, is an Independent Director of the Sun Life of Canada Prosperity Philippine Equity Fund, Inc. (2000 to present), Sun Life Prosperity Dollar Advantage Fund, Inc. (2009 to present), Sun Life Prosperity Dollar Abundance Fund, Inc. (2009 to present), Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc. and Sun Life Prosperity World Voyager Fund, Inc. (2015 to present), Sun Life Prosperity Dollar Starter Fund, Inc. (2017 to present), Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dynamic Fund, Inc. (2018 to present). He is also an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation (“Grepalife Funds”) (2018 to present). Atty. Orbos has a distinguished public service career, which started with his election as Congressman (1987 to 1990 and 1992 to 1995) and then as Governor of the Province of Pangasinan (1995 to 1998). He also served as Secretary of the Department of Transportation and Communication (1990) and then as Executive Secretary (1990 to 1991) under the administration of President Corazon C. Aquino. Atty. Orbos also serves Chairman of the Board of Alpha Insurance & Surety Co., Inc. (2000 to present) and as Partner of Orbos Cabusora & Taguam Law Office (1998 to present). He obtained his BS Economics and Bachelor of Laws from the University of the Philippines.

CIELITO F. HABITO

Independent Director (April 2019 to present)

Dr. Cielito F. Habito, is an Independent Director of Sun Life Prosperity Dollar Advantage Fund, Inc.; Sun Life Prosperity Dollar Abundance Fund, Inc.; Sun Life Prosperity GS Fund, Inc.; Sun Life of Canada Prosperity Philippine Equity Fund, Inc.; Sun Life of Canada Prosperity Balanced Fund, Inc.; Sun Life Prosperity World Voyager Fund, Inc.; Sun Life Prosperity Dollar Wellspring Fund, Inc.; Sun Life Prosperity Dollar Starter Fund, Inc.; Sun Life Prosperity Philippine Stock Index Fund, Inc.; Sun Life Prosperity Achiever Fund 2038, Inc.; and Sun Life Prosperity Achiever Fund 2048, Inc. (2019-present).

Dr. Habito serves as Special Adviser of Earth Council, San Jose, Costa Rica. Dr. Habito is a Professorial Lecturer of the Department of Economics, College of Economics and Management of the University of the Philippines at Los Baños, College, Laguna since October 1998. He is a Professor of Economics at Ateneo de Manila University.

He serves as the Chairman of Pisay Dos Corporation, an Internet Service Provider and Cahbriba Alternative School Foundation, Inc., and a Treasurer & Chairman/Trustee of the Foundation for the Philippine Environment and Ateneo Center for Economic Research and Development. He served as an Adviser for Mindanao Economic Development with the Australian Agency for International Development (AUSAID) from July 2011 to April 2013. He serves as Chairman of the Board of Advisers of Team Energy Center for Bridging Leadership-Asian Institute of Management. He serves as the Chairman of Brain Trust Inc. and Operation Compassion Philippines. Dr. Habito serves as a member of the Board of Trustees of the International Center for Innovation, Transformation and Excellence in Governance (INCITEGov), Independent Trustee of BPI Foundation and Manila Water Foundation, an Independent Director of One Wealthy Nation (OWN) Fund. He has been an Independent Director of Frontier Oil Corporation since July 16, 2013. He has been an Independent Director of First Gen Corporation since

May 11, 2016. He serves as Board Director of PhilSteel Holdings, Inc., Columnist of Philippine Daily Inquirer and Founding Board Member (Trustee) of Ramos Peace 1992 to 1998 and Development Foundation, Inc. He serves as a Member of the Advisory Committee of the Japan International Cooperation Agency (JICA). He served as Director of Metropolitan Bank & Trust Company since January 2001 and Ateneo Center for Economic Research and Development. Dr. Habito served as an Independent Director of Manila Water Company, Inc., since May 2004. He served as a Director of Lepanto Consolidated Mining Co. and Steel Corporation of the Philippines. He is a Member of the National Advisory Council of WWF Philippines, among others. He served in the Cabinet of former President Fidel V. Ramos throughout his 6-year presidency in 1992-1998 as Secretary of Socioeconomic Planning and Director-General of the National Economic and Development Authority (NEDA), making him the country's chief economic planner through most of the 1990s. He is the Council of Advisers of the Philippine Rural Reconstruction Movement and Board of Trustees of the International Center for Innovation, Transformation and Excellence in Governance (INCITEGov), among others. Dr. Habito is the recipient of numerous awards including the Philippine Legion of Honor (1998), The Outstanding Young Men (TOYM) Award (for Economics) in 1991, Most Outstanding Alumnus of the University of the Philippines-Los Baños (UPLB) in 1993 and the Gawad Lagablab (Outstanding Alumnus Award) of the Philippine Science High School in 1991. He also writes the weekly column No Free Lunch in the Philippine Daily Inquirer. From October 2008 to April 2009, he was Visiting Fellow at the Asian Development Bank Institute (Kasumigaseki, Chiyoda-ku, Tokyo).

Dr. Habito graduated with Bachelor of Science in Agriculture (Summa Cum Laude) from the University of the Philippines-Los Baños in 1975. He took his Master of Economics from the University of New England, Armidale, New South Wales, Australia in 1978 and Master of Arts in Economics and Ph.D. in Economics from the Harvard University, Cambridge, Massachusetts, USA in 1984.

CANDY S. ESTEBAN

Treasurer (2015 to present)

Ms. Esteban is the Treasurer of sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), (2015 to present), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc. (2016 to present), Sun Life Prosperity World Equity Index Feeder Fund, Inc. (2017 to present), Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., (March 2018) and the Sun Life Asset Management Company, Inc. (2015 to present). She is concurrently the Head of Financial Planning and Analysis for Sun Life Financial Philippines effective September 1, 2014. Ms. Esteban is responsible for all financial planning, management reporting and analysis for the Sun Life group of companies, as well as the Finance Business Partner for SLAMCI.

Prior to joining Sun Life, Ms. Esteban held various positions in Citibank and American Express Bank Philippines, two of the leading global banking institutions. Ms. Esteban has nearly 15 years of experience in the areas of controllership, profitability management, financial planning and management reporting, investments, insurance and loans in consumer, corporate banking, wealth management, commercial credit cards business and project management.

Ms. Esteban is a graduate of the Ateneo de Manila University with a Bachelor of Science degree in Management Engineering and she holds a Masters degree in Business Administration from INSEAD in Singapore and France.

JEMILYN S. CAMANIA

Compliance Officer and Data Protection Officer (April 2020 to present)

Atty. Jemilyn S. Camania is the Chief Compliance Officer of Sun Life of Canada (Philippines), Inc.; Sun Life Financial Plans, Inc.; Sun Life Asset Management Company, Inc.; Sun Life Financial – Philippines Foundation; and the sixteen Sun Life Prosperity Funds, i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (01 April 2020 to present).

Atty. Camania started at Sun Life of Canada (Philippines), Inc. as Assistant Counsel (2004 to 2007), Counsel (2007 to 2011), Senior Counsel (2011 to 2012), and Deputy General Counsel (2012 to 2020) and Head of General Corporate Services (2016 to 2020). She also served as Senior International Counsel for Sun Life Asia (2016 to 2020). She also served as Corporate Secretary of Sun Life of Canada (Philippines), Inc. (2010 to 2020); Sun Life Financial Plans, Inc. (2010 to 2020); Sun Life Asset Management Company, Inc. (2005 to 2020); Sun Life Financial Philippine Holding Company, Inc. (2012 to 2020); Sun Life Financial – Philippines Foundation (2012 to 2020); the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Money Market Fund, Inc., (2005 to 2020), Sun Life Prosperity Dynamic Fund, Inc. (2012 to 2020), Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc. (2015 to 2020), Sun Life Prosperity World Equity Index Feeder Fund, Inc., and Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to 2020); Grepalife Asset Management Corporation (2011 to 2020); the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation (2011 to 2020); and the Assistant Corporate Secretary of Sun Life Grepa Financial, Inc. (2011 to 2020). Prior to joining Sun Life, she worked as an Associate at the Cayetano Sebastian Ata Dado & Cruz Law Offices (2001 to 2004).

Atty. Camania received her Bachelor of Arts in Psychology (1992) and Bachelor of Laws (2001) degrees from the University of the Philippines (Diliman). She passed the Bar Examinations in 2002. She is also a Fellow, Life Management Institute (2010), Professional, Customer Service (with honors) (2011), and Associate, Insurance Regulatory Compliance (2014) of the Life Office Management Association (LOMA).

ANNA KATRINA C. KABIGTING-IBERO

Corporate Secretary (April 2020 to present)

Atty. Anna Katrina C. Kabigting-Ibero is the Corporate Secretary of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., (April 2020 to present) and the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation, (April 2020 to present). She is also the Corporate Secretary of Sun Life of Canada (Philippines), Inc., Sun Life Asset

Management Company, Inc., Sun Life Financial Plans, Inc., Grepalife Asset Management Corporation, Sun Life Financial Philippine Holding Company, Inc., Sun Life Financial – Philippines Foundation, Inc., and Assistant Corporate Secretary of Sun Life Grepa Financial, Inc. (April 2020 to present). She was appointed as Corporate Secretary of Sun Life Investment Management and Trust Corporation last September 2020.

Prior to joining Sun Life in 2014, Atty. Ibero worked as an Associate Lawyer at the David Cui-David Buenaventura and Ang Law Offices (2006 to 2010). She later joined the Bank of the Philippine Islands as Legal and Compliance Officer of the Bank's Asset Management and Trust Group (2010 to 2014).

Atty. Kabigting-Ibero received her Bachelor of Arts Major in Legal Management (2000) and Bachelor of Laws (2005) from the University of Santo Tomas. She was called to the Bar in 2006.

FRANCES IANNA S. CANTO

Assistant Corporate Secretary (September 2020 to present)

Atty. Frances Ianna S. Canto is the Assistant Corporate Secretary of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc. She is also the Assistant Corporate Secretary of Sun Life Asset Management Company, Inc. and Sun Life Investment Management and Trust Corporation (September 2020 – present).

Prior to joining Sun Life in May 2020, Atty. Canto worked as a Legal and Compliance Officer of Manulife Philippines (March 2017), where she also served as Assistant Corporate Secretary and Alternate Data Protection Officer. Before joining Manulife, Atty. Canto briefly worked as a consultant with the Office of the Secretary of the Climate Change Commission and prior to that, as an Associate Lawyer at the Medialdea Ata Bello and Suarez Law Office (2013-2016).

Atty. Canto received her Juris Doctor degree from the Ateneo de Manila University. She was admitted to the Bar in May 2014.

RIA V. MERCADO

Risk Officer (2015 to present)

Ms. Ria V. Mercado has been the Head of Risk Management of Sun Life Philippines since 2015. She is also the Risk Officer of the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., (2015-present) and the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation, (July 2019 to present). She is also the Risk Officer of Sun Life Asset Management Company, Inc., Grepalife Asset Management Corporation, Sun Life of Canada (Philippines), Inc., Sun Life Grepa Financial, Inc. (July 2015 to present) and Sun Life Financial – Philippines Foundation, Inc. (December 2019 to present).

Prior to joining Sun Life in 2015, she was with Deutsche Knowledge Services (DKS), where she was Debt and Client Risk & Control Lead. In this capacity, she was responsible for risk and control initiatives and for proactively identifying and mitigating operations risks through quality assurance initiatives. Prior to DKS, she was with Standard Chartered Bank where she rose from Graduate Associate to AVP – Unit Operational Risk Manager.

Ms. Mercado holds a Master in Business Management degree from the Asian Institute of Management. She is a BS Business Administration graduate of the University of the Philippines (Diliman).

2. Incorporators

The following are the incorporators of the Company:

1. Rizalina G. Mantaring
2. Ma. Karenina M. Casas
3. Valerie N. Pama
4. Melito S. Salazar, Jr.
5. Oscar M. Orbos

3. Significant Employees

The Fund has no significant employees.

4. Family Relationships

There are no family relationships up to fourth civil degree either by consanguinity or affinity among directors, executive officers, or persons nominated by the Fund to become its directors or executive officers.

5. Material Pending Legal Proceedings

The Fund has no knowledge of any material pending legal proceedings to which any of the directors and executive officers of the Fund is a party of which any of their property is the subject.

There was no bankruptcy petition filed by or against any business of which any of the directors and executive officers of the Fund was a general partner or executive officer either at the time of bankruptcy or within two years prior to that time.

No director and executive officer of the Fund was convicted by final judgment in a criminal proceeding, domestic or foreign and neither is any director or officer subject to any pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses.

No director and executive officer of the Fund is being subject to any order, judgment or decree not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities, or banking activities.

No director and executive officer of the Fund is being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

Item 10. Executive Compensation

1. Compensation of Executive Officers.

The executive officers of the Fund do not receive any form of compensation from their appointment up to the present.

2. Compensation of Directors.

The Fund's executive officers and directors who are officers and/or employees of SLOCPI and/or SLAMCI do not receive any form of compensation as such from the time of their appointments up to the present.

The Fund's directors who are not officers and/or employees of SLOCPI and/or SLAMCI (i.e., "Independent Directors") receive a per diem for their attendance at regular or special meetings of the Board at the rate of PHP 20,000.00 per meeting per Independent Director (the Fund has three [3] Independent Directors). There are no other forms of compensation which such Independent Directors are entitled to receive for meetings attended, other than said per diem and a retainer's fee not to exceed PHP 15,000.00 per quarter. Payment of such retainer's fee shall be shared by the Fund with the other Sun Life Prosperity Funds which the Independent Director also serves, provided that each Independent Director shall receive only a maximum of PHP 15,000.00 per quarter from all the Sun Life Prosperity Funds combined. There are no standard arrangements, employment contracts, termination of employment, change-in-control or other arrangements with the directors. Such remuneration to be paid for by the Fund may be adjusted in the future as may be warranted by existing fund levels and other factors.

Total per diem received by the Fund's directors for the year 2020 and 2018 are \$7,608 and \$6,444, respectively.

The Board has four (4) regular quarterly meetings for 2021, including the organizational board meeting after the annual shareholders' meeting. For the four (4) meetings and with three (3) members of the Board who are external directors entitled to receive per diem, the Fund forecasts a total directors' per diem of PHP 240,000 (approximately \$4,994) for the year 2021. The external directors are also forecasted to receive a total of PHP 15,070 (approximately \$314) as retainer's fees for 2021.

Item 11. Security Ownership of Certain Beneficial Owners and Management

1. Security ownership of more than 5% of the Fund's outstanding capital stock as of December 31, 2020

<i>Title of Class</i>	<i>Name of Record Owner/Relationship with Issuer</i>	<i>Address</i>	<i>Name of Beneficial Owner/Relationship with Record Owner</i>	<i>Citizenship</i>	<i>Number of Shares Held</i>	<i>Percent of Class</i>
Common	SLAMCI 8 th Floor Sun Life Centre, 5 th Ave. Corner Rizal Drive, Bonifacio Global City, Taguig City	More than 5% owner	Both the Record (R) & Beneficial (B) Owner	Filipino	768,628	12.01%

On 7 March 2013, the SEC *en banc* approved the confidential treatment of the list of Top 20 shareholders of the Sun Life Prosperity Funds, including its the 5% and 10% beneficial owners. This is to protect the investors' privacy, which is a privilege they enjoy when they invest in other shared investment vehicles, such as unit investment trust funds, and when they invest in bank deposits.

This list includes shareholders owning more than 5% of the Fund's outstanding capital stock as of December 31, 2020, if any.

2. Security Ownership of Management as of December 31, 2020:

Title of Class	Name of and Address of Record Owner	Relationship with Issuer	Name of Beneficial Owner & Relationship with Record Owner	Number of shares held	Percent of Class
Common	Benedicto C. Sison	1	Beneficial (B) and Record (R)	Filipino and American	0.00%
Common	Ma. Josefina A. Castillo	1	B & R	Filipino	0.00%
Common	Aleli Angela G. Quirino	1	B & R	Filipino	0.00%
Common	Cielito F. Habito	1	B & R	Filipino	0.00%
Common	Oscar M. Orbos	1	B & R	Filipino	0.00%

The above individual owners can be reached at c/o the Corporate Secretary, 6th Floor, Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

3. Voting Trust Holders of 5% or More

No holder of 5% or more of the Fund's common shares has any voting trust or similar agreement that vest voting rights or other powers to a voting trustee.

4. Change in Control

The Fund has no knowledge of any arrangement that may result in a change of control of the Fund.

Item 12. Certain Relationships and Related Transactions

The following are the interlocking directors and officers of SLAMCI and the Fund:

Director/Officer	Fund	SLAMCI
Benedicto C. Sison	Chairman	Director
Jemilyn S. Camania	Compliance Officer and Data Protection Officer	Compliance Officer and Data Protection Officer
Candy S. Esteban	Treasurer	Treasurer
Anna Katrina C. Kabigting-Ibero	Corporate Secretary	Corporate Secretary
Frances Ianna S. Canto	Assistant Corporate Secretary	Assistant Corporate Secretary
Ria V. Mercado	Risk Officer	Risk Officer

Other than these interlocking directors and officers, management and members of the Board of Directors of the Fund are not involved in any companies that the Fund deals with.

PART IV - CORPORATE GOVERNANCE

Item 13. Compliance with Leading Practice on Corporate Governance

The Fund is committed to performing its obligations following sound standards of business and financial practices and assesses the level of compliance of the Board of Directors and top-level management with its Manual on Corporate Governance through the Corporate Governance Self-Rating Form.

Likewise, the Fund requires the directors to answer a Board Effectiveness Questionnaire to determine their outlook on current practices and further enhance their performance. Internal audit and

compliance units of the Fund also actively ensure that the Fund meets its regulatory and moral obligations to the government agencies and the general public, respectively.

There has been no reported incident of any deviation from the Fund's Manual on Corporate Governance. A strong ethical business culture in the performance of duties is continuously upheld and promoted. Nonetheless, the Fund makes an effort to improve corporate governance of the company by holding training sessions for its Board and officers whenever possible.

Compliance with Foreign Account Tax Compliance Act (FATCA)

In accordance with the requirements of the US Internal Revenue Service ("IRS") and the Intergovernmental Agreement ("IGA") between the Government of the United States of America and the Government of the Republic of the Philippines to Improve International Tax Compliance and to Implement FATCA which was signed last July 13, 2015, the Fund has registered with the Internal Revenue Service (IRS) and has obtained its own Global Intermediary Identification Number ("GIIN") as a sponsored entity. Sun Life Asset Management Company, Inc. ("SLAMCI") continues to assume responsibilities for the Fund's FATCA compliance as the Sponsoring Entity and has implemented FATCA onboarding processes and procedures as well as system enhancements to monitor its new and pre-existing account holders who are U.S. Persons and have U.S. Indicia.

The Fund, together with its Sponsoring Entity, SLAMCI, is preparing to comply for FATCA reporting on the date which will be set by the Bureau of Internal Revenue as soon as the IGA has been ratified by the Senate.

PART V – EXHIBITS AND SCHEDULES

A. Audited Financial Statements

1. Statements of Financial Position, 2020, 2019
2. Statements of Comprehensive Income, 2020, 2019, 2018
3. Statements of Changes in Equity, 2020, 2019, 2018
4. Statements of Cash Flows, 2020, 2019, 2018
5. Notes to Financial Statements

B. Reports on SEC Form 17-C

- SIGNATURE PAGE FOLLOWS –

-

SIGNATURES


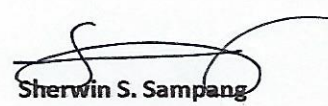



Pursuant to the requirements of Section 11 of the RSA and Section 177 of the Revised Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of _____ on _____, 2021.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

Issuer

Pursuant to the requirements of the Revised Securities Act, this annual report has been signed by the following persons in the capacities and on the dates indicated.

By:

 Maria Josefina A. Castillo Principal Accounting Officer/President	 Sherwin S. Sampang Controller
 Gerald L. Bautista Principal Operating Officer / SLAMCI President	 Anna Katrina C. Kabigting-Ibero Corporate Secretary
 Candy S. Esteban Principal Financial Officer/Treasurer	

APR 19 2021

SUBSCRIBED AND SWORN to before me this ____ day of _____ 2021, affiants exhibiting their government issued identification cards, as follows:

Name	Government ID No.	Date of Issue	Place of Issue
Gerald L. Bautista	Passport No. P3872620A	08/05/2017	Muntinlupa City
Candy S. Esteban	Driver's License N02-95-277891	05/08/2018	Quezon City
Ma. Josefina Castillo	Passport No. P2050182A	02/28/2017	Manila
Sherwin S. Sampang	Passport No. P9427178A	11/06/2018	DFA NCR East
Anna Katrina C. Kabigting-Ibero	Driver's License N02-96-324358	08/30/2017	Makati City

Doc. No. 318 ;
 Page No. 67 ;
 Book No. X ;
 Series of 2021.

ATTY. GERVACIO B. ORTIZ JR.
 Notary Public City of Makati
 Extended Until June 30, 2021
 Per B.M. No. 3795
 IBP No. 05729-Lifetime Member
 MCLE Compliance No. VI-0024312
 Appointment No. M 183-(2019-2020)
 PTK No. 8531011 Jan. 4, 2021
 Makati City Roll No. 40091
 101 Urban Ave. Campos Rueda Bldg.
 Brgy. Pio del Pilar, Makati City



This document contains key information clients of Sun Life Prosperity Dollar Wellspring Fund should know about. More information can be found in the Fund's prospectus. Ask a Sun Life Financial Advisor or contact Sun Life Asset Management Company, Inc., at 8-849-9888 or Phil-MF-Products@sunlife.com or visit www.sunlifefunds.com.

Launch Date	May 5, 2016	Minimum Holding Period	180 days	Minimum Subscription	USD 1,000
Fund Size	USD 6,928,701.76	Management and Distribution Fee	1.50%	Minimum Subsequent	USD 200
Net Asset Value Per Share	1.1580	Transfer Agency Fee	0.15%	Fund Structure	Mutual Fund (Shares)
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Dep Rate	Early Redemption Fee	1.00%	Fund Classification	Multi-Asset Fund-of-Funds

What does the Fund invest in?

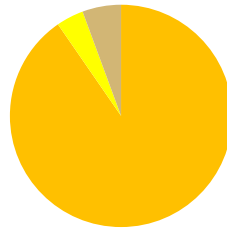
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g. savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

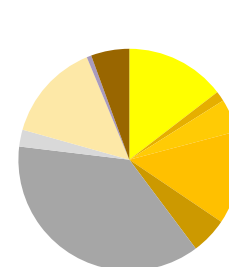
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 14.68%
2. Morgan Stanley - Global Bond, 12.82%
3. MFS Meridian - Global High Yield, 12.27%
4. Morgan Stanley - US Advantage, 6.94%
5. Wellington - Global Quality Growth, 6.82%

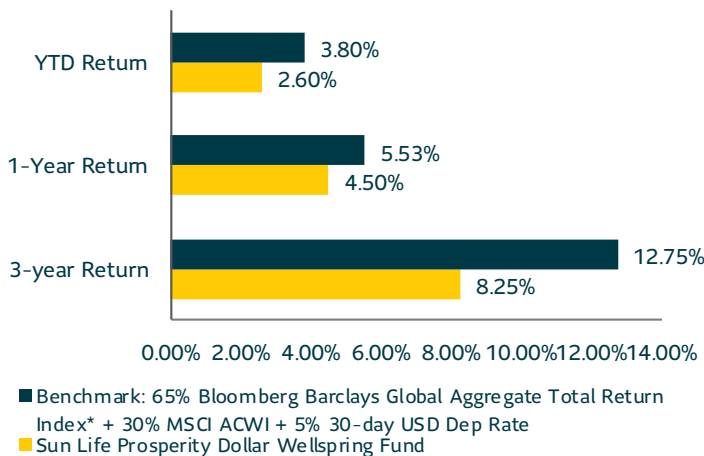
Investment Mix



Geographical Allocation



How has the Fund performed?



*Benchmark Effectivity Date:

JP Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review

- Global equities registered a second straight month of declines, falling 2.41% in October. In contrast, global bonds were flat MoM at 0.10%. European equities posted the largest drop at -5.70%, followed by the U.S. at -2.66%. Asian equities bucked the trend, posting a positive return of 1.02%.
- The US 10-year yield closed October at 0.87%, rising 19 basis points (bps) from end-September.
- As of end-October, US Democratic candidate Joseph Biden maintains his poll lead over incumbent Donald Trump based on RealClearPolitics data.
- The US posted a new single day record for COVID-19 cases (~91.7k), bringing the nation's total cases to over 9 million. This complicates reopening plans for the economy, and adds further uncertainty to the recovery story.
- The Fund has gained 2.60% YTD, closing below the benchmark (+3.80%) by 120 bps, primarily due to its holdings in short-term diversified fixed income outlets.

Disclaimer: Mutual Fund performance depends on various market and economic conditions. Past performance is not a guarantee or an indication of future results. Thus, returns are not guaranteed and may differ from the original investment. Information contained in this Fund Fact Sheet do not constitute investment advice. For more information on our mutual funds, please consult a Sun Life Financial Advisor.



This document contains key information clients of Sun Life Prosperity Dollar Wellspring Fund should know about. More information can be found in the Fund's prospectus. Ask a Sun Life Financial Advisor or contact Sun Life Asset Management Company, Inc., at 8-849-9888 or Phil-MF-Products@sunlife.com or visit www.sunlifefunds.com.

Launch Date	May 5, 2016	Minimum Holding Period	180 days	Minimum Subscription	USD 1,000
Fund Size	USD 7,318,931.67	Management and Distribution Fee	1.50%	Minimum Subsequent	USD 200
Net Asset Value Per Share	1.1797	Transfer Agency Fee	0.15%	Fund Structure	Mutual Fund (Shares)
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Dep Rate	Early Redemption Fee	1.00%	Fund Classification	Multi-Asset Fund-of-Funds

What does the Fund invest in?

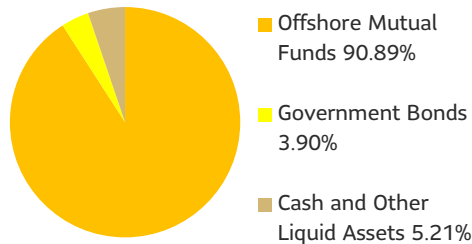
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g. savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

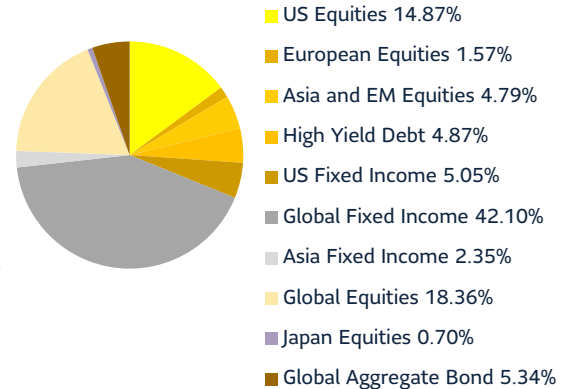
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 14.85%
2. Wellington - Global Bond Fund, 10.25%
3. Morgan Stanley - Global Bond, 8.25%
4. Wellington - Global Quality Growth, 7.25%
5. Morgan Stanley - US Advantage, 6.95%

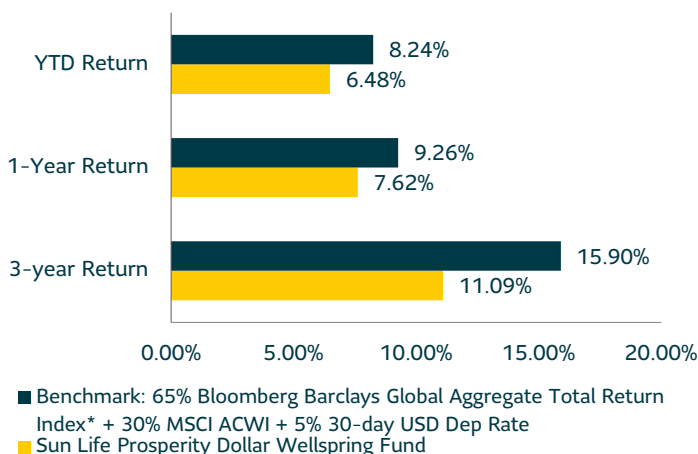
Investment Mix



Geographical Allocation



How has the Fund performed?



*Benchmark Effectivity Date:

JP Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review

- Global equities posted strong gains in November, rising by 12.36%, while global bonds increased by 1.82%. European equities led the recovery at 16.97%, while US and Asian equities lagged at 11.57% and 8.04%, respectively.
- The US 10-year yield fell to an intra-month low of 0.76% before peaking at 0.98%, but closed November at 0.84%, almost flat against the previous month.
- Democratic candidate Joseph Biden won the US elections to become the nation's 46th President, with Democrats holding on to the House, yet unable to establish a majority in the Senate.
- Late stage trials of the COVID-19 vaccines being developed by Pfizer, BioNTech, and Moderna have shown about 95% effectiveness, sparking market optimism.
- The Fund has gained 6.48% YTD, closing below the benchmark (+8.24%) by 176 bps, primarily due to its exposure to Global, US, and China equities.

Disclaimer: Mutual Fund performance depends on various market and economic conditions. Past performance is not a guarantee or an indication of future results. Thus, returns are not guaranteed and may differ from the original investment. Information contained in this Fund Fact Sheet do not constitute investment advice. For more information on our mutual funds, please consult a Sun Life Financial Advisor.



This document contains key information clients of Sun Life Prosperity Dollar Wellspring Fund should know about. More information can be found in the Fund's prospectus. Ask a Sun Life Financial Advisor or contact Sun Life Asset Management Company, Inc., at 8-849-9888 or Phil-MF-Products@sunlife.com or visit www.sunlifefunds.com.

Launch Date	May 5, 2016	Minimum Holding Period	180 days	Minimum Subscription	USD 1,000
Fund Size	USD 7,677,333.37	Management and Distribution Fee	1.50%	Minimum Subsequent	USD 200
Net Asset Value Per Share	1.1996	Transfer Agency Fee	0.15%	Fund Structure	Mutual Fund (Shares)
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Dep Rate	Early Redemption Fee	1.00%	Fund Classification	Multi-Asset Fund-of-Funds

What does the Fund invest in?

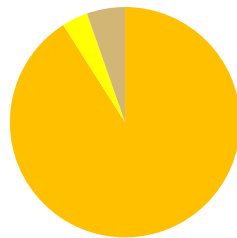
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g. savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

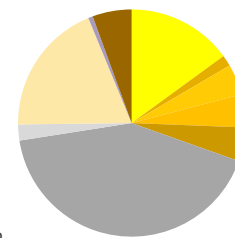
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 13.38%
2. Wellington - Global Bond Fund, 9.86%
3. Morgan Stanley - Global Bond, 8.76%
4. Morgan Stanley - US Advantage, 7.19%
5. Wellington - Global Quality Growth, 7.1%

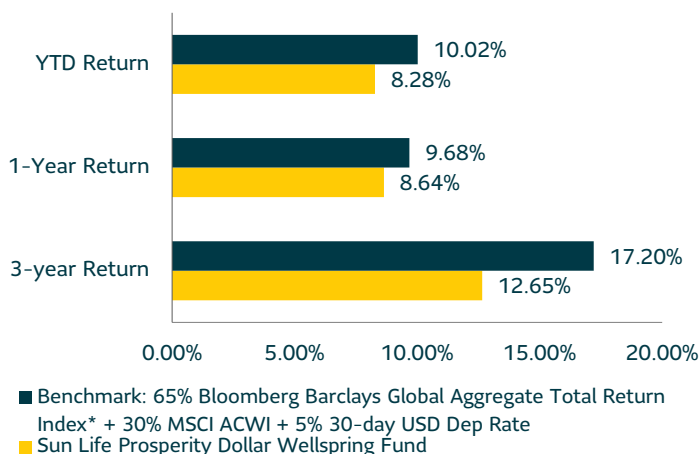
Investment Mix



Geographical Allocation



How has the Fund performed?



*Benchmark Effectivity Date:

JP Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review

- Global equities posted a total return of 4.66% in December, outperforming global fixed income, which rose by 1.34%. Asia Pacific equities led the rally, rising by 5.74%, followed by European equities at 4.92%, and US equities at 3.84%.
- The US 10-year yield rose to an intra-month high of 0.96% before closing the year at 0.91%, 8 bps higher from end-November.
- US retail sales fell by 1.1% MoM in November, the largest drop since April 2020, highlighting the risk of renewed lockdowns and weaker holiday demand.
- Chinese exports rose by 21.1% YoY in November, the sixth straight month of growth, following COVID-19-driven weakness in early 2Q 2020.
- The Fund has gained 8.28% YTD, closing below the benchmark (+10.02%) by 174 bps, primarily due to its exposure to short-term diversified fixed income.

Disclaimer: Mutual Fund performance depends on various market and economic conditions. Past performance is not a guarantee or an indication of future results. Thus, returns are not guaranteed and may differ from the original investment. Information contained in this Fund Fact Sheet do not constitute investment advice. For more information on our mutual funds, please consult a Sun Life Financial Advisor.

**SUN LIFE PROSPERITY DOLLAR
WELLSPRING FUND, INC.**
(An Open-end Investment Company)

**Financial Statements
December 31, 2020 and 2019
and
Independent Auditors' Report**

Sun Life Centre, 5th Ave. Cor. Rizal Drive
Bonifacio Global City, Taguig City

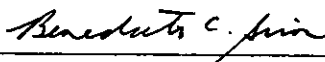


**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN**

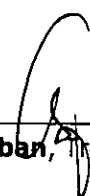
The Management of Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2020. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2020 and the accompanying Annual Income Tax Return are in accordance with the books and records of the Company, complete and correct in all material respects. Management likewise affirms that:

- a. The Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- b. Any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances; and
- c. The Company has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

Signature: 
Benedicto C. Sison, Chairman of the Board

Signature: 
Maria Josefina A. Castillo, President

Signature: 
Candy S. Esteban, Treasurer

INDEPENDENT AUDITORS' REPORT TO ACCOMPANY INCOME TAX RETURN

Bureau of Internal Revenue
BIR Building, East Triangle
Diliman, Quezon City

Gentlemen:

In connection with our audit of the statement of financial position, as shown in the books of accounts maintained in the Philippines, of Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") as at December 31, 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, on which we have rendered our report dated March 9, 2021, and in compliance with the Statement required by Section 8-A of Revenue Regulations V-1, as amended by Revenue Regulations V-20, we state that no partner of our Firm is related by consanguinity or affinity to any of the principal officers or shareholders of the Company.

Navarro Amper & Co.
BOA Registration No. 0004, valid from November 12, 2018 to July 16, 2021
SEC Accreditation No. 0001-FR-5, issued on January 15, 2019; effective until January 14, 2022, Group A
TIN 005299331

By:



Joeffrey Mark P. Ferrer
Partner
CPA License No. 0115793
SEC A.N. 1767-A, issued on August 27, 2019; effective until August 26, 2022, Group A
TIN 211965340
BIR A.N. 08-002552-058-2018, issued on October 30, 2018; effective until October 30, 2021
PTR No. A-5047280, issued on January 4, 2021, Taguig City

Taguig City, Philippines
March 9, 2021



INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders
SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
(An Open-end Investment Company)
Sun Life Centre, 5th Avenue corner Rizal Drive
Bonifacio Global City, Taguig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2020, 2019 and 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years ended December 31, 2020, 2019 and 2018, in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audits of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with PFRS, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

Report on the Supplementary Information Required by Bureau of Internal Revenue

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 22 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of Management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Navarro Amper & Co.

BOA Registration No. 0004, valid from November 12, 2018 to July 16, 2021

SEC Accreditation No. 0001-FR-5, issued on January 15, 2019; effective until January 14, 2022, Group A
TIN 005299331

By:



Joeffrey Mark P. Ferrer
Partner

CPA License No. 0115793

SEC A.N. 1767-A, issued on August 27, 2019; effective until August 26, 2022, Group A

TIN 211965340

BIR A.N. 08-002552-058-2018, issued on October 30, 2018; effective until October 30, 2021

PTR No. A-5047280, issued on January 4, 2021, Taguig City

Taguig City, Philippines
March 9, 2021



From: [SL Funds](#)
To: [PHIL-FIN_FAR2](#)
Subject: Fwd: Tax Return Receipt Confirmation
Date: Wednesday, April 14, 2021 4:42:54 PM

CAUTION This email originated from outside the organization. Please proceed only if you trust the sender.

----- Forwarded message -----

From: <ebirforms-noreply@bir.gov.ph>
Date: Wed, Apr 14, 2021 at 4:15 PM
Subject: Tax Return Receipt Confirmation
To: <sunlifefunds@gmail.com>

This confirms receipt of your submission with the following details subject to validation by BIR:

File name: 009123698000-1702RTv2018C-122020.xml

Date received by BIR: 14 April 2021

Time received by BIR: 03:15 PM

Penalties may be imposed for any violation of the provisions of the NIRC and issuances thereof.

FOR RETURNS WITH PAYMENT

Please print this e-mail together with the RETURN and proceed to pay through the Authorized Agent Bank / Collection Agent / GCASH or use other payment options.

This is a system-generated email. Please do not reply.

Bureau of Internal Revenue

=====
DISCLAIMER
=====

This email and its attachments may be confidential and are intended solely for the use of the individual or entity to whom it is addressed.

If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you disseminate, distribute or copy this e-mail. Please contact the sender immediately if you believe you have received this email in error.

E-mail transmission cannot be guaranteed to be secure or error-free. The recipient should check this email and any attachments for the presence of viruses. The Bureau of Internal Revenue does not accept liability for any errors or omissions in the contents of this message which arise as a result of e-mail transmission.



BIR Form No. 1702-RT January 2018(ENCS) Page 1

Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate



1 For Calendar Fiscal 2 Year Ended 3 Amended Return? 4 Short Period Return 5 Alphanumeric Tax Code (ATC)

Part I - Background Information

6 Tax Identification Number (TIN) 7 RDO Code 8 Registered Name 9 Registered Address 10 Date of Incorporation/Organization 11 Contact Number 12 Email Address 13 Method of Deductions

Part II - Total Tax Payable

14 Tax Due 15 Less: Total Tax Credits/Payments 16 Net Tax Payable (Overpayment) 17 Surcharge 18 Interest 19 Compromise 20 Total Penalties 21 TOTAL AMOUNT PAYABLE (Overpayment)

Signature and Title of Signatory: MARIA JOSEFINA A. CASTILLO (PRESIDENT) and CANDY S. ESTEBAN (TREASURER)

Part III - Details of Payment

Table with 5 columns: Particulars, Drawee Bank/Agency, Number, Date, Amount. Rows include Cash/Bank Debit Memo, Check, Tax Debit Memo, and Others.

Machine Validation/Revenue Official Receipt Details and Stamp of Receiving Office/AAB and Date of Receipt



Taxpayer Identification Number(TIN)				Registered Name	
009	123	698	00000	SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.	

Part IV - Computation of Tax

(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

27 Sales/Revenues/Receipts/Fees	857,745
28 Less:Sales Returns, Allowances and Discounts	0
29 Net Sales/Revenues/Receipts/Fees <i>(Item 27 Less Item 28)</i>	857,745
30 Less: Cost of Sales/Services	150,656
31 Gross Income from Operation <i>(Item 29 less Item 30)</i>	707,089
32 Add: Other Taxable Income Not Subjected to Final tax	36,432
33 Total Taxable Income <i>(Sum of Items 31 and 32)</i>	743,521
Less: Deductions Allowable under Existing Law	
34 Ordinary Allowable Itemized Deductions	6,921,341
35 Special Allowable Itemized Deductions	0
36 NOLCO <small><i>(Only for those taxable under Sec. 27(A to C); Sec. 28(A)(1)(A)(6)(b) of Tax code, as amended)</i></small>	0
37 Total Deductions <i>(Sums of Items 34 to 36)</i>	6,921,341
OR [in case taxable under Sec 27(A) & 28(A)(1)]	
38 Optional Standard Deduction (OSD) <small><i>(40% of Item 33)</i></small>	0
39 Net Taxable Income/(Loss) <small><i>If Itemized: Item 33 Less Item 37; If OSD: Item 33 Less Item 38</i></small>	(6,177,820)
40 Applicable Income Tax Rate	27.5 %
41 Income Tax Due other than Minimum Corporate Income Tax(MCIT) <small><i>(Item 39 x Item 40)</i></small>	0
42 MCIT Due <small><i>(2% of Item 33)</i></small>	11,153
43 Tax Due <small><i>(Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher)</i></small>	11,153
Less: Tax Credits/Payments(attach proof)	
44 Prior Year's Excess Credits Other Than MCIT	0
45 Income Tax Payment under MCIT from Previous Quarter/s	11,957
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s	0
47 Excess MCIT Applied this Current Taxable Year	0
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307	0
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter	0
50 Foreign Tax Credits, if applicable	0
51 Tax Paid in Return Previously Filed, if this is an Amended Return	0
52 Special Tax Credits	0
Other Credits/Payments <i>(Specify)</i>	
53	0
54	0
55 Total Tax Credits/Payments <i>(Sum of Items 44 to 54)</i>	11,957
56 Net Tax Payable (Overpayment) <small><i>(Item 43 Less Item 55)</i></small>	(804)

Part V - Tax Relief Availment

57 Special Allowable Itemized Deductions <small><i>(Item 35 of Part IV x Applicable Income Tax Rate)</i></small>	0
58 Add:Special Tax Credits	0
59 Total Tax Relief Availment <small><i>(Sum of Items 57 & 58)</i></small>	0

Schedule 1 - Ordinary Allowable Itemized Deductions (Continued from Previous Page)

	Description	Amount
i.1	CUSTODIANSHIP FEES	268,292
i.2	MISCELLANEOUS	74,065
	Subtotal:	342,357

Save

Save and Close

Annual Income Tax Return
Corporation, Partnership and Other Non-Individual
Taxpayer Subject Only to REGULAR Income Tax Rate



1702-RT 01/18ENCS P3

Taxpayer Identification Number(TIN)

Registered Name

009 123 698 00000

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

Part VI - Schedules

(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheet/s if necessary)

1	Amortization		0
2	Bad Debts		0
3	Charitable and Other Contributions		0
4	Depletion		0
5	Depreciation		0
6	Entertainment, Amusement and Recreation		0
7	Fringe Benefits		0
8	Interest		0
9	Losses		0
10	Pension Trusts		0
11	Rental		0
12	Research and Development		0
13	Salaries, Wages and Allowances		0
14	SSS, GSIS, Philhealth, HDMF and Other Contributions		0
15	Taxes and Licenses		116,891
16	Transportation and Travel		0
17	Others(Deductions Subject to Withholding Tax and Other Expenses) (Specify below; Add additional sheet(s), if necessary)		
a	Janitorial and Messengerial Services		0
b	Professional Fees		165,531
c	Security Services		0
d	COMMISSION		58,013
e	DIRECTORS' FEES		365,669
f	MANAGEMENT AND CONSULTATION FEES		3,204,178
g	OFFICE SUPPLIES		2,115
h	DISTRIBUTION FEES		2,666,587
i	OTHERS		342,357
18	Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17i)		6,921,341

Schedule II - Special Allowable Itemized Deductions (Attach additional sheet/s, if necessary)

	Description	Legal Basis	Amount
1			0
2			0
3			0
4			0
5	Total Special Allowable Itemized Deductions (Sum of Items 1 to 4)		0

Schedule V - Reconciliation of Net Income per Books Against Taxable Income

Less: A) Non-taxable Income and Income Subjected to Final Tax

	Description	Amount
6.1	NET REALIZED GAINS ON INVESTMENTS	5,271,482
6.2	INTEREST INCOME SUBJECT TO FINAL TAX	2,163
6.3	INTEREST INCOME EXEMPT FROM INCOME TAX	178,172
	Subtotal:	5,451,817

Save

Save and Close

Annual Income Tax Return
Corporation, Partnership and Other Non-Individual
Taxpayer Subject Only to REGULAR Income Tax Rate



1702-RT 01/18ENCS P4

Taxpayer Identification Number(TIN)

Registered Name

009 123 698 00000

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)

1	Gross Income	743,521
2	Less: Ordinary Allowable Itemized Deductions	6,921,341
3	Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)	(6,177,820)

Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO)

(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Year Incurred	Net Operating Loss A) Amount	B) NOLCO Applied Previous Year/s
4 2020	6,177,820	0
5 2019	6,435,846	0
6 2018	8,650,846	0
7 2017	7,222,871	0

Continuation of Schedule IIIA (Item numbers continue from table above)

	C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) [E = A Less (B + C + D)]
4	0	0	6,177,820
5	0	0	6,435,846
6	0	0	8,650,846
7	7,222,871	0	0
8	Total NOLCO (Sum of Items 4D to 7D)		0

Schedule IV - Computation of Minimum corporate Income Tax(MCIT)

Year	A) Normal Income Tax as Adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1 2019	0	10,820	10,820
2	0	0	0
3	0	0	0

Continuation of Schedule IV (Item numbers continue from table above)

	D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
1	0	0	0	10,820
2	0	0	0	0
3	0	0	0	0
4	Total Excess MCIT Applied (Sum of Items 1F to 3F)			0

Schedule V - Reconciliation of Net Income per Books Against Taxable Income (Attach additional sheet/s, if necessary)

1	Net Income/(Loss) per Books	28,666,536
Add: Non-deductible Expenses/Taxable Other Income		
2		0
3		0
4	Total (Sum of Items 1 to 3)	28,666,536
Less: A) Non-Taxable Income and Income Subjected to Final Tax		
5	NET UNREALIZED GAINS ON INVESTMENTS	29,392,539
6	OTHERS	5,451,817
B) Special Deductions		
7		0
8		0
9	Total (Sum of Items 5 to 8)	34,844,356
10	Net taxable Income (Loss) (Item 4 Less Item 9)	(6,177,820)

BIR Form No. <b style="font-size: 24pt;">1709 December 2020 (ENCS) Page 2	<b style="font-size: 18pt;">INFORMATION RETURN <b style="font-size: 18pt;">ON TRANSACTIONS WITH RELATED PARTY (FOREIGN AND/OR DOMESTIC)	 <small>1709 12/20ENCS P2</small>
--	---	---

Taxpayer Identification Number (TIN)	Registered Name
009 123 698 000	Sun Life Prosperity Dollar Wellspring Fund, Inc.

Continuation of Part III

C. Loans Granted to or Non-trade Receivable from (Related Parties)

Name of Company	Opening Balance	Loans Granted During the Taxable Period	Terms and Conditions	Outstanding Balance as of the End of the Taxable Period	Provision for Doubtful Debts (if any)*	Bad Debts Expense Recognized During the Period (if any)**
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

D. Loans Received from or Non-Trade Payable to (Related Parties)

Name of Related Party	Opening Balance	Loans Received During the Taxable Year	Terms and Conditions	Outstanding Balance as of the end of the Taxable Year
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

E. Other Related Party Transactions Excluding Compensation Paid to KMP, Dividends and Branch Profit Remittances

Name of Related Party	Description and Type of Transactions	Amount in Foreign Currency (if applicable)	Amount (in Php)
Sun Life of Canada (Philippines), Inc.	Sale of Securities/Investments	\$474,123.00	22,788,106
Sun Life of Canada (Philippines), Inc.	Purchase of Securities/Investments	\$407,326.00	19,577,595
Sun Life Prosperity Dollar Starter Fund, Inc.	Redemption of investment	\$66,759.00	3,208,685

Part IV - Additional Disclosure

A. Brief business overview of the ultimate and immediate parent/s of the taxpayer

Not applicable. The Company is a stand-alone entity and thus, does not have an ultimate parent company.

B. Brief business overview/functional profile of the taxpayer

Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on September 4, 2015. The Company is a registered open-end investment company under the Investment Company Act (Republic Act "R.A." No. 2629) and the Securities Regulation Code (R.A. No. 8799), formerly known as the Revised Securities Act (B.P. No. 178). The Company's investment objective is to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities. As an open-end investment company, its shares are redeemable anytime based on the Net Asset Value Per Share (NAVPS) at the time of redemption.

The Company appointed Sun Life Asset Management Company, Inc. (SLAMCI), an investment management company incorporated in the Philippines and a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. (SLOCPI), as its fund manager, adviser, administrator, distributor and transfer agent and provider of management, distribution and all required operational services, as disclosed in Note 10.

As at December 31, 2020 and 2019, SLAMCI owns 12.01% and 12.59%, respectively, of the Company's share capital. The Company's registered office address and principal place of business is at the Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

C. Has there been any change in the functional profile of the taxpayer? If yes, provide details.

	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No
--	------------------------------	---------------------------------------	-----------------------------

D. Has there been any change in the ownership structure of the taxpayer? If yes, provide details.

	<input checked="" type="checkbox"/> X	<input type="checkbox"/> Yes	<input type="checkbox"/> No
--	---------------------------------------	------------------------------	-----------------------------

Ownership structure of the Company usually changes during the year since by the nature of the business, the public subscribes/redeems shares regularly. Ownership as of a particular date might change subsequently. Management has no control over the change on ownership structure

E. Did the taxpayer undergo business restructuring during the year or the last five (5) years? If yes, provide details.

	<input type="checkbox"/>	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No
--	--------------------------	---------------------------------------	-----------------------------

**INFORMATION RETURN
ON TRANSACTIONS WITH RELATED PARTY
(FOREIGN AND/OR DOMESTIC)**



Taxpayer Identification Number (TIN)				Registered Name
009	525	650	000	Sun Life Prosperity Dollar Starter Fund, Inc.

Continuation of Part IV

F. Have you prepared a Transfer Pricing Documentation (TPD) for the related party transactions as prescribed under Revenue Regulations No. 2-2013? The details of the TPD include, but are not limited to the following: Organizational Structure (b) Nature of the Business/Industry and Market Conditions; (c) Controlled Transactions; (d) Assumptions, Strategies, and Policies; (e) Cost Contribution Arrangement (CCA); (f) Comparability, Functional and Risk Analysis; (g) Selection of the Transfer Pricing Method (TPM); (h) Application of the TPM; (i) Background Documents; (j) Index to Documents.

Yes No

G. Do you have pending application/s for relief with the BIR or with the tax authority of other country/ies?

Yes No

If yes, provide details.

H. Do you have an Advance Pricing Agreement (APA) with your related parties?

Yes No

I/We declare under the penalties of perjury that this return has been made in good faith, and that, to the best of my/our knowledge and belief, all pieces of information provided in this return are correct, complete and true account of the related party transactions. Further, the required attachments to this return shall be made available during audit. Finally, I/we give my/our consent to the processing of my/our information as contemplated under Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012, for legitimate and lawful purposes. (If authorized representative, please attach an authorization letter).

Stamp of receiving Office and Date of Receipt
(RO's Signature)


Candy Esteban, Treasurer / TIN: 201760130000

Signature over printed name of Taxpayer/Authorized Representative/Tax Agent (indicate Title and TIN)

Tax Agent Accreditation Number/Atty.'s Roll Number (if applicable)

Date of Issue (MM/DD/YYYY)

Date of Expiry (MM/DD/YYYY)

Nestor Linsangan

From: Dyan G Reyes
Sent: Sunday, April 18, 2021 4:37 PM
To: PHIL-FIN_FAR2
Subject: FW: Your BIR AFS eSubmission uploads were received

Importance: High

Thank you,
Dyan Reyes | Finance System Admin | [Sun Life Financial](#)
+632 8555-8888 x5646 | reydy@sunlife.com
5F Sun Life Centre Fifth Ave. cor. Rizal Drive, Bonifacio Global City, Taguig 1634

From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Friday, April 16, 2021 10:37 PM
To: Dyan G Reyes <Dyan.Reyes@sunlife.com>
Cc: Dyan G Reyes <Dyan.Reyes@sunlife.com>
Subject: Your BIR AFS eSubmission uploads were received

CAUTION This email originated from outside the organization. Please proceed only if you trust the sender.

Hi SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.,

Valid files

- EAFS009123698AFSTY122020.pdf
- EAFS009123698ITRTY122020.pdf
- EAFS009123698RPTY122020.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-ADKBGEAL06C9E9FA6N3NQ3SYS0P1ZWRW3**
Submission Date/Time: **Apr 16, 2021 10:36 PM**
Company TIN: **009-123-698**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;

- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

=====
DISCLAIMER
=====

This email and its attachments may be confidential and are intended solely for the use of the individual or entity to whom it is addressed.

If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you disseminate, distribute or copy this e-mail. Please contact the sender immediately if you believe you have received this email in error.

E-mail transmission cannot be guaranteed to be secure or error-free. The recipient should check this email and any attachments for the presence of viruses. The Bureau of Internal Revenue does not accept liability for any errors or omissions in the contents of this message which arise as a result of e-mail transmission.



STATEMENT OF MANAGEMENT 'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, as at December 31, 2020 and 2019, and for the years ended December 31, 2020, 2019 and 2018, in accordance with Philippine Financial Reporting Standards and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the shareholders.

Navarro Amper & Co., the independent auditor appointed by the shareholders for the periods December 31, 2020 and 2019, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their report to the shareholders has expressed their opinion on the fairness of presentation upon completion of such audit.

Signature: *Benedicto C. Sison*
Benedicto C. Sison, Chairman of the Board

Signature: *Maria Josefina A. Castillo*
Maria Josefina A. Castillo, President

Signature: *Candy S. Esteban*
Candy S. Esteban, Treasurer

Signed this 9th day of March 2021

MAR 09 2021

Subscribed and sworn to me before this _____ day of _____ 2021 at CITY OF MAKATI, affiants exhibiting to me competent evidence of identity, as follows:

Name	ID No.	Issued on/at
Benedicto C. Sison	Passport No. P2684321A	04-11-17/DFA-Manila
Maria Josefina A. Castillo	Passport No. P2050182A	02-28-17/DFA-Manila
Candy S. Esteban	Driver's License N02-95-277891	05-03-2018/Quezon City

WITNESS MY HAND AND SEAL on the date and place above written

Doc. No. 77
Page No. 17
Book No. MII
Series of 2021

ATTY GERVACIO B. ORTIZ JR.
Notary Public, City of Makati
Extended Until June 30, 2021
Per B.M. No. 3795
IBP No. 05725-Lifetime Member
MCLC Compliance No. VI-0024312
Appointment No. M 183-(2019-2020)
PTR No. 8531011 Jan. 4, 2021
Makati City Roll No. 40091
101 Urdan Ave. Campos Rueda Bldg.
Argy. Pk. del Sur, Makati City

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(An Open-end Investment Company)

STATEMENTS OF FINANCIAL POSITION

(In US Dollars)

		December 31	
	Notes	2020	2019
ASSETS			
Current Assets			
Cash in banks	6	\$ 475,438	\$ 187,918
Financial assets at fair value through profit or loss	7	7,283,361	6,590,513
Accrued interest receivable	7	1,173	226
Other current assets		-	582
		\$7,759,972	\$6,779,239
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other payables	9	\$ 4,685	\$ 3,461
Payable to fund manager	10	11,086	10,434
Due to broker	8	50,000	-
Income tax payable		68	213
Total Current Liabilities		65,839	14,108
Equity			
Share capital	11	140,801	131,998
Additional paid-in capital	12	6,361,847	5,909,802
Retained earnings		1,191,485	730,396
		7,694,133	6,772,196
Treasury shares	11	-	(7,065)
Total Equity		7,694,133	6,765,131
		\$7,759,972	\$6,779,239
Net Asset Value Per Share	13	\$ 1.2022	\$ 1.1287

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(An Open-end Investment Company)

STATEMENTS OF COMPREHENSIVE INCOME

(In US Dollars)

For the Years Ended December 31

	Notes	2020	2019	2018
Investment Income - net				
Net realized gains on investments	7	\$109,677	\$389,538	\$220,818
Dividend income	7	17,846	12,305	-
Interest income	14	3,752	335	5,901
Others		758	21	6,605
		132,033	402,199	233,324
Investment Expenses				
Commission	8	1,207	625	96
Net Investment Income		130,826	401,574	233,228
Operating Expenses				
Management fees	10	68,376	65,045	74,803
Distribution fees	10	56,904	54,129	62,210
Directors' fees	10	7,608	6,444	5,401
Custodian fees		5,582	4,879	7,849
Professional fees		3,444	3,545	2,194
Taxes and licenses		2,432	2,675	11,167
Printing and supplies		44	867	1,967
Miscellaneous		1,541	897	5,191
		145,931	138,481	170,782
Profit (Loss) Before Net Unrealized Gains (Loss) on Investments		(15,105)	263,093	62,446
Net Unrealized Gain (Loss) on Investments	7	611,533	477,765	(556,899)
Profit (Loss) Before Tax		596,428	740,858	(494,453)
Income Tax Expense	17	316	229	54
Total Comprehensive Income (Loss) for the Year		\$596,112	\$740,629	(\$ 494,507)
Basic earnings (loss) per share	15	\$ 0.099	\$ 0.124	(\$0.084)
Diluted earnings (loss) per share	15	\$ 0.099	\$ 0.124	(\$0.071)

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.

(An Open-end Investment Company)

STATEMENTS OF CHANGES IN EQUITY

(In US Dollars)

For the Years Ended December 31

	Notes	Share Capital	Deposit for Future Subscriptions	Additional Paid-in Capital	Retained Earnings	Treasury Shares	Total
Balance, January 1, 2018	11, 12	\$ 131,993	\$2,093,638	\$5,949,055	\$636,326	\$ -	\$ 8,811,012
Total comprehensive loss for the year		-	-	-	(494,507)	-	(494,507)
Transactions with owners:							
Issuance of shares during the year	11	1	-	29	-	-	30
Acquisition of treasury shares during the year		-	-	-	-	(3,318,003)	(3,318,003)
Reissuance of treasury shares during the year		-	-	(34,236)	-	3,139,649	3,105,413
Issuance of stock dividends		-	-	(6,289)	(119,406)	125,695	-
Receipts of deposit for future stock subscriptions		-	1,035,874	-	-	-	1,035,874
Redemption of deposits for future stock subscriptions		-	(3,129,512)	-	-	-	(3,129,512)
Total transactions with owners		1	(2,093,638)	(40,496)	(119,406)	(52,659)	(2,306,198)
Balance, December 31, 2018	11, 12	131,994	-	5,908,559	22,413	(52,659)	6,010,307
Total comprehensive income for the year		-	-	-	740,629	-	740,629
Transactions with owners:							
Issuance of shares during the year	11	4	-	231	-	-	235
Acquisition of treasury shares during the year		-	-	-	-	(441,745)	(441,745)
Reissuance of treasury shares during the year		-	-	1,240	-	454,465	455,705
Issuance of stock dividends		-	-	(228)	(32,646)	32,874	-
Total transactions with owners		4	-	1,243	(32,646)	45,594	14,195
Balance, December 31, 2019	11, 12	131,998	-	5,909,802	730,396	(7,065)	6,765,131
Total comprehensive income for the year		-	-	-	596,112	-	596,112
Transactions with owners:							
Issuance of shares during the year	11	7,260	-	375,308	-	-	382,568
Acquisition of treasury shares during the year		-	-	-	-	(875,938)	(875,938)
Reissuance of treasury shares during the year		-	-	(3,896)	-	830,156	826,260
Issuance of stock dividends		1,543	-	80,633	(135,023)	52,847	-
Total transactions with owners		8,803	-	452,045	(135,023)	7,065	332,890
Balance, December 31, 2020	11, 12	\$140,801	\$ -	\$6,361,847	\$1,191,485	\$ -	\$7,694,133

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(An Open-end Investment Company)

STATEMENTS OF CASH FLOWS

(In US Dollars)

For the Years Ended December 31

	Notes	2020	2019	2018
Cash Flows from Operating Activities				
Profit (Loss) before tax		\$ 596,428	\$ 740,858	(\$ 494,453)
Adjustments for:				
Net unrealized (gains) loss on investments	7	(611,533)	(477,765)	556,899
Net realized gains on investments	7	(109,677)	(389,538)	(220,818)
Interest income	14	(3,752)	(335)	(5,901)
Operating cash flows before working capital changes		(128,534)	(126,780)	(164,273)
Decrease (Increase) in:				
Other current assets		582	(443)	6
Increase (Decrease) in:				
Accrued expenses and other payables		1,224	(1,839)	639
Payable to fund manager		652	978	(3,712)
Cash used in operations		(126,076)	(128,084)	(167,340)
Acquisition of financial assets at fair value				
through profit or loss	7,8	(8,342,815)	(7,133,996)	(8,457,613)
Proceeds from disposal of financial assets at fair value				
through profit or loss	7	8,421,177	7,249,032	10,959,352
Interest received		2,805	109	9,001
Income taxes paid		(461)	(16)	(54)
Net cash generated from (used in) operating activities		(45,370)	(12,955)	2,343,346
Cash Flows from Financing Activities				
Proceeds from issuance of share capital	11	382,568	235	30
Payments on acquisition of treasury shares	11	(875,938)	(441,745)	(3,318,003)
Proceeds from reissuance of treasury shares	11	826,260	455,705	3,105,413
Receipt of deposit for future stock subscriptions	11	-	-	1,035,874
Payments on redemption of deposit for future stock subscriptions	11	-	-	(3,129,512)
Net cash generated from (used in) financing activities		332,890	14,195	(2,306,198)
Net Increase in Cash and Cash Equivalents		287,520	1,240	37,148
Cash and Cash Equivalents, Beginning		187,918	186,678	149,530
Cash and Cash Equivalents, End		\$ 475,438	\$ 187,918	\$ 186,678

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(An Open-end Investment Company)

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020 AND 2019 AND FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018

1. CORPORATE INFORMATION

Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on September 4, 2015. The Company is a registered open-end investment company under the Investment Company Act (Republic Act "R.A." No. 2629) and the Securities Regulation Code (R.A. No. 8799), formerly known as the Revised Securities Act (B.P. No. 178). The Company's investment objective is to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities. As an open-end investment company, its shares are redeemable anytime based on the Net Asset Value Per Share (NAVPS) at the time of redemption.

The Company appointed Sun Life Asset Management Company, Inc. (SLAMCI), an investment management company incorporated in the Philippines and a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. (SLOCPI), as its fund manager, adviser, administrator, distributor and transfer agent and provider of management, distribution and all required operational services, as disclosed in Note 10.

As at December 31, 2020 and 2019, SLAMCI owns 12.01% and 12.59%, respectively, of the Company's share capital. The Company's registered office address and principal place of business is at the Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

2. FINANCIAL REPORTING FRAMEWORK AND BASIS OF PREPARATION AND PRESENTATION

Statement of Compliance

The Company's financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), which include all applicable PFRS, Philippine Accounting Standards (PAS) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC) and Standing Interpretations Committee (SIC) as approved by the Financial Reporting Standards Council (FRSC) and the Board of Accountancy (BOA), and adopted by the SEC.

Basis of Preparation and Presentation

The financial statements of the Company have been prepared on the historical cost basis, except for certain financial assets measured at fair value and certain financial instruments carried at amortized cost.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Functional and Presentation Currency

These financial statements are presented in United States Dollar (USD), the currency of the primary economic environment in which the Company operates. All amounts are recorded to the nearest dollar, except when otherwise indicated.

3. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Adoption of New and Revised Accounting Standards Effective in 2020

The Company adopted all accounting standards and interpretations effective as at December 31, 2020. The new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (IASB) and approved by the FRSC in the Philippines were assessed to be applicable to the Company's financial statements and are as follows:

Amendments to PAS 1 and PAS 8, *Definition of Material*

The amendments relate to a revised definition of 'material':

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

Three new aspects of the new definition include (i) obscuring; (ii) could reasonably be expected to influence; and (iii) primary users.

The amendments stress especially five ways material information can be obscured:

- if the language regarding a material item, transaction or other event is vague or unclear;
- if information regarding a material item, transaction or other event is scattered in different places in the financial statements;
- if dissimilar items, transactions or other events are inappropriately aggregated;
- if similar items, transactions or other events are inappropriately disaggregated; and
- if material information is hidden by immaterial information to the extent that it becomes unclear what information is material.

The amendments are effective for periods beginning on or after January 1, 2020. Earlier application is permitted.

The adoption of this amendment has no effect on the Company's financial statements as of December 31, 2020 as the financial and non-financial information are properly disclosed in the financial statements.

New Accounting Standards Effective after the Reporting Period Ended December 31, 2020

The Company will adopt the following standards when these become effective:

PFRS 17, *Insurance Contracts*

PFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes PFRS 4 Insurance Contracts.

PFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

An amendment issued on June 2020 and adopted by FRSC on August 2020 addresses concerns and implementation challenges that were identified after PFRS 17 was published.

PFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

The standard (incorporating the amendments) is effective for periods beginning on or after January 1, 2023. Earlier application is permitted.

The future adoption of the standard will have no effect on the Company's financial statements as the Company does not issue insurance contracts.

Amendments to PFRS 3, References to the Conceptual Framework

The amendments update PFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to PFRS 3 a requirement that, for obligations within the scope of PAS 37, an acquirer applies PAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company is not in the process of and has no plan to enter into business combination.

Amendments to PFRS 10 and PAS 28, Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The amendments to PFRS 10 and PAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognized in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company is not in the process and has no plan to acquire such investments.

Amendments to PAS 1, Classification of Liabilities as Current or Non-current

The amendments to PAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.

The Company will continue its assessment and will finalize the same upon the effectivity of this amendment.

Amendments to PAS 16, Property, Plant and Equipment – Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with PAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. PAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after January 1, 2022, with early application permitted.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company does not have property, plant and equipment recorded in its financial statements.

Amendments to PAS 37, Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after January 1, 2022, with early application permitted.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company does not issue and enter into onerous contracts.

Annual Improvements to PFRS Standards 2018-2020 Cycle

Amendments to PFRS 1 – Subsidiary as a first-time adopter

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in PFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to PFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in PFRS 1:D16 (a).

The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.

Amendments to PFRS 9 – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.

Amendments to PFRS 16 – Lease Incentives

The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to PFRS 16 only regards an illustrative example, no effective date is stated.

Amendments to PAS 41 – Taxation in fair value measurements

The amendment removes the requirement in PAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in PAS 41 with the requirements of PFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.

The future adoption of the amendments will have no effect on the Company's financial statements as the Company does not have subsidiary as first-time adopter; does not derecognize any liabilities, does not have lease contracts and leasehold improvements and does not have biological assets covered by PAS 41 that need to exclude its cash flows for taxation on its financial statements.

New Accounting Standards Effective in 2019 - Adopted by FRSC but pending for approval by the BOA

PIC Q&A No. 2019-04, *Conforming Changes to PIC Q&As – Cycle 2019*

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
PIC Q&A No. 2011-05: PFRS 1 – Fair Value or Revaluation as Deemed Cost	Updated because of applying PFRS 16, Leases, for the first time starting January 1, 2019
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	Reference to PAS 40, Investment Property, has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2012-02: Cost of a new building constructed on the site of a previous building	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2017-02: PAS 2 and PAS 16 – Capitalization of operating lease cost as part of construction costs of a building	Updated to comply with the provisions of PFRS 16 and renamed as PIC Q&A No. 2017-02: PAS 2 and PAS 16 – Capitalization of depreciation of right-of-use asset as part of construction costs of a building
PIC Q&A No. 2017-10: PAS 40 – Separation of property and classification as investment property	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2018-05: PAS 37 – Liability arising from maintenance requirement of an asset held under a lease	Updated to comply with the provisions of PFRS 16
PIC Q&A No. 2018-15: PAS 1- Classification of Advances to Contractors in the Nature of Prepayments: Current vs. Non-current	Reference to PAS 40 (included as an attachment to the Q&A) has been updated because of applying PFRS 16 for the first time starting January 1, 2019.

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2017-09: PAS 17 and Philippine Interpretation SIC-15 - Accounting for payments between and among lessors and lessees	This PIC Q&A is considered withdrawn starting January 1, 2019, which is the effective date of PFRS 16. PFRS 16 superseded PAS 17, Leases, and Philippine Interpretation SIC-15, Operating Leases— Incentives
PIC Q&A No. 2018-07: PAS 27 and PAS 28 - Cost of an associate, joint venture, or subsidiary in separate financial statements	This PIC Q&A is considered withdrawn upon publication of IFRIC agenda decision - Investment in a subsidiary accounted for at cost: Step acquisition (IAS 27 Separate Financial Statements) in January 2019.

The effective date of the amendments is included in the affected interpretations.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not have any leased property and asset classified as investment properties or investment in associate, joint venture, or subsidiary.

PIC Q&A No. 2019-06, Accounting for Step Acquisition of a Subsidiary in a Parent

The interpretation clarifies how a parent should account for the step acquisition of a subsidiary in its separate financial statements.

Salient points of the interpretation are the following:

IFRIC concluded either of the two approaches may be applied:

- Fair value as deemed cost approach
Under this approach, the entity is exchanging its initial interest (plus consideration paid for the additional interest) for a controlling interest in the investee (exchange view). Hence, the entity's investment in subsidiary is measured at the fair value at the time the control is acquired.
- Accumulated cost approach
Under this approach, the entity is purchasing additional interest while retaining the initial interest (non-exchange view). Hence, the entity's investment in subsidiary is measured at the accumulated cost (original consideration).

Any difference between the fair value of the initial interest at the date of obtaining control of the subsidiary and its original consideration is taken to profit or loss, regardless of whether, before the step acquisition transaction, the entity had presented subsequent changes in fair value of its initial interest in profit or loss or other comprehensive income (OCI).

The interpretation is effective for periods beginning on or after October 19, 2019.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company is not engaged in acquisition of a subsidiary.

PIC Q&A No. 2019-07, Classification of Members' Capital Contributions of Non-Stock Savings and Loan Associations (NSSLA)

Background:

The Bangko Sentral ng Pilipinas (BSP) issued Circular No. 1045 on August 29, 2019 to amend the Manual of Regulations for Non-Bank Financial Institutions Applicable to Non-Stock Savings and Loan Associations (MORNBFI-S) – Regulatory Capital of Non-Stock Savings and Loan Associations (NSSLAs) and Capital Contributions of Members.

Under the Circular, each qualified member of an NSSLA shall maintain only one capital contribution account representing his/her capital contribution. While only one capital account is maintained, the Circular breaks down a member's capital contributions as follows:

- a. Fixed capital which cannot be reduced for the duration of membership except upon termination of membership. The minimum amount of fixed capital is Php1,000, but a higher minimum can be prescribed under the NSSLA's by-laws.
- b. Capital contribution buffer, which pertains to capital contributions in excess of fixed capital. The capital contribution buffer can be withdrawn or reduced by the member without affecting his membership. However, the NSSLA shall establish and prescribe the conditions and/or circumstances when the NSSLA may limit the reduction of the members' capital contribution buffer, such as, when the NSSLA is under liquidity stress or is unable to meet the capital-to-risk assets ratio requirement under Sec. 4116S of the MORNBFI-S Regulations. Such conditions and/or circumstances have to be disclosed to the members upon their placement of capital contribution buffer and in manners as may be determined by the Board.

For purposes of identifying and monitoring the fixed capital and capital contribution buffer of a member's capital contribution, NSSLAs shall maintain subsidiary ledgers showing separately the fixed and capital contribution buffer of each member. Further, upon receipt of capital contributions from their members, NSSLAs shall simultaneously record the amount contributed as fixed and capital contribution buffer in the aforementioned subsidiary ledgers. However, NSSLAs may use other systems in lieu of subsidiary ledgers provided that that the system will separately show the fixed and capital contribution buffer of each member.

The interpretation assessed and concluded that both Fixed Capital and the Capital contribution buffer qualify as "equity" in the NSSLA's financial statements as they both meet all the requirements of paragraphs 16A and 16B of PAS32, Financial Instruments: Presentation.

The interpretation is effective for periods beginning on December 11, 2019, and should be applied retrospectively.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company is not classified as a non-bank financial institution under non-stock savings and loan associations.

PIC Q&A No. 2019-08, *PFRS 16, Leases - Accounting for Asset Retirement or Restoration Obligation ("ARO")*

The interpretation clarifies the recognition of ARO under the following scenarios:

1) Accounting for ARO at lease commencement date

The cost of dismantling and restoration (i.e., the ARO) should be calculated and recognized as a provision in accordance with PAS 37, with a corresponding adjustment to the related right-of-use (ROU) asset as required by PFRS 16.24(d). As such, the lessee will add the amount of ARO to the cost of the ROU asset on lease commencement date, which will then form part of the amount that will be amortized over the lease term.

2) Change in ARO after initial recognition

2.1) Because ARO is not included as a component of lease liability, the measurement of such ARO is outside the scope of PFRS 16. Hence, its measurement is generally not affected by the transition to PFRS 16. Except in cases where the reassessment of lease-related assumptions (e.g., lease term) would affect the measurement of ARO-related provision, the amount of ARO existing at transition date would not be remeasured; rather, the balance of the ARO provision and any related asset will remain as previously measured. The asset will simply be reclassified from property and equipment to the related ROU asset as required under PFRS 16.24(d).

2.2) Assuming there is a change in lease-related assumptions that would impact the ARO measurement (e.g., change in lease term due to the new PFRS 16 requirements), the following will be the accounting treatment depending on the method used by the lessee in adopting PFRS 16:

a. *Modified retrospective approach* - Under this approach, the lessee uses the remaining lease term to discount back the amount of provision to transition date. Any adjustment is recognized as an adjustment to the ROU asset and ARO provision. This adjustment applies irrespective of which of the two methods in measuring the ROU asset will be chosen under the modified retrospective approach.

b. *Full retrospective approach* - The ARO provision and related asset, which gets adjusted to the ROU asset, should be remeasured from commencement of the lease, and then amortized over the revised or reassessed lease term. Because full retrospective approach is chosen, it is possible that the amount of cumulative adjustment to the ARO provision and the ROU asset at the beginning of the earliest period presented will not be the same; hence, it is possible that it might impact retained earnings.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not have leased property with any related ARO.

PIC Q&A No. 2019-09, *Accounting for Prepaid Rent or Rent Liability Arising from Straight-lining under PAS 17 on Transition to PFRS 16 and the Related Deferred Tax Effects*

The interpretation aims to provide guidance on the following:

- How a lessee should account for its transition from PAS 17 to PFRS 16 using the modified retrospective approach. Specifically, this aims to address how a lessee should, on transition, account for any existing prepaid rent or rent liability arising from straight-lining of an operating lease under PAS 17, and
- How to account for the related deferred tax effects on transition from PAS 17 to PFRS 16.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not have prepaid rent or rent liability recognized for leased property.

PIC Q&A No. 2019-10, *Accounting for variable payments with rent review*

Some lease contracts provide for market rent review in the middle of the lease term to adjust the lease payments to reflect a fair market rent for the remainder of the lease term. This Q&A provides guidance on how to measure the lease liability when the contract provides for a market rent review.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-11, *Determining the current portion of an amortizing loan/lease liability*

The interpretation aims to provide guidance on how to determine the current portion of an amortizing loan/lease liability for proper classification/presentation between current and non-current in the statement of financial position.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-12, *PFRS 16, Leases – Determining the lease term*

The interpretation provides guidance how an entity determine the lease term under PFRS 16.

A contract would be considered to exist only when it creates rights and obligations that are enforceable. Therefore, any non-cancellable period or notice period in a lease would meet the definition of a contract and, thus, would be included as part of the lease term. To be part of a contract, any option to extend or terminate the lease that are included in the lease term must also be enforceable.

If optional periods are not enforceable (e.g., if the lessee cannot enforce the extension of the lease without the agreement of the lessor), the lessee does not have the right to use the asset beyond the non-cancellable period. Consequently, by definition, there is no contract beyond the non-cancellable period (plus any notice period) if there are no enforceable rights and obligations existing between the lessee and lessor beyond that term.

In assessing the enforceability of a contract, an entity should consider whether the lessor can refuse to agree to a request from the lessee to extend the lease. Accordingly, if the lessee has the right to extend or terminate the lease, there are enforceable rights and obligations beyond the initial noncancellable period and thus, the parties to the lease would be required to consider those optional periods in their assessment of the lease term. In contrast, a lessor's right to terminate a lease is ignored when determining the lease term because, in that case, the lessee has an unconditional obligation to pay for the right to use the asset for the period of the lease, unless and until the lessor decides to terminate the lease.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, an entity shall consider all relevant facts and circumstances (i.e., including those that are not indicated in the lease contract) that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-13, *PFRS 16, Leases – Determining the lease term of leases that are renewable subject to mutual agreement of the lessor and the lessee*

The interpretation provides guidance how an entity determine the lease term under PFRS 16. This interpretation focuses on lease contracts that are renewable subject to mutual agreement of the parties.

A renewal option is only considered in determining the lease term if it is enforceable. A renewal that is still subject to mutual agreement of the parties is legally unenforceable under Philippine laws until both parties come to an agreement on the terms.

In instances where the lessee have known to be, historically, renewing the lease contract after securing mutual agreement with the lessor to renew the lease contract, the lessee's right to use the underlying asset does not go beyond the one-year period covered by the current contract, as any renewal still has to be agreed on by both parties. A renewal is treated as a new contract.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2020-01, *Conforming Changes to PIC Q&As – Cycle 2020*

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
Framework 4.1 and PAS 1.25 – Financial statements prepared on a basis other than going concern	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2016-03: Accounting for common areas and the related subsequent costs by condominium corporations	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2011-03: Accounting for intercompany loans	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2017-08: PFRS 10 – Requirement to prepare consolidated financial statements where an entity disposes of its single investment in a subsidiary, associate or joint venture	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2018-14: PFRS 15 – Accounting for cancellation of real estate sales	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	With the amendment to PFRS 3 on the definition of a business effective January 1, 2020, there is additional guidance in paragraphs B7A-B12D of PFRS 3 in assessing whether acquisition of investment properties is an asset acquisition or business combination (i.e. optional concentration test and assessment of whether an acquired process is substantive)

The effective date of the amendments is included in the affected interpretations.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company is not in the process of and has no plan to enter into business combination nor is preparing the financial statements on a basis other than going concern. The Company is not involved in the real estate business and has no investments in joint venture, associate or subsidiary and intercompany loans.

PIC Q&A No. 2020-02, Conclusion on PIC QA 2018-12E: *On certain materials delivered on site but not yet installed*

The interpretation clarifies the treatment of uninstalled materials in the measurement of the progress of the performance obligation.

The PIC has concluded that in recognizing revenue using a cost-based input method, customized materials are to be included in the measurement of the progress of work while materials that are not customized should be excluded. This is because if the materials are customized, the real estate developer is not just providing a simple procurement service to the customer as it is significantly involved in the design and details of the manufacture of the materials. As such, the costs incurred on the

customized materials, even if still uninstalled, are to be included in the measurement of progress to properly capture the efforts expended by the real estate developer in completing its performance obligation.

This interpretation is effective for periods beginning on or after November 6, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not engaged in real estate developments and contracts.

PIC Q&A No. 2020-03, Accounting of the difference when the percentage of completion is ahead of the buyer's payment

This interpretation provides two views on the accounting treatment for the excess of the revenue recognized based on percentage of completion over the buyer's payment.

- View number 1

The difference is recorded as a contract asset as PFRS 15.107 states that if an entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amounts presented as a receivable.

- View number 2

The difference is recorded as a receivable as PFRS 15.108 states that a receivable is an entity's right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. An entity would recognize a receivable if it has a present right to payment even though that amount may be subject to refund in the future.

This interpretation is effective for periods beginning on or after September 30, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not have contracts or agreements accounted for using percentage of completion method.

PIC Q&A No. 2020-04, PFRS 15 - Step 3 - Requires an Entity to Determine the Transaction Price for the Contract

The interpretation clarifies the question on whether a significant financing component exists if there is a mismatch between the Percentage-of-Completion (POC) and the schedule of payments.

There is no significant financing component, if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Also, as provided under paragraph 63 of PFRS 15, an entity need not adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception that the timing difference of the receipt of full payment of the contract price and that of the completion of the project, are expected within one year and SFC is not expected to be significant.

This interpretation is effective for periods beginning on or after November 11, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not have contracts or agreements accounted for using percentage of completion method.

PIC Q&A No. 2020-05, PFRS 15 - Accounting for Cancellation of Real Estate Sales

The interpretation has provided three approaches for the accounting for cancellation of real estate sales and the repossession of the property, provided that an entity applies it consistently:

- The reposessed property is recognized at its fair value less cost to repossess
- The reposessed property is recognized at its fair value plus repossession cost
- The cancellation is accounted for as a modification of the contract (i.e., from non-cancellable to being cancellable).

This interpretation is effective for periods beginning on or after November 11, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not engaged in real estate developments and contracts.

PIC Q&A No. 2020-06, PFRS 16 Accounting for payments between and among lessors and lessees

The interpretation provides for the treatment of payments between and among lessors and lessees as follows:

	Transaction	Treatments in the financial statements of			Basis
		Lessor	Old lessor	New Lessee	
1	Lessor pays old lessee - lessor intends to renovate the building	i. Recalculate the revised leased payments (net of the one-off amount to be paid) and amortize over the revised lease term. ii. If net payable, recognize as expense unless the amount to be paid qualifies as capitalizable cost under PAS 16 or PAS 40; in which case it is capitalized as part of the carrying amount of the associated property if it meets the definition of construction costs under PAS 16 or PAS 40.	i. Recognize in profit and loss at the date of modification the difference between the proportionate decrease in the right-of-use asset based on the remaining right-of-use asset for the remaining period and remaining lease liability calculated as the present value of the remaining lease payments discounted using the original discount rate of the lease. ii. Recognize the effect of remeasurement of the remaining lease liability as an adjustment to the right-of use-asset by referring to the revised lease		• PFRS 16; par. 87 • PAS 16; pars. 6, 16-17 • PAS 40; par. 21 • PFRS 16; par. 45 • Illustrative example 18 issued by IASB • PAS 16; pars. 56-57

			payments (net of any amount to be received from the lessor) and using a revised discount rate. iii. Revisit the amortization period of right-of-use asset and any related leasehold improvement following the shortening of the term.		
2	Lessor pays old lessee - new lease with higher quality lessee	Same as Item 1	Same as Item 1		Same as Item 1 PFRS 16 par. 83
3	Lessor pays new lessee - an incentive to occupy	<p>i. Finance lease:</p> <ul style="list-style-type: none"> • If made after commencement date, incentive payable is credited with offsetting debit entry to the net investment lease. • If paid at or prior to commencement date, included in the calculation of gain or loss on disposal on finance lease. <p>ii. Operating lease add the initial direct costs to the carrying amount of underlying asset and recognize as expense over the lease term either on a straight-line basis of another systematic basis.</p>		<p>i. Record as a deduction to the cost of the right-of-use asset.</p> <p>ii. Lease incentive receivable is also included as reduction in measurement of lease liability.</p> <p>iii. When lessee receives the payment of lease incentive, the amount received is debited with a credit entry to gross up the lease liability.</p>	<ul style="list-style-type: none"> • PAS 16; par. 68 • PAS 16; par. 71 • PFRS 16; par. 83 • PFRS 16; par. 24

4	Lessor pays new lessee - building alterations specific to the lessee with no further value to lessor	Same as Item 3		<p>i. Same as in fact pattern 1C.</p> <p>ii. Capitalize costs incurred by the lessee for alterations to the building as leasehold improvement in accordance with PAS 16 or PAS 40.</p>	<ul style="list-style-type: none"> • Same as in fact pattern 1C. • PAS 40; par. 21 • PAS 16; pars. 16-17
5	Old lessee pays lessor to vacate the leased premises early	Recognize as income immediately, unless it was within the original contract and the probability criterion was previously met, in which case, the amount would have already been recognized as income using either a straight-line basis or another systematic basis.	Recognize as expense immediately unless it was within the original contract and the probability criterion was previously met, in which case, the financial impact would have been recognized already as part of the lease liability.		<ul style="list-style-type: none"> • PAS 16 • PAS 38 • PFRS 16; par. 18
6	Old lessee pays new lessee to take over the lease		Recognize as an expense immediately.	Recognize as income immediately.	<ul style="list-style-type: none"> • PAS 16 • PAS 38 • PFRS 16; Appendix A
7	New lessee pays lessor to secure the right to obtain a lease agreement	<p>i. If finance lease, recognize gain or loss in the profit or loss arising from the derecognition of underlying assets</p> <p>ii. If operating lease,</p>		Recognize as part of the cost of the right-of-use asset.	<p>PFRS 16; par. 24</p> <ul style="list-style-type: none"> • PAS 16; par. 71 • PFRS 16; par. 81

		recognize as deferred revenue and amortize over the lease term on a straight-line basis or another systematic basis.			
8	New lessee pays old lessee to buy out the lease agreement		Recognize as again immediately. Any remaining lease liability and right-of-use asset will be derecognized with net amount through P&L.	Account for as initial direct cost included in the measurement of the right-of-use asset.	<ul style="list-style-type: none"> • PFRS 16; Appendix A • PFRS 16; Example 13 in par. IE5 • PFRS 16; par. 24

This interpretation is effective for periods beginning on or after December 9, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not enter into lease contracts or agreements.

PIC Q&A No. 2020-07, PAS 12 – Accounting for the Proposed Changes in Income Tax Rates under the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) Bill

The interpretation explained the details of the CREATE bill and its impact on the financial statements once passed.

Interpretation discussed that impact on the financial statements ending December 31, 2020 are as follows:

- Current and deferred taxes will still be measured using the applicable income tax rate as of December 31, 2020
- If the CREATE bill is enacted before financial statements' issue date, this will be a non-adjusting event but the significant effects of changes in tax rates on current and deferred tax assets and liabilities should be disclosed
- If the CREATE bill is enacted after financial statements' issue date but before filing of the income tax return, this is no longer a subsequent event but companies may consider disclosing the general key feature of the bill and the expected impact on the FS

For the financial statements ending December 31, 2021, the impact are as follows:

- Standard provides that component of tax expense(income) may include "any adjustments recognized in the period for current tax of prior periods" and "the amount of deferred tax expense(income) relating to changes in tax rates or the imposition of new taxes"
- An explanation of changes in the applicable income tax rates to the previous accounting period is also required to be disclosed
- The provision for current income tax for the year 2021 will include the difference between income tax per 2020 financial statements and 2020 income tax return

- Deferred tax assets and liabilities as of December 31, 2021, will be remeasured using the new tax rates
- Any movement in deferred taxes arising from the change in tax rates that will form part of the provision for/benefit from deferred taxes will be included as well in the effective tax rate reconciliation

The management assessed that CREATE will reduce income tax expense by \$77 and increase net income and net assets by the same amount. The increase will be recorded in 2021 following the provisions of PIC Q&A 2020-07 when the bill is passed into law.

4. SIGNIFICANT ACCOUNTING POLICIES

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Classification and Subsequent Measurement

The Company classifies its financial assets in the following measurement categories:

- FVTPL;
- Fair value through other comprehensive income (FVTOCI); and
- Amortized cost

As at December 31, 2020 and 2019, the Company does not have financial assets classified as FVTOCI.

Classification of financial assets will be driven by the entity's business model for managing the financial assets and the contractual cash flows of the financial assets.

A financial asset is to be measured at amortized cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument represent solely payment of principal and interest (SPPI).

All other debt and equity instruments must be recognized at fair value.

All fair value movements on financial assets are taken through the statement of comprehensive income, except for equity investments that are not held for trading, which may be recorded in the statement of comprehensive income or in reserves (without subsequent recycling to profit or loss).

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- Amortized cost. Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- FVTPL. Assets that do not meet the criteria for amortized cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of comprehensive income within other gains/(losses) in period in which it arises. Interest income from these financial assets is included in finance income.

The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired (POCI) financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses (ECL), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than POCI financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective, that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company subsequently measures all equity investments at FVTPL, except where the Company's Management has elected, at initial recognition, to irrevocably designate an equity instrument at FVTOCI. The Company's policy is to designate equity investments

as FVTOCI when those investments are held for the purposes other than to generate investment returns. When the election is used, fair value gains and losses are recognized in OCI and are not subsequently reclassified to profit or loss, including disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in profit or loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at FVTPL are recognized in net realized gains (losses) on investments in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

As at December 31, 2020 and 2019, the Company does not have financial assets at FVTOCI.

Impairment of financial assets

The Company recognizes a loss allowance for ECL on investments in debt instruments that are measured at amortized cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

With the exception of POCI financial assets, ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective interest rate.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original effective interest rate, regardless of whether it is measured on an individual basis or a collective basis.

The Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument (e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have low credit risk if:

- it has a low risk of default;
- the borrower is considered, in the short term, to have a strong capacity to meet its obligations; and
- the Company expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfill its obligations.

The Company considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortized cost or FVOCI are credit-impaired at each reporting date. To assess if debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

Write-off

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner.

Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of the assets.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the asset's cash flows expire or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading, or (ii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are measured at fair value, with any gains/losses arising on remeasurement recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain/loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in OCI are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

In making the determination of whether recognizing changes in the liability's credit risk in OCI will create or enlarge an accounting mismatch in profit or loss, the Company assesses whether it expects that the effects of changes in the liability's credit risk will be offset in profit or loss by a change in the fair value of another financial instrument measured at FVTPL. This determination is made at initial recognition.

Since the Company does not have financial liabilities classified at FVTPL, all financial liabilities are subsequently measured at amortized cost.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

The Company's financial liabilities classified under this category include accrued expenses and other payables, due to brokers and payable to fund manager.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

A right to offset must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Share capital

Share capital consisting of ordinary shares is classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax. Any excess of proceeds from issuance of shares over its par value is recognized as additional paid-in capital.

Retained earnings

Retained earnings represent accumulated profit attributable to equity holders of the Company after deducting dividends declared. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Repurchase, disposal and reissuance of share capital (treasury shares)

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable cost, net of any tax effects, is recognized as a reduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognized as increase in equity, and the resulting surplus or deficit on the transaction is presented as additional paid-in capital.

Deposit for future stock subscriptions

Deposit for future stock subscriptions is recorded at historical cost. According to Financial Reporting Bulletin (FRB) No. 6 as issued by SEC, it is classified as equity when all of the following criteria are met:

- the unissued authorized capital stock of the entity is insufficient to cover the amount of shares indicated in the contract;
- there is Board of Directors' approval on the proposed increase in authorized capital stock (for which a deposit was received by the Company);
- there is stockholders' approval of said proposed increase; and
- the application for the approval of the proposed increase has been presented for filing or has been filed with the SEC.

Deposit for future stock subscriptions is classified as liability, when the above criteria are not met.

Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as these are consumed in operations or expire with the passage of time.

Prepayments are classified in the statements of financial position as current asset when the cost of services related to the prepayments are expected to be incurred within one (1) year or the Company's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets.

Contingent Liabilities and Assets

Contingent liabilities and assets are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized, but are disclosed only when an inflow of economic benefits is probable. When the realization of income is virtually certain, asset should be recognized.

Revenue Recognition

Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

Transaction price

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Dividend income

Dividend income from investments is recognized when the shareholders' rights to receive payments have been established, usually at ex-dividend rate, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Realized gains or losses

Gains or losses arising on the disposal of investments are determined as the difference between the sales proceeds and the carrying amount of the investments and is recognized in profit or loss.

Fair value gains or losses

Gains or losses arising from changes in fair values of investments are disclosed under the policy on financial assets.

Other income

Other income is income generated outside the normal course of business and is recognized when it is probable that the economic benefits will flow to the Company and it can be measured reliably.

Expense Recognition

Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in profit or loss on the basis of: (i) a direct association between the costs incurred and the earning of specific items of income; (ii) systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or, (iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statements of financial position as an asset.

Expenses in the statements of comprehensive income are presented using the function of expense method. Investment expenses are transaction costs incurred in the purchase and sale of investments. Operating expenses are costs attributable to administrative and other business expenses of the Company including management fees and custodianship fees.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Related Party Transactions

A related party transaction is a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged.

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. An entity that is a post-employment benefit plan for the employees of the Company and the key management personnel of the Company are also considered to be related parties.

Taxation

Income tax expense represents the sum of the current tax, final tax and deferred tax expense.

Current tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's current tax expense is calculated using 30% regular corporate income tax (RCIT) rate or 2% minimum corporate income tax (MCIT) rate, whichever is higher.

Final tax

Final tax expense represents final taxes withheld on interest income from cash in banks.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and these relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in OCI or directly in equity, in which case, the current and deferred taxes are also recognized in OCI or directly in equity, respectively.

Foreign Currency

Transactions in currencies other than functional currency of the Company are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date the fair value was determined. Gains and losses arising on retranslation are included in profit or loss for the year, except for exchange differences arising on non-monetary assets and liabilities when the gains and losses of such non-monetary items are recognized directly in equity. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated.

Earnings (Loss) per Share

The Company computes its basic earnings (loss) per share by dividing profit or loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating diluted earnings (loss) per share, profit or loss for the year attributable to ordinary equity holders of the Company and the weighted average number of shares outstanding are adjusted for the effects of deposits for future stock subscriptions which are dilutive potential ordinary shares.

Net Asset Value per Share (NAVPS)

The Company computes its NAVPS by dividing the total net asset value as at the end of the reporting period by the number of issued and outstanding shares and shares to be issued on deposits for future stock subscriptions.

Events After the Reporting Period

The Company identifies events after the end of the reporting period as those events, both favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. The financial statements of the Company are adjusted to reflect those events that provide evidence of conditions that existed at the end of the reporting period. Non-adjusting events after the end of the reporting period are disclosed in the notes to the financial statements when material.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgments in Applying Accounting Policies

The following are the critical judgments, apart from those involving estimations, that Management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in the financial statements.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

The Company measures its financial assets at amortized cost if the financial asset qualifies for both SPPI and business model test. The Company's business model is to hold the asset and to collect its cash flows which are SPPI. All other financial assets that do not meet the SPPI and business model test are measured at FVTPL.

As at December 31, 2020 and 2019, the Company's financial assets measured at FVTPL amounted to \$7,283,361 and \$6,590,513, respectively, as disclosed in Note 7, and financial assets measured at amortized cost amounted to \$476,611 and \$188,144, respectively, composed of cash in banks and accrued interest receivables, disclosed in Note 6 and 7, respectively.

Significant increase of credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. PFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward looking information.

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the qualitative and quantitative criteria have been met as disclosed in Note 19.

As at December 31, 2020 and 2019, the Company's financial instruments measured at amortized cost has not experienced a significant increase in credit risk.

Models and assumptions used

The Company uses various models and assumptions in measuring the fair value of financial assets. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models.

The Company's model and assumptions used in measuring the fair value of financial assets and estimating ECL are disclosed in Notes 16 and 19, respectively.

Functional currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the US dollar (USD). The USD is the currency of the primary economic environment in which the Company operates. It is the currency being used to report the Company's results of operations.

Puttable shares designated as equity instruments

The Company's share capital met the specified criteria to be presented as equity. The Company designated its redeemable share capital as equity instruments since the Company's share capital met the criteria specified in PAS 32, Financial Instruments: Presentation, to be presented as equity.

A puttable financial instrument includes a contractual obligation for the issuer to repurchase or redeem that instrument for cash or another financial asset on exercise of the put. As an exception to the definition of a financial liability, an instrument that includes such an obligation is classified as an equity instrument if it has met all the following features:

- a. it entitles the holder to a pro rata share of the entity's net assets in the event of the entity's liquidation. The entity's net assets are those assets that remain after deducting all other claims on its assets;
- b. it is in the class of instruments that is subordinate to all other classes of instruments;
- c. all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- d. apart from the contractual obligation for the issuer to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity, and it is not a contract that will or may be settled in the entity's own equity instruments; and
- e. the total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the entity over the life of the instrument (excluding any effects of the instrument).

As at December 31, 2020 and 2019, the recognized amount of share capital representing puttable shares in the statements of financial position amounted to \$140,801 and \$131,998, respectively, as disclosed in Note 11.

Key Sources of Estimation Uncertainty

The following are the Company's key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Probability of default (PD)

PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As at December 31, 2020 and 2019, the Company assessed a nil probability of default for all of its financial assets measured at amortized cost.

The assumptions used by the Company in estimating PD is disclosed in Note 19.

Loss given default (LGD)

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

The Company uses portfolio averages from external estimates sourced out from Standard and Poor's (S&P) as the LGD estimates. The categorization of LGD estimates per financial asset measured at amortized cost is disclosed in Note 19.

Estimating loss allowance for ECL

The measurement of the ECL allowance for financial assets measured at amortized cost and FVTOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior. Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 19 Credit Risk – ECL measurement, which also sets out the key sensitivities of the ECL to changes in these elements.

A number of significant judgments are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL; and
- Establishing the number and relative weightings of forward-looking scenarios and the associated ECL.

The Company's ECL assessment on the financial assets measured at amortized cost is disclosed in Note 19.

Deferred tax assets

The Company reviews the carrying amount at the end of each reporting period and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Company will generate sufficient taxable profit that will allow all or part of its deferred tax assets to be utilized.

Based on Management's expectation of the Company's future taxable income, the Company did not recognize the deferred tax assets as at December 31, 2020 and 2019, as disclosed in Note 17.

Determining the fair value of investments in debt securities classified as financial assets at FVTPL

The Company carries its investments in traded debt securities at fair value, which requires the use of accounting estimates and judgment. Since market interest rate is a significant component of fair value measurement, fair value would differ if the Company applied a different set of reference rates in the valuation methodology. Any change in the fair value of these financial assets would affect profit or loss and equity.

As at December 31, 2020 and 2019, the carrying amounts of investments in debt securities classified as financial assets at FVTPL amounted to \$280,802 and \$98,672, respectively, as disclosed in Note 7.

6. CASH IN BANKS

Cash in banks earned interest amounting \$45, \$109 and \$379 at average rates of 0.01%, 0.10% and 0.15% in 2020, 2019 and 2018, respectively, as disclosed in Note 14.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This account consists of:

	Note	2020	2019
Global mutual funds		\$5,683,840	\$5,926,854
Global exchange traded funds		1,318,719	498,853
Investments in fixed-income securities		280,802	98,672
Investment in a mutual fund	10	-	66,134
		\$7,283,361	\$6,590,513

Financial assets at FVTPL are composed of investments in global traded and mutual funds and fixed-income securities in the form of dollar-denominated government bonds.

The Company recognized dividend income from global mutual funds amounting to \$17,846, \$12,305, and nil in 2020, 2019 and 2018, respectively.

Interest income earned on fixed-income securities amounted to \$3,707, \$226 and \$5,522, in 2020, 2019 and 2018, respectively, as disclosed in Note 14. Average interest rates earned on these investments are also disclosed in Note 14.

Accrued interest receivable amounted to \$1,173 and \$226 as at December 31, 2020 and 2019, respectively.

Net gains and (losses) on investments recognized in profit or loss arising from financial assets at FVTPL are as follows:

	2020	2019	2018
Net realized gains (losses) on investments in:			
Equity securities	\$107,061	\$389,538	\$233,753
Fixed-income securities	2,616	-	(12,935)
	109,677	389,538	220,818
Net unrealized gains (losses) on investments in:			
Equity securities	628,350	477,837	(556,899)
Fixed-income securities	(16,817)	(72)	-
	611,533	477,765	(556,899)
	\$721,210	\$867,303	(\$336,081)

Net gains and losses on investments in equity securities are composed of global traded and mutual funds while fixed-income securities pertain to dollar-denominated bonds.

The movements in the financial assets at FVTPL are summarized as follows:

	2020	2019
Balance, January 1	\$6,590,513	\$5,778,245
Additions	8,392,815	7,133,996
Disposal	(8,311,500)	(6,799,493)
Unrealized gains (losses)	611,533	477,765
Balance, December 31	\$7,283,361	\$6,590,513

The following presents the breakdown of the maturity profile of the principal amounts of fixed-income securities:

	2020	2019
Due after five years through ten years	\$ 70,000	\$100,000
Due after ten years	224,000	-
	\$294,000	\$100,000

8. DUE FROM/TO BROKERS

Due from brokers account refers to amounts receivable from brokers arising from the sale of investments processed on or before the reporting period, which are settled three days after the transaction date.

Due to brokers account pertains to amounts payable to brokers for the purchase of investments processed on or before the reporting period, which are settled three days after the transaction date.

Due to brokers amounted to \$50,000 and nil as at December 31, 2020 and 2019, respectively.

Counterparties to the contract are not allowed to offset payable and receivable arising from the purchase and sale of investments.

Commission expense amounting to \$1,207, \$625 and \$96 in 2020, 2019 and 2018, respectively, are paid to brokers when buying and selling shares of stock.

9. ACCRUED EXPENSES AND OTHER PAYABLES

This account consists of:

	2020	2019
Professional fees	\$2,333	\$1,830
Custodianship fees	1,220	647
Withholding and documentary stamp taxes	1,132	984
	\$4,685	\$3,461

Accrued expenses and other payables are non-interest bearing and are normally settled within one year.

10. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company transacts with companies which are considered related parties under PAS 24, *Related Party Disclosures*.

The details of transactions with related parties and the amounts paid or payable are set out below:

Nature of Transaction	Transactions During the Period			Outstanding Payable		Term	Condition	Notes
	2020	2019	2018	2020	2019			
SLAMCI-Fund Manager								
Management Distribution and Transfer fees	\$125,280	\$119,174	\$137,013	\$11,086	\$10,434	Non-interest bearing; 1.65% of average daily net assets; settled in cash on or before the 15 th day of the following month	Unsecured; Unguaranteed;	a
Key Management Personnel								
Director's Fee	7,608	6,444	5,401	-	-	Payable on demand; Settled in cash	Unsecured; Unguaranteed;	b
Entities Under Common Control								
Sun Life of Canada Philippines, Inc.								
Sale	474,123	-	-	-	-	Non-interest bearing; Settled in cash on the day of transaction	Unsecured;	c
Purchase	407,326	-	-	-	-			

As at December 31, 2020 and 2019, below is the outstanding investment of the Company in Sun Life Prosperity Dollar Starter Fund, Inc.:

	Note	2020		2019	
		Shares	Amount	Shares	Amount
Sun Life Prosperity Dollar Starter Fund, Inc.	7	-	\$-	63,768	\$66,134

In August 2020, the Company sold its investment with Sun Life Prosperity Dollar Starter Fund, Inc. for a total proceeds of \$66,759, with gains from such sale amounted to \$625 included in the "Net realized gains on investments" account presented in the statements of the Comprehensive income.

Details of the Company's related party transactions are as follows:

a. Investment Management

On September 7, 2015, the Company and SLAMCI entered into a Management and Distribution Agreement (MDA) wherein SLAMCI will act as its fund manager, adviser, administrator, distributor and transfer agent and will provide management, distribution and all required operational services. Under the MDA, SLAMCI will receive aggregate fees for these services at an annual rate of 1.50% of the net assets on each valuation day. Moreover, under the Transfer Agency Agreement, SLAMCI receives aggregate fees for these services at an annual rate of 0.15% of the net assets attributable to shareholders on each valuation day. The agreement shall take effect upon commencement of the Company's commercial operations.

On September 22, 2020, the Company and SLAMCI amended its MDA and Transfer Agency Agreement based on the provisions of ICA 2018 IRR (Implementing Rules and Regulations of the Investment Company Act 2018) published by the SEC on January 11, 2018. The agreements shall remain in effect for a period of 2 years from July 31, 2020 and shall continue in effect from year to year as approved by the respective Board of Directors of the Company and SLAMCI.

Management, distribution and transfer fees charged by SLAMCI to the Company in 2020, 2019 and 2018 amounted to \$125,280, \$119,174 and \$137,013, respectively. Accrued management fees as at December 31, 2020 and 2019 amounted to \$11,086 and \$10,434, respectively, shown as "Payable to fund manager" in the statements of financial position.

b. Remuneration of Directors

Remuneration of Directors is presented in the statements of comprehensive income under "Directors' fees" amounting to \$7,608, \$6,444 and \$5,401 in 2020, 2019 and 2018, respectively, which are usually paid to directors based on the number of meetings held and attended. There were no accrued directors' fees as at December 31, 2020 and 2019.

Except for the Board of Directors, the Company has no management personnel and employees. Pursuant to the Company's MDA with SLAMCI, the latter provides all the staff of the Company, including executive officers and other trained personnel.

c. Purchase and Sale of Investments

These types of transactions are buy and sell of the same security between portfolios of two separate affiliated legal entities and whose assets are managed by Investment Department. Portfolio Managers determine that this is appropriate and in the best interest of certain portfolios and ensure that the trade will be executed in a manner that is fair and equitable to both parties involved in the cross trade.

11. EQUITY

Movements are as follows:

	2020		2019		2018	
	Shares	Amount	Shares	Amount	Shares	Amount
Authorized:						
at P1.00 par value	10,000,000	P10,000,000	10,000,000	P10,000,000	6,000,000	P6,000,000
Issued and fully paid:						
At January 1	5,999,926	\$131,998	5,999,706	\$131,994	5,999,679	\$ 131,993
Issuance during the year	400,114	8,803	220	4	27	1
At December 31	6,400,040	\$140,801	5,999,926	\$131,998	5,999,706	\$ 131,994
Treasury shares:						
At January 1	6,314	\$ 7,065	49,193	\$ 52,659	-	\$ -
Acquisition	760,567	875,938	400,791	441,745	2,998,271	3,318,003
Reissuance	(766,881)	(883,003)	(443,670)	(487,339)	(2,949,078)	(3,265,344)
At December 31	-	\$ -	6,314	\$ 7,065	49,193	\$ 52,659
Deposit for future stock subscription:						
At January 1	-	\$ -	-	\$ -	1,922,365	\$2,093,638
Receipts	-	-	-	-	1,042,132	1,035,874
Redemptions	-	-	-	-	(2,964,497)	(3,129,512)
At December 31	-	\$ -	-	\$ -	-	\$ -

Fully paid ordinary shares with a par value of P1.00 carry one vote per share and carry a right to dividends.

Incorporation

The Company was incorporated on September 4, 2015 with 6,000,000 authorized shares with a par value of 1.00. The SEC approved the registration on March 22, 2016.

Approved changes

On September 7, 2015, the shareholders approved the blanket increase of the Company's authorized share capital up to 100,000,000,000 shares with a par value of P1.00 per share. The increase will be implemented by the Chairman of the Board of Directors and President of SLAMCI acting jointly in tranches.

On September 21, 2017, the Chairman of the Board of Directors of the Company and the President of SLAMCI jointly authorized the increase in Authorized Capital Stocks by Four Million Pesos (P4,000,000) divided into Four Million (4,000,000) shares at a par value of P1 per share. This increases the authorized capital stock from P6,000,000 divided into 6 million shares to P10,000,000 divided into 10 million shares.

In April 2018, requirements were already provided to SEC based on the evaluator's initial comments.

On July 25, 2018, the SEC approved the additional 4 Million shares increase in authorized capital stock, from 6 Million shares to 10 Million shares at a par value of P1.00 per share.

On September 18, 2018, the SEC received the registration statement filed by the Company to register the approved 4,000,000 shares.

On October 23, 2019, SEC approved the registration statement for the 4,000,000 shares increase.

Stock dividends

On March 13, 2018, the Board of Directors approved the declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of April 30, 2018, and payout date of July 20, 2018. Said declaration is conditional on the shareholders' approval during the stockholder's meeting on July 18, 2018.

Subsequently, on June 29, 2018, the Board of Directors approved the amendment of the dates of the declaration of stock dividends equivalent to 2% of the outstanding shares for stockholders of record to July 31, 2018, for payout on September 28, 2018.

On September 21, 2018, it was reported to the SEC that a declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of July 31, 2018, and payout date of September 28, 2018, or any reasonable date after approval of SEC on the stock dividend declaration has been obtained.

On October 26, 2018, 4,001,401 shares or 69.48% of the outstanding capital stock as at September 28, 2018 were present in person or by proxy; and by majority of the Board of Directors present, the declaration of 2% stock dividends to shareholders of record as of September 28, 2018 has been approved. The Board unanimously approved to move the dividend payout date from December 21, 2018 to October 26, 2018.

On October 7, 2019, 4,041,260 shares or 67.95% of the outstanding capital stock as at September 5, 2019 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 0.50% stock dividends to shareholders of record as of October 8, 2019 has been approved. The payout date was on October 9, 2019.

On November 13, 2020, 4,196,301 shares or 70.39% of the outstanding capital stock as at September 30, 2020 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 1.88% stock dividends to shareholders of record as of November 26, 2020 has been approved. The payout date was on November 27, 2020.

Current state

As at December 31, 2020, the Company has 6,400,040 issued and outstanding shares out of the 10,000,000 ACS with a par value of P1.00 per share.

The annual summary of the transactions affecting the Company's outstanding shares is as follows:

Year	NAVPS, end	Issuances	Redemptions	Balances
2015	\$0.9909	1,500,000	-	1,500,000
2016	\$1.0082	4,146,839	(124,808)	5,522,031
2017	\$1.1122	3,140,724	(740,711)	7,922,044
2018	\$1.0100	3,991,237	(5,962,768)	5,950,513
2019	\$1.1287	443,890	(400,791)	5,993,612
2020	\$1.2022	1,166,995	(760,567)	6,400,040

The total number of shareholders as at December 31, 2020, 2019 and 2018 are 616, 548 and 482, respectively.

Redeemable shares

Redeemable shares carry one vote each, and are subject to the following:

a. Distribution of dividends

Each shareholder has a right to any dividends declared by the Company's Board of Directors and approved by 2/3 of its outstanding shareholders.

b. Denial of pre-emptive rights

No shareholder shall, because of his ownership of the shares, have a pre-emptive or other right to purchase, subscribe for, or take any part of shares or of any other securities convertible into or carrying options or warrants to purchase shares of the registrant.

c. Right of redemption

The holder of any share, upon its presentation to the Company or to any of its duly authorized representatives, is entitled to receive, by way of redemption, approximately his proportionate share of the Company's current net assets or the cash equivalent thereof. Shares are redeemable at any time at their net assets value less any applicable sales charges and taxes.

12. ADDITIONAL PAID-IN CAPITAL

Additional paid-in capital of \$6,361,847 and \$5,909,802 as at December 31, 2020 and 2019, respectively, pertains to excess payments over par value from investors and from reissuance of treasury shares.

13. NET ASSET VALUE PER SHARE (NAVPS)

NAVPS is computed as follows:

	Note	2020	2019
Total equity		\$7,694,133	\$6,765,131
Outstanding shares	11	6,400,040	5,993,612
NAVPS		\$ 1.2022	\$ 1.1287

NAVPS is based on issued, outstanding and fully paid shares minus treasury shares. The expected cash outflow on redemption of these equity shares is equivalent to computed NAVPS as at reporting period.

14. INTEREST INCOME

This account consists of interest income on the following:

	Notes	2020	2019	2018
Fixed-income securities	7	\$3,707	\$226	\$5,522
Cash in banks	6	45	109	379
		\$3,752	\$335	\$5,901

Interest income is recorded gross of final withholding tax which is shown as "Income tax expense" account in the statements of comprehensive income.

Average interest rates of investments and cash in banks in 2020, 2019 and 2018 are as follows:

	2020	2019	2018
Fixed-income securities	1.38%	1.75%	7.50%
Cash in banks	0.01%	0.10%	0.15%

15. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

	2020	2019	2018
Total comprehensive income for the year	\$ 596,112	\$740,629	(\$ 494,507)
Weighted average number of shares:			
Issued and outstanding	6,002,985	5,976,087	5,919,160
Potential dilutive shares	-	-	1,007,055
Weighted average number of outstanding shares for the purpose of computing diluted earnings per share	6,002,985	5,976,087	6,926,215
Basic earnings (loss) per share	\$0.099	\$0.124	(\$0.084)
Diluted earnings (loss) per share	\$0.099	\$0.124	(\$0.071)

As at December 31, 2020 and 2019, the Company has no dilutive potential ordinary shares. DFFS as at December 31, 2018 is dilutive, therefore, diluted earnings (loss) per share is lower than the basic earnings (loss) per share.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities measured at fair value on a recurring basis

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value classified under level 1 based on the degree to which the inputs to fair value are observable.

	Note	Level 1
December 31, 2020		
Global mutual funds	7	\$5,863,840
Global exchange traded funds	7	1,318,719
Investments in fixed-income securities	7	280,802
		\$7,283,361
December 31, 2019		
Global mutual funds	7	\$5,926,854
Global exchange traded funds	7	498,853
Investments in fixed-income securities	7	98,672
Investment in a mutual fund	7	66,134
		\$6,590,513

The fair value of fixed-income securities is based on quoted prices of either done deals or bid rates. Investments in mutual funds and traded funds are valued at their published NAVPS as at reporting date.

Financial assets and liabilities not measured at fair value

The carrying amounts and fair values of the Company's financial assets and financial liabilities are shown below:

	Notes	Carrying Amounts	Fair Values		
			Level 1	Level 2	Total
December 31, 2020					
Financial Assets					
Cash in banks	6	\$475,438	\$475,438	\$ -	\$475,438
Accrued interest receivable	7	1,173	-	1,173	1,173
		\$476,611	\$475,438	\$ 1,173	\$476,611
Financial Liabilities					
Accrued expenses and other payables	9	\$ 3,553	\$ -	\$ 3,553	\$ 3,553
Due to brokers	8	50,000	-	50,000	50,000
Payable to fund manager	10	11,086	-	11,086	11,086
		\$ 64,639	\$ -	\$ 64,639	\$ 64,639
December 31, 2019					
Financial Assets					
Cash in banks	6	\$187,918	\$187,918	\$ -	\$187,918
Accrued interest receivable	8	226	-	226	226
		\$188,144	\$187,918	\$ 226	\$188,144
Financial Liabilities					
Accrued expenses and other payables	9	\$ 2,477	\$ -	\$ 2,477	\$ 2,477
Payable to fund manager	10	10,434	-	10,434	10,434
		\$ 12,911	\$ -	\$ 12,911	\$ 12,911

The difference between the carrying amount of accrued expenses and other payables disclosed in the statements of financial position and the amount disclosed in this note pertains to withholding and documentary stamp taxes that are not considered financial liabilities.

Due to the short-term maturities of cash in banks, accrued interest receivable, accrued expenses and other payables, due to brokers and payable to fund manager, their carrying amounts approximate their fair values.

17. INCOME TAXES

Details of income tax expense are as follows:

	2020	2019	2018
MCIT	\$ 309	\$ 213	\$ -
Final tax	7	16	54
	\$ 316	\$229	\$54

The reconciliation between tax expense (benefit) and the product of accounting profit (loss) multiplied by 30% is as follows:

	2020	2019	2018
Accounting profit (loss)	\$596,428	\$740,858	(\$494,453)
Tax expense (benefit) at 30%	\$178,928	\$222,257	(\$148,336)
Adjustment for income subject to lower tax rate	(1,118)	(84)	(1,716)
Tax effects of :			
Unrecognized Net Operating Loss Carry-Over (NOLCO)	38,560	38,034	49,282
Unrecognized MCIT	309	213	-
Net realized gains on investments	(32,903)	(116,861)	(66,246)
Net unrealized fair value (gains) loss on investments	(183,460)	(143,330)	167,070
	\$ 316	\$ 229	\$ 54

Details of the Company's NOLCO from previous years are as follows (in Philippine Peso) :

Year of Incurrence	Year of Expiry	Beginning Balance	Addition	Expired	2020 Balance
2017	2020	P 7,222,871	P -	P 7,222,871	P -
2018	2021	8,650,846	-	-	8,650,846
2019	2022	6,435,846	-	-	6,435,846
		P22,309,563	P -	P 7,222,871	P15,086,692

Details of the Company's NOLCO covered by Revenue Regulation (RR) No. 25-2020 is as follows (in Philippine Peso) :

Year of Incurrence	Year of Expiry	Beginning Balance	Addition	Expired	2020 Balance
2020	2025	-	P 6,177,820	-	P 6,177,820

Pursuant to Section 4 COVID-19 Response and Recovery Interventions paragraph (bbbb) of Republic Act No. 11494 also known as "Bayanihan to Recover As One Act" and to RR No. 25-2020 of Bureau of Internal Revenue, the NOLCO incurred by the Company for taxable years 2020 and 2021 shall be carried over as a deduction from gross income for the next five consecutive taxable years immediately following the year of such loss.

Details of MCIT are as follows (in Philippine Peso):

Year Incurred	Year of Expiry	Amount	Applied Previous Year	Applied Current Year	Expired	Unapplied
2019	2022	P10,820	P -	P -	P -	P10,820
2020	2023	14,869	-	-	-	14,869
		P25,689	P -	P -	P -	P25,689

Deferred tax on NOLCO and MCIT was not recognized since Management believes that future taxable income will not be available against which the deferred tax asset can be utilized.

The Company's interest income from cash in banks are already subjected to final tax while interest income from fixed-income securities are tax-exempt and are therefore, excluded from the computation of taxable income subject to RCIT and MCIT.

Realized gains on redemption of investments in mutual funds and traded funds are exempted from tax and are therefore excluded from the computation of taxable income subject to RCIT and MCIT.

18. CONTINGENCIES

The Company has no pending legal cases as at December 31, 2020 and 2019 that may have a material effect on the Company's financial position and results of operations.

19. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk, which includes interest rate and equity price risks, credit risk and liquidity risk. The Fund Manager exerts best efforts to anticipate events that would negatively affect the value of the Company's assets and takes appropriate actions to counter these risks. However, there is no guarantee that the strategies will work as intended. The policies for managing specific risks are summarized below.

Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates and movements in NAVPS of investments in mutual funds. The Company has insignificant exposure to foreign exchange risk since foreign currency denominated transactions are minimal. There has been no change on the manner in which the Company manages and measures these risks.

Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest.

The primary source of the Company's interest rate risk relates to cash in banks and fixed-income securities. The interest rates of these financial assets are disclosed in Notes 6 and 14.

The risk is managed by the Fund Manager by actively monitoring the prevailing interest rate environment. The duration of the portfolio is reduced during periods of rising rates and widening credit spreads to maximize interest income potential. Conversely, the same is increased during periods of falling rates and narrowing credit spreads.

A 50 basis points increase or decrease in the interest rates had been determined for sensitivity analysis based on the exposure to interest rates for financial assets at FVTPL and loans receivables at the end of each reporting period. The same is used for reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonable effect of the maximum possible movement in interest rates.

The following table details the increase or decrease in net profit if interest rates had been 50 basis points higher or lower and all other variables are held constant for the years ended 2020, 2019, and 2018:

Change in Interest Rates	Increase (Decrease) in Net Profit (Loss)		
	2020	2019	2018
+50 basis	(\$1,550)	(\$3,475)	\$847
-50 basis	2,055	\$3,693	(847)

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Equity price risk

The Company is exposed to equity price risks arising from investments in mutual funds.

The risk is managed by the Fund Manager by actively monitoring the movements in NAVPS of investments in mutual funds.

Based on the exposure to equity price risks at the end of each reporting period, if NAVPS of investments in mutual funds had been 2% higher or lower, profit or loss for the years ended December 31, 2020, 2019 and 2018 would have increased or decreased by \$137,463, \$127,437 and \$113,429, respectively.

Other than interest and equity price risks discussed above, there are no other market risks which will significantly affect the Company's performance.

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent equity price risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing only with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults, and transacts only with entities that are rated the equivalent of investment grade of "High" down to "Low". The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The carrying amounts of financial assets recorded in the financial statements represent the Company's maximum exposure to credit risk:

	Notes	2020	2019
Cash in banks	6	\$475,438	\$187,918
Financial assets at fair value through profit or loss	7	280,802	98,672
Accrued interest receivable	7	1,173	226
		\$757,413	\$286,816

ECL measurement

In 2020 and 2019, ECLs are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

PFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition. The Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing expected credit losses
Stage 1	The counterparty has a low risk of default and does not have any past-due amounts or that the financial instrument is not credit-impaired on initial recognition	12m ECL
Stage 2	There has been a significant increase in credit risk since initial recognition but not yet deemed to be credit-impaired	Lifetime ECL - not credit-impaired
Stage 3	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery or that the financial instrument is credit-impaired	Lifetime ECL - credit-impaired

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The ECL is determined by projecting the PD, LGD and exposure at default (EAD) for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

Given that the Company currently has no history of default on their portfolio, a model which incorporates internal default experience is not feasible. For the 12M and Lifetime PD, the Company uses external benchmarking of current internal credit ratings to Standard and Poor’s using one-year transition matrices in S&P’s Annual Global Corporate Default Study and Rating Transition reports. From the transition matrices, cumulative PDs are identified. The overall PD for a specific time horizon is calculated from the cumulative PD, by determining the marginal PD and taking the conditional probability of default given that it has not yet defaulted prior to the said time horizon. The resulting overall PDs are the values that will act as components in ECL calculation.

The table below summarizes the current internal credit rating equivalence system of the Company.

Summary rating	Internal credit rating	S&P rating
High	AAA	AAA
High	AAA	AA
High	AAA	A
High	AAA	BBB
Satisfactory	AA	BB
Acceptable	B	B
Low	CCC/C	CCC/C

The 12M and lifetime EADs are determined based on the contractual repayments owed by the borrower over the 12month or lifetime basis. This will also be adjusted for any expected overpayments made by the borrower. The Company does not have an undrawn component for any of its debt instruments.

For the 12M and lifetime LGDs, considering the availability of related information, the Company use the external estimates sourced from Standard and Poor’s.

Forward-looking information incorporated in the ECL models

The assessment of significant increase in credit rating and the calculation of ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and ECL for each portfolio. The Company assessed that the key economic variables are unemployment rates for 2020 and gross domestic product (GDP) and unemployment rates for 2019.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the “base economic scenario”) are based on the economic data from the International Monetary Fund (IMF) from year 2021 until 2025. The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of EAD and LGD.

In addition to the base economic scenario, the best value economically spanning from the historical years is taken (upside forecasts). A similar approach applies for the downside forecasts. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The per-scenario Forward Looking Adjustments were assigned probability weights of 50% for the base scenario, and 25% for each of the upside and downside forecast.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes and has analyzed the non-linearities and asymmetries within the Company’s different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The following table details the credit quality of the Company's financial assets and other items, as well as the Company's maximum credit exposure to credit risk by credit risk rating grades as at December 31, 2020:

	Notes	Internal credit rating	Category	12m or lifetime ECL?	Gross carrying amount	Loss allowance	Net carrying amount
2020							
Cash in banks	6	AAA	Stage 1	12-month ECL	\$475,438	\$ -	\$475,438
Accrued interest receivable	7	AAA	Stage 1	12-month ECL	1,173	-	1,173
					\$476,611	\$ -	\$476,611
2019							
Cash in banks	6	AAA	Stage 1	12-month ECL	\$187,918	\$ -	\$187,918
Accrued interest receivable	7	AAA	Stage 1	12-month ECL	226	-	226
					\$188,144	\$ -	\$188,144

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company aims to maintain an appropriate level of liquidity which means having sufficient liquidity to be able to meet all obligations promptly under foreseeable adverse circumstances, while not having excessive liquidity.

The Company maintains at least ten percent of the fund in liquid/semi-liquid assets in the form of cash in banks, investments in mutual funds, and other collective schemes wholly invested in liquid/semi-liquid assets to assure necessary liquidity. This is also in compliance to Section 6.10 of the Implementing Rules and Regulations of the Investment Company Act series of 2018.

The Fund Manager manages liquidity risks by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities. The table had been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	Less than One Month	One Month to One Year	Total
2020			
Accrued expenses and other payables	\$ -	\$ 3,553	\$ 3,553
Due to brokers	50,000	-	50,000
Payable to fund manager	11,086	-	11,086
	\$61,086	\$3,553	\$64,639
2019			
Accrued expenses and other payables	\$ -	\$ 2,477	\$ 2,477
Payable to fund manager	10,434	-	10,434
	\$ 10,434	\$ 2,477	\$12,911

The difference between the carrying amount of accrued expenses and other payables disclosed in the statements of financial position and the amount disclosed in this note pertains to withholding and documentary stamp taxes that are not considered financial liabilities.

The following table details the Company's expected maturity for its financial assets. The table had been drawn up based on the contractual maturities of the financial assets including interest that will be earned on those assets, except when the Company anticipates that the cash flows will occur in a different period.

	Average Effective Interest Rate	Less than One Year	One to Five Years	Five to Ten Years	More than Ten Years	Total
2020						
Cash in banks	0.01%	\$ 475,438	\$ -	\$ -	\$ -	\$475,438
Financial assets at FVTPL	1.38%	3,840	15,360	89,126	286,942	395,268
Accrued interest receivable		1,173	-	-	-	1,173
		\$480,451	\$15,360	\$89,126	\$286,942	\$871,879
2019						
Cash in banks	0.10%	\$187,918	\$ -	\$ -	\$ -	\$187,918
Financial assets at FVTPL	1.75%	1,750	7,000	108,544	-	117,294
Accrued interest receivable		226	-	-	-	226
		\$189,894	\$7,000	\$108,544	\$ -	\$305,438

The Company expects to meet its obligations from operating cash flows and proceeds from maturing financial assets and sale of financial assets at FVTPL.

20. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing returns to stakeholders through the optimization of the mix of high-quality debt and equity securities.

The Company is guided by its Investment Policies and Legal Limitations. All the proceeds from the sale of shares, including the original subscription payments at the time of incorporation constituting the paid-in capital, is held by the pertinent custodian banks.

The capital structure of the Company consists of issued capital as disclosed in Note 11.

The Company manages capital and NAVPS, as disclosed in Notes 11, 12 and 13, to ensure that the Company's net asset value remains competitive and appealing to prospective investors.

The Company is also governed by the following fundamental investment policies:

- It does not issue senior securities;
- It does not intend to incur any debt or borrowing. In the event that borrowing is necessary, it can do so only if, at the time of its incurrence or immediately thereafter, there is asset coverage of at least 30% for all its borrowings;
- It does not participate in any underwriting or selling group in connection with the public distribution of securities, except for its own share capital;
- It generally maintains a diversified portfolio. Asset class and geographic concentrations may vary at any time depending on the investment manager's view on the prospects;
- It does not invest directly in real estate properties and developments;
- It does not purchase or sell commodity futures contracts;
- It does not engage in lending operations to related parties such as the members of the Board of Directors, officers of the Company and any affiliates, or affiliated corporations of the Company;
- The asset mix in each type of security is determined from time to time, as warranted by economic and investment conditions; and

- i. It does not change its investment objectives without the prior approval of a majority of its shareholders.

The Investment Policies refer to the following:

- a. Investment Objective – to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.
- b. Benchmark – 95% Bloomberg Barclays EM Asia USD Credit Philippine Index + 30% Morgan Stanley Capital International All Country World Index (MSCI ACWI) + 5% 30-day USD Deposit Rate.
- c. Asset Allocation Range – the Company shall allocate its funds available for investments among cash and other deposit substitute, fixed-income securities and equity securities based on certain proportion as approved by Management.

Other matters covered in the investment policy include the fees due to be paid to the Fund Manager with management and distribution fees each set at an annual rate of 1.50% of the net assets on each valuation day.

In compliance to SEC Memorandum Circular No. 21, Series of 2019 signed on September 24, 2019 in relation to independent Net Asset Value (NAV) calculation, SLAMCI (Fund Manager) engaged Citibank, N.A. Philippines to service its fund accounting functions including calculation of its NAV every dealing day. In December 2020, SLAMCI implemented the outsourced fund accounting to all Sun Life Prosperity Funds.

As at December 31, 2020 and 2019, the Company is in compliance with the above requirements and minimum equity requirement of the SEC of P50,000,000.

The equity ratio at the year-end is as follows:

	2020	2019
Equity	\$ 7,694,133	\$6,765,131
Total assets	7,759,972	6,779,239
Equity ratio	0.9915:1	0.9979:1

21. EVENTS AFTER THE REPORTING PERIOD

On February 3, 2021, both houses of Congress ratified the bicameral committee report on the “Corporate Recovery and Tax Incentives for Enterprises Act” or “CREATE” bill, which seeks to reduce the corporate income tax rates and to rationalize the current fiscal incentives by making it time-bound, targeted, and performance-based.

This bill once approved by the President and passed into law, will result to the reduction of the Company’s RCIT rate from 30% to 25% and MCIT rate from 2% to 1% effective July 1, 2020.

The significant estimated effects of the changes in the tax rates are as follows:

	As of December 31,2020	Under the CREATE bill	Increase (Decrease)
Income tax expense	\$ 316	\$ 239	(\$77)
Net income	596,112	596,189	77
Net assets	7,694,133	7,694,210	77
NAVPS	1.2022	1.2022	-

22. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE (BIR) UNDER REVENUE REGULATIONS NO. 15-2010

The following information on taxes, duties and license fees paid or accrued during the 2020 taxable year is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

Documentary stamp taxes

Documentary stamp taxes incurred by the Company during 2020 amounted to P9,931 representing taxes in connection with the issuance of the Company's stock certificates to its shareholders. The documentary stamp tax being paid by the Company to the BIR includes those charged against the shareholders' investment for stock certificate issuances in excess of ten (10) inter-fund transfers per calendar year.

Other taxes and licenses

Details of other taxes and licenses and permit fees paid and accrued in 2020 are as follows:

Charged to Operating Expenses	
Business tax	P 65,412
Registration and filing fees	33,075
Residence or community tax	8,662
	P107,149

Withholding taxes

Withholding taxes paid and accrued and/or withheld consist of:

	Paid	Accrued	Total
Expanded withholding taxes	P488,587	P52,340	P540,927

Deficiency tax assessments

The Company has no tax assessments and tax cases in 2020.

23. APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company were reviewed and endorsed by the Audit and Compliance Committee for the approval of the Board of Directors on March 9, 2021.

The Board of Directors approved the issuance of the financial statements also on March 9, 2021.

* * *

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY SCHEDULES

To the Board of Directors and Shareholders
SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
(An Open-end Investment Company)
Sun Life Centre, 5th Avenue corner Rizal Drive
Bonifacio Global City, Taguig City

We have audited the financial statements of Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") as at December 31, 2020 and 2019 and for the years ended December 31, 2020, 2019 and 2018, in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated March 9, 2021.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on the attached schedule showing the reconciliation of the retained earnings available for dividend declaration and other supplementary information shown in schedules A-H, as required by the Securities and Exchange Commission under the SRC Rule 68, as Revised, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information are the responsibility of Management and have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Navarro Amper & Co.
BOA Registration No. 0004, valid from November 12, 2018 to July 16, 2021
SEC Accreditation No. 0001-FR-5, issued on January 15, 2019; effective until January 14, 2022, Group A
TIN 005299331

By:



Joeffrey Mark P. Ferrer
Partner
CPA License No. 0115793
SEC A.N. 1767-A, issued on August 27, 2019; effective until August 26, 2022, Group A
TIN 211965340
BIR A.N. 08-002552-058-2018, issued on October 30, 2018; effective until October 30, 2021
PTR No. A-5047280, issued on January 4, 2021, Taguig City

Taguig City, Philippines
March 9, 2021



**RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DECLARATION**

As at December 31, 2020

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City

Items	Amount
Unappropriated Retained Earnings, beginning	\$ 730,396
Adjustments:	
Accumulated unrealized fair value gain as of December 31, 2019	(406,042)
Treasury shares as of December 31, 2019	(7,065)
Unappropriated Retained Earnings, as adjusted, beginning	\$ 317,289
Net income based on the face of AFS	596,112
Stock dividend issuance	(135,023)
Adjustments for non-actual (gains) losses	
Effect of movements in accumulated unrealized gain during the year	(628,273)
Net Income Actual/Realized	(167,184)
Add: Treasury shares reissued during the year	7,065
Unappropriated Retained Earnings, as adjusted, ending	\$ 157,170

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

Schedule of Financial Soundness Indicators and Financial Ratios

December 31, 2020 and December 31, 2019

	Formula	2020	2019
<i>Current/ Liquidity Ratios</i>			
a. Current ratio	Current Assets/Current Liabilities	117.86:1	480.52:1
b. Quick ratio	Quick Assets/Current Liabilities	117.86:1	480.48:1
c. Cash ratio	Cash/Current Liabilities	7.22:1	13.32:1
d. Days in receivable	Receivable/Revenue * No. of days	N/A	N/A
e. Working capital ratio	(Current Assets/Current Liabilities)/Current Assets	0.99:1	1.00:1
f. Net working capital to sales ratio	Working Capital / Total Revenue	58.27:1	16.82:1
g. Defensive Interval Ratio	360* (Quick Assets / Proj. Daily Operating Expense)	19143.22:1	17622.03:1
<i>Solvency Ratios</i>			
a. Long-term debt to equity ratio	Noncurrent Liabilities/Total Equity	N/A	N/A
b. Debt to equity ratio	Total Liabilities/Total Equity	0.009:1	0.002:1
c. Long term debt to total asset ratio	Noncurrent Liabilities/Total Assets	N/A	N/A
d. Total debt to asset ratio	Total Liabilities/Total Assets	0.008:1	0.002:1
Asset to equity ratio	Total Assets/Total Equity	1.01:1	1.00:1
Interest rate coverage ratio	Earning Before Income Tax/Interest Expense	N/A	N/A
<i>Profitability Ratio</i>			
a. Earnings before interest and taxes (EBIT) margin	EBIT/Revenue	451.73%	184.00%
b. Earnings before interest, taxes and depreciation and amortization (EBITDA) margin	EBITDA/Revenue	451.73%	184.00%
c. Pre-tax margin	EBIT/Revenue	451.73%	184.00%
d. Effective tax rate	Income Tax/EBIT	0.05%	0.03%
e. Post-tax margin	Net Income After Tax/Revenue	451.49%	184.14%
f. Return on equity	Net Income After Tax/Average Common Equity	8.25%	11.59%
g. Return on asset	NIAT/Average Total Assets	8.20%	11.57%
Capital intensity ratio	Total Assets/Revenue	58.77:1	16.86:1
Fixed assets to total assets	Fixed assets/Total assets	N/A	N/A
Dividend payout ratio	Dividends paid/Net Income	0.23:1	0.04:1

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
Schedule Required under SRC Rule 68

i. Percentage of Investment in a Single Enterprise to Net Asset Value
As of December 31, 2020 and December 31, 2019

	2020			2019		
	Investment (Market Value)	Net Asset Value	% over NAV	Investment (Market Value)	Net Asset Value	% over NAV
Treasury Notes (ISIN)						
US912810SL35	34,455	7,694,133	0.45%	-	-	-
US912810SN90	37,728	7,694,133	0.49%	-	-	-
US912810SP49	139,078	7,694,133	1.81%	-	-	-
US91282CAV37	69,541	7,694,133	0.90%	-	-	-
US912828YS30	-	-	-	98,672	6,765,131	1.46%
Mutual Funds						
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	158,770	7,694,133	2.06%	283,481	6,765,131	4.19%
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	18,039	7,694,133	0.23%	51,612	6,765,131	0.76%
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGT	549,162	7,694,133	7.14%	387,491	6,765,131	5.73%
MORGAN STANLEY US ADVANTAGE FUND	546,742	7,694,133	7.11%	283,550	6,765,131	4.19%
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	673,910	7,694,133	8.76%	614,515	6,765,131	9.08%
SPDR MSCI ACWI UCITS ETF	290,990	7,694,133	3.78%	99,970	6,765,131	1.48%
JPMORGAN FUNDS-INCOME FUND	390,014	7,694,133	5.07%	698,884	6,765,131	10.33%
MFS FI II USD GL HIGH YIELD	327,976	7,694,133	4.26%	160,767	6,765,131	2.38%
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	495,880	7,694,133	6.44%	287,350	6,765,131	4.25%
MFS EQ II USD CONTINENTAL EUR	92,301	7,694,133	1.20%	120,576	6,765,131	1.78%
NEW CAPITAL WEALTHY NATIONS BOND FUND	278,182	7,694,133	3.62%	719,874	6,765,131	10.64%
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	1,027,730	7,694,133	13.36%	398,883	6,765,131	5.90%
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	436,527	7,694,133	5.67%	308,202	6,765,131	4.56%
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	205,140	7,694,133	2.67%	696,489	6,765,131	10.30%
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	59,213	7,694,133	0.77%	289,460	6,765,131	4.28%
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	83,659	7,694,133	1.09%	-	-	-
SCHRODER ISF CHINA OPPORTUNITIES	35,704	7,694,133	0.46%	-	-	-
JPM FUNDS - CHINA FUND	189,474	7,694,133	2.46%	-	-	-
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	336,846	7,694,133	4.38%	-	-	-
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	47,081	7,694,133	0.61%	-	-	-
WELLINGTON GLOBAL BOND FUND	759,221	7,694,133	9.87%	-	-	-
SCHRODER INTERNATIONAL SELECTION FUND-GLOBAL BOND	-	-	-	617,275	6,765,131	9.12%
PINEBRIDGE JAPAN SMALL CAP EQUITY FUND	-	-	-	122,501	6,765,131	1.81%
PINEBRIDGE ASIA EX JAPAN SMALL CAP EQUITY FUND	-	-	-	99,729	6,765,131	1.47%
NOM FI I USD US HIGH YIELD	-	-	-	185,099	6,765,131	2.74%
SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC	-	-	-	66,134	6,765,131	0.98%

ii. Total Investment of the Fund to the Outstanding Securities of an Investee Company
As of December 31, 2020 and December 31, 2019

	2020			2019		
	Total Investment	Outstanding Securities of an Investee Company	% over Investee	Total Investment	Outstanding Securities of an Investee Company	% over Investee
Treasury Notes (ISIN)						
US912810SL35	32,000	**	-	-	-	-
US912810SN90	42,000	**	-	-	-	-
US912810SP49	150,000	**	-	-	-	-
US91282CAV37	70,000	**	-	-	-	-
US912828YS30	-	**	-	100,000	**	-
Mutual Funds						
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	3,406	5,853,611,000	0.00%	6,481	3,435,790,000	0.00%
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	71	**	-	224	2,402,663,000	0.00%
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGT	14,154	**	-	12,120	5,575,232,000	0.00%
MORGAN STANLEY US ADVANTAGE FUND	2,925	**	-	2,673	8,007,860,000	0.00%
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	12,454	1,603,919,000	0.00%	12,533	765,859,000	0.00%
SPDR MSCI ACWI UCITS ETF	1,720	2,777,946,000	0.00%	680	1,572,278,000	0.00%
JPMORGAN FUNDS-INCOME FUND	2,903	8,088,951,000	0.00%	5,362	5,755,290,000	0.00%
MFS FI II USD GL HIGH YIELD	1,398	**	-	717	**	0.00%
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	936	4,265,977,000	0.00%	675	2,384,952,000	0.00%
MFS EQ II USD CONTINENTAL EUR	5,247	**	-	7,739	3,889,721,000	0.00%
NEW CAPITAL WEALTHY NATIONS BOND FUND	1,775	2,288,997,000	0.00%	4,996	1,295,059,000	0.00%
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	185,494	4,904,024,000	0.00%	77,064	3,544,085,000	0.00%
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	1,542	761,517,000	0.00%	1,261	379,880,000	0.00%

	2020			2019		
	Total Investment	Outstanding Securities of an Investee Company	% over Investee	Total Investment	Outstanding Securities of an Investee Company	% over Investee
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	15,029	2,485,914,000	0.00%	53,633	2,287,229,000	0.00%
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	1,895	602,396,000	0.00%	8,753	421,766,000	0.00%
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	328	152,686,000	0.00%	-	-	-
SCHRODER ISF CHINA OPPORTUNITIES	60	1,801,009,000	0.00%	-	-	-
JPM FUNDS - CHINA FUND	2,226	6,946,865,000	0.00%	-	-	-
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	16,659	4,540,314,000	0.00%	-	-	-
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	2,932	9,912,345,000	0.00%	-	-	-
WELLINGTON GLOBAL BOND FUND	64,459	1,796,454,000	0.00%	-	-	-
SCHRODER INTERNATIONAL SELECTION FUND-GLOBAL BOND	-	-	-	43,079	2,175,191,000	0.00%
PINEBRIDGE JAPAN SMALL CAP EQUITY FUND	-	-	-	1,251	471,272,000	0.00%
PINEBRIDGE ASIA EX JAPAN SMALL CAP EQUITY FUND	-	-	-	141	1,013,315,000	0.00%
NOM FI USD US HIGH YIELD	-	-	-	582	4,220,091,000	0.00%
SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC	-	-	-	63,768	45,151,000	0.14%

iii Total Investment in Liquid or Semi-Liquid Assets to Total Assets

As of December 31, 2020 and December 31, 2019

	2020	2019
Total Liquid and Semi-Liquid Assets	7,759,972	6,778,657
TOTAL ASSETS	7,759,972	6,779,239
Total Investment in Liquid or Semi-Liquid Assets to Total Assets	100.00%	99.99%

iv. Total Operating Expenses to Total Net Worth

As of December 31, 2020 and December 31, 2019

	2020	2019
Total Operating Expenses	145,931	138,481
Average Daily Net Worth	6,789,133	6,537,632
Total Operating Expenses to Average Daily Net Worth	2.15%	2.12%

v. Total Assets to Total Borrowings

As of December 31, 2020 and December 31, 2019

	2020	2019
Total Assets	7,759,972	6,779,239
Total Borrowings	65,839	14,108
Total Assets to Total Borrowings	11786.28%	48052.45%

** Figures not available

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

**Additional Requirements for Issuers of Securities to the Public
Required by the Securities and Exchange Commission
As at December 31, 2020**

TABLE OF CONTENTS

	<u>Page</u>
Table of Contents	
A. Financial Assets	<u>2</u>
B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties)	<u>N.A.</u>
C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	<u>N.A.</u>
D. Intangible Assets - Other Assets	<u>N.A.</u>
E. Long-Term Debt	<u>N.A.</u>
F. Indebtedness to Related Parties	<u>3</u>
G. Guarantees of Securities of Other Issuers	<u>N.A.</u>
H. Capital Stock	<u>4</u>

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

SCHEDULE A - FINANCIAL ASSETS

As at December 31, 2020

Name of Issuing Entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount shown in the Balance Sheet	Income Received and Accrued
Treasury Bonds and Notes Issued by the Nat'l. Government	294,000.00	\$ 280,802	\$ 3,707
Mutual Funds:			
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	3,406	158,770	
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	71	18,039	
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG- WELLINGTON GLOBAL QUALITY GROWTH FUND	14,154	549,162	
MORGAN STANLEY US ADVANTAGE FUND FUND	2,925 12,454	546,742 673,910	
SPDR MSCI ACWI UCITS ETF	1,720	290,990	
JPMORGAN FUNDS-INCOME FUND	2,903	390,014	
MFS FI I1 USD GL HIGH YIELD	1,398	327,976	
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	936	495,880	
MFS EQ I1 USD CONTINENTAL EUR	5,247	92,301	
NEW CAPITAL WEALTHY NATIONS BOND FUND	1,775	278,182	
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	185,494	1,027,730	
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	1,542	436,527	
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	15,029	205,140	
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	1,895	59,213	
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	328	83,659	
SCHRODER ISF CHINA OPPORTUNITIES	60	35,704	
JPM FUNDS - CHINA FUND	2,226	189,474	
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	16,659	336,846	
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	2,932	47,081	
WELLINGTON GLOBAL BOND FUND	64,459	759,221	
	337,612	7,002,559	17,846
	631,612	\$ 7,283,361	\$ 21,553

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

SCHEDULE F - INDEBTEDNESS TO RELATED PARTIES
As at December 31, 2020

Name of Related Party	Relationship	Balance at beginning of period	Balance at end of period
Sun Life Asset Management Company, Inc.	Fund Manager	\$10,434	\$11,086
TOTAL		\$10,434	\$11,086

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

SCHEDULE H - CAPITAL STOCK
As at December 31, 2020

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares reserved for options, warrants, conversion and other rights	Number of Shares Held By		
				Related Parties	Directors, Officers and Employees	Others
Share Capital						
Ordinary Shares	10,000,000	6,400,040	-	768,628	5	5,631,407
Treasury Shares	-	-	-	-	-	-
TOTAL	10,000,000	6,400,040	-	768,628	5	5,631,407

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

S U N L I F E P R O S P E R I T Y D O L L A R
W E L L S P R I N G F U N D , I N C .

(Company's Full Name)

_____ **S U N L I F E C E N T R E 5 T H A V E .**
C O R . R I Z A L D R I V E , B O N I F A C I O
G L O B A L C I T Y , T A G U I G C I T Y

(Business Address: No. Street City/Town/Province)

Paolo P. Macapagal
 (Contact Person)

555-8888
 (Company Telephone Number)

SEC Form 17 C

1 2 **3 1**
 Month Day
 (Fiscal Year)

(Form Type)

4th Wednesday of June
 Month Day
 (Annual Meeting)

 (Secondary License Type, If Applicable)

 Dept. Requiring this Doc.

 Amended Articles Number/Section

 Total No. of Stockholders

Total Amount of Borrowings

_____	_____
Domestic	Foreign

To be accomplished by SEC Personnel concerned

 File Number

 LCU

 Document ID

 Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION
 SEC FORM 17-C
 CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
 AND SRC RULE 17.2(c) THEREUNDER

1. 11 March 2020
 Date of Report (Date of earliest event reported)

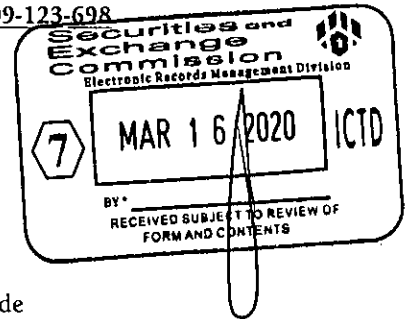
2. SEC Identification Number CS201517778

3. BIR Tax Identification No. 009-123-698

4. Sun Life Prosperity Dollar Wellspring Fund, Inc.
 Exact name of issuer as specified in its charter

5. Metro Manila, Philippines
 Province, country or other jurisdiction of incorporation

6. (SEC Use Only)
 Industry Classification Code:



7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
 Address of principal office Postal Code

8. (632) 8555-8888
 Issuer's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 29 February 2020)
<u>Common (Unclassified)</u>	<u>5,872,485</u>

10. Indicate the item numbers reported herein: **Item 4 and Item 9 (b).**

During the regular meeting of the Board of Directors of the Issuer held on 10 March 2020 at the Board Room, 6th Floor, Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, where a quorum was present and acting throughout, the following matters were unanimously approved:

Item 4. Resignation, Removal or Election of Registrant's Directors or Officers

Atty. Ajee T. Co, the Compliance Officer, has resigned from the Corporation effective 31 March 2020. Atty. Ma. Jemilyn S. Camania, Corporate Secretary, was appointed as Compliance Officer, Money Laundering Reporting Officer, and Data Protection Officer, with effect on 01 April 2020.

Likewise, in replacement of Atty. Camania, Atty. Anna Katrina C. Kabigting-Ibero was appointed as Corporate Secretary, and Atty. Winlove Apple Sandalo-Esperanza as Assistant Corporate Secretary, both with effect on 01 April 2020. Please refer to Annex "A" for summary of their professional and business experience.

Item 9 (b) - Other Events.

1. The 2019 Audited Financial Statements, as endorsed by its Audit and Compliance Committee;
2. The holding of the annual stockholders' meeting on 22 July 2020 at a time and venue to be determined by management;
3. The closing of the Issuer's Stock & Transfer Book on 30 April 2020 for the purpose of determining the stockholders entitled to notice of, to attend and vote at the annual stockholders' meeting; and
4. The Manual on Corporate Governance and the respective charters of the Board Committees, without any changes.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Dollar Wellspring Fund, Inc.
 Issuer

Date: 11 March 2020

Paolo H. Macapagal, Counsel
 Signature and Title

Annex "A"

- 1. New Corporate Secretary.** The Board of Directors of [the Fund] appoints **Atty. Anna Katrina "Kate" C. Kabigting-Ibero** as Corporate Secretary with effect on 01 April 2020. Kate is currently the Assistant Corporate Secretary of all the Sun Life companies in the Philippines. She also serves in the Law Department as Counsel 2. Prior to joining Sun Life in 2014, Kate worked as an Associate Lawyer at the David Cui-David Buenaventura and Ang Law Offices (2006 to 2010). She later joined the Bank of the Philippine Islands as Legal and Compliance Officer of the Bank's Asset Management and Trust Group (2010 to 2014). Kate received her Bachelor of Arts Major in Legal Management (2000) and Bachelor of Laws (2005) from the University of Santo Tomas. She passed the Bar Examinations in 2006.
- 2. New Assistant Corporate Secretary.** The Board of Directors of [the Fund] appoints **Atty. Winlove Apple "Grapes" Sandalo-Esperanza** as Assistant Corporate Secretary with effect on 01 April 2020. She is concurrently a Counsel at Sun Life Philippines. Grapes graduated from the University of the Philippines (Diliman) with BA Economics (2003) and Juris Doctor (2009) degrees. She passed the Bar Examinations in 2010. Prior to Sun Life, she was with the Philippine National Bank from 2012 until 2020.
- 3. New Compliance Officer, Money Laundering Reporting Officer, and Data Protection Officer.** The Board of Directors of [the Fund] appoints **Atty. Ma. Jemilyn "Jem" S. Camania** as Compliance Officer, Money Laundering Reporting Officer, and Data Protection Officer with effect on 01 April 2020, in lieu of Atty. Ajee T. Co. Atty. Camania has been with Sun Life since 2004, where she started as Assistant Counsel (2004-2007), Counsel (2007-2011), Senior Counsel (2011-2012), Deputy General Counsel (2012 to 31 March 2020), Head of General Corporate Services (2016 to 31 March 2020), and Corporate Secretary of its various Philippine companies. In addition to her work for Sun Life Philippines, she is a Senior International Counsel for Sun Life Asia (2016 to 31 March 2020), and as such has rendered legal and corporate secretary assistance to Sun Life's businesses in Malaysia, Indonesia, Hong Kong, and Vietnam, including its ROHQ. She also served as Interim General Counsel of Sun Life Vietnam Insurance Company Limited from September 2019 to February 2020. Prior to joining Sun Life, Atty. Camania was with Cayetano Sebastian Ata Dado & Cruz Law Offices (2001 to 2004). She graduated from the University of the Philippines (Diliman), with BA Psychology (1996) and LL B (2001) degrees. She passed the Bar Examinations in 2002. She is a Fellow, Life Management Institute (2010), Professional, Customer Service (with honors) (2011), and Associate, Insurance Regulatory Compliance (2014) of the Life Office Management Association (LOMA).

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 11 May 2020
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698
4. Sun Life Prosperity Dollar Wellspring Fund, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 30 April 2020)
<u>Common (Unclassified)</u>	<u>6,022,546</u>

10. Indicate the item numbers reported herein: **Item 9 (b).**

During the special meeting of the Board of Directors of the Issuer held on 07 May 2020 via Zoom Video Conference, where a quorum was present and acting throughout, the following matters were unanimously approved:

Item 9 (b) - Other Events.

1. The holding of the annual stockholders' meeting on 22 July 2020 through remote communications in accordance with SEC Memorandum No. 6, dated March 12, 2020, using Zoom's Video Conferencing facility, attached herein is the Internal Procedures as Annex A; and
2. The Revised Money Laundering and Terrorism Financing Prevention Program (MTPP), attached herein as Annex B.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Dollar Wellspring Fund, Inc.
Issuer



Date: 11 May 2020

Winlove Apple R. Sandalo-Esperanza, Assistant Corporate Secretary
Signature and Title

2020 Annual Stockholders' Meeting Internal Procedures

1. **Date, Time and Venue of the Meeting.** The 2020 Sun Life Prosperity Funds Annual Stockholders' Meeting ("ASHM") will be held at 01:30 P.M. on Wednesday, 22 July 2020 via *Zoom Video Communications* ("Zoom"). Present during the said meeting will be the Board of Directors, Officers, and Stockholders of the Sun Life Prosperity Funds ("Funds").
2. **Notices of the Meeting.** The investors of the Funds as of 30 April 2020 ("Record Date") will be notified of the date, time, *Zoom* link, and other relevant information related to the ASHM no later than 01 July 2020 through electronic mail for investors with e-mail address/es on record. Notices of the Meeting will also be published in the website of Sun Life Asset Management (www.sunlifefunds.com), and in the business section of two (2) newspaper of general circulation, in print and online format, for two (2) consecutive dates prior to 01 July 2020.
3. **Registration.** Prior the ASHM, investors as of Record Date should pre-register using the link that will be provided through various communication channels. Client identification may be verified during the pre-registration process.
4. **Right to Vote.** The right to vote of investors as of the Record Date may be exercised in person, through proxy, or so when so authorized in the bylaws, through remote communication or *in absentia*. The Funds will accept votes from its stockholders by emailing SunLifeFunds@sunlife.com until Tuesday, 21 July 2020 (one business day prior to the ASHM). Investors who will decide to attend the ASHM via *Zoom* may also exercise their right to vote via the *Zoom* poll functionality available during the conduct of the ASHM.
5. **ASHM Conduct.** Suitable equipment and facilities will be available during the conduct of the ASHM. Participating investors will have the opportunity to read and hear the discussions substantially using *Zoom*. There will be both live and pre-recorded audio and visual presentations from the Officers and Directors of the Funds. Investors may be able to ask questions during the entire conduct of the ASHM. The audio and video of the ASHM via *Zoom* will be recorded, and this will be made available to clients after the meeting for thirty (30) days via the official Sun Life You Tube Channel.
6. **Quorum and Minutes of the Meeting.** The Corporate Secretary of the Funds will determine quorum in the meetings, as well as the voting results regarding the matters discussed in the ASHM. She will also be responsible for the preparation of the Minutes of the Meeting, and this will be forwarded to the stockholders for their approval in the next ASHM.
7. **Others.** Sun Life shall address any administrative, technical and logical issues as to the conduct of the said meeting. Should any stoppage or stoppage occur, the audio and visual recording shall start where it was interrupted, with the Chairman/Corporate Secretary acknowledging where in the agenda they left off.



MONEY LAUNDERING AND TERRORISM FINANCING PREVENTION PROGRAM

Sun Life Financial Philippines

APPROVAL	
Approved By:	Policy Approval Committee
Approval Date	06 April 2020
Effective Date of Latest Amendments:	
Responsible Person/Contact:	Ma. Jemilyn S. Camania, BUCO/MLRO
Version	Marie Desiree de Leon, Compliance Manager- AML/ATF Version 3.0 (by Marie Desiree de Leon) 18 Feb 2020

1. PURPOSE AND APPLICATION

This Money Laundering and Terrorism Financing Prevention Program ("MTPP") summarizes the Anti-Money Laundering and Anti-Terrorist Financing ("AML/ATF") Program of Sun Life Financial Philippines ("SLF-PH") in its effort to integrate and comply with the legal and regulatory requirements of applicable Philippines and Canadian AML/ATF laws, and the relevant AML/ATF standards under the Compliance Risk Management Framework ("CRMF") of Sun Life Financial, Inc. ("SLF"). The primary objective of SLF-PH's AML/ATF program is to deter, detect, monitor and report suspected money laundering and terrorist financing activities, and to minimize the possibility that SLF-PH is being used as a channel or conduit and could inadvertently become a party to these activities. This MTPP and related internal controls and procedures have been crafted and implemented to demonstrate SLF-PH's commitment to ensure that all SLF-PH companies comply with all applicable requirements and shall not be used for money laundering and terrorist financing purposes and to minimize AML/ATF risks in the business.

In the event of inconsistencies between this MTPP and the CRMF the higher standard shall prevail. Failure to comply with relevant regulatory requirements or breaches of the requirements set out in this MTPP may result in regulatory penalties and sanctions as well as grounds for disciplinary actions, up to and including termination of employment or cancellation of Advisor' Contract or Mutual Fund Representative's Contract. In all cases of non-compliance of any requirement specified in this MTPP, SLF-PH will report the incidents to Chief Anti-Money Laundering Officer ("CAMLO"), Chief Compliance Officer Asia ("CCO Asia") and/or the relevant authorities.

This MTPP applies to Sun Life of Canada (Philippines), Inc. (SLOCPI), Sun Life Financial Plans, Inc. (SLPFI), Sun Life Asset Management Company, Inc. (SLAMCI), and all the funds corporations under the management of SLAMCI (collectively, "SLF-PH"). Any reference in this MTPP to a Company is to each of the aforementioned entities under the SLF-PH, unless otherwise specified.

Any reference in this MTPP to a Management, Business Unit Compliance Officer (“BUCO”)/Money Laundering Reporting Officer (“MLRO”), or Board of Directors is to the BUCO/MLRO or the Board of Directors of each of the entity under SLF-PH, unless otherwise specified.

The Investment unit of SLOCPI, SLAMCI or Sun Life Investment Management Philippines (SLIMP) shall also apply processes which need to be followed by staff involved in the SLIMP business.

SL Foundation, is not also dealing with clients but mainly with partners, third parties and service providers, however, it also needs adequate screening and AML requirements before establishing business relationship. **Annex 1** is the SL Foundation’s Manual of Operations.

The CRMF requires the MLRO to review this MTPP at least once every two years. Any update or revision in the MTPP shall be approved by the CAMLO, Board of Directors.

2. COMPLIANCE WITH THE PREVENTION PROGRAM

Financial institutions, like SLF and SLF-PH, are at risk of being used by criminal organizations and terrorist groups to launder money and facilitate the financing of their activities. Insurance products, particularly, life insurance policies and other products that have cash value, or investment features, offer tempting ways for criminals to convert ill-gotten funds into legitimate assets and, ultimately, the source of a “clean” check bearing a company’s name. Mutual funds under management are equally at risk and may be used as a means to hide the funds.

Failure to mitigate money laundering and terrorist financing risk within SLF-PH may bring significant regulatory sanctions and carry material reputational risk to SLF-PH. The acts of money laundering and terrorist financing can be perpetrated by employees, vendors, agents or Clients of SLF-PH. It is important that SLF-PH reasonably takes steps to prevent and mitigate the risk of its products and services being used by those seeking to legitimize the proceeds of crime, or to finance terrorist activities.

3. DEFINITION OF TERMS

3.1. Beneficial Owner

Beneficial owner refers to natural person who:

- Ultimately owns or controls the client and/or on whose behalf a transaction or activity is being conducted; or
- Has ultimate effective control over a legal person or legal arrangement; or
- Owns the same percentage as prescribed in the Guidelines on Identifying Beneficial Ownership and 2018 Implementing Rules and Regulations, and its succeeding future amendments.

3.2. Client

Client refers to any person who keeps an account, or otherwise transacts business with SLF-PH. It includes the following:

- Beneficial owner, or any natural person who ultimately owns or controls a client and/or on whose behalf an account is maintained or a transaction is conducted.
- Transactors, agents and other authorized representatives of beneficial owners as defined in the Guidelines on Identifying Beneficial Ownership and 2018 IRR, and its succeeding future amendments.

- Beneficiaries;
- A company or person whose assets are managed by an asset manager;
- Trustors/grantors/settlers of a trust; and
- Insurance policy holder/owner, insured, preneed plan holder, whether actual or prospective.
- Juridical person

3.3. Close Relationship/Associates of PEPs

Close Relationship/Associates of PEPs refer to persons who are widely and publicly known, socially or professionally, to maintain a particularly close relationship with the PEP and include persons who are in a position to conduct substantial domestic and international financial transactions on behalf of the PEP.

3.4. Immediate Family Members of PEPs

Immediate Relatives refers to individuals related to the PEP within the second degree of consanguinity or affinity.

3.5. Materially-linked Accounts refer to:

- a. All accounts or monetary instruments under the name of the person whose accounts, monetary instruments, or properties are the subject of the freeze order or an order of inquiry;
- b. All accounts or monetary instruments held, owned, or controlled by the owner or holder of the accounts, monetary instruments, or properties subject of the freeze order or order of inquiry, whether such accounts are held, owned or controlled singly or jointly with another person;
- c. All “In Trust For” accounts where either the trustee or the trustor pertains to a person whose accounts, monetary instruments, or properties are the subject of the freeze order or order of inquiry;
- d. All accounts held for the benefit or in the interest of the person whose accounts, monetary instruments, or properties are the subject of the freeze order or order of inquiry;
- e. All accounts of juridical persons or legal arrangements that are owned, controlled or ultimately effectively controlled by the natural person whose accounts, monetary instruments or properties are subject of the freeze order or order of inquiry, or where the latter has ultimate effective control; and
- f. All other accounts, shares, units, or monetary instruments that are similar, analogous, or identical to any of the foregoing.

3.6. Money Laundering

Money laundering has been generally defined as any act or attempted act to conceal or disguise the identity of illegally obtained proceeds so that they appear to have originated from legitimate sources.

The process of money laundering generally comprises three (3) stages during which there may be numerous transactions that could alert a financial institution to the money laundering activity:

- a. **Placement** — the physical disposal of cash proceeds derived from illegal activity. The possible scenario to launder the money is that Client will buy insurance products using the cash proceeds from illegal source;

- b. **Layering** — separating the illicit proceeds from their source by creating complex layers of financial transactions designed to disguise the audit trail and provide anonymity or to obscure the source of the funds. Client engaged in laundering might acquire large lump sum insurance policies (like single pay product) or multiple insurance policies for various parties to dispose the cash proceeds. Client might partially withdraw cash or surrender a policy and acquire new policies under the name of his family members.
- c. **Integration** — provides an appearance of legitimacy to criminally-derived wealth. If the layering process has succeeded, integration schemes place the laundered proceeds back into the economy in such a way that they re-enter the financial system appearing to be legitimate funds. The possible scenario could be that after receipt of the withdrawal proceeds from SLF-PH, the Client will deposit the proceeds into the banking system and launder the proceeds further by investing in the stock market or other legitimate businesses.

3.7. Politically Exposed Person (PEP)

PEP refers to an individual who is or has been entrusted with prominent public position in the (1) the Philippines with substantial authority over policy, operations or the use or allocation of government-owned resources; (2) a foreign State; or (3) an international organization. SLF-PH considers the President of the Republic of the Philippines up to Barangay Captain as PEPs. Other PEPs include those who are military officials and the highest official of the Government-Owned and –Controlled Corporations.

Under local regulations, once a client is tagged as a PEP, he/she will always be considered a PEP.

3.8. Terrorist Financing

Terrorist financing is the process by which funds are provided for the purpose of committing terrorist activities or for the use or benefit of a terrorist group.

Terrorist activity financing may involve funds raised from legitimate sources, such as personal donations and profits from businesses and charitable organizations, as well as from criminal sources, such as the drug trade, the smuggling of weapons and other goods, fraud, kidnapping and extortion.

Terrorists use techniques like those of money launderers to evade authorities' attention and to protect the identity of their sponsors and of the ultimate beneficiaries of the funds. Money laundering may be used to hide the link between those who finance terrorism and those who commit terrorist acts. However, terrorist financing cares little about the source of the funds, but it is what the funds are to be used for that defines its scope.

3.9. Third Party

A third party is someone who is funding or controlling the account, other than the policyowner, insured or primary investor, regardless of relationship.

3.10 Transaction

Transaction refers to any act establishing any right or obligation, or giving rise to any contractual or legal relationship between the covered person and its Client. It also includes any movement of funds, by any means, in the ordinary course of business of a covered person

4. MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION PROGRAMS

4.1. Use of SLF-PH and Its Products for Money Laundering and Terrorist Financing

Laundered money may enter financial institutions such as SLF-PH in any of the above identified stages. The business of insurance and mutual funds is most likely to be used at the three stages of money laundering; these processes provide a potential avenue to transform illegal funds from cash on hand to cash in bank, from money in whatever form to an entirely different asset such as insurance policies or investments in mutual fund accounts from SLF-PH.

Under the Revised Implementing Rules and Regulations (“RIRR”) of Republic Act No. 9160 otherwise known as The Anti-Money Laundering Act (“AMLA”) of 2001, as amended by Republic Act No. 9194 and Republic Act No. 10167, an attempt to transact is already punishable. Specifically, under Rule 5.c of the RIRR, any person who attempts to transact any monetary instrument or property representing involving or relating to the proceeds of any unlawful activity shall be prosecuted for a money laundering offense.

4.2. Key Requirements

- Complying with applicable AML/ATF regulatory requirements;
- Client identification and verification;
- Implementing an AML/ATF risk management program;
- Refusing to engage in transactions with individuals or organizations identified on applicable watch lists as terrorists or suspected terrorists;
- Identifying high risk Clients and applying enhanced due diligence before accepting new business transactions; and
- Cooperating with regulatory and law enforcement bodies who are charged with enforcing AML/ATF laws and regulations.

The AML/ATF program must be risk-based and contain the following elements:

- Local policies or standards and procedures;
- Appointment of the BUCO as the MLRO as required under the CRM Framework;
- Periodic risk assessments and implementation of mitigating controls;
- Client identification, due diligence and record keeping
- Identification of Political Exposed Persons (PEPs) and other higher risk Clients and the application of appropriate Client due diligence processes;
- Monitoring for and reporting of suspicious and other activities as prescribed by applicable regulation;
- Screening Clients against lists of PEPs and government sanction watch lists such as United Nations Security Council Resolutions (UNSCR), Office of Foreign Assets Control and Office of the Superintendent of Financial Institutions, Financial Crimes Enforcement Network, where applicable;
- Compliance testing and independent reviews; and
- Compliance training to directors and officers, employees, advisors, distributors and involved parties.

4.3. Periodic Risk Assessments/Self-Assessments

The Management of SLF-PH (“the Management”) with the support from MLRO must conduct a periodic risk -assessment of SLF-PH’s exposure to money laundering/terrorist financing (“ML/TF”) risk at least once every two years or on a more frequent basis as determined by the CAMLO. The purpose of the risk assessment is to assess the risk in its business and in particular identify changes in ML/ TF risk and apply appropriate mitigating measures. Risk factors such as complexity and the terms of contracts, services, business relationships, geographical location of the activities, and methods of payment are considered, with focus on higher risk items. Risk assessments are updated based on the changes in the business, changes in legislation, non-compliance issues or emerging risks relative to AML/ ATF.

The controls in place for AML/ ATF must be monitored and assessed at least annually. These assessments are undertaken by the Management through Sun Life’s annual AML/ATF risk and self assessment process with the assistance of the MLRO. The Management documents the assessment results as per the tool provided by the Corporate Office, and the assessment results will be reviewed and challenged by BUCO. Mitigating controls for new or unaddressed inherent risks are developed and managed by Management, and with the support from MLRO if applicable.

Final copies of the assessments are forwarded to CCO Asia and CAMLO.

5. KEY AML/ATF OBLIGATIONS

The succeeding sections highlight the key control procedures of each legal obligation that SLF-PH must follow.

The Anti-Money Laundering Council (“AMLC”) imposes penalties, which include imprisonment and monetary fines, for violations of the following obligations:

5.1. Know Your Client (“KYC”) and Client Due Diligence (“CDD”)

KYC under the RIRR of the AMLA is defined as the due diligence activities that SLF-PH must perform to identify its Clients and ascertain relevant information pertinent to doing financial business with them. The CRMF requires SLF-PH to establish clear and risk-based client acceptance and CDD practices with the applicable AML and ATF requirements.

Unless the AMLA and its RIRR as well as other regulations issued by the relevant Supervising Authority(ies) of SLF-PH allows, as a general rule, no new account shall be opened and created without full compliance with the KYC and CDD requirements.

SLF-PH must establish and record the true identity of its Clients based on official documents. Management must maintain a system of verifying the true identity of its Clients. In case of corporate Clients, a system of verifying their legal existence and organizational structure, as well as the authority and identification of all persons purporting to act on their behalf must be in place. This includes identification of beneficial owners, third parties, PEPs and other high risk Clients

Third Party Reliance

Local regulations allow SLF-PH to rely on third parties, who should be a covered person or financial institution, for the conduct of due diligence provided that a written sworn certification containing the following is obtained from the third party:

- The third party has conducted the prescribed client identification procedures in accordance with the AMLA and its own money laundering prevention manual, including the face-to-face contact requirement, as necessary, to establish the existence of the ultimate Client and has in its custody all the minimum information and/or documents required to be obtained from the Client;
- The third party should provide to SLF-PH relevant information and identification documents upon request without delay; and.
- In cases of high risk Clients, SLF-PH shall conduct its own enhanced due diligence on the Client.

For trust accounts, SLF-PH relies on bank partners to conduct the CDD and EDD process on trust account holders.

SLF-PH conducts initial and ongoing due diligence on these third parties, including bank partners, to ensure that their AML/ATF controls meet local regulations and SLF-PH AML standards. This includes obtaining an annual AML certification and risk-based testing of controls. SLF-PH should retain ultimate responsibility for identifying Clients.

5.1.1. Client Identification Process

5.1.1.1 Individual Clients

The nature and extent of CDD conducted on Clients must be appropriate taking into account a variety of factors such as the background of the Client, the nature of work/ occupation or business and the jurisdiction in which the matter and/or the Client is based. SLF-PH applies a “risk-based” approach to KYC and CDD.

5.1.1.1.1 Identification Information:

- Name and/or names used;
- Present address;
- Permanent address;
- Date and Place of Birth;
- Sex;
- Citizenship or Nationality;
- Nature of Work, name of employer or nature of self-employment or business, if applicable;
- Contact numbers or information;
- Tax Identification Number (TIN), Social Security System number (SSS), or Government Service and Insurance System number (GSIS);
- Specimen signature or biometrics of the Client;
- Source of funds; and
- Full name, address, date and place of birth, contact number or information, sex and citizenship or nationality of beneficiary and/or beneficial owner, whenever applicable.

5.1.1.1.2. Identification Documents

SLF-PH must establish and record the true identity of its Clients based on current unexpired (valid) official documents and identification information such as type of document, document number, issue date and issuing authority must be kept on file. The ID should provide evidence of complete name with address, birth date or TIN/GSIS/SSS No. bearing photograph and signature of the Client.

Clients and the authorized signatory/ies of a corporate or juridical entity engaging in a financial transaction with SLF-PH for the first time shall be required to present the original copy of at least one (1) valid photo-bearing identification document and submit a clear copy thereof. Acceptable identification document for Filipino citizens are those issued by an “official authority” which refers to any of the following:

- Government of the Republic of the Philippines; and
- Its political subdivisions and instrumentalities;

Annex 2 lists the acceptable valid identification documents.

SLF-PH must validate the above information against the “acceptable valid identification documents” provided by the clients.

Where the Client or authorized representative is a foreign national, SLF-PH must require said foreign national to present a valid passport and submit a photocopy of the same. In addition, the Client must also present any ID issued by the Philippine government to foreigners and submit a clear copy of the same. Examples are:

- Philippine ID, for resident aliens;
- Passport
- Alien Certificate of Registration (ACR) i-Card
- Alien Employment Permit (AEP)
- Special Resident Retiree's Visa (SRRV) ID
- Other identification documents issued by the Government of the Republic of the Philippines, including its political subdivisions, agencies and instrumentalities.

SLF-PH shall implement and maintain a system of verifying the true identity of their Clients, including validating the truthfulness of the information and confirming the authenticity of the identification documents presented, submitted and provided by the Client, using reliable and independent sources, documents, data, or information.

5.1.1.2. Corporate and Juridical Entities

Before establishing business relationships, SLF-PH must take reasonable steps to verify that the Client is a corporate or juridical entity which has not been or is not in the process of being dissolved, wound up or voided, or that its business or operations has not been or is not in the process of being, closed, shut down, phased out, or terminated.

5.1.1.2.1 Identification Information:

- Full Name of the entity;
- Name, address, date and place of birth, contact number or information and citizenship or nationality of beneficial owner and authorized representative/transactor/signer;
- Name, address, date and place of birth, contact number or information, sex and citizenship or nationality of beneficiary, whenever applicable;
- Current office address;
- Contact number or information;
- Nature of business;
- Source of fund; and
- Specimen signature or biometrics of the authorized representative/transactor/signer

5.1.1.2.2 Identification Documents:

- Certificates of Registration issued by the Department of Trade and Industry for single proprietors, or by the SEC for corporations and partnerships, or by the BSP for money changers/foreign exchange dealers and remittance agents, by the AMLC for covered persons;
- Secondary License or Certificate of Authority issued by the Supervising Authority or other government agency;
- Articles of Incorporation/Partnership;
- Registration Data Sheet/Latest General Information Sheet;
- Name of beneficial owners, if applicable; and

- Board or Partners' resolution duly certified by the Corporate/Partners' Secretary authorizing the signatory to sign on behalf of the entity.
- For entities registered outside of the Philippines, similar documents and/or information duly authenticated by a senior officer of the covered person assigned in the country of registration; in the absence of said officer, the documents shall be authenticated by the Philippine Consulate, company register or notary public, where said entities are registered

Annex 3 is the Updated List of Account Opening AML Requirements for Entity Clients.

For group policies without cash or fund value, KYC and CDD requirements may be allowed to defer the submission of above AML documents for Corporate and Juridical Entities.

5.1.2. Client Verification

Covered persons shall independently verify the collected data during client identification process, through any of the following:

- a. face-to-face contact;
- b. use of Information and Communication Technology (ICT);
- c. by confirming the authenticity of the identification documents to the issuing office;
- d. reliance on third parties and service providers; or
- e. such other methods of validation based on reliable and independent sources,
- f. documents, data, or information.

5.1.3. Client Risk Assessment

SLF-PH assesses each new Client individually to ensure appropriate CDD procedures are applied. The risk assessment will determine the level of CDD work that SLF-PH will employ at the time of account opening and ongoing monitoring purposes.

SLF-PH adopts a Risk Rating Tool to risk profile each new Client during onboarding to determine the required CDD efforts on each new Client. The following criteria are used:

- Type of Client (e.g., PEP, PEP relative, in the Local Watchlist)
- Geography (To promote consistency in assessing ML/TF country risk, a minimum standard list of restricted, high risk and elevated risk countries has been developed and subject to periodic review and evaluation.)
- Type of Product
- Amount of Premium or Investment
- Source of Fund
- Regularity of Transaction
- Purpose of Transaction
- Delivery Channel

Client risk assessment is not a precise business process, it relies on available information and the reasonable interpretation of that in light of circumstances related to each application and local norms. The risk assessment of Clients provided below outlines the guiding principles and is not meant to replace independent judgement of the assessor.

SLF-PH applies “standard” KYC and CDD procedures at minimum to all new Clients in business acceptance process. New Clients are required to submit the minimum information for individuals and corporate/ juridical entities as indicated Compliance Circular dated February 2020.

During the risk profiling process, a new Client may be profiled as high risk which will require enhanced due diligence (“EDD”) to be conducted before acceptance of the new business. EDD procedures are described in the Compliance Circular dated February 2020.

5.1.4 Name Screening

The CRMF requires SLF-PH to maintain a framework for reasonably identifying Clients (including new applicants and existing Clients/ employees / vendors) for connections or transactions that may be related to the receipt or payment or attempted receipt or payment of an AML/ ATF offense.

SLF-PH conducts appropriate and reasonable due diligence to minimize the possibility of being used as a conduit for AML/ ATF. It identifies Clients, employees and vendors who are Politically Exposed Persons (“PEPs”) and/or individuals or entities that are listed on applicable terrorist sanction lists (“listed persons”) or to designated persons and entities in the UNSCR. SLF-PH refuses to conduct business with persons and entities designated on relevant sanction watchlists and those from prohibited countries.

The MLRO must report any positive matches to the CAMLO and CCO Asia within ten (10) working days of identification of such. In situations where transaction freezing is required, the MLRO, upon written approval of the Senior Management of SLF-PH (or his or her designate), instructs the Operations/ Human Resources/ Finance department to take appropriate action, which may include freezing, of assets, stopping or postponing the processing of any transaction when the Client/ employee / vendor / distributor is in question.

5.1.5 Beneficial Owner Identification and Verification

SLF-PH shall verify that any person purporting to act on behalf of a Client is so authorized, and identify and verify the identity of that person.

SLF-PH shall identify the beneficial owner and take reasonable measures to verify the identity of the beneficial owner, using the relevant information or data obtained from a reliable sources, such that the covered person is satisfied that it knows who the beneficial owner is.

Entity applicants are required to provide details of their beneficial ownership structure by presenting such in their GIS or the Corporate Certificate issued by the Corporate Secretary, where it also includes a declaration of the authorized representatives to transact on behalf of the entity.

SEC requires disclosure of beneficial owners holding at least 25% of the outstanding shares in the General Information Sheet (GIS), which is required for submission by all SEC-registered corporations. A corporation maybe owned through multiple layers, any intermediate layer of the corporation's ownership structure should be fully identified. SEC registered corporations who complied with this requirement, should submit the same to SLF-PH when opening an account that will identify the beneficial owners and supplement this with a list of owners holding at least 20% of outstanding shares.

Where an account is opened or an occasional transaction in excess of the threshold is conducted by any person on behalf of another, SLF-PH shall establish and record the true and full identity and existence of both the account holder and person purporting to act on behalf of the Client, and the beneficial owner or the principal on whose behalf the transaction is being conducted. SLF-PH shall verify the validity of the authority of the agent. In case it entertains doubts as to whether the account holder or person purporting to act on behalf of the Client is being used as a dummy in circumvention of existing laws, it shall apply EDD and file an STR, if warranted.

5.1.6. Third Party Determination

SLF-PH must conduct reasonable due diligence to determine who are the Clients (including policyholder and beneficiaries of the insurance policy) and beneficial owners of the account. and use reasonable efforts to determine if an insurance policy or mutual fund is to be used by or on behalf of a third party and identify such third party. A Client whose funds are sourced from allowance, remittance or donation should identify the third party funding the premium or investment.

Reasonable measures should be undertaken to document the following information regarding a third party and beneficial owner:

- Full name;
- Date and Place of birth (individual) or date of incorporation (entity);
- Home or registered business address;
- Contact Information;
- Sex;
- Citizenship or nationality;
- Specific description of occupation or business; and
- Nature of the relationship between the third party and the Client.

5.1.7. PEP Identification and Determination

SLF-PH must take reasonable measures to determine whether a Client or beneficial owner is a PEP which based on SLF-PH risk assessment policy, is considered a high risk Client. Requirements for all types of PEPs must also apply to immediate family members within the second degree of consanguinity and affinity and close relationship/associates of such PEPs. “Immediate Family Members” refer to spouse or common-law partner; parents, children, siblings, grandparents, grandchildren and in-laws. Listed below are some examples of PEPs:

National Government Position	Local Government Position
President and Vice-President of the Republic of the Philippines	Governor and Vice-Governor
Supreme Court Justice	Mayor and Vice Mayor
Senator	Provincial Board Member and Councilor
Congressman	RTC and MTC Judge
Military and Police Official with a rank of:	Military and Police Official with a rank of:
<ul style="list-style-type: none"> a. Philippine Air Force and Army <ul style="list-style-type: none"> ▪ General ▪ Lieutenant General ▪ Major General ▪ Brigadier General b. Philippine National Police <ul style="list-style-type: none"> ▪ Director General ▪ Deputy Director General ▪ Director ▪ Chief Superintendent c. Philippine Navy and Marines <ul style="list-style-type: none"> ▪ Admiral ▪ Vice Admiral ▪ Rear Admiral ▪ Commodore 	<ul style="list-style-type: none"> a. Philippine Air Force and Army <ul style="list-style-type: none"> ▪ Colonel ▪ Lieutenant Colonel ▪ Major ▪ Captain b. Philippine National Police <ul style="list-style-type: none"> ▪ Senior Superintendent ▪ Superintendent ▪ Chief Inspector ▪ Senior Inspector c. Philippine Navy and Marines <ul style="list-style-type: none"> ▪ Captain ▪ Commander ▪ Lieutenant Commander ▪ Lieutenant Senior Grade
Head of Government Agency (e.g., BIR, BOC, LTO)	Barangay Chairman
Head of Government-Owned and Controlled Corporations (e.g., NEDA, PAGCOR, PCSO)	
Cabinet Secretary	
Undersecretary and Assistant Secretary	
Justice and Associate Justice (Ombudsman, Sandiganbayan)	

PEPs, Immediate Family Members, Close Relationship/Associate pose higher ML/TF risks and should be subject to EDD.

5.2. Enhanced Due Diligence (“EDD”)

EDD shall be applied to Clients that are assessed as high risk for AML/ATF. As part of the onboarding process and ongoing monitoring, SLF-PH shall examine the background and purpose of all complex, unusually large transactions, all unusual patterns of transactions, which have no apparent economic

or lawful purpose, and other transactions that may be considered suspicious. Where the risks are higher, SLF-PH shall deem the client as high risk and conduct EDD.

5.2.1. EDD Information and Documents

Whenever EDD is applied, SLF-PH shall perform the following:

- a. Gather documents to support the:
 - Sources of wealth and fund
 - Nature of occupation and/or business;
 - Reason for intended or performed transaction; and
 - Other identification information, which the covered person deems necessary to verify the identity of the Client, and their agents and beneficial owners.

Whenever applicable, Financial Questionnaire, accomplished and signed by the client, may be required to further verify Client's source of fund and wealth.

- b. Conduct additional validation procedures, such as:
 - verifying volume of assets, information available through public databases, internet and other records;
 - verifying the declared residence address and conducting face-to-face contact with the Clients, and their agents and beneficial owners; and
 - other modes of validation, which the covered person deems reliable and practical.
- c. Secure the approval of senior management to commence or continue transacting with the Client;
- d. Conduct enhanced ongoing monitoring, including more frequent or regular updating of identification information and identification documents;
- e. Require the first payment to be carried out through an account in the client's name with a bank subject to similar CDD standards, where applicable; and
- f. Such other measures as the covered persons may deem reasonable or necessary.

Annex 4 is the Procedures to Conduct CDD and EDD.

5.2.2. Escalation Procedures for High Risk Clients

Regulations require approval of Senior Management prior to policy issuance. This approval is given by the:

- 1) NBU/IS Head for Level 1 High Risk clients; and
- 2) AML Committee for Level 2 High Risk clients.

This process documents the escalation of high risk Clients that needs approval from the members of the AML Committee. The AML Committee is formed to decide on the acceptance of new business applications identified to be of higher risk including deciding on retaining and terminating the existing business relationship. With the formation of the AML Committee, a more thoughtful and careful deliberation is conducted including the review of the possible risk exposure that Sun Life can tolerate.

The AML Committee Members are divided into three (3) business groups with each group having three (3) members. When making decisions to commence or continue the business relationship with a high risk Client, the majority rule applies and the concurring votes of at least two (2) members will be carried.

Annex 5 refers to the Procedures in Escalation of High Risk Clients to Senior Management

5.3. Ongoing Monitoring

SLF-PH shall, on the basis of materiality and risk, conduct ongoing monitoring by establishing a system that will enable them to understand the normal and reasonable account or financial activity of Clients, and scrutinize transactions undertaken throughout the course of the business or professional relationship to ensure that the Clients' accounts, including transactions being conducted, are consistent with the covered person's knowledge of its Client, their business and risk profile, including where necessary, the source of funds.

SLF-PH shall, based on materiality and risk, ensure that information and documents collected under the CDD process are kept up-to-date and relevant, by undertaking reviews of existing records, particularly for higher risk categories of Clients. Updating of records, no later than once every three (3) years, shall be mandatory when enhanced ongoing monitoring is warranted. This frequency for updating records for higher risk Clients is an approved exception to the 2 year minimum standard in the Enterprise Compliance Risk Management Framework.

Reminder to update information shall be included in billing notice sent to Clients. Other initiatives to update information shall also be considered, as necessary.

For Clients who are unable to satisfactorily complete CDD measures, SLF-PH shall:

- a. refuse to open an account, commence business relations or perform the transaction; or shall terminate the business relationship; and
- b. file an STR in relation to the Client, if circumstances warrant.

For high risk Clients, SLF-PH shall conduct EDD as part of the updating with the following notifications to comply:

- a. First notification – Account is put on hold for 90 days
- b. Second notification – Account is put on hold for another 60 days
- c. Third notification – Account is put on hold 30 days; after which, policy will be terminated.

5.4. Cash Acceptance

SLF-PH has implemented a cash payment threshold of Php100,000.00 and USD10,000 for different policy types. The cash acceptance threshold will be reduced to PHP50,000.00 in Q3-2020 for any payments remitted by advisors or remitted directly by our clients at any of the Client Service Centers.

5.5. Reporting of Covered and Suspicious Transactions

5.5.1. Covered Transaction Report

Covered Transaction is a transaction in cash or other equivalent monetary instrument involving a total amount in excess of five hundred thousand pesos (Php500,000.00) per transaction within one (1) banking day.

SLF-PH must report to the AMLC all Covered Transactions within five (5) working days from occurrence.

Transaction involves a "single transaction" of a Client in a single day. Aggregate amounts from multiple transactions, arising from the purchase of different products or same policies, plans or mutual funds are not required to be reported as CTRs. However, SLF-PH monitors such multiple transactions and considers whether a filing of Suspicious Transaction Reporting is needed.

With regard to the insurance business, when the total amount of the premiums or installment payments for the entire year (annualized), regardless of the mode payment (monthly, quarterly, semi-annually, annually) exceeds Php500,000.00, such transaction must be reported, even if the amounts of the amortization are less than the Php500,000.00 threshold. The CTR shall be filed upon receipt by the company of the first premium or installment amount, regardless of payment mode.

5.5.2. Suspicious Transaction Report

Suspicious Transaction refers to a transaction, regardless of amount, where any of the suspicious circumstances, as herein defined, is determined, based on suspicion or, if available, reasonable grounds, to be existing.

SLF-PH must report to the AMLC all Suspicious Transactions within the next working day from the occurrence thereof, which for purposes of this MTPP, shall be the date of determination of the suspicious nature of the transaction.

Suspicious Transaction refers to a transaction, regardless of amount, where any of the following circumstances exists:

- a. There is no underlying legal or trade obligation, purpose or economic justification;
- b. The Client is not properly identified;
- c. The amount involved is not commensurate with the business or financial capacity of the Client;
- d. Taking into account all known circumstances, it may be perceived that the Client's transaction is structured in order to avoid being the subject of reporting requirements under the AMLA;
- e. Any circumstance relating to the transaction which is observed to deviate from the profile of the Client and/or the Client's past transactions with the covered person;
- f. The transaction is in any way related to an unlawful activity or any money laundering activity or offense that is about to be committed, is being or has been committed; or
- g. Any transaction that is similar, analogous or identical to any of the foregoing.

Any unsuccessful attempt to transact with the Company, the denial of which is based on any of the foregoing circumstances, shall likewise be considered as suspicious transaction.

Highly unusual or suspicious transactions, activities or circumstances conducted in the presence of, or immediately known or apparent to, the personnel handling the transaction shall be reported to the AMLC within the next working day from the date of the transaction. A “highly unusual” or suspicious transaction is one where, at the moment of transaction, the person handling the transaction has knowledge and reason to suspect that the funds being transacted are related to an unlawful activity.

When the transaction monitoring system-generated alert is only a ground to conduct an internal analysis, investigation and escalation, determination of the suspicious nature of the circumstances shall be made within a reasonable period of time. In such case, the covered person shall submit the corresponding STR using the “ZSTR” transaction code within the next working day after the said reasonable period, which in no case shall exceed sixty (60) calendar days from the time the circumstances were flagged. The report to be submitted in accordance with this item shall be comprehensive enough to establish the complete circumstances for the filing of the report.

The assigned personnel by the MLRO will prepare and file the suspicious transaction reports in a secured manner specified by AMLC. Should a transaction be determined to be both a covered transaction and a suspicious transaction, SLF-PH is required to report the same as a suspicious transaction.

SLF-PH or any of its employees are obligated to prepare or file the suspicious transaction report and prohibited from notifying or warning the person(s) subject of the report or suspicion when information relating to them is being reported to the AMLC. They shall not communicate directly or indirectly in any manner or by any means, to any person, entity, or the media, the fact that a report was made, the contents thereof, or any other information in relation thereto.

STR may be detected/identified, by employees from different PH business units or advisors, or through Financial Crimes Risk Management (“FCRM”), which enables to monitor and detect the unusual behavior of the client’s transactions. Transactions that are deemed suspicious are submitted as STR to the AMLC based on the decision of the MLRO. Any potential suspicious transaction identified by advisors, employees and through FCRM which presents reasonable grounds to believe that the source/s of the funds may have been from or are in anyway related to an unlawful activity, MLRO must be involved to determine whether a STR must be filed to the AMLC.

5.6. Continuing Education and Training Program

SLF-PH must provide all their responsible officers, employees and advisors (“Personnel”) with appropriate and effective training and continuing education programs to enable them to fully comply with all their obligations under the AMLA and this MTPP and all underlying processes and procedures.

The education and training programs shall include relevant topics, such as:

- a. Overview on ML/TF, and the AMLA and TFPSA;
- b. Roles of directors, officers and employees in ML/TF prevention;
- c. Risk management;
- d. Preventive measures;

- e. Compliance with freeze, bank inquiry and asset preservation orders, and all directives of the AMLC;
- f. Cooperation with the AMLC and the SAs; and
- g. International standards and best practices.

All new personnel are provided with training to acquire a general understanding and appreciation of the overview of AML/ATF risks, the need to identify suspicious transactions and report such transactions to appropriate authorities.

All employees shall take the annual AML training online through the Bright Track My Navigator. On the other hand, advisors are required to take the refresher AML training once every three (3) years which is conducted by the Training Department. Online AML training is also made available to advisors especially to those who are located far from the Sun Life offices. The board of directors and top management are provided with a higher level of education that covers all aspects of the AML/ATF procedures. The completion of the training by employees and advisors is monitored by Compliance.

Compliance provides function-specific training to frontline employees of business units who deal directly with Clients and advisors. These business units are the Client Service Center, New Business and Underwriting and Investor Services Department. The training objective is for them to identify and report suspicious transactions when confronted with a transactions and Clients deemed suspicious and unusual.

Compliance must prepare, update, when necessary, and review the AML/ ATF training materials at least once every two (2) years, or more frequent basis due to change of applicable laws or obligations and business products, services, distribution channels or other business activities that impact the AML/ ATF risk exposure. MLRO reviews and approves relevant training materials in SLF-PH.

5.7. Advisor, Employee or Supplier Screening and Recruitment Process

SLF-PH shall establish adequate screening procedures which includes name screening process through Dow Jones to ensure high standards when hiring and contracting employees and advisors. It shall exercise due diligence in verifying that its employees and advisors were not involved in any ML/TF and associated unlawful activities, or were not found guilty of any serious, major or grave administrative offenses by the AMLC and/or the Supervising Authorities, or convicted in any criminal case involving moral turpitude. After initial screening at onboarding, employees and advisors are name screened daily.

SLF-PH must also implement an institution-wide due diligence process to ascertain adequate screening procedures are applied on vendors, service providers, and business partners (collectively called as “suppliers”). Before establishing a business relationship with suppliers, SLF-PH must conduct the same KYC and CDD process outlined in this MTPP.

5.8. Ongoing Name Screening and Transaction Monitoring

SLF-PH has implemented an enterprise-wide automated AML/ATF software solution, known as Financial Crimes Risk Management (“FCRM”) which is used for suspicious transaction monitoring and name screening of Clients and related third parties against sanction lists, such OSFI, FinCeno, Panama Papers, BSP watch list and the UN Sanction, and Politically Exposed Persons (PEP) lists. SLF-PH has acquired an enterprise license for the Dow Jones

list, which contains all sanction lists and PEP lists worldwide and updated daily. FCRM is an automated system in place to detect and flag potential/suspected activity based on various scenarios/methodologies. There are two types of alerts that FCRM generates, transaction monitoring alerts and listmatching (name screening) alerts.

FCRM has multiple specially-designed twenty seven (27) alert scenarios to identify potentially suspicious activity based upon unusual or atypical patterns of behavior.

Annex 6 provides guidance of alerts handling in relation to list-matching and transaction monitoring alerts generated in the FRCM process.

5.9. Compliance Testing

In addition to the annual AML Compliance Testing Plan, Compliance performs risk-based testing and independent review to determine the effectiveness of the business processes and assess the compliance with the AMLA. The testing covers the following AML programs:

- KYC and CDD Requirements
- Risk Rating and EDD Requirements
- Record Keeping
- Training
- Covered Transaction Reports (CTRs) and Suspicious Transaction Reports (STRs)
- Freeze Order/ Asset Preservation Order
- Data Requirements Document

Annex 7 presents the Procedures in Conducting AML/ATF Compliance Testing.

5.10. CDD Measures on Beneficiaries

In addition to the CDD required for the Clients and beneficial owner, covered persons shall conduct the following CDD measures on the beneficiary of life insurance and other investment-related insurance policies, as soon as the beneficiary is identified or designated:

- a. For a beneficiary that is identified as specifically named natural or juridical person, or legal arrangements: taking the name of the person.
- b. For a beneficiary that is designated by characteristics, by class, or by other means: obtaining sufficient information concerning the beneficiary to satisfy the covered person that it will be able to establish the identity of the beneficiary at the time of payout.
- c. For both the above cases: the verification of the identity of the beneficiary should occur at the time of payout.

SLF-PH shall include the beneficiary of life insurance policy as a relevant risk factor in determining whether EDD is applicable. If the covered person determines that a beneficiary who is a juridical person or legal arrangement presents a higher risk, it shall take enhanced measures, which include reasonable measures to identify and verify the identity of the beneficial owner of the beneficiary, at the time of payout. This is carried out through the disbursement name screening. Positive PEP matches from disbursement screening are escalated to the MLRO for investigation and if warranted, reporting to the AMLC as STR.

In relation to life insurance policies, covered persons shall take reasonable measures to determine whether the beneficiaries and the beneficial owner of the beneficiary, are PEPs. This should occur, at the latest, at the time of the payout. Where higher risks are identified,

covered persons shall inform senior management before the payout of the policy proceeds, to conduct enhanced scrutiny on the whole business relationship with the policyholder, and to consider filing an STR.

Annex 8 refers to the Procedures in Conducting Client Due Diligence Before Claims Payout.

5.11. Record Keeping

All transaction records of SLF-PH must be maintained and safely stored for seven (7) years from the date of transactions. With respect to closed accounts, the records on Client identification, account files and business correspondence, must be preserved and safely stored for at least seven (7) years from the dates when they were closed.

SLF-PH's record keeping and retention procedure must comply with the requirements of the AMLA, including the following:

- The records and files shall contain the full and true identity of the owners or holders of the accounts involved in the covered transactions and all other Client identification documents;
- The security measures must ensure the confidentiality of such records and files;
- Any account, relationship or transaction can be reconstructed so as to enable the AMLC, and/or the courts to establish an audit trail for money laundering; and
- Records are retained as originals or copies in such forms as are admissible in court pursuant to existing laws and the applicable rules promulgated by the Supreme Court

SLF-PH shall comply with the Guidelines on Digitization of Customer Records (DIGICUR Guidelines) which requires storing of digitized records of Clients in the central database. SLF-PH's MLRO or other duly authorized officers or employees are expected to retrieve Client's records quickly, and, upon request or order, upload these to the AMLC's portal, without having to request said records from branches on a per need basis. In turn, direct access to Client's records in the SLF-PH's database would empower MLRO and their duly authorized officers or employees to proactively analyze by themselves the financial profile of Clients, independently of the SLF-PH's front liners.

5.11.1. Record Retention

Document	Retention Period
Transaction Records	For as long as the business relationship exists and seven (7) years from cessation of such relationship
Covered Transaction Report/Suspicious Transaction Report	At least seven (7) years from the dates of submission to the AMLC in electronic copies
Closed Accounts	At least seven (7) years from the dates when the accounts were closed.
Records related to money laundering, or any regulatory or court case	Upon confirmation that the case is finally resolved or terminated, or the periods above, whichever is later

5.11.2. Record Officers

SLF-PH shall designate at least two (2) Record Management Officers – Business Service Manager and Chief Administrative Service Officer, who are jointly responsible and accountable for the safekeeping of all records and documents required to be retained by the AMLA related laws. They shall have the obligation to make these documents and records readily available without delay during regular or special examinations of its supervising author/ies under laws or regulations.

SLF-PH's record keeping and retention procedure must comply with the above requirements of the AMLA.

5.12. Asset Preservation

AMLC may enlist the assistance of SLF-PH to implement the asset preservation measures under the AMLA. These AMLC orders are: (a) freeze orders; (b) inquiry into any deposit or investment orders; and (c) asset preservation orders.

SLF-PH shall secure the consent of all Clients to be bound by obligations set out in the relevant UNSCR relating to the prevention and suppression of proliferation financing of weapons of mass destruction, including the freezing and unfreezing actions as well as prohibitions from conducting transactions with designated persons and entities.

The consent shall be obtained at the time of account opening and it will be incorporated in the New Business Application Form. It shall also be stipulated in the policy contract. The implementation of this requirement shall be prospective.

Annex 9 presents Procedures in Handling Freeze Orders and Other Inquiries from Regulators.

6. ACCOUNTABILITIES

SLF-PH, in accordance with AMLA and the SLF CRMF, shall continuously develop risk management policies and practices designed to ensure that risks associated with money-laundering, such as counterparty, reputational, operational, and compliance risks, are identified, assessed, monitored, mitigated and controlled, as well as to ensure the effective implementation of applicable AML/ATF regulations and obligations, to the end that SLF-PH shall not be used as a vehicle to legitimize proceeds of unlawful activity or to facilitate or finance terrorism.

A periodic assessment of inherent ML/TF risks is required by the CRMF. It is the means by which SLF-PH assesses the ML/TF risks inherent in its products, services, distribution channels and other business operations in order to implement internal measures and processes to mitigate them.

Compliance to the CRMF and this MTPP shall be the responsibility of the three lines of defense.

The common areas of sound risk management practices are:

- adequate and active Board and Senior Management oversight;
- adequate policies and procedures embodied in a money laundering and terrorist financing prevention compliance program;
- appropriate monitoring and management information system(s); and
- comprehensive internal controls and audits.

6.1. Board of Directors

The Board of Directors of SLF-PH provides the highest level of independent oversight of SLF-PH's management and operations, including ASCP. It is the ultimate responsibility of the Board of Directors to ensure that the SLF-PH companies comply with the applicable AML/ATF laws, regulatory issuances and obligations. The Board or its duly authorized Committee is also responsible for approving this MTPP and for ensuring that the AML/ATF programs outlined in it are established and maintained. This includes the Board's delegation to the MLRO the authority to review and decide whether or not to file a report to the AMLC as set out in this MTPP and supporting Schedules. The Board also determines the type, content and frequency of reports that it wishes to receive to validate the overall effectiveness of the program, to address material compliance issues and to monitor remediation of material problems.

6.2. Three (3) Lines of Defence

a. Management (First Line)

Management serves as the first line of defense responsible in ensuring SLF-PH's day-to-day compliance to this MTPP, the policy associated with it and the relevant laws and regulations. Management has the accountability to identify, assess and mitigate money laundering and terrorist financing risks inherent in its business, and incorporate consideration of these risks within business activities and decision - making processes. Management will accomplish this by ensuring, among other things, to:

- appoint the BUCO as the SLF-PH MLRO in consultation with the CAMLO and the CCO Asia;
- refuse to conduct business with individuals or organizations identified as terrorists or suspected terrorists on applicable government sanction/watch lists and, when required by law to do so, freeze assets owned or controlled by such individuals or organizations;
- identify, assess and communicate ML/TF risks and produce adequate documentation to demonstrate this; and
- develop and implement adequate day-to-day AML/ATF controls and monitoring activities to detect AML/ATF risks at upfront in the business and consulting with the MLRO with respect to their adequacy.

b. Money Laundering Reporting Officer (MLRO) (Second Line)

The CCO Asia has an oversight role to the MLRO and SLF-PH's AML/ ATF program.

As the second line of defense, the MLRO is responsible for i) promoting, facilitating, monitoring and assessing day-to-day compliance of applicable AML/ATF regulatory requirements as specified in this MTPP, ii) managing the ML/ TF risks, and iii) overseeing the development and implementation of SLF-PH's AML/ATF program.

These MLRO tasks must be supported by an adequately staffed Compliance Department. To ensure the independence, the MLRO shall have a direct reporting line to the Board of Directors or any Board-level committee and CCO Asia (and a dotted reporting relationship to CAMLO) on all matters related to AML/ATF compliance and their risk management. The MLRO shall be principally responsible for the following functions, among other functions, that may be delegated by Senior Management and the Board, namely

- Ensure compliance of the AMLA, the RIRR and SLF-PH AML/ATF program by all responsible officers and employees. The MLRO shall conduct periodic compliance testing to evaluate existing processes, policies and procedures including on-going monitoring of performance by staff and officers involved in ML/TF prevention, reporting channels, effectiveness of the automated money laundering transaction monitoring system and record retention system through sample testing and review of audit or examination reports. The frequency of testing based on the MLRO's assessment of ML/TF risk, but take place at least once a year. The MLRO shall provide periodic reports on the state of SLF-PH's AML programs and also report compliance findings to the Board or any Board-level committee, the ASC MLRO (for ASCP related), the CCO Asia and the CAMLO;
- Work with and support management such that infractions, discovered by second line testing, internally initiated audits or by special or regular examination conducted by the relevant regulator or government agency, are corrected in a timely manner;
- Inform all responsible officers and employees of all resolutions, circulars and other issuances by the relevant regulators or government agencies and the AMLC in relation to matters aimed at preventing money laundering and terrorist financing; and
- Organize the timing, content and delivery of AML/TF training of officers and employees including regular refresher trainings.

The MLRO will be the liaison between SLF-PH, IC, SEC, BSP and the AMLC in matters relating to SLF-PH's AML/ATF matters. The MLRO will:

- maintain up-to-date information on applicable AML/ATF laws and regulations and communicate any of such to relevant, the CCO Asia, and the CAMLO.
- provide guidance on AML/ATF initiatives and regulatory developments, including the approval of new or revised AML/ATF procedures/guidelines;
- assist Management to identify and assess ML/TF risks and implement appropriate measures to mitigate them, and produce adequate documentation;
- ensure that Management develops and implements adequate day-to-day ML/TF processes and controls, and complies with local AML/ATF laws, the SLF CRM Framework, relevant Standard and Guidelines;
- maintain a process for filing all prescribed reports to the local authorities, including the timely submission of covered and suspicious transaction reports, and, if not prohibited by law, the CCO Asia and the CAMLO as may be required from time to time;
- work with and supports management such that the SLF-PH takes reasonable steps to refuse to conduct business with individuals or organizations identified as terrorists or suspected terrorists on applicable government sanction/watch lists and, when required by law to do so, freeze assets owned or controlled by such individuals or organizations upon consultation with the CCO, the CAMLO and/or the General Counsel or designate;
- develop a cash acceptance policy and implement cash acceptance controls and monitoring process in the business place;
- provide periodic reports and escalate material AML/ATF matters to management, AND the CCO Asia, the CAMLO and the Chief Compliance Officer SLF (CCO SLF), and ensure they and the Board of Directors, if applicable, are adequately informed about the effectiveness of the AML/ATF; and
- promote the development and delivery of training and educational programs related to AML/ATF.

As part of the SLF-PH AML/ATF program, the Board delegates to and designates the MLRO to conduct all suspicious transaction reporting following his/her due diligence review and decide whether a suspicious transaction report should be filed with the AMLC. The MLRO will keep the Board informed of all such decisions as part of the periodic Board reporting. This control is in lieu of establishing a separate Board Committee responsible to review and determine whether a particular transaction or attempted transaction should be reported to the AMLC. The MLRO may, if he/she deems necessary and appropriate, form and convene an ad hoc AML Committee composed of representatives from the Senior Management in order to determine whether a new transaction and/ or an existing account, based on the verification activities performed in said transaction and/ or account, is acceptable to establish a new business relationship and/ or to continue the relationship still with an existing account of SLF-PH.

c. Local Internal Audit (Third Line)

The Internal Audit who acts as a third line of defence may from time to time validate the effectiveness of SLF-PH's AML/ATF program and adherence to the CRMF by risk-based testing on rotational or other basis. Internal Audit shall report significant report findings to Management and Board of Directors periodically on the effectiveness of the controls in SLF-PH's AML/ATF program.

Reports will include the scope and results of compliance related audit including assessing the Compliance oversight together with the Management's response and recommended action plans. These reports must be shared with the Board of Directors, CAMLO and CCO Asia.










7. REFERENCES

The following are for the guidance and information only; they are not an exhaustive list of all internal and external documentation that may be relevant:

- Sun Life Financial's Compliance Risk Management Framework – Anti-Money Laundering and Anti-Terrorist Financing Chapter
- 2018 Implementing Rules and Regulations of Republic Act 9160, as amended also known as the "Anti-Money Laundering Act of 2001"
- Insurance Commission Circular Letter No. 2018-048: Anti-Money Laundering and Combating the Financing of Terrorism Guidelines for Insurance Commission Regulated Entities
- IC CL No. 2018-60 Amendment to 2018-48
- Securities and Exchange Commission Memorandum Circular No. 16: 2018 Guidelines on Anti-Money Laundering and Combating the Financing of Terrorism for SEC Covered Institution
- IC Circular Letter No. 2019-65 AMLCTF Guidelines amending IC CL 2018-48 and IC CL 2018-60
- AMLC Regulatory Issuance (ARI) A, B, and C No. 1, Series of 2020
- Sun Life Financial Philippines' Records Retention Schedule

8. ANNEXES

The Annexes are subject to constant review and update to assure ongoing mitigation of money laundering and terrorist financing risks across our business activities. Prudence requires that you check with the Compliance Department for the latest version of an Annex, or if you intend to provide a person, other than the user identified above, a copy of such Annex, or this MTPP. Changes to Annexes or updates to the MTPP will continue to be communicated in the normal manner. As to the required compliance with the Sun Life CRM, basic principles in terrorism and procedures on the reporting requirements submitted to Corporate are covered in this MTPP.

Annex 1 _SL Foundation’s Manual of Operations	 SLFPFI MANUAL OF OPERATIONS 2019 V
Annex 2 – List of Acceptable IDs	 Compliance Circular No. 01-2019-Change
Annex 3 – Updated List of Account Opening AML Requirements for Entity Clients	 Compliance Circular No. 05-2017 UPDATE
Annex 4 - Procedures to Conduct CDD and EDD	 Procedures to Conduct CDD and E
Annex 5 – Procedures in Escalation of High Risk Clients	 PROCEDURES IN ESCALATION OF HIG
Annex 6 - How To Investigate Listmatching & Transaction Monitoring Alerts	 How To Investigate FCRM Alerts - 30Jun
Annex 7 - Anti-Money Laundering and Anti-Terrorist Financing (AML/ATF) Compliance Testing Procedure (Testing Procedure)	 AML ATF Testing Procedure Manual -
Annex 8 – Procedures in Conducting Client’s Due Diligence before Claims Payout	 Procedures in Conducting CDD - C
Annex 9 - Procedures in Handling Freeze Orders and Other Inquiries from Regulators	 PROCEDURES IN HANDLING FREEZE C

Modification History

Date	Reason for Change	Author
09 August 2010	Creation of Unified Anti-Money Laundering and Terrorist Financing Operating Manual	Jose Ivan T. Justiniano
12 December 2012	Updating of AML Operating Guidelines	Amor M. Datinguino
June 2017	Revisions to align with the latest CRM Policy from Sun Life Financial and the Philippines AML Policy since the last revision in 2012.	Ajee T. Co
February 2020	Revisions to align with the latest AML/ATF Regulations issued by the AML, IC and SEC in 2018, 2019 and 2020	Ajee T. Co

Copyright © 2016, SUN LIFE FINANCIAL PHILIPPINES

All rights reserved. No part of this work covered by Sun Life Financial Philippines' copyright may be reproduced or copied in any form or in any means (graphic, electronic or mechanical, including photocopying, recording, taping or information retrieval systems) without the written permission of Sun Life Financial Philippines.

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

SUN LIFE PROSPERITY DOLLAR
WELLSPRING FUND, INC.

(Company's Full Name)

SUN LIFE CENTRE 5TH AVE.
COR. RIZAL DRIVE, BONIFACIO
GLOBAL CITY, TAGUIG CITY

(Business Address: No. Street City/Town/Province)

WINLOVE APPLE R. SANDALO-ESPERANZA

(Contact Person)

555-8888

(Company Telephone Number)

SEC 17-C

1 2

Month

3 1

Day

(Fiscal Year)

(Form Type)

4th Wednesday of June

Month Day

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number


LCU

Document ID

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 27 July 2020
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698
4. Sun Life Prosperity Dollar Wellspring Fund, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 30 June 2020)
<u>Common (Unclassified)</u>	<u>6,056,221</u>

10. Indicate the item numbers reported herein: **Items 4(b), 4(b) (i), 4 (d) and 9 (a) 26 and 9(b).**

A. During the annual stockholders' meeting of the issuer on 22 July 2020 at 1:00 p.m. via Zoom Webinar, during which 3,310,418 shares or 54.97% of the outstanding capital stock ("OCS") as of 30 April 2020 were present in person or by proxy, the following events transpired:

Item 4(b). Election of Directors. The issuer met the requirement of 50%+1 share of the OCS present in person or by proxy. Thus, the following have been duly elected as members of the Board of Directors:

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Oscar M. Orbos (independent)
- Aleli Angela G. Quirino (independent)
- Cielito F. Habito (independent)

The independent directors will submit the required certification within 30 days from date of the annual stockholders' meeting.

Item 9(b). Other Events. The stockholders present or represented unanimously approved the following:

1. The minutes of the 2019 annual stockholders' meeting;
2. All acts and proceedings of the Board and Corporate Officers (confirmation and ratification thereof); and
3. Appointment of Navarro, Amper & Co. (Deloitte Touche Tohmatsu) as external auditor for 2020.

B. During the regular meeting of the Board of Directors of the Issuer held at 11:00 a.m. via Zoom Video Conference where a quorum was present and acting throughout, the following items were unanimously approved:

Item 4 (d). Reorganization of the composition of the membership, amending the Charter and renaming of the Nomination Committee: Pursuant to SEC Memorandum Circular No. 24-2019.

To comply with the requirements of the aforesaid Memorandum Circular, the approved amended Corporate Governance Committee Charter is included in the Manual on Corporate Governance, attached as Annex "A".

Item 4 (d). Amendment of the Audit and Compliance Committee Charter: Pursuant to SEC Memorandum Circular No. 24-2019.

To comply with the requirements of the aforesaid Memorandum Circular, the approved amended Audit and Compliance Committee Charter is included in the Manual on Corporate Governance, attached as Annex "A".

Item 9 (a)(26) Other Events. Approval of the updated Fund Management, Marketing and Distribution, and Transfer Agency Agreements.

Item 9 (b). Ratification of Sun Life Prosperity Funds' Manual on Corporate Governance (SEC Memorandum Circular No. 24-2019).

C. During the continuation of the joint regular meeting of the Board of Directors immediately after the annual stockholders' meeting, the following events transpired:

Item 4(b)(i). The following were unanimously elected/appointed by the Board:

Chairman:	Benedicto C. Sison
President:	Maria Josefina A. Castillo
Treasurer:	Candy S. Esteban
Corporate Secretary:	Anna Katrina C. Kabigting-Ibero
Asst. Corp. Secretary:	Winlove Apple R. Sandalo-Esperanza
Compliance Officer:	Ma. Jemilyn S. Camania
Data Protection Officer:	Ma. Jemilyn S. Camania
Risk Officer:	Ria V. Mercado
Internal Auditor:	Joel O. Bungabong
Corporate Governance Committee:	Cielito F. Habito (Chairman), Benedicto C. Sison and Oscar M. Orbos; and
Audit and Compliance Committee:	Oscar M. Orbos (Chairman), Cielito F. Habito and Aleli Angela G. Quirino

Representatives to the Philippine Investment Funds Association, Inc.:

Primary:	President/Maria Josefina A. Castillo
Alternate:	Any one (1) of the following: Treasurer; President (Sun Life Asset Management Company, Inc.); General Counsel (Sun Life Financial Philippines); Treasurer/Chief Financial Officer (SLAMC); Head (Bank and Alternative Distribution, SLAMC); Head (MF Agency Sales, SLAMC); Head (MF Institutional Sales, SLAMC); Head (Strategic Development, SLAMC) or such other person as may be designated by the President in the exercise of her sound discretion.

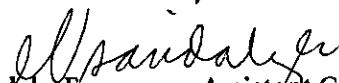
Item 9 (b). Other Events. The Board has unanimously confirmed the continuation of the Management Agreement, Distribution Agreement and Transfer Agency Agreement with Sun Life Asset Management Company, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Dollar Wellspring Fund, Inc.

Issuer



Winlove Apple R. Sandalo-Esperanza, Assistant Corporate Secretary

Signature and Title

Date: 27 July 2020

MANUAL ON CORPORATE GOVERNANCE

*THE SUN LIFE PROSPERITY FUNDS**

*Sun Life of Canada Prosperity Bond Fund, Inc.,
Sun Life of Canada Prosperity Balanced Fund, Inc.,
Sun Life of Canada Prosperity Philippine Equity Fund, Inc.,
Sun Life Prosperity Dollar Advantage Fund, Inc.,
Sun Life Prosperity Dollar Abundance Fund, Inc.,
Sun Life Prosperity GS Fund, Inc.,
Sun Life Prosperity Peso Starter Fund, Inc.,
Sun Life Prosperity Dynamic Fund, Inc.,
Sun Life Prosperity Philippine Stock Index Fund, Inc.,
Sun Life Prosperity Dollar Wellspring Fund, Inc.,
Sun Life Prosperity World Voyager Fund, Inc.,
Sun Life Prosperity Dollar Starter Fund, Inc.,
Sun Life Prosperity World Equity Index Feeder Fund, Inc.,
Sun Life Prosperity Achiever Fund 2028, Inc.,
Sun Life Prosperity Achiever Fund 2038, Inc., and
Sun Life Prosperity Achiever Fund 2048, Inc.

MANUAL ON CORPORATE GOVERNANCE

THE SUN LIFE PROSPERITY FUNDS

TABLE OF CONTENTS

I.	OBJECTIVE.....	3
II.	COMPLIANCE SYSTEM.....	3
	A. Board of Directors.....	10
	B. Board Diversity.....	10
	C. Onboarding Orientation And Continuing Training For Directors.....	10
	D. Inside Dealings.....	10
	E. Board Committees	10
	F. Chief Executive Officer.....	20
	G. Compliance Officer.....	21
	H. Corporate Secretary.....	22
	I. External Auditor.....	23
	J. Internal Auditor.....	24
	K. Risk Officer.....	25
III.	ADEQUATE AND TIMELY INFORMATION.....	26
IV.	ACCOUNTABILITY AND AUDIT.....	27
V.	TRAINING PROCESS.....	28
VI.	REPORTORIAL OR DISCLOSURE SYSTEM OF CORPORATE GOVERNANCE POLICIE.....	28
VII.	SHAREHOLDERS' BENEFIT	28
	A. Basic Rights.....	28
	B. Investors' Rights and Protection/Minority Interests.....	29
	C. Conduct of Shareholders' Meetings	30
	D. Promotion of Rights and Duties	31
	E. Removal of Excessive Costs and Impediments	31
VIII.	EMPLOYEE PARTICIPATION.....	31
IX.	DISCLOSURE AND TRANSPARENCY.....	31
X.	MONITORING AND ASSESSMENT	31
XI.	PENALTIES FOR NON-COMPLIANCE WITH THE MANUAL.....	32
XII.	COMMUNICATION PROCESS.....	33
	CERTIFICATION	34

MANUAL ON CORPORATE GOVERNANCE

THE SUN LIFE PROSPERITY FUNDS

The Boards of Directors and Management, *i.e.*, officers, of the Sun Life Prosperity Funds, namely, the Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc. and Sun Life Prosperity Achiever Fund 2048, Inc. (individually referred to as the "Corporation"), hereby commit themselves to the principles and best practices contained in this Manual on Corporate Governance ("Manual"), and acknowledge that the same may guide the attainment of their corporate goals.

I. OBJECTIVE

This Manual shall institutionalize the principles of good corporate governance in the entire organization.

The Board of Directors (the "Board") and Management, employees, and shareholders believe that corporate governance is a necessary component of what constitutes sound strategic business management and will therefore undertake every effort necessary to create awareness within the organization as soon as possible. The Company likewise recognizes, and thus puts importance, on the interdependence between business and society. As such, the Company is dedicated to growing its business while contributing to the advancement of society where it operates.

For purposes of this Manual, "Management" is the body given the authority by the Board of Directors to implement the policies it has laid down in the conduct of the business of the corporation.

II. COMPLIANCE SYSTEM

A. Board of Directors

The Board shall be composed of at least five (5), but not more than fifteen (15), members who are elected by the shareholders. It shall be headed by a competent and qualified Chairperson. It shall be composed of directors with a collective knowledge, experience or expertise that is relevant to the company's industry. There must be an appropriate mix of competence and expertise in the Board and its members remain must qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.

Compliance with the principles of good corporate governance shall start with the Board.

It shall be the Board's responsibility to foster the long-term success of the Corporation and secure its sustained competitiveness in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of the Corporation, its shareholders and other stakeholders.

The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.

The Board should formulate the corporation's vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance.

1. Composition of the Board

The membership of the Board may be a combination of executive and non-executive directors (which include independent directors), in order that no director or small group of directors can dominate the decision-making process. The non-executive directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.

The Board shall have at least two (2) independent Directors or such independent Directors as shall constitute at least one-third (1/3) of the members of such Board, whichever is higher.

2. Independent Director

An **"Independent Director"** is a person who:

- a. Is not, or has not been a senior officer or employee of the covered company unless there has been a change in the controlling ownership of the company;
- b. Is not, and has not been in the two (2) years immediately preceding the election, a director of the covered company; a director, officer, employee of the covered company's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of the covered company's substantial shareholders and its related companies
- c. Has not been appointed in the covered company, its subsidiaries, associates, affiliates or related companies as Chairperson "Emeritus," "Ex-Officio" Directors/Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities within two (2) years immediately preceding his election;
- d. Is not an owner of more than two percent (2%) of the outstanding shares of the covered company, its subsidiaries, associates, affiliates or related companies;
- e. Is not a relative of a director, officer, or substantial shareholder of the covered company or any of its related companies or of any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister and the spouse of such child, brother or sister;

- f. Is not acting as a nominee or representative of any director of the covered company or any of its related companies;
- g. Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal shareholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;
- h. Is not retained, either in his personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of the covered company, any of its related companies or substantial shareholder, or is otherwise independent of Management and free from any business or other relationship within the two (2) years immediately preceding the date of his election;
- i. Does not engage or has not engaged, whether by himself or with other persons or through a firm of which he is a partner, director or substantial shareholder, in any transaction with the covered company or any of its related companies or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his independent judgment within the two (2) years immediately preceding the date of his election;
- j. Is not affiliated with any non-profit organization that receives significant funding from the covered company or any of its related companies or substantial shareholders; and
- k. Is not employed as an executive officer of another company where any of the covered company's executives serve as directors.

Related companies, as used in this section, refer to (a) the covered entity's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company.

Independent directors should always attend Board meetings. Unless otherwise provided in the by-laws, their absence shall not affect the quorum requirement. However, the Board may, to promote transparency, require the presence of at least one independent director in all its meetings.

Independent directors shall have a maximum cumulative term of nine (9) years, after which the independent director shall be perpetually barred from re-election as such in the same company. He/she may however, continue to qualify for nomination and election as a non-independent director. Subject to meritorious justification and shareholder approval during the annual stockholders meeting, the Board may retain an independent director who has served as such for nine (9) years.

3. Executive/Non-Executive Director

An "Executive Director" is a director who is also the head of a department or unit of the Corporation or performs any work related to its operation; while a "Non-

executive Director” is a director who is not the head of a department or unit of the Corporation nor performs any work related to its operation.

4. Remuneration

The levels of remuneration of the Corporation should be sufficient to be able to attract and retain the services of qualified and competent directors and officers. A portion of the remuneration of executive directors may be structured or be based on corporate and individual performance.

In determining remuneration that is aligned with performance, the Board considers the following key factors: 1) level of remuneration must be commensurate to the role; 2) no director should participate in the determination of his own per diem or compensation; and 3) remuneration pay-out schedules should be sensitive to risk outcomes over a multi-year horizon.

5. Specific Duties and Functions

To ensure a high standard of best practice for the Corporation and its stakeholders, the Board shall:

- a. Implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies; appoint competent, professional, honest and highly-motivated management officers; adopt an effective succession planning program for directors, key officers, and Management; and adopt a retirement policy for directors and key officers.
- b. Provide sound strategic policies and guidelines to the Corporation on major capital expenditures; establish programs that can sustain its long-term viability and strength; and oversee the development of, approve, monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance.
- c. Ensure the Corporation's faithful compliance with all applicable laws, regulations and best business practices.
- d. Establish and maintain an investor relations program that will keep the shareholders informed of important developments in the corporation, to ensure constant engagement and communication with its shareholders. If feasible, the Corporation's Chief Executive Officer or Chief Financial Officer shall exercise oversight responsibility over this program.
- e. Identify the stakeholders and sectors in the community in which the Corporation operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them, including providing a mechanism on their fair treatment, protection and the enforcement of their rights.
- f. Adopt a system of check and balance within the Board. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all times. There should be a

continuing review of the Corporation's internal control system in order to maintain its adequacy and effectiveness.

- g. In accordance with the Enterprise Risk Management Framework, identify key risk areas and performance indicators and monitor these factors with due diligence to enable the Corporation to anticipate, prepare, and manage for possible threats to its operational and financial viability.
 - h. Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions and other unusual or infrequently occurring transactions, which pass the materiality threshold, between and among the Corporation and its parent company, joint ventures, subsidiaries, associates, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.
 - i. Constitute an Audit and Compliance Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
 - j. Establish and maintain alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its shareholders, and the Corporation and third parties, including the regulatory authorities.
 - k. Meet at such times or frequency as may be needed. The minutes of such meetings should be duly recorded. Independent views during Board meetings should be encouraged and given due consideration.
 - l. Keep the activities and decisions of the Board within its authority under the Articles of Incorporation and By-laws, and in accordance with existing laws, rules and regulations.
 - m. Establish an effective performance evaluation framework, which includes the standard or criteria for assessment that will ensure that the Management, including the Chief Executive Officer or his equivalent, and personnel's performance is at par with the standards set by the Board and Senior Management.
 - n. Appoint a Compliance Officer who shall have the rank of at least vice president or its equivalent.
6. Duties and Responsibilities of a Director

A Director's office is one of trust and confidence. A Director shall act in a manner characterized by transparency, accountability and fairness.

A Director shall have the following duties and responsibilities:

- a. Act on a fully informed basis, in good faith, and with due diligence and care (Duty of Care);
- b. Act in the interest of the company and all its shareholders/members, and not those of the controlling group or any other stakeholder (Duty of Loyalty);
- c. Promote the value of the corporation (Fiduciary Duty);
- d. Conduct fair business transactions with the Corporation and ensure that personal interest does not bias Board decisions. As such, a director with a material or potential interest in any transaction affecting the corporation should fully disclose his adverse interest, abstain from taking part in the deliberations for the same and recuse from voting on the approval of the transaction;
- e. Devote time and attention necessary to properly discharge his duties and responsibilities;
- f. Before accepting a directorship in another company, to notify the Board and assess whether his present responsibilities and commitment to the Company will be affected;
- g. Act judiciously;
- h. Exercise independent judgment;
- i. Have a working knowledge of the statutory and regulatory requirements affecting the Corporation, including the contents of its Articles of Incorporation and By-Laws, the requirements of the Securities and Exchange Commission (the "Commission"), and where applicable, the requirements of other regulatory agencies;
- j. Observe confidentiality;
- k. Ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment; and
- l. Accomplish the Board Effectiveness Questionnaire annually or as often as the Compliance Officer or the proper regulatory authority would require.

7. Meetings of the Board of Directors

Members of the Board should attend and actively participate in all meetings of the Board, Committees they are member of, and shareholders whether in person or through tele-/videoconferencing, unless prevented by illness, death in the immediate family, serious accidents, or other analogous causes.

In Board and Committee meetings, the directors should review meeting materials and if necessary, are expected to ask the necessary questions or to seek clarifications and explanations.

8. The Chairman of the Board

The roles of Chairman of the Board and Chief Executive Officer should, as much as practicable, be separate to foster an appropriate balance of power, increased accountability and better capacity for independent decision-making by the Board. A clear delineation of functions should be made between the Chairman and Chief Executive Officer upon their election.

If the positions of Chairman and Chief Executive Officer are unified, the proper checks and balances should be laid down to ensure that the Board gets the benefit of independent views and perspectives.

The Chairman shall be a Director who shall have the following duties in addition to the above:

- a. Act as Chairman of meetings of the Board;
- b. Schedule meetings to enable the Board to perform its duties responsibly without interfering with the flow of the Corporation's operations;
- c. Ensure that the meeting's agenda focuses on strategic matters, including the overall risk appetite of the corporation, taking into account the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;
- d. Exercise control over quality, quantity and timeliness of the flow of information between Management and the Board, guaranteeing Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;
- e. Assist in ensuring compliance with the Manual;
- f. Facilitates discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;
- g. Ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;
- h. Assures the conduct of proper orientation for first-time directors and continuing training opportunities for all directors;
- i. Makes sure that performance of the Board is evaluated at least once a year and discussed or followed up on if necessary; and
- j. Such other duties as may be assigned to him by law and pertinent regulations from the proper authorities.

9. Lead Independent Director

The Board of Directors shall appoint a lead director among the independent directors if the Chairperson of the Board is not independent, including if the positions of the Chairperson of the Board and Chief Executive Officer are held by one person.

The Lead Independent Director shall serve as intermediary between the Chairperson and the other directors when necessary, shall convene and chairs meetings of the Non-Executive Directors; and shall contribute to the performance evaluation of the Chairperson, as required.

B. Board Diversity

The Company adopts a policy on Board diversity. It accepts nominations for directorship of individuals of all ages, ethnicity, culture, skill, competence, knowledge, and gender. The Company recognizes that a diversified Board contributes to optimal decision-making.

C. Onboarding Orientation And Continuing Training For Directors

Newly-elected directors shall attend a corporate governance orientation program of at least eight (8) hours provided by an SEC-accredited training provider, as soon as practicable thereafter. If a newly-elected director should have already attended such training, the same shall serve as compliance with this requirement.

Nevertheless, the Compliance Officer shall at all times ensure that newly-elected directors are oriented on the Company's Articles of Incorporation, By-Laws, Manual of Corporate Governance, and Code of Business Conduct, among others.

On annual basis, directors are required to undergo training of at least four (4) hours covering topics relevant to their duties and responsibilities in Board committees and in the Board.

D. Inside Dealings

All directors and officers are required to disclose/report to the Company any dealings in the Company's shares they may have within five (5) business days from date of transaction.

E. Board Committees

To aid in complying with the principles of good corporate governance, the Board shall constitute the following committees: 1) Audit and Compliance Committee; and 2) Corporate Governance Committee

1. Audit and Compliance Committee

The Audit and Compliance Committee shall be composed of at least three (3) members of the Board, all of whom shall be independent Directors. Each member shall have at least an adequate understanding of, or competence in, most of the Corporation's financial management systems and environment and shall preferably have an accounting and finance background. The Chairperson of the Committee shall not be the Chairperson of the Board or of any other committees.

a. Duties and Responsibilities

- a.1 Recommends the approval of the Internal Audit (IA) Charter, which formally defines the responsibilities, powers and authority of the IA Department, the audit plan of the IA Department, as well as oversees the implementation of the IA Charter;
- a.2 Through the IA Department, monitors and evaluates the adequacy and effectiveness of the corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place in order to: (a) safeguard the company's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the company's financial data, and (d) ensure compliance with applicable laws and regulations;
- a.3 Oversees the IA Department, and recommends the appointment and removal of an IA head as well as his qualifications, and grounds for appointment and removal. The Audit Committee should also approve the terms and conditions for outsourcing internal audit services, if applicable;
- a.4 Establishes and identifies the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he should directly report to the Audit Committee;
- a.5 Review the annual internal audit plan to ensure its conformity with the objectives of the Corporation. The plan shall include the audit scope, resources and budget necessary to implement it;
- a.6 Monitors the Management's responsiveness to the Internal Auditor's findings and recommendations;
- a.7 Recommend to the Board for approval the appointment, reappointment, removal, and fees of external auditor, duly accredited by the Commission, who undertakes an independent audit of the corporation, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the shareholders. In case of removal or change in the external auditor, the reasons for removal or change should be disclosed to the Commission, the shareholders, and the public through the company website and other required disclosures;
- a.8 Assess the integrity and independence of external auditors and exercising effective oversight to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.

The Committee shall also review and monitor the external auditor's suitability and effectiveness on an annual basis;

- a.9 Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- a.10 Evaluates and determines the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid and the corporation's overall consultancy expenses. The Audit Committee should disallow any non-audit work that will conflict with the duties of an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's Annual Report and Annual Corporate Governance Report;
- a.11 Reviews and approves the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:
 - o Any change/s in accounting policies and practices
 - o Areas where a significant amount of judgment has been exercised
 - o Significant adjustments resulting from the audit
 - o Going concern assumptions
 - o Compliance with accounting standards
 - o Compliance with tax, legal and regulatory requirements
- a.12 Reviews the recommendations in the External Auditor's management letter;
- a.13 Perform oversight functions over the Corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other, are objective, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions taking into consideration relevant Philippine professional and regulatory requirements;
- a.14 Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security, and monitoring and managing potential/actual conflicts of interest of board members, management, and shareholders/members;
- a.15 Review the reports submitted by the internal and external auditors.
- a.16 Coordinate, monitor and facilitate compliance with laws, rules and regulations;

- a.17 Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's annual report;
- a.18 Acting as an Independent Oversight Committee:
- Hear reports from the i) Chief Investment Officer and ii) President of Sun Life Asset Management Company, Inc. ("SLAMCI" or the "Fund Manager") regarding the performance of the Sun Life Prosperity Funds;
 - Exercise care and diligence when monitoring the transactions and functions of the Fund Manager;
 - Oversee the transactions and functions of the Fund Manager to ensure compliance with disclosures made in the Registration Statement ("RS"), prospectus, the Investment Company Act, Securities Regulation Codes, and their implementing rules and regulations ("IRR"). For cross-border offerings or transactions, in addition to the abovementioned, oversee the transactions of the Fund Manager in order to ensure that it also complies with the standards/requirements of bilateral or multilateral agreements allowing cross-border offering/transaction that the Philippines is party to;
 - Oversee the subscription and redemption of shares or units facilitated by the Fund Manager and approve the request of the Fund Manager in the case of suspension of redemption of shares or units whenever necessary for the protection of the investors subject to the rules on Suspension of Redemption provided under Rule 10.4 of ICA-IRR;
 - Oversee the activities of the Fund Manager in order to ensure that it complies with the rules on investment restrictions/limitations, liquidity requirements and other regulations involving the operationalization of the investment objectives, investment policy, or strategy of the Sun Life Prosperity Funds;
 - Oversee the transactions of the Fund Manager to ensure that delegation will not result in unnecessary fees to be paid by the Sun Life Prosperity Funds and ensure that it will not delegate its function to the extent that it becomes a letter box such as when it no longer has the power to take decisions in the implementation of the investment policy and strategies nor retain the suitable processes to monitor, control the activities and evaluate the performance of the delegate;

- If, in the reasonable opinion of the Committee, the Fund Manager has not complied with any of the laws, rules, or regulations applicable to the Sun Life Prosperity Funds and/or it failed to report to the Commission the said non-compliance, notify the Securities and Exchange Commission ("SEC") of its opinion, including particulars of the non-compliance, not later than 5 business days after forming the opinion or upon knowledge of the non-compliance. The notification shall be done by filing an SEC Form 17-C. It shall also notify, without delay, the members of the respective Boards of Directors of the relevant Sun Life Prosperity Funds so that the relevant Board can apprise the Fund Manager of the said non-compliance and address any resulting breach;
 - Report to the SEC, any act of the Fund Manager that in its opinion may be detrimental to the interests of the shareholders or unitholders even if the said act is not in violation of any law, rule or regulation, not later than 5 business days from knowledge thereof; and
 - If necessary, recommend to the Board of Directors of the relevant Sun Life Prosperity Fund that the Fund Manager be removed due to its inability to fulfill its functions.
- a.19 Acting as Related Party Transaction Committee:
- Evaluates on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, the Related Party Registry is updated to capture subsequent changes in relationships with counterparties (from non-related to related and vice versa);
 - Evaluates all RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources of the company are misappropriated or misapplied;
 - Determines any potential reputational risk issues that may arise as a result of or in connection with RPTs. In evaluating RPTs, the Committee takes into account, among others, the following:
 - The related party's relationship to the company and interest in the transaction;
 - The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
 - The benefits to the corporation of the proposed RPT;
 - The availability of other sources of comparable products or services; and

- An assessment of whether the proposed RPT is undertaken on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs.
 - Ensures that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the company's RPT exposures, and policies on potential and/or actual conflicts of interest. The disclosure should include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties;
 - Reports to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
 - Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
 - Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.
- a.20 Acting as Board Risk Oversight Committee:
- Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks of the corporation. This function shall include regular receipt from Management of information on risk exposures and risk management activities;
 - Develops a formal ERM plan which contains the following elements: (a) common language or register of risks, (b) well-defined risk management goals and objectives, (c) uniform processes of assessing risks and developing strategies to manage prioritized risks, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures;
 - Oversees the implementation of the ERM plan through a Management Risk Oversight Committee. The BROOC conducts regular discussions on the company's prioritized and residual risk exposures based on regular risk management reports and assesses how the concerned units or offices are addressing and managing these risks;

- Evaluates the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROCC revisits defined risk management strategies, looks for emerging or changing material exposures, and keeps abreast of significant developments that seriously impact the likelihood of harm or loss;
- Advises the Board on its risk appetite levels and risk tolerance limits;
- Reviews at least annually the company's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and major events which may have occurred in the company;
- Assesses the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the corporation and its stakeholders;
- Oversees the Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management; and
- Reports to the Board on a regular basis, or as deemed necessary, the company/s material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary.

2. Corporate Governance Committee

Each Board shall create a Corporate Governance Committee (CG Committee) which shall have at least three (3) members of the Board, a majority of whom should be ~~an~~ independent Directors, including the Chairperson.

The Corporate Governance Committee is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. It has the following duties and functions, among others:

- a. Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity of operations and business strategy, as well as its business and regulatory environments;
- b. Oversees the periodic performance evaluation of the Board and its committees as well as the executive management, and conducts an annual evaluation of the said performance;

- c. Ensures that the results of the Board evaluation are discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
- d. Recommends the continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- e. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- f. Proposes and plans relevant trainings for the members of the Board;
- g. Establishes a formal and transparent procedure for determining the remuneration of directors and officers that is consistent with the corporation's culture and business strategy as well as the business environment in which it operates; and
- h. Determines the nomination and election process for the company's directors and defines the general profile of board members that the company may need, and ensures that appropriate knowledge, competencies and expertise that complement the existing skills of the Board are adopted as standards and criteria for nomination and election.
- i. The Corporate Governance Committee shall pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with the following qualifications and disqualifications:

Qualifications:

- i.1 Holder of at least one (1) share of stock of the Corporation;
- i.2 Filipino;
- i.3 At least twenty-five (25) years of age at the time of his election;
- i.4 At least a college graduate or have at least five (5) years experience in business or have undergone training in equity fund management or similar/related business;
- i.5 Possesses the knowledge, skills, experience, and if a non-executive director, independence of mind;
- i.6 Proven to possess integrity, probity, and good reputation;
- i.7 Has sufficient time to carry out their responsibilities;
- i.8 Have the ability to promote a smooth interaction between board members; and
- i.9 Assiduous.

Grounds for Permanent Disqualification:

- i.1 Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that: (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;
- i.2 Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the SEC, Bangko Sentral ng Pilipinas (BSP) or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company or as an affiliated person of any of them; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in subparagraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities.
 - a. The disqualification should also apply if (a) such person is the subject of an order of the SEC, BSP or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Revised Corporation Code of the Philippines, Securities Regulation Code or any other law administered by the SEC or BSP, or under any rule or regulation issued by the Commission or BSP; (b) such person has otherwise been restrained to engage in any activity involving securities and banking; or (c) such person is the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization;
- i.3 Any person convicted by final judgment or order by a court, or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;
- i.4 Any person who has been adjudged by final judgment or order of the SEC, BSP, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Revised Corporation Code, Securities Regulation Code or any other law, rule, regulation or order administered by the SEC or BSP;
- i.5 Any person judicially declared as insolvent;
- i.6 Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority for acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated above;

- i.7 Conviction by final judgment of an offense punishable by imprisonment for more than six years, or a violation of the Revised Corporation Code of the Philippines and Securities Regulation Code committed within five years prior to the date of his election or appointment; and
- i.8 Other grounds as the SEC may provide pursuant to the provisions of the Revised Corporation Code of the Philippines, Securities Regulation Code and other related laws.

Grounds for Temporary Disqualification

- i.1 Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency, or any 12-month period during the said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification shall apply for purposes of the succeeding election;
 - i.2 Dismissal, termination or removal for cause as director of any publicly-listed company, public company, registered issuer of securities and holder of a secondary license from the Commission. The disqualification should be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal, termination or removal;
 - i.3 If the beneficial equity ownership of an independent director (ID) in the corporation or its subsidiaries and affiliates exceeds two percent (2%) of its subscribed capital stock. The disqualification from being elected as an ID is lifted if the limit is later complied with;
 - i.4 Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its implementing rules and regulations. This disqualification shall be in effect for as long as his refusal persists;
 - i.5 Being under preventive suspension by the Corporation;
 - i.6 If the independent Director becomes an officer or employee of the Corporation, he shall be automatically disqualified from being an independent Director;
 - i.7 While conviction by final judgment is required for disqualification, conviction that has not yet become final is a ground for temporary disqualification, which shall be lifted upon his acquittal or become permanent upon his final conviction.
- j. Nomination of Directors shall be conducted by the Corporate Governance Committee prior to a stockholders' meeting.
 - j.1 All nomination for Directors and Independent Directors to be elected by the shareholders shall be submitted in writing to the Corporate Secretary of the Corporation at its principal office not earlier than ninety (90) business days nor later than eighty (80) business days prior to the date of the regular or

special meeting of shareholders for the election of directors. Nominations that are not submitted within such nomination period shall not be valid. Only a shareholder of record entitled to notice of and to vote at the regular or special meeting of the shareholders for the election of directors shall be qualified to be nominated and elected a director of the Corporation.

- j.2 All nominations shall be signed by the nominating shareholders together with the acceptance and conformity by the would-be nominees.
- j.3 The nominations shall thereafter be submitted to the Corporate Governance Committee, which shall convene to determine the qualification of the nominees for Directors and Independent Directors. After convening, the Corporate Governance Committee shall prepare a Final List of Candidates which shall contain all the required information about all the nominees for Directors, which list shall be made available to the Commission and to all shareholders as required by pertinent laws, rules and regulations or in such other reports the Corporation is required to submit to the Securities and Exchange Commission.
- j.4 Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Director. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting, except in those circumstances allowed by law, rules and regulations.
- j.5 In consultation with the Executive or Management Committee/s, the Corporate Governance Committee shall redefine the role, duties and responsibilities of the Chief Executive Officer by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times.
- j.6 The Chief Executive Officer and other executive Directors shall submit themselves to a low indicative limit on membership in other corporate boards. The same low limit shall apply to independent, non-executive Directors who serve as full-time executives in other corporations. In any case, the capacity of Directors to serve with diligence shall not be compromised.

F. Chief Executive Officer

The Chief Executive Officer (CEO) shall have the following roles and responsibilities:

- a. Implements the corporation's strategic plan on the direction of the business;
- b. Communicates and implements the corporation's vision, mission, values and overall strategy as formulated by the board and promotes any organization or stakeholder change in accordance with the same;
- c. Oversees the operations of the corporation and manages human and financial resources in accordance with the strategic plan;

- d. Has a good working knowledge of the corporation's industry and market and keeps up-to-date with its core business purpose;
- e. Directs, evaluates and guides the work of the key officers of the corporation;
- f. Manages the corporation's resources prudently and ensures a proper balance of the same;
- g. Provides the Board with timely information and interfaces between the Board and the employees;
- h. Builds the corporate culture and motivates the employees of the corporation; and
- i. Serves as the link between internal operations and external stakeholders.

G. Compliance Officer

To ensure adherence to corporate principles and best practices, the Board shall appoint a Compliance Officer with the rank of a Senior Vice President, or an equivalent position with adequate stature and authority in the Company. He/she should not be a member of the Board and should annually attend a training on corporate governance.

The Compliance Officer shall have direct reporting responsibilities to the Audit and Compliance Committee. He shall have direct access to the Board.

- a. The Compliance Officer shall perform the following duties:
 - a.1 Ensures proper onboarding of new directors (i.e., orientation on the company's business, charter, articles of incorporation and by-laws, among others);
 - a.2 Monitors, reviews, evaluates and ensures the compliance by the corporation, its officers and directors with the relevant laws, this Code, rules and regulations and all governance issuances of regulatory agencies;
 - a.3 Reports to the Board if violations are found and recommends the imposition of appropriate disciplinary action;
 - a.4 Ensures the integrity and accuracy of all documentary and electronic submissions as may be allowed under SEC rules and regulations;
 - a.5 Appears before the SEC when summoned in relation to compliance with this Code and other relevant rules and regulations;
 - a.6 Collaborates with other departments within the company to properly address compliance issues, which may be subject to investigation;
 - a.7 Identifies possible areas of compliance issues and works towards the resolution of the same;
 - a.8 Ensures the attendance of board members and key officers to relevant trainings;

- a.9 Have periodic meetings with the Non-Executive Directors without any executive directors present to ensure that proper checks and balances are in place within the Company, such meetings to be held by the Lead Independent director, if applicable;
 - a.10 Performs such other duties and responsibilities as may be provided by the Board and SEC
 - a.11 Identify and monitor compliance with the rules and regulations of regulatory agencies, and take appropriate corrective measures to address all regulatory issues and concerns ; and
 - a.12 Release the Board Effectiveness Questionnaire at least annually. The Questionnaire shall include an assessment of the effectiveness of the Board's processes and procedures in the nomination, election, or replacement/removal of a director, as well assessment of the performance of the Chairperson, individual members, and committees.
- b. The appointment of the Compliance Officer shall be immediately disclosed to the Commission on SEC Form 17-C. All correspondence relative to his functions as such shall be addressed to said officer.

H. Corporate Secretary

The Corporate Secretary is an officer of the Corporation who is not the Compliance Officer and is not a member of the Board. He/she shall annually attend a training on corporate governance.

His loyalty to the mission, vision and specific business objectives of the Corporation come with his duties.

The Corporate Secretary shall be a Filipino citizen and a resident of the Philippines.

The Corporate Secretary shall work fairly and objectively with the Board, Management, shareholders, and other stakeholders.

Have a working knowledge of the operations of the corporation.

Considering his varied functions and duties, he must possess administrative and interpersonal skills, and if he is not the general counsel, then he must have some legal skills. He must also have some financial and accounting skills.

a. Duties and Responsibilities

- a.1 Assists the Board and the Board committees in the conduct of their meetings (i.e. agenda setting, preparation of annual schedule of meetings and board calendar);
- a.2 Safekeeps and preserves the integrity of the minutes of the meetings of the Board, Board committees and shareholders/members, as well as other official records of the corporation;

- a.3 Keeps abreast of relevant laws, regulations, all governance issuances, industry developments and operations of the corporation, and advises the Board and the Chairperson on all relevant issues as they arise;
- a.4 Works fairly and objectively with the Board, Management and shareholders/members and contributes to the flow of information between the Board and Management, the Board and its committees, and the Board and its shareholders/members as well as other stakeholders;
- a.5 Advises on the establishment of board committees and their terms of reference;
- a.6 Informs members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five (5) working days before the date of the meeting, and ensures that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
- a.7 Attends all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him from doing so;
- a.8 Performs all required administrative functions;
- a.9 Oversees the drafting of the by-laws and ensures that they conform with regulatory requirements;
- a.10 Performs such other duties and responsibilities as may be provided by the Board; and
- a.11 Issue certification every January 30th of the year on the attendance of directors in meetings of the board of directors, counter signed by the Chairman of the Board (SEC Memorandum Circular No. 3, Series of 2007).

I. External Auditor

- a. An external auditor shall enable an environment of good corporate governance as reflected in the financial records and reports of the Corporation. An external auditor shall be selected and appointed by the shareholders upon recommendation of the Audit and Compliance Committee.
- b. If the external auditor resigns, is dismissed or ceases to perform his services, the reason/s for and the date of effectivity of such action shall be reported in the Corporation's annual and current reports, and the company website. The report shall include a discussion of any disagreement between him and the Corporation on accounting principles or practices, financial disclosures or audit procedures which the former auditor and the Corporation failed to resolve satisfactorily. A preliminary copy of the said report shall be given by the Corporation to the external auditor before its submission.
- c. If the external auditor believes that any statement made in an annual report, information statement or any report filed with the Commission or any regulatory

body during the period of his engagement is incorrect or incomplete, he shall give his comments or views on the matter in the said reports.

- d. Have periodic meetings with the Non-Executive Directors without any executive directors present to ensure that proper checks and balances are in place within the Company, such meetings to be held by the Lead Independent director, if applicable.

J. Internal Auditor

The Corporation shall have in place an effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the Corporation for the benefit of all stockholders and stakeholders and an independent Internal Auditor or group of internal auditors through which the Board, senior management, and shareholders shall be provided with reasonable assurance that the Corporation's key organizational and procedural controls are effective, appropriate, and complied with.

The Internal Auditor shall report to the Audit and Compliance Committee.

The minimum internal control mechanisms for management's operational responsibility shall center on the Chief Executive Officer, being ultimately accountable for the Corporation's organizational and procedural controls.

The scope and particulars of the Corporation's system of effective organizational and procedural controls shall be based on the following factors: the nature and complexity of the business and the business culture; the volume, size and complexity of transactions; the degree of risk; the degree of centralization and delegation of authority; the extent and effectiveness of information technology; and the extent of regulatory compliance.

a. The Internal Auditor shall:

- a.1 Provide an independent risk-based assurance service to the Board, Audit Committee and Management, focusing on reviewing the effectiveness of the governance and control processes in (1) promoting the right values and ethics, (2) ensuring effective performance management and accounting in the organization, (3) communicating risk and control information, and (4) coordinating the activities and information among the Board, external and internal auditors, and Management;
- a.2 Perform regular and special audit as contained in the annual audit plan and/or based on the company's risk assessment;
- a.3 Perform consulting and advisory services related to governance and control as appropriate for the organization;
- a.4 Perform compliance audit of relevant laws, rules and regulations, contractual obligations and other commitments, which could have a significant impact on the organization;
- a.5 Review, audit and assesses the efficiency and effectiveness of the internal control system of all areas of the company;

- a.6 Evaluate operations or programs to ascertain whether results are consistent with established objectives and goals, and whether the operations or programs are being carried out as planned;
- a.7 Evaluate specific operations at the request of the Board or Management, as appropriate;
- a.8 Monitor and evaluate governance processes; and
- a.9 Have periodic meetings with the Non-Executive Directors without any executive directors present to ensure that proper checks and balances are in place within the Company, such meetings to be held by the Lead Independent director, if applicable

K. Risk Officer

The Risk Officer shall be responsible for overseeing the management of risks resulting from business activities in accordance with the Enterprise Risk Management framework. He shall report to the Audit & Compliance Committee.

a. Duties and Responsibilities:

- a.1 Monitor to ensure that all identified gaps in management's risk management processes are resolved on a timely basis.
- a.2 Provide leadership to facilitate management's understanding of the Sun Life Financial risk management framework, policies and processes.
- a.3 Ensure that the Philippine risk management organization is appropriately staffed with individuals who have the requisite skills and competencies, and that the organization structure and reporting relationships are appropriate and sufficiently independent. Ensure that the local risk management organization complies with the criteria set by the Office of the Superintendent of Financial Institutions for risk management and provide annual sign-off to this effect.
- a.4 Organize and participate in the risk workshops of the annual risk identification process:
 - Ensure appropriate participants, including senior management.
 - Ensure that business units identify plausible risk scenarios.
 - Ensure that risk-based measurement and reporting metrics, including risk limits and exception reporting, are established.
 - Assign risk category to the final risk lists.
 - Provide expertise in the development of action plans to address the risks identified.
 - Prepare the annual Risk Report.

- Review and update the Risk Report quarterly.
 - Identify and escalate as appropriate any missed target dates for key risk action plans.
 - Work together with the Chief Financial Officer to quantify the risk exposure.
- a.5 Understand who is accountable for each Risk Management Policy and ensure that the appropriate person is aware of it.
- a.6 Provide documented quarterly status updates on Key Risks to the Audit and Compliance Committee.
- a.7 Provide input to the annual risk management testing and spend an appropriate percentage of time conducting testing of compliance to Risk Management Policies in the business group.
- a.8 Ensure that the Policy and Operating Guidelines are deposited on a database that is accessible by all relevant employees in performing their roles.
- a.9 Coordinate the sign off requirements.
- a.10 Have periodic meetings with the Non-Executive Directors without any executive directors present to ensure that proper checks and balances are in place within the Company, such meetings to be held by the Lead Independent director, if applicable.

III. ADEQUATE AND TIMELY INFORMATION

- A. To enable the members of the Board to properly fulfill their duties and responsibilities, Management should provide them with complete, accurate, insightful, concise, clear and timely information about the matters to be taken in their meetings.
- B. Reliance on information volunteered by Management would not be sufficient in all circumstances and further inquiries may have to be made by a member of the Board to enable him to properly perform his duties and responsibilities. Hence, the members should be given independent access to Management and the Corporate Secretary.
- C. The information may include the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.
- D. The members, either individually or as a Board, and in furtherance of their duties and responsibilities, should have access to independent professional advice at the corporation's expense.

IV. ACCOUNTABILITY AND AUDIT

- A. The Board is primarily accountable to the shareholders. It should provide them with a balanced and comprehensive assessment of the Corporation's performance, position and prospects on a quarterly basis, including interim and other reports that could adversely affect its business, as well as reports to regulators that are required by law.
- B. It is essential that Management provide all members of the Board with accurate and timely information that would enable the Board to comply with its responsibilities to the stockholders.
- C. Management should formulate, under the supervision of the Audit and Compliance Committee, the rules and procedures on financial reporting and internal control in accordance with the following guidelines:
 - 1. The extent of its responsibility in the preparation of the financial statements of the Corporation, with the corresponding delineation of the responsibilities that pertain to the external auditor, should be clearly explained;
 - 2. An effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the Corporation for benefit of all stockholders and stakeholders should be maintained;
 - 3. On the basis of the approved audit plans, internal audit examinations should cover, at the minimum, the evaluation of the adequacy and effectiveness of controls that cover the corporation's governance, operations and information systems, including the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, protection of assets, and compliance with contracts, laws, rules and regulations;
 - 4. The Corporation should consistently comply with the financial reporting requirements of the Commission;
 - 5. The external auditor should be rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the corporation, should be changed with the same frequency. The Internal Auditor should submit to the Audit and Compliance Committee and Management an annual report on the internal audit department's activities, responsibilities and performance relative to the audit plans and strategies as approved by the Audit and Compliance Committee. The annual report should include significant risk exposures, control issues and such other matters as may be needed or requested by the Board and Management. The Internal Auditor should certify that he conducts his activities in accordance with the International Standards on the Professional Practice of Internal Auditing. If he does not, he shall disclose to the Board and Management the reasons why he has not fully complied with the said standards.
- D. The Board, after consultations with the Audit and Compliance Committee, shall recommend to the shareholders an external auditor duly accredited by the Commission who shall undertake an independent audit of the Corporation, and shall provide an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders. The external auditor shall not, at the same time,

provide internal audit services to the Corporation. Non-audit work may be given to the external auditor, provided it does not conflict with his duties as an independent auditor, or does not pose a threat to his independence.

V. TRAINING PROCESS

If necessary, funds shall be allocated by the Chief Financial Officer for the purpose of conducting an orientation program or workshop to put this Manual into operation.

VI. REPORTORIAL OR DISCLOSURE SYSTEM OF CORPORATE GOVERNANCE POLICIES

- A. The reports or disclosures required under this Manual shall be prepared and submitted to the Commission by the responsible Committee or officer through the Corporation's Compliance Officer.
- B. All material information about the Corporation which could adversely affect its viability or the interest of its stockholders and other stakeholders shall be publicly and timely disclosed. Such information shall include earning results, acquisition or disposal of assets, board changes, related party transactions, shareholdings of Directors, and changes in share ownership.
- C. Other information that shall always be disclosed include remuneration (including stock options) of all Directors and senior management, corporate strategy, and off balance sheet transactions.
- D. All disclosed information shall be released via the approved procedure for Corporation announcements as well as through the annual reports.
- E. The Board shall commit at all times to fully disclose material dealings. It shall cause the filing of all required information in the interest of the stakeholders.

VII. SHAREHOLDERS' BENEFIT

The Corporation recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. Therefore the following provisions are issued for the guidance of all internal and external parties concerned, as a governance covenant between the Corporation and all its investors.

A. Basic Rights

Shareholders and members generally have the following rights, among others:

1. Right to participate in the approval of material corporate acts;
2. Right to propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Shareholders'/Members' Meeting;
3. Right to nominate candidates to the Board of Directors/Board of Trustees;
4. Right to be informed of the nomination and removal process; and

5. Right to be informed of the voting procedures that would govern the Annual and Special Shareholders'/Members' Meeting.

B. Investors' Rights and Protection/Minority Interests

The Board shall be committed to respect the following rights of the shareholders:

1. Voting Right

- b. Shareholders shall have the right to elect, remove and replace Directors and vote on certain corporate acts in accordance with the Revised Corporation Code and the Corporation's by-laws.
- c. Cumulative voting shall be used in the election of Directors.
- d. A Director shall not be removed without cause if it will deny minority shareholders representation in the Board.

2. Power of Inspection

All shareholders shall be allowed to inspect corporate books and records, including minutes of Board meetings and stock registries, in accordance with the Revised Corporation Code, and shall be furnished with annual reports, including financial statements, without cost or restrictions.

3. Right to Information

- a. The shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the Directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among Directors and key officers, and the aggregate compensation of Directors and officers.
- b. Although all shareholders should be treated equally or without discrimination, the Board should give minority shareholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the corporation.
- c. The minority shareholders shall have access to any and all information relating to matters which Management is mandated to provide information on. If such matters are not included in the agenda of the shareholders' meeting, then the minority shareholders shall be allowed to propose to include such matters in the agenda, the same being within the definition of legitimate purposes.

4. Right to Dividends

- a. Shareholders shall have the right to receive dividends subject to the discretion of the Board. As indicated in the prospectus, dividends so declared shall automatically be reinvested on behalf of the shareholder.

b. The Corporation shall be compelled to declare dividends when its retained earnings shall be in excess of 100% of its paid-in capital stock, except:

b.1 when justified by definite corporate expansion projects or programs approved by the Board;

b.2 when the Corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or

b.3 when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation, such as when there is a need for special reserve for probable contingencies.

5. Appraisal Right

The shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 81 of the Revised Corporation Code, under any of the following circumstances:

a. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any shareholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;

b. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code; or

c. In case of merger or consolidation.

C. Conduct of Shareholders' Meetings

The Board should be transparent and fair in the conduct of the annual and special shareholders' meetings of the Corporation. The shareholder should be encouraged to personally attend such meetings. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the by-laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the shareholder's favor.

Notice of Annual and Special Shareholders' Meeting, containing the date, location, meeting agenda and its rationale and explanation, and details of issues to be deliberated upon and approved or ratified at the meeting, among others, shall be sent to the shareholders at least 21 days before the scheduled meeting.

During the meeting, the Investor Relations Officer shall be present.

After the Shareholders' Meeting, results of the votes on matters taken thereat shall be made publicly available the next working day. Minutes of the said meeting shall likewise be available on the company website within five (5) business days from the date of the meeting.

D. Promotion of Rights and Duties

It is the duty of the Board to promote the rights of the stockholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for breach of their rights

E. Removal of Excessive Costs and Impediments

The Board should take the appropriate steps to remove excessive or unnecessary costs and other administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy. Accurate and timely information should be made available to the shareholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval.

VIII. EMPLOYEE PARTICIPATION

The Company, through the Board, encourages employees to actively participate in the realization of the Company's goals and its governance. The following policies and programs are implemented to encourage employees to perform better and to motivate them to take a more dynamic role in the Company: (1) health, safety and welfare of employees; (2) manpower training and development; and (3) employee reward/compensation.

IX. DISCLOSURE AND TRANSPARENCY

- A. The essence of corporate governance is transparency. The more transparent the internal workings of the Corporation are, the more difficult it will be for Management and dominant shareholders to mismanage the Corporation or misappropriate its assets.
- B. It is therefore essential that all material information about the Corporation which could adversely affect its viability or the interests of the shareholders should be publicly and timely disclosed. Such information should include, among others, earnings results, acquisition or disposition of assets, off balance sheet transactions, related party transactions, non-financial information (strategic and operational objectives, sustainability issues, etc.), and direct and indirect remuneration of members of the Board and Management. All such information should be disclosed through the appropriate exchange mechanisms and submissions to the Commission.
- C. The Company shall maintain a comprehensive website to timely disseminate relevant information to the public. The website shall contain the Company's Manual on Corporate Governance and Annual Corporate Governance Report, among others.

X. MONITORING AND ASSESSMENT

- A. Each committee shall report regularly to the Board.

- B. The Compliance Officer shall establish an evaluation system to determine and measure compliance with this Manual. Any violation of the provisions of this Manual shall subject the responsible officer or employee to the appropriate penalty provided for under Part X of this Manual.
- C. The establishment of such evaluation system, including the features thereof, shall be disclosed in the Corporation's annual report (SEC Form 17-A) or in such form of report that is applicable to the Corporation. The adoption of such performance evaluation system must be covered by the Board's approval.
- D. This Manual shall be subject to annual review unless the Board requires a more frequent review.
- E. All business processes and practices being performed within any department or business unit that are not consistent with any portion of this Manual shall be revoked unless modified or upgraded to be in conformity with the Manual.

XI. PENALTIES FOR NON-COMPLIANCE WITH THE MANUAL

- A. To strictly observe and implement the provisions of this Manual, the following penalties shall be imposed, after notice and hearing, on the Corporation's Directors, officers, staff, subsidiaries and affiliates and their respective directors, officers and staff, in case of violation of any of the provision of this Manual:
 - 1. Reprimand, for a first violation;
 - 2. Suspension from office, for a second violation. The duration of the suspension shall depend on the gravity of the violation;
 - 3. The maximum penalty of removal from office, for a third violation.
- B. The commission of a third violation of this Manual by a member of the Board shall be a sufficient cause for his removal from directorship.
- C. The Compliance Officer shall be responsible for determining the violation/s committed.
- D. The Compliance Officer shall give due notice and extend due process to the Corporation's Directors, officers, staff, subsidiaries and affiliates and their respective directors, officers and staff alleged to have committed the violation/s.
- E. After giving due notice and observing due process, the Compliance Officer shall make a determination of the case and recommend the proper penalty to the Board.
- F. The Board shall decide the proper penalty to be meted out based on the findings and recommendation of the Compliance Officer.

XII. COMMUNICATION PROCESS


- A. The Corporation shall establish and implement their corporate governance in accordance with the Code. This Manual should be submitted to the Commission for evaluation within one hundred eighty (180) business days from the date this becomes effective to enable the Commission to determine its compliance with the Code taking into consideration the nature, size and scope of the business of the Corporation, provided, that if the Corporation had earlier submitted its Manual, it may, at its option, continue to use the said Manual as long it complies with the provisions of this Code.
- B. This Manual shall be available for inspection by any shareholder of the Corporation at reasonable hours on business days.
- C. All Directors, executives, department and section heads are tasked to ensure the thorough dissemination of this Manual to all employees and related third parties, and to likewise enjoin compliance in the process.
- D. An adequate number of printed copies of this Manual must be reproduced under the supervision of the Compliance Officer providing a minimum of at least one (1) copy of the Manual per department.

CERTIFICATION

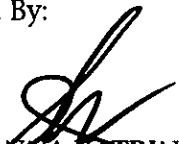
I certify that the above Manual on Corporate Governance has, on 09 July 2020, been adopted and approved by the all the members of the Board of Directors of the Sun Life Prosperity Funds, namely:

1. Sun Life of Canada Prosperity Bond Fund, Inc.,
2. Sun Life of Canada Prosperity Balanced Fund, Inc.,
3. Sun Life of Canada Prosperity Philippine Equity Fund, Inc.,
4. Sun Life Prosperity Dollar Advantage Fund, Inc.,
5. Sun Life Prosperity Dollar Abundance Fund, Inc.,
6. Sun Life Prosperity GS Fund, Inc.,
7. Sun Life Prosperity Peso Starter Fund, Inc.,
8. Sun Life Prosperity Dynamic Fund, Inc.,
9. Sun Life Prosperity Philippine Stock Index Fund, Inc.,
10. Sun Life Prosperity Dollar Wellspring Fund, Inc.,
11. Sun Life Prosperity World Voyager Fund, Inc.,
12. Sun Life Prosperity Dollar Starter Fund, Inc.,
13. Sun Life Prosperity World Equity Index Feeder Fund, Inc.,
14. Sun Life Prosperity Achiever Fund 2028, Inc.,
15. Sun Life Prosperity Achiever Fund 2038, Inc., and
16. Sun Life Prosperity Achiever Fund 2048, Inc.

By:


BENEDICTO C. SISON
Chairman
Board of Directors
Sun Life Prosperity Funds

Attested By:


ATTY. ANNA KATRINA C. KABIGTING-IBERO
Corporate Secretary

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

S U N L I F E P R O S P E R I T Y D O L L A R
W E L L S P R I N G F U N D , I N C .

(Company's Full Name)

S U N L I F E C E N T R E 5 T H A V E .
C O R . R I Z A L D R I V E , B O N I F A C I O
G L O B A L C I T Y , T A G U I G C I T Y

(Business Address: No. Street City/Town/Province)

FRANCES IANNA S. CANTO

(Contact Person)

555-8888

(Company Telephone Number)

SEC 17-C

1 2

Month

3 1

Day

(Fiscal Year)

(Form Type)

4th Wednesday of June

Month Day

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

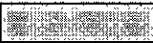
LCU

Document ID

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION
 SEC FORM 17-C
 CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
 AND SRC RULE 17.2(c) THEREUNDER

1. 22 September 2020
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698
4. Sun Life Prosperity Dollar Wellspring Fund, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 31 August 2020)
<u>Common (Unclassified)</u>	<u>5,950,660</u>

10. Indicate the item numbers reported herein: **Item 4 (a), Item 4 (b), and Item 9 (a) (13).**

During the regular meeting of the Board of Directors of the Issuer held on 18 September 2020 at 9:00 a.m. via Zoom Meeting Conference, where a quorum was present and acting throughout, the following matters were unanimously approved:

A. Item 4 (a). Resignation of Registrant's Officer, and Item 4 (b). Appointment of Officer.

The Corporate Secretary function has reorganized to ensure smooth and efficient administration of the Board and Board Committee records of the Corporation. In connection with this, the Board accepted the resignation of Atty. Winlove Apple R. Sandalo-Esperanza as Assistant Corporate Secretary and appointed Atty. Frances Ianna S. Canto to replace and to serve the unexpired portion of the term of, Atty. Sandalo-Esperanza.

Atty. Canto is Counsel of Sun Life of Canada (Philippines), Inc. Prior to joining Sun Life in May 2020, Atty. Canto worked as Legal and Compliance Officer in Manulife Philippines, where she also served as Assistant Corporate Secretary (March 2017 to April 2020) and Alternate Data Protection Officer (April 2019 to April 2020). Before joining Manulife, Atty. Canto briefly worked as a consultant with the Office of the Secretary of the Climate Change Commission and prior to that, as an Associate Lawyer at the Medialdea Ata Bello and Suarez Law Office (2013-2016).

Atty. Canto received her Juris Doctor degree from the Ateneo de Manila University. She was admitted to the Bar in May 2014.

B. Item (9) (13). Other Events.

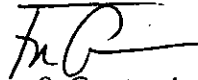
The Board of Directors unanimously approved the declaration of stock dividends amounting to up to 1.88% of outstanding shares with record date shall of 26 November 2020, and payout date of 27 November 2020. The stock dividend shall be distributed out of the Corporation's 10 million authorized capital stock. Execution of the dividend payout is conditional on the approval of the shareholders during their special meeting scheduled on 13 November 2020.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Dollar Wellspring Fund, Inc.

Issuer



Frances Ianna S. Canto, Assistant Corporate Secretary

Signature and Title

Date: 22 September 2020

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

S U N L I F E P R O S P E R I T Y D O L L A R
W E L L S P R I N G F U N D , I N C .

(Company's Full Name)

S U N L I F E C E N T R E 5 T H A V E .
C O R . R I Z A L D R I V E , B O N I F A C I O
G L O B A L C I T Y , T A G U I G C I T Y

(Business Address: No. Street City/Town/Province)

FRANCES IANNA S. CANTO
(Contact Person)

555-8888
(Company Telephone Number)

SEC 17-C

1 2 3 1
Month Day
(Fiscal Year)

(Form Type)

4th Wednesday of June
Month Day
(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 17 November 2020
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698
4. Sun Life Prosperity Dollar Wellspring Fund, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction
of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 31 October 2020)
<u>Common (Unclassified)</u>	<u>5,983,247</u>

10. Indicate the item numbers reported herein: **Item 9 (a) (13).**

Item (9) (a) (13). Other Events. During the special meeting of the Stockholders of the Issuer held on 13 November 2020 at 9:00 a.m. via Zoom Webinar, during which 4,196,301 shares or 70.39% of the outstanding capital stock as of 30 September 2020 were present in person or by proxy, the declaration of stock dividends amounting to 1.88% of outstanding shares with record date of 26 November 2020, and payout date of 27 November 2020, as previously approved by a majority of the Board of Directors during its regular meeting last 18 September 2020, was approved. The stock dividend shall be distributed out of the Corporation's 10 million authorized capital stock.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Dollar Wellspring Fund, Inc.
Issuer



Frances Ianna S. Canto, Assistant Corporate Secretary
Signature and Title

Date: 17 November 2020




Certification

I, Candy S. Esteban is a duly authorized representative of Sun Life Prosperity Dollar Wellspring Fund, Inc. with SEC registration number CS201517778 with principal office at Sun Life Center, 5th Ave. Cor. Rizal Drive Bonifacio Global City, Taguig City, on oath state:

- 1) That on behalf of Sun Life Prosperity Dollar Wellspring Fund, Inc., I have caused this SEC Form 17-L to be prepared;
- 2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
- 3) That the company Sun Life Prosperity Dollar Wellspring Fund, Inc. will comply with the requirements set forth in SEC Notice dated 24 June 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this 7th day of April, 2021 at Taguig City.

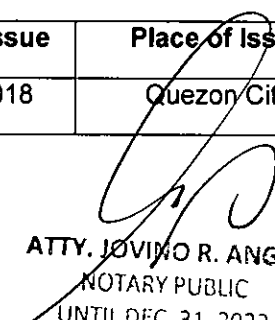

 Candy S. Esteban
 Treasurer

APR 07 2021

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2021, affiant exhibiting his/her government issued identification card:

Name	Government ID No.	Date of Issue	Place of Issue
Candy S. Esteban	Driver's License N02-95-277891	05/08/2018	Quezon City

Doc. No. 386
 Page No. 66
 Book No. IV
 Series of 2021.


 ATTY. JOVINO R. ANGEL
 NOTARY PUBLIC
 UNTIL DEC. 31, 2022
 PTR. NO. 7361920 01/04/2021 PASAY CITY
 IBP NO. 141069 01/04/2021 PASAY CITY
 COMMISSION NO. 19-37-PASAY CITY
 MCLE NO. V-0024151-10-25-2016
 ROLL NO. 2876:

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-L

**NOTIFICATION OF INABILITY TO FILE ALL OR
ANY PORTION OF SEC FORM 17-A OR 17-Q**

GENERAL INSTRUCTIONS

1. This Form may be signed by an executive officer of the issuer or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the issuer by an authorized representative other than an executive officer, evidence of the representative's authority to sign on behalf of the issuer shall be filed with the Form.
2. One signed original and four conformed copies of this Form and attachments thereto must be completed and filed with the Commission and, where any class of the issuer's securities are listed on a Stock Exchange, one with that Stock Exchange, in accordance with SRC Rule 17-1. The information contained in or filed with the Form will be made a matter of the public record in the Commission's and the Exchange's files.
3. A manually signed copy of the Form and amendments thereto shall be filed with the Stock Exchange if any class of securities of the issuer is listed thereon.
4. One signed original and four conformed copies of amendments to the notifications must also be filed on SEC Form 17-L but need not restate information that has been correctly furnished. The Form shall be clearly identified as an amended notification.
5. If the deadline for filing SEC Form 17-A or 17-Q specified in paragraph 2(b)(ii) of SRC Rule 17-1 is not complied with, a fine will be imposed for each day thereafter that the Form is not filed.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-L

NOTIFICATION OF INABILITY TO FILE ALL OR ANY PORTION OF SEC FORM 17-A OR 17-Q

Check One:

Form 17-A [✓] Form 17-Q []

Period-Ended Date of required filing December 31, 2020

Date of this report April 7, 2021

Nothing in this Form shall be construed to imply that the Commission has verified any information contained herein.

If this notification relates to a portion or portions of the filing checked above, identify the item(s) to which the notification relates: SEC FORM 17-A

1. SEC Identification Number CS201517778 2. BIR Tax Identification No. : 009-123-698-000

3. Sun Life Prosperity Dollar Wellspring Fund, Inc.
Exact name of issuer as specified in its charter

4. Bonifacio Global City, Taguig City
Province, country or other jurisdiction of incorporation

5. Industry Classification Code: (SEC Use Only)

6. 8F Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634

.....
Address of principal office

.....
Postal Code

7. (02) - 8555 8888
Issuer's telephone number, including area code

8. N.A.
Former name, former address, and former fiscal year, if changed since last report.

9. Are any of the issuer's securities listed on a Stock Exchange?

Yes [] No [X]

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
.....

Part I - Representations

If the subject report could not be filed without unreasonable effort or expense and the issuer seeks relief pursuant to SRC Rule 17-1, the following should be completed. (Check box if appropriate)

(a) The reasons described in reasonable detail in Part II of this Form could not be estimated without unreasonable effort or expense. []

(b) The subject annual report on SEC Form 17-A, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report on SEC Form 17-Q, or portion thereof, will be filed on or before the fifth day following the prescribed due date. [✓]

(c) The accountant's statement or other exhibit required by paragraph 3 of SRC Rule 17-1 has been attached if applicable. []

Part II - Narrative

State below in reasonable detail the reasons why SEC Form 17-A or SEC Form 17-Q, or portion thereof, could not be filed within the prescribed period. (Attach additional sheets if needed.)

The Company's annual report on SEC Form 17-A for the year ended December 31, 2020 could not be completed and filed within the prescribed period. The Company has yet to complete the review of its financial statements and required notes disclosures. The Company undertakes to submit the report on or before the fifteenth calendar day following the prescribed due date to the Securities and Exchange Commission.

Part III - Other Information

(a) Name, address and telephone number, including area code, and position/title of person to contact in regard to this notification

**Candy S. Esteban
Treasurer
Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634
8555-8888**

(b) Have all other periodic reports required under Section 17 of the Code and under Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months, or for such shorter period that the issuer was required to file such report(s), been filed? If the answer is no, identify the report(s).

Yes [✓] No [] Reports:

(c) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes [] No [✓]

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

SIGNATURE

Pursuant to the requirements of the SRC Rule 17-1, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Dollar Wellspring Fund, Inc.

Registrant's full name as contained in charter



CANDY S. ESTEBAN
Treasurer

Date: **April 7, 2021**




Certification

I, Candy S. Esteban, the Treasurer of Sun Life Prosperity Dollar Wellspring Fund, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS201517778 and with principal office at Sun Life Center, 5th Ave. Cor. Rizal Drive Bonifacio Global City, Taguig City, on oath state:

- 1) That I have caused this SEC Form 17-Q to be prepared on behalf of Sun Life Prosperity Dollar Wellspring Fund, Inc.;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company Sun Life Prosperity Dollar Wellspring Fund, Inc. will comply with the requirements set forth in SEC Notice dated 14 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

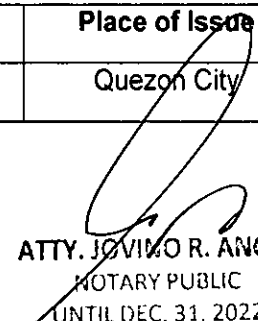
IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of May, 2021.


Candy S. Esteban
 Affiant
PASAY CITY

SUBSCRIBED AND SWORN to before me this MAY 17 2021 day of _____, 2021, in _____ City, Philippines. Affiant exhibiting his/her government issued identification card:

Name	Government ID No.	Date of Issue	Place of Issue
Candy S. Esteban	Driver's License N02-95-277891	05/08/2018	Quezon City

Doc. No. 429;
 Page No. 70;
 Book No. V;
 Series of 2021.


ATTY. JOVINO R. ANGEL
 NOTARY PUBLIC
 UNTIL DEC. 31, 2022
 PTR. NO. 7361920 01/04/2021 PASAY CITY
 IBP NO. 141069 01/04/2021 PASAY CITY
 COMMISSION NO. 19-37-PASAY CITY
 MCLE NO. V-0024151-10-25-2016
 ROLL NO. 28761

COVER SHEET

CS201517778

S.E.C. Registration Number

S	U	N	L	I	F	E	P	R	O	S	P	E	R	I	T	Y	D	O	L	L	A	R		
W	E	L	L	S	P	R	I	N	G	F	U	N	D	I	N	C	.							

S	U	N	L	I	F	E	C	E	N	T	R	E	5	T	H	A	V	E	C	O	R	N	E	R
R	I	Z	A	L	D	R	I	V	E	B	O	N	I	F	A	C	I	O	G	L	O	B	A	L
C	I	T	Y	T	A	G	U	I	G	C	I	T	Y											

(Business Address : No. Street City / Town / Province)

Merobhe T. Esmele

Contact Person

555-8888

Company Telephone Number

1	2
---	---

Month

3	1
---	---

Day

Fiscal Year

SEC FORM 17-Q

FORM TYPE

--	--

Month

--	--

Day

Annual Meeting

Mutual Fund Company

Secondary License Type, If Applicable

--	--	--

Dept. Requiring this Doc.

--

Amended Articles Number/Section

--

Total No. of Stockholders

Total Amount of Borrowings

--	--

Domestic Foreign

To be accomplished by SEC Personnel concerned

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

File Number

LCU

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SEC Number: CS201517778
File Number: _____

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
(Company's Full Name)

Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City, Philippines

(Company's Address)

8555-88-88

(Telephone No.)

December 31

(Fiscal Year Ending)
(Month & Day)

SEC FORM 17-Q

Form Type

Amendment Designation (If applicable)

March 31, 2021

Period Ended Date

OPEN-END INVESTMENT COMPANY

Secondary License Type and File Number

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2) (b) THEREUNDER

1. For the quarterly period ended: March 31, 2021
2. Commission identification number: CS201517778
3. BIR Tax Identification No: 009-123-698-000
4. Exact name of issuer as specified in its charter

Sun Life Prosperity Dollar Wellspring Fund, Inc.

5. Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)

Philippines

7. Address of issuer's principal office: PostalCode

Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634

8. Issuer's telephone number, including area code: (02) - 8555-8888
9. Former name, former address and former fiscal year, if changed since last report: N.A.
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of March 31, 2021)
<u>Common Shares (Unclassified)</u>	<u>5,838,471 shares</u>

11. Are any or all of the securities listed on a Stock Exchange?

Yes [] No [x]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [x] No []

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [x] No []

PART A - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2021 AND DECEMBER 31, 2020**

(In US Dollars)

		(Unaudited)	(Audited)
	Notes	2021	2020
ASSETS			
Current Assets			
Cash in banks	4	\$ 217,758	\$ 475,438
Financial assets at fair value through profit or loss	5	6,487,088	7,283,361
Accrued interest receivable	6	880	1,173
Due from brokers	7	210,000	-
Other current assets	8	663	-
		\$6,916,389	\$7,759,972
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other payables	9	\$ 12,002	\$ 4,685
Payable to fund manager	10	10,168	11,086
Due to brokers		35,000	50,000
Income tax payable		65	68
Total Current Liabilities		57,235	65,839
Equity			
Share capital	11	142,731	140,801
Additional paid-in capital	12	6,465,350	6,361,847
Retained earnings		1,017,328	1,191,485
		7,625,409	7,694,133
Treasury shares	11	(766,255)	-
Total Equity		6,859,154	7,694,133
		\$6,916,389	\$7,759,972
Net Asset Value Per Share	13	\$ 1.1748	\$ 1.2022
Total Equity		6,859,154	7,694,133
Capital Stock - Php1.00 per share			
Authorized - 10,000,000 shares			
Total number of shares outstanding		5,838,471	6,400,040
Net Asset Value Per Share	13	\$ 1.1748	\$ 1.2022

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2021 AND MARCH 31, 2020

(In US Dollars)

		(Unaudited)	(Unaudited)
	Notes	2021	2020
Investment Income - net			
Net realized gains on investments	5	\$293,329	\$66,109
Dividend income		7,788	5,355
Interest income	14	797	629
Others		4	-
		301,918	72,093
Investment Expenses			
Commission		-	248
Net Investment Income		301,918	71,845
Operating Expenses			
Management fees	10	18,901	16,432
Distribution fees	10	15,751	13,690
Directors fees	10	1,316	1,747
Custodian fees		1,458	1,323
Professional fees		860	705
Taxes and licenses		378	558
Printing and supplies		11	235
Miscellaneous		385	429
		39,060	35,119
Profit Before Net Unrealized Gains on Investments			
		262,858	36,726
Net Unrealized Loss on Investments	5	(436,932)	(775,666)
Profit (Loss) Before Tax		(174,074)	(738,940)
Income Tax Expense		83	106
Total Comprehensive Loss for the Period		(\$174,157)	(\$ 739,046)
Basic earnings (loss) per share	15	(\$0.028)	(\$0.125)

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2021 AND MARCH 31, 2020
(In US Dollars)

	Notes	Share Capital	Additional Paid-in Capital	Retained Earnings (Deficit)	Treasury Shares	Total
Balance, January 1, 2021	11, 12	\$140,801	\$6,361,847	\$1,191,485	-	\$7,694,133
Total Comprehensive Loss for the Period		-	-	(174,157)	-	(174,157)
Transactions with owners:						
Issuance of shares during the period	11	1,930	104,224	-	-	106,154
Acquisition of treasury shares during the period		-	-	-	(908,743)	(908,743)
Reissuance of treasury shares during the period		-	(721)	-	142,488	141,767
Total transactions with owners		1,930	103,503	-	(766,255)	(660,822)
Balance, March 31, 2021	11, 12	142,731	6,465,350	1,017,328	(766,255)	6,859,154

	Notes	Share Capital	Additional Paid-in Capital	Retained Earnings (Deficit)	Treasury Shares	Total
Balance, January 1, 2020	11, 12	\$ 131,998	\$5,909,802	\$730,396	\$ (7,065)	\$ 6,765,131
Total Comprehensive Loss for the Period				(739,046)		(739,046)
Transactions with owners:						
Issuance of shares during the period	11	498	21,665	-	-	22,163
Acquisition of treasury shares during the period		-	-	-	(372,329)	(372,329)
Reissuance of treasury shares during the period		-	(5,158)	-	379,394	374,236
Total transactions with owners		498	16,507	-	7,065	24,070
Balance, March 31, 2020	11, 12	\$ 132,496	\$ 5,926,309	\$ (8,650)	\$ -	\$ 6,050,155

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2021 AND MARCH 31, 2020
(In US Dollars)

	Notes	2021	2020
Cash Flows from Operating Activities			
Loss before tax		(\$ 174,074)	\$ (738,940)
Adjustments for:			
Net unrealized (gains) loss on investments	5	436,932	775,666
Net realized gains on investments	5	(293,329)	(66,109)
Interest income	14	(797)	(629)
Operating cash flows before working capital changes		(31,268)	(30,012)
Decrease (Increase) in:			
Other current assets		(663)	(1,384)
Increase (Decrease) in:			
Accrued expenses and other payables		7,317	419
Payable to fund manager		(918)	(1,559)
Cash used in operations		(25,532)	(32,536)
Acquisition of financial assets at fair value			
through profit or loss		(1,455,166)	(2,281,958)
Proceeds from disposal of financial assets at fair value			
through profit or loss		1,882,836	2,358,176
Interest received		1,090	194
Income taxes paid		(86)	(3)
Net cash generated from operating activities		403,142	43,873
Cash Flows from Financing Activities			
Proceeds from issuance of share capital	11	106,154	22,163
Payments on acquisition of treasury shares	11	(908,743)	(372,329)
Proceeds from reissuance of treasury shares	11	141,767	374,236
Net cash generated from (used in) financing activities		(660,822)	24,070
Net (Decrease) Increase in Cash and Cash Equivalents		(257,680)	67,943
Cash and Cash Equivalents, Beginning		475,438	187,918
Cash and Cash Equivalents, End		\$ 217,758	\$ 255,861

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

1. FINANCIAL REPORTING FRAMEWORK AND BASIS OF PREPARATION AND PRESENTATION

Statement of Compliance

These unaudited condensed consolidated interim financial statements of the Company as at and for the three-month period ended March 31, 2021 have been prepared in accordance with PAS 34, Interim Financial Reporting. These unaudited condensed consolidated interim financial statements do not include all the notes normally included in an annual audited financial report. Accordingly, these unaudited condensed consolidated interim financial statements are to be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2020, which have been prepared in accordance with the Philippine Financial Reporting Standards (PRFS).

Basis of Preparation and Presentation

The financial statements of the Company have been prepared on the historical cost basis, except for certain financial assets measured at fair value and certain financial instruments carried at amortized cost.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In preparing the condensed consolidated interim financial statements, the significant accounting estimates and judgments made by the Company in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended December 31, 2020.

Functional and Presentation Currency

These financial statements are presented in United States Dollar (USD), the currency of the primary economic environment in which the Company operates. All amounts are recorded to the nearest peso, except when otherwise indicated.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Adoption of New and Revised Accounting Standards Effective in 2020

The Company adopted all accounting standards and interpretations effective as at December 31, 2020. The new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (IASB) and approved by the FRSC in the Philippines, were assessed to be applicable to the Company's financial statements and are as follows:

Amendments to PAS 1 and PAS 8, Definition of Material

The amendments relate to a revised definition of 'material':

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

Three new aspects of the new definition include (i) obscuring; (ii) could reasonably be expected to influence; and (iii) primary users.

The amendments stress especially five ways material information can be obscured:

- if the language regarding a material item, transaction or other event is vague or unclear;
- if information regarding a material item, transaction or other event is scattered in different places in the financial statements;

- if dissimilar items, transactions or other events are inappropriately aggregated;
- if similar items, transactions or other events are inappropriately disaggregated; and
- if material information is hidden by immaterial information to the extent that it becomes unclear what information is material.

The amendments are effective for periods beginning on or after January 1, 2020. Earlier application is permitted.

The adoption of this amendment has no effect on the Company's financial statements as of March 31, 2021 as the financial and non-financial information are properly disclosed in the financial statements.

New Accounting Standards Effective after the Reporting Period Ended December 31, 2020

The Company will adopt the following standards when these become effective:

PFRS 17, Insurance Contracts

PFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes PFRS 4 Insurance Contracts.

PFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

An amendment issued on June 2020 and adopted by FRSC on August 2020 addresses concerns and implementation challenges that were identified after PFRS 17 was published.

PFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

The standard (incorporating the amendments) is effective for periods beginning on or after January 1, 2023. Earlier application is permitted.

The future adoption of the standard will have no effect on the Company's financial statements as the Company does not issue insurance contracts.

Amendments to PFRS 3, References to the Conceptual Framework

The amendments update PFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to PFRS 3 a requirement that, for obligations within the scope of PAS 37, an acquirer applies PAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The future adoption of the amendments will have no effect on the Company's financial statements as the Company is not in the process of and has no plan to enter into business combination.

Amendments to PFRS 10 and PAS 28, Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The amendments to PFRS 10 and PAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognized in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The future adoption of the amendments will have no effect on the Company's financial statements as the Company is not in the process and has no plan to acquire such investments.

Amendments to PAS 1, Classification of Liabilities as Current or Non-current

The amendments to PAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

The Company will continue its assessment and will finalize the same upon the effectivity of these amendments.

Amendments to PAS 16, Property, Plant and Equipment – Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with PAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. PAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company does not have property, plant and equipment recorded in its financial statements.

Amendments to PAS 37, Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The future adoption of the amendments will have no effect on the Company's financial statements as the Company does not issue and enter into onerous contracts.

Annual Improvements to PFRS Standards 2018-2020 Cycle

Amendments to PFRS 1 – Subsidiary as a first-time adopter

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in PFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to PFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in PFRS 1:D16 (a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to PFRS 9 – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to PFRS 16 – Lease Incentives

The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to PFRS 16 only regards an illustrative example, no effective date is stated.

Amendments to PAS 41 – Taxation in fair value measurements

The amendment removes the requirement in PAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in PAS 41 with the requirements of PFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The future adoption of the amendments will have no effect on the Company's financial statements as the Company does not have subsidiary as first-time adopter; does not derecognize any liabilities, does not have lease contracts and leasehold improvements and does not have biological assets covered by PAS 41 that need to exclude its cash flows for taxation on its financial statements.

New Accounting Standards Effective in 2020 - Adopted by FRSC but pending for approval by the BOA

PIC Q&A No. 2019-04, Conforming Changes to PIC Q&As – Cycle 2019

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
PIC Q&A No. 2011-05: PFRS 1 – Fair Value or Revaluation as Deemed Cost	Updated because of applying PFRS 16, Leases, for the first time starting January 1, 2019
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	Reference to PAS 40, Investment Property, has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2012-02: Cost of a new building constructed on the site of a previous building	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of operating lease cost as part of construction costs of a building	Updated to comply with the provisions of PFRS 16 and renamed as PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of depreciation of right-of-use asset as part of construction costs of a building
PIC Q&A No. 2017-10: PAS 40 - Separation of property and classification as investment property	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2018-05: PAS 37 - Liability arising from maintenance requirement of an asset held under a lease	Updated to comply with the provisions of PFRS 16
PIC Q&A No. 2018-15: PAS 1- Classification of Advances to Contractors in the Nature of Prepayments: Current vs. Non-current	Reference to PAS 40 (included as an attachment to the Q&A) has been updated because of applying PFRS 16 for the first time starting January 1, 2019.

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2017-09: PAS 17 and Philippine Interpretation SIC-15 - Accounting for payments between and among lessors and lessees	This PIC Q&A is considered withdrawn starting January 1, 2019, which is the effective date of PFRS 16. PFRS 16 superseded PAS 17, Leases, and Philippine Interpretation SIC-15, Operating Leases— Incentives
PIC Q&A No. 2018-07: PAS 27 and PAS 28 - Cost of an associate, joint venture, or subsidiary in separate financial statements	This PIC Q&A is considered withdrawn upon publication of IFRIC agenda decision - Investment in a subsidiary accounted for at cost: Step acquisition (IAS 27 Separate Financial Statements) in January 2019.

The effective date of the amendments is included in the affected interpretations.

The future adoption of the interpretations will have no effect on the Company's financial statements as the Company does not have any leased properties and assets classified as investment properties or investment in associate, joint venture, or subsidiary.

PIC Q&A No. 2019-06, Accounting for Step Acquisition of a Subsidiary in a Parent

The interpretation clarifies how a parent should account for the step acquisition of a subsidiary in its separate financial statements.

Salient points of the interpretation are the following:

IFRIC concluded either of the two approaches may be applied:

- Fair value as deemed cost approach
Under this approach, the entity is exchanging its initial interest (plus consideration paid for the additional interest) for a controlling interest in the investee (exchange view). Hence, the entity's investment in subsidiary is measured at the fair value at the time the control is acquired.
- Accumulated cost approach
Under this approach, the entity is purchasing additional interest while retaining the initial interest (non-exchange view). Hence, the entity's investment in subsidiary is measured at the accumulated cost (original consideration).

Any difference between the fair value of the initial interest at the date of obtaining control of the subsidiary and its original consideration is taken to profit or loss, regardless of whether, before the step acquisition transaction, the entity had presented subsequent changes in fair value of its initial interest in profit or loss or other comprehensive income (OCI).

The interpretation is effective for periods beginning on or after October 19, 2019.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company is not engaged in acquisition of a subsidiary.

PIC Q&A No. 2019-07, Classification of Members' Capital Contributions of Non-Stock Savings and Loan Associations (NSSLAs)

Background:

The Bangko Sentral ng Pilipinas (BSP) issued Circular No. 1045 on August 29, 2019 to amend the Manual of Regulations for Non-Bank Financial Institutions Applicable to Non-Stock Savings and Loan Associations (MORNBFIS) – Regulatory Capital of Non-Stock Savings and Loan Associations (NSSLAs) and Capital Contributions of Members.

Under the Circular, each qualified member of an NSSLA shall maintain only one capital contribution account representing his/her capital contribution. While only one capital account is maintained, the Circular breaks down a member's capital contributions as follows:

- a. Fixed capital which cannot be reduced for the duration of membership except upon termination of membership. The minimum amount of fixed capital is Php1,000, but a higher minimum can be prescribed under the NSSLA's by-laws.
- b. Capital contribution buffer, which pertains to capital contributions in excess of fixed capital. The capital contribution buffer can be withdrawn or reduced by the member without affecting his membership. However, the NSSLA shall establish and prescribe the conditions and/or circumstances when the NSSLA may limit the reduction of the members' capital contribution buffer, such as, when the NSSLA is under liquidity stress or is unable to meet the capital-to-risk assets ratio requirement under Sec. 4116S of the MORNBFI-S Regulations. Such conditions and/or circumstances have to be disclosed to the members upon their placement of capital contribution buffer and in manners as may be determined by the Board.

For purposes of identifying and monitoring the fixed capital and capital contribution buffer of a member's capital contribution, NSSLAs shall maintain subsidiary ledgers showing separately the fixed and capital contribution buffer of each member. Further, upon receipt of capital contributions from their members, NSSLAs shall simultaneously record the amount contributed as fixed and capital contribution buffer in the aforementioned subsidiary ledgers. However, NSSLAs may use other systems in lieu of subsidiary ledgers provided that that the system will separately show the fixed and capital contribution buffer of each member.

The interpretation assessed and concluded that both Fixed Capital and the Capital contribution buffer qualify as "equity" in the NSSLA's financial statements as they both meet all the requirements of paragraphs 16A and 16B of PAS32, Financial Instruments: Presentation.

The interpretation is effective for periods beginning on December 11, 2019, and should be applied retrospectively.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company is not classified as a non-bank financial institution under non-stock savings and loan associations.

PIC Q&A No. 2019-08, PFRS 16, Leases - Accounting for Asset Retirement or Restoration Obligation ("ARO")

The interpretation clarifies the recognition of ARO under the following scenarios:

1) Accounting for ARO at lease commencement date

The cost of dismantling and restoration (i.e., the ARO) should be calculated and recognized as a provision in accordance with PAS 37, with a corresponding adjustment to the related right-of-use (ROU) asset as required by PFRS 16.24(d). As such, the lessee will add the amount of ARO to the cost of the ROU asset on lease commencement date, which will then form part of the amount that will be amortized over the lease term.

2) Change in ARO after initial recognition

- 2.1) Because ARO is not included as a component of lease liability, the measurement of such ARO is outside the scope of PFRS 16. Hence, its measurement is generally not affected by the transition to PFRS 16. Except in cases where the reassessment of lease-related assumptions (e.g., lease term) would affect the measurement of ARO-related provision, the amount of ARO existing at transition date would not be remeasured; rather, the balance of the ARO provision and any related asset will remain as previously measured. The asset will simply be reclassified from property and equipment to the related ROU asset as required under PFRS 16.24(d).

2.2) Assuming there is a change in lease-related assumptions that would impact the ARO measurement (e.g., change in lease term due to the new PFRS 16 requirements), the following will be the accounting treatment depending on the method used by the lessee in adopting PFRS 16:

- a. *Modified retrospective approach* - Under this approach, the lessee uses the remaining lease term to discount back the amount of provision to transition date. Any adjustment is recognized as an adjustment to the ROU asset and ARO provision. This adjustment applies irrespective of which of the two methods in measuring the ROU asset will be chosen under the modified retrospective approach.
- b. *Full retrospective approach* - The ARO provision and related asset, which gets adjusted to the ROU asset, should be remeasured from commencement of the lease, and then amortized over the revised or reassessed lease term. Because full retrospective approach is chosen, it is possible that the amount of cumulative adjustment to the ARO provision and the ROU asset at the beginning of the earliest period presented will not be the same; hence, it is possible that it might impact retained earnings.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not have leased property with any related ARO.

PIC Q&A No. 2019-09, Accounting for Prepaid Rent or Rent Liability Arising from Straight-lining under PAS 17 on Transition to PFRS 16 and the Related Deferred Tax Effects

The interpretation aims to provide guidance on the following:

- How a lessee should account for its transition from PAS 17 to PFRS 16 using the modified retrospective approach. Specifically, this aims to address how a lessee should, on transition, account for any existing prepaid rent or rent liability arising from straight-lining of an operating lease under PAS 17, and
- How to account for the related deferred tax effects on transition from PAS 17 to PFRS 16.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not have prepaid rent or rent liability recognized for leased property.

PIC Q&A No. 2019-10, Accounting for variable payments with rent review

Some lease contracts provide for market rent review in the middle of the lease term to adjust the lease payments to reflect a fair market rent for the remainder of the lease term. This Q&A provides guidance on how to measure the lease liability when the contract provides for a market rent review.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-11, Determining the current portion of an amortizing loan/lease liability

The interpretation aims to provide guidance on how to determine the current portion of an amortizing loan/lease liability for proper classification/presentation between current and non-current in the statement of financial position.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-12, PFRS 16, Leases – Determining the lease term

The interpretation provides guidance how an entity determine the lease term under PFRS 16.

A contract would be considered to exist only when it creates rights and obligations that are enforceable. Therefore, any non-cancellable period or notice period in a lease would meet the

definition of a contract and, thus, would be included as part of the lease term. To be part of a contract, any option to extend or terminate the lease that are included in the lease term must also be enforceable.

If optional periods are not enforceable (e.g., if the lessee cannot enforce the extension of the lease without the agreement of the lessor), the lessee does not have the right to use the asset beyond the non-cancellable period. Consequently, by definition, there is no contract beyond the non-cancellable period (plus any notice period) if there are no enforceable rights and obligations existing between the lessee and lessor beyond that term.

In assessing the enforceability of a contract, an entity should consider whether the lessor can refuse to agree to a request from the lessee to extend the lease. Accordingly, if the lessee has the right to extend or terminate the lease, there are enforceable rights and obligations beyond the initial non-cancellable period and thus, the parties to the lease would be required to consider those optional periods in their assessment of the lease term. In contrast, a lessor's right to terminate a lease is ignored when determining the lease term because, in that case, the lessee has an unconditional obligation to pay for the right to use the asset for the period of the lease, unless and until the lessor decides to terminate the lease.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, an entity shall consider all relevant facts and circumstances (i.e., including those that are not indicated in the lease contract) that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-13, PFRS 16, Leases – Determining the lease term of leases that are renewable subject to mutual agreement of the lessor and the lessee

The interpretation provides guidance how an entity determine the lease term under PFRS 16. This interpretation focuses on lease contracts that are renewable subject to mutual agreement of the parties.

A renewal option is only considered in determining the lease term if it is enforceable. A renewal that is still subject to mutual agreement of the parties is legally unenforceable under Philippine laws until both parties come to an agreement on the terms.

In instances where the lessee have known to be, historically, renewing the lease contract after securing mutual agreement with the lessor to renew the lease contract, the lessee's right to use the underlying asset does not go beyond the one-year period covered by the current contract, as any renewal still has to be agreed on by both parties. A renewal is treated as a new contract.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2020-01, Conforming Changes to PIC Q&As – Cycle 2020

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
Framework 4.1 and PAS 1.25 – Financial statements prepared on a basis other than going concern	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2016-03: Accounting for common areas and the related subsequent costs by condominium corporations	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2011-03: Accounting for intercompany loans	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2017-08: PFRS 10 – Requirement to prepare consolidated financial statements where an entity disposes of its single investment in a subsidiary, associate or joint venture	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2018-14: PFRS 15 – Accounting for cancellation of real estate sales	References to <i>The Conceptual Framework for Financial Reporting</i> have been updated due to the revised framework effective January 1, 2020

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	With the amendment to PFRS 3 on the definition of a business effective January 1, 2020, there is additional guidance in paragraphs B7A-B12D of PFRS 3 in assessing whether acquisition of investment properties is an asset acquisition or business combination (i.e. optional concentration test and assessment of whether an acquired process is substantive)

The effective date of the amendments is included in the affected interpretations.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company is not in the process of and has no plan to enter into business combination.

PIC Q&A No. 2020-02, Conclusion on PIC QA 2018-12E: On certain materials delivered on site but not yet installed

The interpretation clarifies the treatment of uninstalled materials in the measurement of the progress of the performance obligation.

The PIC has concluded that in recognizing revenue using a cost-based input method, customized materials are to be included in the measurement of the progress of work while materials that are not customized should be excluded. This is because if the materials are customized, the real estate developer is not just providing a simple procurement service to the customer as it is significantly involved in the design and details of the manufacture of the materials. As such, the costs incurred on the customized materials, even if still uninstalled, are to be included in the measurement of progress to properly capture the efforts expended by the real estate developer in completing its performance obligation.

This interpretation is effective for periods beginning on or after November 6, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not engaged in real estate developments and contracts.

PIC Q&A No. 2020-03, Accounting of the difference when the percentage of completion is ahead of the buyer's payment

This interpretation provides two views on the accounting treatment for the excess of the revenue recognized based on percentage of completion over the buyer's payment.

- View number 1

The difference is recorded as a contract asset as PFRS 15.107 states that if an entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amounts presented as a receivable.

- View number 2

The difference is recorded as a receivable as PFRS 15.108 states that a receivable is an entity's right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. An entity would recognize a receivable if it has a present right to payment even though that amount may be subject to refund in the future.

This interpretation is effective for periods beginning on or after September 30, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not have contacts or agreements accounted for using percentage of completion method.

PIC Q&A No. 2020-04, PFRS 15 - Step 3 - Requires an Entity to Determine the Transaction Price for the Contract

The interpretation clarifies the question on whether a significant financing component exists if there is a mismatch between the Percentage-of-Completion (POC) and the schedule of payments.

There is no significant financing component, if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Also, as provided under paragraph 63 of PFRS 15, an entity need not adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception that the timing difference of the receipt of full payment of the contract price and that of the completion of the project, are expected within one year and SFC is not expected to be significant.

This interpretation is effective for periods beginning on or after November 11, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not have contacts or agreements accounted for using percentage of completion method.

PIC Q&A No. 2020-05, PFRS 15 - Accounting for Cancellation of Real Estate Sales

The interpretation has provided three approaches for the accounting for cancellation of real estate sales and the repossession of the property, provided that an entity applies it consistently:

- The reposessed property is recognized at its fair value less cost to repossess
- The reposessed property is recognized at its fair value plus repossession cost
- The cancellation is accounted for as a modification of the contract (i.e., from non-cancellable to being cancellable).

This interpretation is effective for periods beginning on or after November 11, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not engaged in real estate developments and contracts.

PIC Q&A No. 2020-06, PFRS 16 - Accounting for payments between and among lessors and lessees

The interpretation provides for the treatment of payments between and among lessors and lessees as follows:

	Transaction	Treatments in the financial statements of			Basis
		Lessor	Old lessor	New Lessee	
1	Lessor pays old lessee - lessor intends to renovate the building	i. Recalculate the revised leased payments (net of the one-off amount to be paid) and amortize over the revised lease term. ii. If net payable, recognize as expense unless the amount to be paid qualifies as capitalizable cost under PAS 16 or PAS 40; in which case it is capitalized as part of the carrying amount of the associated property if it meets the definition of construction costs under PAS 16 or PAS 40.	i. Recognize in profit and loss at the date of modification the difference between the proportionate decrease in the right-of-use asset based on the remaining right-of-use asset for the remaining period and remaining lease liability calculated as the present value of the remaining lease payments discounted using the original discount rate of the lease. ii. Recognize the effect of remeasurement of the remaining lease liability as an adjustment to the right-of use-asset by referring to the revised lease payments (net of any amount to be received from the lessor)and using a revised discount rate. iii. Revisit the amortization period of right-of-use asset and any related leasehold improvement following the shortening of the term.		<ul style="list-style-type: none"> • PFRS 16; par. 87 • PAS 16; pars. 6, 16-17 • PAS 40; par. 21 • PFRS 16; par. 45 • Illustrative example 18 issued by IASB • PAS 16; pars. 56-57

	Transaction	Treatments in the financial statements of			Basis
		Lessor	Old lessor	New Lessee	
2	Lessor pays old lessee - new lease with higher quality lessee	Same as Item 1	Same as Item 1		Same as Item 1 PFRS 16 par. 83
3	Lessor pays new lessee - an incentive to occupy	<p>i. Finance lease:</p> <ul style="list-style-type: none"> • If made after commencement date, incentive payable is credited with offsetting debit entry to the net investment lease. • If paid at or prior to commencement date, included in the calculation of gain or loss on disposal on finance lease. <p>ii. Operating lease add the initial direct costs to the carrying amount of underlying asset and recognize as expense over the lease term either on a straight-line basis or another systematic basis.</p>		<p>i. Record as a deduction to the cost of the right-of-use asset.</p> <p>ii. Lease incentive receivable is also included as reduction in measurement of lease liability.</p> <p>iii. When lessee receives the payment of lease incentive, the amount received is debited with a credit entry to gross up the lease liability.</p>	<ul style="list-style-type: none"> • PAS 16; par. 68 • PAS 16; par. 71 • PFRS 16; par. 83 • PFRS 16; par. 24
4	Lessor pays new lessee - building alterations specific to the lessee with no further value to lessor	Same as Item 3		<p>i. Same as in fact pattern 1C.</p> <p>ii. Capitalize costs incurred by the lessee for alterations to the building as leasehold improvement in accordance with PAS 16 or PAS 40.</p>	<ul style="list-style-type: none"> • Same as in fact pattern 1C. • PAS 40; par. 21 • PAS 16; pars. 16-17
5	Old lessee pays lessor to vacate the leased premises early	Recognize as income immediately, unless it was within the original contract and the probability criterion was previously met, in which case, the amount would have already been	Recognize as expense immediately unless it was within the original contract and the probability criterion was previously met, in which case, the financial impact would have been recognized already as part of the lease liability.		<ul style="list-style-type: none"> • PAS 16 • PAS 38 • PFRS 16; par. 18

	Transaction	Treatments in the financial statements of			Basis
		Lessor	Old lessor	New Lessee	
		recognized as income using either a straight-line basis or another systematic basis.			
6	Old lessee pays new lessee to take over the lease		Recognize as an expense immediately.	Recognize as income immediately.	<ul style="list-style-type: none"> • PAS 16 • PAS 38 • PFRS 16; Appendix A
7	New lessee pays lessor to secure the right to obtain a lease agreement	i. If finance lease, recognize gain or loss in the profit or loss arising from the derecognition of underlying assets ii. If operating lease, recognize as deferred revenue and amortize over the lease term on a straight-line basis or another systematic basis.		Recognize as part of the cost of the right-of-use asset.	PFRS 16; par. 24 <ul style="list-style-type: none"> • PAS 16; par. 71 • PFRS 16; par 81
8	New lessee pays old lessee to buy out the lease agreement		Recognize as again immediately. Any remaining lease liability and right-of-use asset will be derecognized with net amount through P&L.	Account for as initial direct cost included in the measurement of the right-of-use asset.	<ul style="list-style-type: none"> • PFRS 16; Appendix A • PFRS 16; Example 13 in par. IE5 • PFRS 16; par. 24

This interpretation is effective for periods beginning on or after December 9, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not enter into lease contracts or agreements.

PIC Q&A No. 2020-07, PAS 12 – Accounting for the Proposed Changes in Income Tax Rates under the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) Bill

The interpretation explained the details of the CREATE bill and its impact on the financial statements once passed.

Interpretation discussed that impact on the financial statements ending December 31, 2020 are as follows:

- Current and deferred taxes will still be measured using the applicable income tax rate as of December 31, 2020;
- If the CREATE bill is enacted before financial statements' issue date, this will be a non-adjusting event but the significant effects of changes in tax rates on current and deferred tax assets and liabilities should be disclosed; and
- If the CREATE bill is enacted after financial statements' issue date but before filing of the income tax return, this is no longer a subsequent event but companies may consider disclosing the general key feature of the bill and the expected impact on the financial statements

For the financial statements ending December 31, 2021, the impact are as follows:

- Standard provides that component of tax expense(income) may include “any adjustments recognized in the period for current tax of prior periods” and “the amount of deferred tax expense(income) relating to changes in tax rates or the imposition of new taxes”;
- An explanation of changes in the applicable income tax rates to the previous accounting period is also required to be disclosed;
- The provision for current income tax for the year 2021 will include the difference between income tax per 2020 financial statements and 2020 income tax return;
- Deferred tax assets and liabilities as of December 31, 2021, will be remeasured using the new tax rates; and

Any movement in deferred taxes arising from the change in tax rates that will form part of the provision for/benefit from deferred taxes will be included as well in the effective tax rate reconciliation.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Classification and subsequent measurement

The Company classifies its financial assets in the following measurement categories:

- FVTPL;
- Fair value through other comprehensive income (FVTOCI); and
- Amortized cost.

As at March 31, 2021 and December 31, 2020, the Company does not have financial assets classified at FVTOCI.

Classification of financial assets will be driven by the entity’s business model for managing the financial assets and the contractual cash flows of the financial assets.

A financial asset is to be measured at amortized cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument represent SPPI.

All other debt and equity instruments must be recognized at fair value.

All fair value movements on financial assets are taken through the statement of comprehensive income, except for equity investments that are not held for trading, which may be recorded in the statement of comprehensive income or in reserves (without subsequent recycling to profit or loss).

Debt instruments

Subsequent measurement of debt instruments depends on the Company’s business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- Amortized cost. Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- FVTPL. Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of comprehensive income within other gains (losses) in the period in which it arises. Interest income from these financial assets is included in finance income.

The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

For financial instruments other than POCI financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than POCI financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective, that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company subsequently measures all equity investments at FVTPL, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity instrument at FVTOCI. The Company's policy is to designate equity investments as FVTOCI when those investments are held for the purposes other than to generate investment returns. When the election is used, fair value gains and losses are recognized in OCI and are not subsequently reclassified to profit or loss, including disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in profit or loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at FVTPL are recognized in net realized gains (losses) on investments in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

As at March 31, 2021 and December 31, 2020, the Company does not have financial assets at FVTOCI.

Impairment of financial assets

The Company recognizes a loss allowance for ECL on investments in debt instruments that are measured at amortized cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

With the exception of POCI financial assets, ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective interest rate.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original effective interest rate, regardless of whether it is measured on an individual basis or a collective basis.

The Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument (e.g., a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have low credit risk if:

- it has a low risk of default;
- the borrower is considered, in the short term, to have a strong capacity to meet its obligations; and
- the Company expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfill its obligations.

The Company considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortized cost or FVOCI are credit-impaired at each reporting date. To assess if debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

Write-off

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner.

Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of the assets.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the asset's cash flows expire or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss.

Financial liabilities and Equity Instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial Liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading, or (ii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profittaking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are measured at fair value, with any gains/losses arising on remeasurement recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain/loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in OCI are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

In making the determination of whether recognizing changes in the liability's credit risk in OCI will create or enlarge an accounting mismatch in profit or loss, the Company assesses whether it expects that the effects of changes in the liability's credit risk will be offset in profit or loss by a change in the fair value of another financial instrument measured at FVTPL. This determination is made at initial recognition.

Since the company does not have financial liabilities classified at FVTPL, all financial liabilities are subsequently measured at amortized cost.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

The Company's financial liabilities classified under this category include accrued expenses and other payables, due to brokers and payable to fund manager.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

A right to offset must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Share capital

Share capital consisting of ordinary shares is classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax. Any excess of proceeds from issuance of shares over its par value is recognized as additional paid-in capital.

Retained earnings

Retained earnings represent accumulated profit attributable to equity holders of the Company after deducting dividends declared. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Repurchase, disposal and reissuance of share capital (treasury shares)

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable cost, net of any tax effects, is recognized as a reduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognized as increase in equity, and the resulting surplus or deficit on the transaction is presented as additional paid-in capital.

Deposits for future stock subscriptions

Deposits for future stock subscriptions are recorded at historical cost. According to Financial Reporting Bulletin (FRB) No. 6 as issued by SEC, these are classified as equity when all of the following criteria are met:

- a. the unissued authorized capital stock of the entity is insufficient to cover the amount of shares indicated in the contract;
- b. there is Board of Directors' approval on the proposed increase in authorized capital stock (for which a deposit was received by the Company);
- c. there is stockholders' approval of said proposed increase; and
- d. the application for the approval of the proposed increase has been presented for filing or has been filed with the SEC.

Deposits for future stock subscriptions are classified as liability, when any of the above criteria are not met.

Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as these are consumed in operations or expire with the passage of time.

Prepayments are classified in the statements of financial position as current asset when the cost of services related to the prepayments are expected to be incurred within one (1) year or the Company's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets.

Contingent Liabilities and Assets

Contingent liabilities and assets are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized, but are disclosed only when an inflow of economic benefits is probable. When the realization of income is virtually certain, asset should be recognized.

Revenue Recognition

Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

Transaction price

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Dividend income

Dividend income from investments is recognized when the shareholders' rights to receive payments have been established, usually at ex-dividend rate, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Realized gains or losses

Gains or losses arising on the disposal of investments are determined as the difference between the sales proceeds and the carrying amount of the investments and is recognized in profit or loss.

Fair value gains or losses

Gains or losses arising from changes in fair values of investments are disclosed under the policy on financial assets.

Other income

Other income is income generated outside the normal course of business and is recognized when it is probable that the economic benefits will flow to the Company and it can be measured reliably.

Expense Recognition

Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in profit or loss on the basis of: (i) a direct association between the costs incurred and the earning of specific items of income; (ii) systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or, (iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statements of financial position as an asset.

Expenses in the statements of comprehensive income are presented using the function of expense method. Investment expenses are transaction costs incurred in the purchase and sale of investments. Operating expenses are costs attributable to administrative and other business expenses of the Company including management fees and custodianship fees.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is

directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Related Party Transactions

A related party transaction is a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged.

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. An entity that is a post-employment benefit plan for the employees of the Company and the key management personnel of the Company are also considered to be related parties.

Taxation

Income tax expense represents the sum of the current tax, final tax and deferred tax expense.

Current tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's current tax expense is calculated using 25% regular corporate income tax (RCIT) rate or 1% minimum corporate income tax (MCIT) rate, whichever is higher.

Final tax

Final tax expense represents final taxes withheld on interest income from cash in banks, special savings deposits and fixed-income securities and final taxes withheld on proceeds from sale of listed equity securities.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and these relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in OCI or directly in equity, in which case, the current and deferred taxes are also recognized in OCI or directly in equity, respectively.

Foreign Currency

Transactions in currencies other than functional currency of the Company are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date the fair value was determined. Gains and losses arising on retranslation are included in profit or loss for the year, except for exchange differences arising on non-monetary assets and liabilities when the gains and losses of such non-monetary items are recognized directly in equity. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated.

Earnings (Loss) per Share

The Company computes its basic earnings per share by dividing profit or loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating diluted earnings (loss) per share, profit or loss for the year attributable to ordinary equity holders of the Company and the weighted average number of shares outstanding are adjusted for the effects of deposits for future stock subscriptions which are dilutive potential ordinary shares.

Net Asset Value per Share (NAVPS)

The Company computes its NAVPS by dividing the total net asset value as at the end of the reporting period by the number of issued and outstanding shares and shares to be issued on deposit for future stock subscriptions.

Events After the Reporting Period

The Company identifies events after the end of the reporting period as those events, both favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. The financial statements of the Company are adjusted to reflect those events that provide evidence of conditions that existed at the end of the reporting period. Non-adjusting events after the end of the reporting period are disclosed in the notes to the financial statements when material.

4. CASH IN BANKS

	March 2021	December 2020
Cash in banks	\$ 217,758	\$ 475,438

5. **FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	March 2021	December 2020
Global mutual funds	\$ 5,292,332	\$ 5,926,854
Global exchange traded funds	880,248	1,318,719
Investments in fixed-income securities	314,508	280,802
	\$ 6,487,088	\$ 7,283,361

Net gains (losses) on investments recognized in profit or loss arising from financial assets at FVTPL are as follows:

	March 2021	December 2020
Net realized gains (losses) on investments in:		
Equity securities	\$ 336,079	\$ 107,061
Fixed-income securities	(42,750)	2,616
	293,329	109,677
Net unrealized gains (losses) on investments in:		
Equity securities	(447,270)	628,350
Fixed-income securities	10,338	(16,817)
	(436,932)	611,533
	\$ (143,603)	\$ 721,210

The movements in the financial assets at FVTPL are summarized as follows:

	March 2021	December 2020
Balance, January 1	\$ 7,283,361	\$6,590,513
Additions	1,440,166	8,392,815
Disposal	(1,799,507)	(8,311,500)
Unrealized gains (losses)	(436,932)	611,533
Balance, March 31	\$ 6,487,088	\$7,283,361

6. **ACCRUED INTEREST RECEIVABLE**

	March 2021	December 2020
Fixed-income securities	\$ 880	\$ 1,173

7. **DUE FROM BROKERS**

Due from brokers account refers to amounts receivable from brokers arising from the sale of investments processed on or before the reporting period, which are settled three days after the transaction date.

Due to brokers account pertains to amounts payable to brokers for the purchase of investments processed on or before the reporting period, which are settled three days after the transaction date.

Counterparties to the contract are not allowed to offset payable and receivable arising from the purchase and sale of investments.

Commissions are paid to brokers when buying and selling shares of stock.

8. OTHER CURRENT ASSETS

	March 2021	December 2020
Prepaid expenses	\$ 663	\$ -

9. ACCRUED EXPENSES AND OTHER PAYABLES

	March 2021	December 2020
Due to investors	\$ 6,036	\$ -
Professional fees	3,057	2,333
Custodianship fees	1,851	1,220
Withholding and documentary stamp taxes	1,047	1,132
Others	11	-
	\$ 12,002	\$ 4,685

Due to investors pertains to cash deposited by investors for subscription to the mutual fund which are yet to be processed at period-end.

10. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company transacts with entities which are considered related parties under PAS 24, *Related Party Disclosures*.

The details of transaction with related parties and the amounts paid or payable are set out below:

Nature of Transaction	Transactions as of end of the Quarter	Outstanding Balances		Terms	Condition
	Q1 2021	Q1 2021	December 2020		
SLAMCI – Fund Manager Management Distribution and Transfer fees	\$ 34,652	\$ 10,168	\$ 11,086	Non-interest bearing; 1.65% of average daily net assets; settled in cash on or before the 15th day of the following month	Unsecured; Unguaranteed
Key Management Personnel Directors' Fees	\$ 1,316	\$ -	\$ -	Payable on demand; Settled in cash	Unsecured

11. EQUITY

	2021	
	Shares	Amount
Authorized:		
at P1.00 par value		
At January 1	10,000,000	P 10,000,000
Issued and fully paid:		
At January 1	6,400,040	\$ 140,801
Issuance during the period	87,749	1,930
At March 31	6,487,789	\$ 142,731
Treasury shares:		
At January 1	-	\$ -
Acquisition	766,185	908,743
Reissuance	(116,867)	(142,488)
At March 31	649,318	\$ 766,255

Fully paid ordinary shares with a par value of P1.00 carry one vote per share and carry a right to dividends.

Incorporation

The Company was incorporated on September 4, 2015 with 6,000,000 authorized shares with a par value of 1.00. The SEC approved the registration on March 22, 2016.

Approved changes

On September 7, 2015, the shareholders approved the blanket increase of the Company's authorized share capital up to 100,000,000,000 shares with a par value of P1.00 per share. The increase will be implemented by the Chairman of the Board of Directors and President of SLAMCI acting jointly in tranches.

On September 21, 2017, the Chairman of the Board of Directors of the Company and the President of SLAMCI jointly authorized the increase in Authorized Capital Stocks by Four Million Pesos (P4,000,000) divided into Four Million (4,000,000) shares at a par value of P1 per share. This increases the authorized capital stock from P6,000,000 divided into 6 million shares to P10,000,000 divided into 10 million shares.

In April 2018, requirements were already provided to SEC based on the evaluator's initial comments.

On July 25, 2018, the SEC approved the additional 4 Million shares increase in authorized capital stock, from 6 Million shares to 10 Million shares at a par value of P1.00 per share.

On September 18, 2018, the SEC received the registration statement filed by the Company to register the approved 4,000,000 shares.

On October 23, 2019, SEC approved the registration statement for the 4,000,000 shares increase.

Stock Dividend

On March 13, 2018, the Board of Directors approved the declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of April 30, 2018, and payout date of July 20, 2018. Said declaration is conditional on the shareholders' approval during the stockholders' meeting on July 18, 2018.

Subsequently, on June 29, 2018, the Board of Directors approved the amendment of the dates of the declaration of stock dividends equivalent to 2% of the outstanding shares for stockholders of record to July 31, 2018, for payout on September 28, 2018.

On September 21, 2018, it was reported to the SEC that a declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of July 31, 2018, and payout date of September 28, 2018, or any reasonable date after approval of SEC on the stock dividend declaration has been obtained.

On October 26, 2018, 4,001,401 shares or 69.48% of the outstanding capital stock as at September 28, 2018 were present in person or by proxy; and by majority of the Board of Directors present, the declaration of 2% stock dividends to shareholders of record as of September 28, 2018 has been approved. The Board unanimously approved to move the dividend payout date from December 21, 2018 to October 26, 2018.

On October 7, 2019, 4,041,260 shares or 67.95% of the outstanding capital stock as at September 5, 2019 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 0.50% stock dividends to shareholders of record as of October 8, 2019 has been approved. The payout date was on October 9, 2019.

On November 13, 2020, 4,196,301 shares or 70.39% of the outstanding capital stock as at September 30, 2020 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 1.88% stock dividends to shareholders of record as of November 26, 2020 has been approved. The payout date was on November 27, 2020.

Current state

As at March 31, 2021, the Company has 5,838,471 issued and outstanding shares out of the 10,000,000 ACS with a par value of P1.00 per share.

The following table shows the number of institutional and retail investors and the percentage of their investments, and the geographic concentration of investments as of March 31, 2021.

% Ownership of Institutional Investors	% Ownership of Retail Investors
17.56%	82.44%

Area	Percentage of Investments
LUZON	93%
VISAYAS	5%
MINDANAO	2%
TOTAL	100%

12. ADDITIONAL PAID-IN CAPITAL

	March 2021	December 2020
APIC	\$ 6,465,350	\$ 6,361,847

13. NET ASSET VALUE PER SHARE

	March 2021	December 2020
Total equity	\$ 6,859,154	\$ 7,694,133
Issued and outstanding Shares	5,838,471	6,400,040
NAVPS	\$ 1.1748	\$ 1.2022

Net Asset Value Calculation

The net asset value shall be calculated by adding:

- The aggregate market value of the portfolio securities and other assets;
- The cash on hand;
- Any dividends on stock trading ex-dividend; and
- Any accrued interest on portfolio securities,

And subtracting:

- Taxes and other charges against the fund not previously deducted;
- Liabilities
- Accrued expenses and fees; and
- Cash held for distribution to investors of the fund on a prior date.

Price Determination Of The Assets Of The Investment Company

The value of the assets of the Investment Company shall be determined based on the following:

- a. If quoted in an organized market, based on official closing price or last known transacted price;
- b. If unquoted or quoted investments where the transacted prices are not represented or not available to the market, based on fair value; Provided further that in determining the fair value of investments, the Fund Manager shall, with due care and good faith:
 - Have reference to the price that the Investment Company would reasonably expect to receive upon the sale of the investment at the time the fair value is determined;
 - Document the basis and approach for determining the fair value.

Below table shows the investment company return information of the Fund in the last five (5) recently completed fiscal years:

	Yields	NAVPS	NAVPS date
Year on year yield (1-year)	19.1258%	\$ 1.0046	March 31, 2020
3 Year - Simple	5.5720%	\$ 1.1127	March 28, 2018
5Year - Simple	-	-	-

14. INTEREST INCOME

	March 2021	March 2020
Fixed-income securities	\$ 791	\$ 612
Cash in banks	6	17
	\$ 797	\$ 629

15. EARNINGS (LOSS) PER SHARE

The calculation of the loss per share for the quarter is based on the following data:

	March 2021	March 2020
Total comprehensive loss for the period	(\$ 174,157)	(\$ 739,046)
Weighted average number of outstanding shares for the purpose of computing earnings / loss per share	6,264,272	5,935,636
Basic and diluted loss per share	(\$ 0.028)	(\$ 0.125)

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities measured at fair value on a recurring basis

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the inputs to fair value are observable.

	Note	Level 1
March 31, 2021		
Global mutual funds	5	\$ 5,292,332
Global exchange traded funds	5	880,248
Investments in fixed-income securities	5	314,508
		\$ 6,487,088
December 31, 2020		
Global mutual funds	5	\$5,863,840
Global exchange traded funds	5	1,318,719
Investments in fixed-income securities	5	280,802
		\$7,283,361

The fair value of fixed-income securities is based on quoted prices of either done deals or bid rates. Investments in mutual funds and traded funds are valued at their published NAVPS as at reporting date.

Financial assets and liabilities not measured at fair value

The carrying amounts and fair values of the Company's financial assets and financial liabilities are shown below:

	Notes	Carrying Amounts	Fair Values		Total
			Level 1	Level 2	
March 31, 2021					
Financial Assets					
Cash in banks	4	\$ 217,758	\$ 217,758	\$ -	\$ 217,758
Due from brokers	7	210,000	-	210,000	210,000
Accrued interest receivable	6	880	-	880	880
		\$ 428,638	\$ 217,758	\$ 210,880	\$ 428,638
Financial Liabilities					
Accrued expenses and other payables	9	\$ 10,955	\$ -	\$ 10,955	\$ 10,955
Due to brokers		35,000	-	35,000	35,000
Payable to fund manager	10	10,168	-	10,168	10,168
		\$ 56,123	\$ -	\$ 56,123	\$ 56,123
December 31, 2020					
Financial Assets					
Cash in banks	4	\$475,438	\$475,438	\$ -	\$475,438
Accrued interest receivable	6	1,173	-	1,173	1,173
		\$476,611	\$475,438	\$ 1,173	\$476,611
Financial Liabilities					
Accrued expenses and other payables	9	\$ 3,553	\$ -	\$ 3,553	\$ 3,553
Due to brokers		50,000	-	50,000	50,000
Payable to fund manager	10	11,086	-	11,086	11,086
		\$ 64,639	\$ -	\$ 64,639	\$ 64,639

The difference between the carrying amount of accrued expenses and other payables disclosed in the statements of financial position and the amount disclosed in this note pertains to withholding and documentary stamp taxes that are not considered financial liabilities.

Due to the short-term maturities of cash in banks, due from brokers, accrued interest receivable, accrued expenses and other payables, and payable to fund manager, their carrying amounts approximate their fair values.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The Performance of the Company could be measured by the following indicators:

- 1. Increase/Decrease in Net Assets Value Per Share (NAVPS).** NAVPS is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding plus the total number of shares outstanding due to deposit for future subscriptions (DFFS) and for conversion to shares, if any, as of the end of the reporting day. Any increase or decrease in NAVPS translates to a prospective capital gain or capital loss, respectively, for the Fund's shareholders.
- 2. Net Investment Income.** Represents the total earnings of the Fund from its investment securities, less operating expenses and income tax. This gauges how efficiently the Fund has utilized its resources in a given time period.
- 3. Assets Under Management (AUM).** These are the assets under the Fund's disposal. This measures investor confidence (increase/decrease brought about by investor subscriptions/redemptions) as well as the growth of the Fund (increase/decrease brought about by its operational income and market valuation of its assets and liabilities).
- 4. Cash Flow.** Determines whether the Fund was able to achieve the optimal level of liquidity by being able to meet all its scheduled payments, while maintaining at the same time the maximum investments level and minimum cash level.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Material Changes in the 1st Quarter Financial Statements

Statement of Financial Position and Statements of Changes in Equity –

31 March 2021 vs. December 31, 2020

For the Period Ended	31-Mar-21	31-Dec-20	Movement	Percentage (%)	MDAS
	Unaudited	Audited			
Cash in banks	\$ 217,758	\$ 475,438	(\$ 257,680)	-54.20%	Liquidity requirements are still met.
Financial assets at fair value through profit or loss	6,487,088	7,283,361	(796,273)	-10.93%	The decrease was due to net disposal of investments and unrealized loss incurred during the period.
Accrued interest receivable	880	1,173	(293)	100.00%	Collection of interest depends on the scheduled interest payments of each asset.
Due from brokers	210,000	-	210,000	100.00%	This account refers to amounts receivable from brokers arising from the sale of investments processed on or before the reporting period, which are settled three days after the transaction date.
Other current assets	663	-	663	100.00%	Prepaid expenses to be amortized until end of the accounting period.
Total Assets	6,916,389	7,759,972	(843,583)	-10.87%	
Accrued expenses and other payables	12,002	4,685	7,317	156.18%	The increase was due to custodian fees and professional fees payable and outstanding proceeds payable to investors for redemption of their investments processed on or before end of the reporting period, which are usually settled four (4) days after the transaction date.
Payable to fund manager	10,168	11,086	(918)	-8.28%	The decrease was due to lower outstanding recoverable fees from fund manager as of period end.
Due to brokers	35,000	50,000	(15,000)	-30.00%	This account pertains to amounts payable to brokers for the purchase of investments processed on or before the reporting period, which are settled four days after the transaction date.
Income tax payable	65	68	(3)	100.00%	Accrual of income tax for the 1st quarter of 2021.
Total Liabilities	57,235	65,839	(8,604)	-13.07%	
Share capital	142,731	140,801	1,930	1.37%	New issuance of shares during the period.
Additional paid in capital	6,465,350	6,361,847	103,503	1.63%	
Retained earnings	1,017,328	1,191,485	(174,157)	-14.62%	Net loss for the period.
Treasury Shares	(766,255)	-	(766,255)	100.00%	Due to net acquisition of treasury shares during the period.
Net Assets	6,859,154	7,694,133	(834,979)	-10.85%	Due to net loss and acquisition of treasury shares and partly offset with new shares issuance.
Net Assets Value per Share	\$ 1.1748	\$ 1.2022	P (0.0274)	-2.28%	

There were no known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing the Fund's liquidity in any material way.

There was no contingent liability reflected in the accompanying interim unaudited financial statements.

The Fund does not anticipate having any cash flow or liquidity problems as it complies with the liquidity requirements per ICA-IRR 6.10. The Fund was able to meet all its monetary obligations to its shareholders (for redemption) and creditors for the period covered. It does not foresee any event that could trigger a direct or contingent financial obligation that is material to its operations.

There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Fund with unconsolidated entities/other persons created during the reporting period. Likewise, there are no material commitments for capital expenditures, known trends, events, or uncertainties that have had or that are reasonably expected to have a material impact on net income/revenue from the continuing operations of the Fund.

There are no other significant events and transactions from the last annual reporting period that is required for disclosure this quarter.

Statement of Comprehensive Income for the Three months ended – 31 March 2021 vs. March 31, 2020

	31-Mar-21	31-Mar-20		Percentage	
	Unaudited	Unaudited	Movement	(%)	MDAS
Investment Income	\$ 301,918	\$ 72,093	\$ 229,825	318.79%	The increase mainly pertains to the higher trading gains realized upon disposal of securities and higher interest income earned during the period.
Investment Expense	-	248	(248)	-100.00%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses	39,060	35,119	3,941	11.22%	This is due to the increase in management fees brought by higher AUM and partly offset with the decline in recorded directors' fees incurred for the period.
Net Unrealized Losses on Investments	(436,932)	(775,666)	338,734	-43.67%	Due to impact of unfavorable market condition during the period.
Provision for Income Tax	83	106	(23)	-21.70%	Income tax under MCIT and final taxes of interest income earned from fixed income investments.
Net Investment Loss	(\$ 174,157)	(\$ 739,046)	564,889	76.43%	

Average daily net asset value from January to March 2021 and January to March 2020 are \$ 7,604,485 and \$ 6,565,996, respectively.

The Fund has no unusual nature of transactions or events that affect assets, liabilities, equity, net income or cash flows.

There were no commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Fund which are not reflected in the accompanying interim unaudited financial statements.

The management of the Fund is of the opinion that there were no income or losses from these items that will have any material effect on its interim unaudited financial statements.

There were no known material events subsequent to the end of the quarterly reporting period that have not been reflected in the Fund's interim unaudited financial statements as at the period ended March 31, 2021. There were no significant elements of income or loss that did not arise from the Fund's continuing operations.

There were no changes in estimates of amount reported in the current financial year or changes in estimates of amounts reported in prior financial years.

PART II – RISK MANAGEMENT

Item 1. Financial Risk Exposures of the Company

1. Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: Market risk, which includes fair value interest rate risk and equity price risk; credit risk; and liquidity risk. The Fund Manager exerts best efforts to anticipate events that would negatively affect the value of the Company's assets and takes appropriate actions to counter these risks. However, there is no guarantee that the strategies will work as intended. The policies for managing specific risks are summarized below:

- 1.1 Market Risk:** Market risk is the risk of possible decline in the value of the Fund due to fluctuations in prices of the fund's assets. Since the Fund may invest in both equity and fixed income securities, it is subject to two types of market risks: (1) Interest Rate Risk applicable to fixed income investments of the Fund; and (2) Equity Price Risk applicable to the equity investments of the Fund.
- 1.2 Interest Rate Risk:** Interest Rate Risk is a type of Market Risk which is applicable to the Fund's investments in bonds, if any. This refers to the increase/decrease of a bond-price due to movement in market factors such as changes in interest rates. A change in interest rates is the period when interest rates rise or fall thus causing the decline or increase in the market price of the bonds held by the Fund, if any.

This risk is minimized by closely monitoring the direction of interest rates and aligning it with the appropriate strategy of the Fund.

- 1.3 Equity Risk:** Companies issue equities, or stocks, to help finance their operations and future growth. A company's performance outlook, market activity and the larger economic picture influence its stock price. When the economy is expanding, the outlook for many companies will be positive and the value of their stocks should rise. The opposite is also true. The value of a Fund is affected by changes in the prices of the stocks it holds. The risks and potential rewards are usually greater for small companies, start-ups, resource companies and companies in emerging markets. Investments that are convertible into equity may also be subject to interest rate risk.
- 1.4 Liquidity Risk:** The Funds are usually able to service redemptions of investors within 7 business days after receiving the notice of redemption by paying out redemptions from available cash or cash equivalents. When redemptions exceed these liquid holdings, the Funds will have to sell less-liquid assets, and during periods of extreme market volatility, the Funds may not be able to find a buyer for such assets. As such, the Funds may not be able to generate enough cash to pay for the redemptions within the normal 7-day period.
- 1.5 Credit Risk:** Investments in bonds carry the risk that the issuer of the bonds might not be able to meet its interest and principal payments. In which case, the value of the bonds will be adversely affected and may result in a write-off of the concerned asset held by the Fund, resulting to a significant decrease in its NAVPS. To mitigate this risk, each Issuer/Borrower/Counterparty passes through a stringent credit process to determine whether its credit quality complies with the prescribed standards of the Fund. The credit quality of the Issuer/Borrower/Counterparty is reviewed periodically to ensure that excellent credit standing is maintained. Moreover, a 15% exposure limit to a single entity is likewise observed.
- 1.6 Foreign Investment Risk:** The Fund invests in securities issued by corporations in, or governments of, countries other than the Philippines. Investing in foreign securities can be beneficial in expanding your investment opportunities and portfolio diversification, but there are risks associated with foreign investments, including:
- companies outside of the Philippines may be subject to different regulations, standards, reporting practices and disclosure requirements than those that apply in the Philippines;
 - the legal systems of some foreign countries may not adequately protect investor rights;
 - political, social or economic instability may affect the value of foreign securities;
 - foreign governments may make significant changes to tax policies, which could affect the value of foreign securities; and
 - foreign governments may impose currency exchange controls that prevent a Fund from taking money out of the country.
- 1.7 Fund Manager Risk:** The performance of the Funds is also dependent on the Fund Manager's skills. Hence, the Fund may underperform in the market and/or in comparison with similar funds due to investment decisions made by the Fund Manager, and may also fail to meet the Fund's investment objectives. The Board of Directors of the Funds, however, shall ensure that all investment policies and restrictions enumerated in this Prospectus are strictly followed.
- 1.8 Geographic Concentration Risk:** Some Funds may invest a relatively large portion of their assets in issuers located in a single country, a small number of countries, or a particular geographic region. As a result, the performance of these Funds could be closely tied to the market, currency, economic, political, regulatory, geopolitical or other conditions in such countries or region, and could be more volatile than the performance of funds with more geographically-diversified holdings.
- 1.9 Passive Management Risk:** Some Funds may invest in other mutual funds that are not actively managed, such as index funds. Passively managed funds would not sell a security if the security's issuer was in financial trouble, unless the security is removed from the applicable index being replicated. The passively managed fund must continue to invest in the securities of the index, even if the index is performing poorly. That means the passively managed fund won't be able to reduce risk by diversifying its investments into securities listed on other indices. As a result, the performance of a passively managed fund may differ significantly from the performance of an actively managed fund. This may in turn affect the performance of a Fund that invests in such passively managed fund.

- 1.10 Underlying Fund Risk:** Some Funds may pursue its investment objectives indirectly by investing in shares of other mutual funds, including exchange-traded funds, in order to gain access to the strategies pursued by those underlying funds. There can be no assurance that any use of such multi-layered fund of fund structures will result in any gains for a Fund. If an underlying fund that is not traded on an exchange suspends redemptions, a Fund will be unable to value part of its portfolio and may be unable to redeem shares. Underlying funds that are traded on an exchange are subject to the following risks that do not apply to conventional mutual funds: (i) an exchange-traded fund's units often trade on the exchange at a premium or discount to the net asset value of such units; (ii) an active trading market for an exchange-traded fund's units may not develop or be maintained, and (iii) there is no assurance that the exchange-traded fund will continue to meet the listing requirements of the exchange.
- 1.11 Dilution Risk:** Being an open-end mutual fund, various investors may effectively subscribe to any amount of shares of the Fund. You then face the risk of your investments being diluted by the shares of the other investors of the Fund. The influence that the investors can exert over the control and management of the Fund decreases proportionately.
- 1.12 Large Transaction Risk:** If an investor in a Fund makes a large transaction, the Fund's cash flow may be affected. For example, if an investor redeems a large number of shares of a Fund, that Fund may be forced to sell securities at unfavorable prices to pay for the proceeds of redemption. This unexpected sale may have a negative impact on the net asset value of the Fund.
- 1.13 Non-Guarantee:** Unlike deposits made with banks, an investment in the Fund is neither insured nor guaranteed by the FDIC. You carry the risk of losing the value of your investment, without any guarantee in the form of insurance. Moreover, as with any investment, it is important to note that past performance of the Fund does not guarantee its future success.
- 1.14 Regulatory Risk:** The Funds' operations are subject to various regulations, such as those affecting accounting of assets and taxation. These regulations do change, and as a result, investors may experience lower investment returns or even losses depending on what such a regulatory change entails. For example, higher taxes would lower returns, and a mandated precautionary loan loss provisions could result in the Fund experiencing a loss in the value of assets. To mitigate this risk, the Fund adopts global best practices. Further, it maintains regular communications with the relevant government agencies to keep itself abreast of the issues giving them concern, and to have the opportunity to help them set standards for good governance. The Fund's investment manager, SLAMCI, also takes an active participation in the Philippine Investment Funds Association, Inc. ("PIFA"), an association of mutual fund companies in the Philippines.
- 1.15 Operational Risk:** This is the risk of loss resulting from inadequate or failed internal processes, controls, people and systems. Categories of operational risks may fall under: sales and distribution, human resources, information technology, processes and people, accounting and finance, model risk, legal and regulatory and third party relationships. The Fund ensures that the internal controls and practices are consistent with enterprise wide policies supporting the management of operational risks. The Fund has established business specific guidelines. Comprehensive investment program, including appropriate level of self-insurance, is maintained to provide protection against potential losses.

2. Capital Risk Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing returns to stakeholders through the optimization of the mix of high-quality debt and equity securities from domestic issuers.

The Company is guided by its Investment Policies and Legal Limitations. All the proceeds from the sale of shares, including the original subscription payments at the time of incorporation constituting the paid-in capital, is held by the pertinent custodian banks.

The capital structure of the Company consists of issued capital.

The Company manages capital and NAVPS to ensure that the Company's net asset value remains competitive and appealing to prospective investors.

The Company is also governed by the following fundamental investment policies:

- a. It does not issue senior securities;
- b. It does not intend to incur any debt or borrowing. In the event that borrowing is necessary, it can do so only if, at the time of its incurrence or immediately thereafter, there is asset coverage of at least 300% for all its borrowings;
- c. It does not participate in any underwriting or selling group in connection with the public distribution of securities, except for its own share capital;
- d. It generally maintains a diversified portfolio. Industry concentrations may vary at any time depending on the investment manager's view on the prospects;
- e. It does not invest more than twenty percent (20%) of its net assets in real estate properties and developments, subject to investment restrictions and/or limitations under applicable law, if any.
- f. It does not purchase or sell commodity futures contracts;
- g. It does not make any loan to other persons, or to other interested persons such as the members of the Board of Directors, officers of the Fund and any affiliates, or affiliated corporations of the Fund. However, it shall engage in legally permissible lending operations considered by its Board of Directors to be financially solid and sound.
- h. The asset mix in each type of security is determined from time to time, as warranted by economic and investment conditions;
- i. Subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions.
- j. The Fund may use various techniques to hedge investment risks. and;
- k. It does not change its investment objectives without the prior approval of a majority of its shareholders.

The Investment Policies refer to the following:

- a. Investment Objective – to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.
- b. Benchmark – 95% Bloomberg Barclays EM Asia USD Credit Philippine Index + 30% Morgan Stanley Capital International All Country World Index (MSCI ACWI) + 5% 30-day USD Deposit Rate.
- c. Asset Allocation Range – the Company allocates its funds available for investments among cash and other deposit substitute, fixed-income securities and equity securities based on certain proportion as approved by Management.

Other matters covered in the investment policy include the fees due to be paid to the Fund Manager with management, distribution and transfer agency fees each set at an annual rate of 1.50% of the net assets attributable to shareholders on each valuation day.

In compliance to SEC Memorandum Circular No. 21, Series of 2019 signed on September 24, 2019 in relation to independent Net Asset Value (NAV) calculation, SLAMCI (Fund Manager) engaged Citibank, N.A. Philippines to service its fund accounting functions including calculation of its NAV every dealing day. In December 2020, SLAMCI implemented the outsourced fund accounting to all Sun Life Prosperity Funds.

As at March 31, 2021 and same period last year, the Company is in compliance with the above requirements and minimum equity requirement of the SEC of P50,000,000.

3. The amount and description of the company's investment in foreign securities:

As of reporting period March 31, 2021, the Company's investment in listed foreign equity securities are as follows:

Name of Issuing Entity and Association of Each Issue	Market Value
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	\$ 171,067
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	18,096
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGTON GLOBAL QUALITY GROWTH FUND	309,080
MORGAN STANLEY US ADVANTAGE FUND	365,848
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	474,609
SPDR MSCI ACWI UCITS ETF	152,882
JPMORGAN FUNDS-INCOME FUND	611,918
MFS FI II USD GL HIGH YIELD	304,589
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	378,938
MFS EQ II USD CONTINENTAL EUR	32,371
NEW CAPITAL WEALTHY NATIONS BOND FUND	361,968
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	727,366
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	209,031
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	246,745
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	87,243
SCHRODER ISF CHINA OPPORTUNITIES	36,911
JPM FUNDS - CHINA FUND	142,758
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	361,382
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	35,431
WELLINGTON GLOBAL BOND FUND	475,826
NEW CAPITAL GLOBAL EQUITY CONVICTION FUND	311,939
NEW CAPITAL US SMALL CAP GROWTH FUND	356,580
GRAND TOTAL	\$ 6,487,088

4. Significant accounting judgments made in classifying a particular financial instrument in the fair value hierarchy.

CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgments in Applying Accounting Policies

The following are the critical judgments, apart from those involving estimations, that Management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in the financial statements.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their

performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

The Company measures its financial assets at amortized cost if the financial asset qualifies for both SPPI and business model test. The Company's business model is to hold the asset and to collect its cash flows which are solely payments of principal and interest. All other financial assets that do not meet the SPPI and business model test are measured at FVTPL.

Significant increase of credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. PFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information.

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the qualitative and quantitative criteria have been met.

As at March 31, 2021 and December 31, 2020, the Company's financial instrument measured at amortized cost has not experienced a significant increase in its credit risk.

Models and assumptions used

The Company uses various models and assumptions in measuring the fair value of financial assets. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models.

Functional currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the US dollar (USD). The USD is the currency of the primary economic environment in which the Company operates. It is the currency being used to report the Company's results of operations.

Puttable shares designated as equity instruments

The Company's share capital met the specified criteria to be presented as equity. The Company designated its redeemable share capital as equity instruments since the Company's share capital met the criteria specified in PAS 32, Financial Instruments: Presentation, to be presented as equity.

A puttable financial instrument includes a contractual obligation for the issuer to repurchase or redeem that instrument for cash or another financial asset on exercise of the put. As an exception to the definition of a financial liability, an instrument that includes such an obligation is classified as an equity instrument if it has met all the following features:

- a. it entitles the holder to a pro rata share of the entity's net assets in the event of the entity's liquidation. The entity's net assets are those assets that remain after deducting all other claims on its assets;
- b. it is in the class of instruments that is subordinate to all other classes of instruments;
- c. all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;

- d. apart from the contractual obligation for the issuer to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity, and it is not a contract that will or may be settled in the entity's own equity instruments; and
- e. the total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the entity over the life of the instrument (excluding any effects of the instrument).

As at March 31, 2021 and December 31, 2020, the recognized amount of share capital representing puttable shares in the statements of financial position amounted to \$142,731 and \$140,801, respectively.

Key Sources of Estimation Uncertainty

The following are the Company's key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Probability of default (PD)

PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As at March 31, 2021 and December 31, 2020, the Company assessed a nil probability of default for all of its financial assets measured at amortized cost.

Loss Given Default (LGD)

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

The Company uses portfolio averages from external estimates sourced out from Standard and Poor's (S&P) as the LGD estimates.

Estimating loss allowance for ECL

The measurement of the expected credit loss allowance for financial assets measured at amortized cost and FVTOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior.

A number of significant judgments are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL; and
- Establishing the number and relative weightings of forward-looking scenarios and the associated ECL.

Deferred tax assets

The Company reviews the carrying amount at the end of each reporting period and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Company will generate sufficient taxable profit that will allow all or part of its deferred tax assets to be utilized.

Based on Management's expectation of the Company's future taxable income, the Company did not recognize the deferred tax assets as at March 31, 2021 and December 31, 2020.

Determining the fair value of investments in debt securities classified as financial assets at FVTPL

The Company carries its investments in traded debt securities and special savings deposits at fair value, which requires the use of accounting estimates and judgment. Since market interest rate is a significant component of fair value measurement, fair value would differ if the Company applied a different set of reference rates in the valuation methodology. Any change in the fair value of these financial assets would affect profit or loss and equity.

Compliance with Foreign Account Tax Compliance Act (FATCA)

In accordance with the requirements of the US Internal Revenue Service ("IRS") and the Intergovernmental Agreement ("IGA") between the Government of the United States of America and the Government of the Republic of the Philippines to Improve International Tax Compliance and to Implement FATCA which was signed last July 13, 2015, the Fund has registered with the Internal Revenue Service (IRS) and has obtained its own Global Intermediary Identification Number ("GIIN") as a sponsored entity. Sun Life Asset Management Company, Inc. ("SLAMCI") continues to assume responsibilities for the Fund's FATCA compliance as the Sponsoring Entity and has implemented FATCA onboarding processes and procedures as well as system enhancements to monitor its new and pre-existing account holders who are U.S. Persons and have U.S. Indicia.

The Fund, together with its Sponsoring Entity, SLAMCI, is preparing to comply for FATCA reporting on the date which will be set by the Bureau of Internal Revenue as soon as the IGA has been ratified by the Senate.

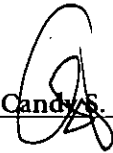
SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer : **Sun Life Prosperity Dollar Wellspring Fund, Inc.**

Principal Financial/Accounting Officer/Comptroller:

Signature and Title : **Treasurer**


Candy S. Esteban

Date : **May 17, 2021**

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

Schedule of Financial Soundness Indicators and Financial Ratios

March 31, 2021 and December 31, 2020

	Formula	2021	2020
<i>Current/ Liquidity Ratios</i>			
a. Current ratio	Current Assets/Current Liabilities	120.84:1	117.86:1
b. Quick ratio	Quick Assets/Current Liabilities	120.83:1	117.86:1
c. Cash ratio	Cash/Current Liabilities	3.8:1	7.22:1
d. Days in receivable	Receivable/Revenue * No. of days	N/A	N/A
e. Working capital ratio	(Current Assets/Current Liabilities)/Current Assets	0.99:1	0.99:1
f. Net working capital to sales ratio	Working Capital / Total Revenue	22.72:1	58.27:1
g. Defensive Interval Ratio	360* (Quick Assets / Proj. Daily Operating Expense)	63739.41:1	19143.22:1
<i>Solvency Ratios</i>			
a. Long-term debt to equity ratio	Noncurrent Liabilities/Total Equity	N/A	N/A
b. Debt to equity ratio	Total Liabilities/Total Equity	0.008:1	0.009:1
c. Long term debt to total asset ratio	Noncurrent Liabilities/Total Assets	N/A	N/A
d. Total debt to asset ratio	Total Liabilities/Total Assets	0.008:1	0.008:1
Asset to equity ratio	Total Assets/Total Equity	1.01:1	1.01:1
Interest rate coverage ratio	Earning Before Income Tax/Interest Expense	N/A	N/A
<i>Profitability Ratio</i>			
a. Earnings before interest and taxes (EBIT) margin	EBIT/Revenue	-57.66%	451.73%
b. Earnings before interest, taxes and depreciation and amortization (EBITDA) margin	EBITDA/Revenue	-57.66%	451.73%
c. Pre-tax margin	EBIT/Revenue	-57.66%	451.73%
d. Effective tax rate	Income Tax/EBIT	-0.05%	0.05%
e. Post-tax margin	Net Income After Tax/Revenue	-57.68%	451.49%
f. Return on equity	Net Income After Tax/Average Common Equity	-2.39%	8.25%
g. Return on asset	NIAT/Average Total Assets	-2.37%	8.20%
Capital intensity ratio	Total Assets/Revenue	22.91:1	58.77:1
Fixed assets to total assets	Fixed assets/Total assets	N/A	N/A
Dividend payout ratio	Dividends paid/Net Income	N/A	0.23:1

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
Schedule Required under SRC Rule 68

i. Percentage of Investment in a Single Enterprise to Net Asset Value

As of March 31, 2021 and December 31, 2020

	2021			2020		
	Investment (Market Value)	Net Asset Value	% over NAV	Investment (Market Value)	Net Asset Value	% over NAV
Treasury Notes (ISIN)						
US912810SL35	-	-	-	34,455	7,694,133	0.45%
US912810SN90	-	-	-	37,728	7,694,133	0.49%
US912810SP49	-	-	-	139,078	7,694,133	1.81%
US91282CAV37	64,827	6,859,154	0.95%	69,541	7,694,133	0.90%
US912810SU34	249,681	6,859,154	3.64%	-	-	-
Mutual Funds						
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	171,067	6,859,154	2.49%	158,770	7,694,133	2.06%
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	18,096	6,859,154	0.26%	18,039	7,694,133	0.23%
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG- WELLINGTON GLOBAL QUALITY GROWTH FUND	309,080	6,859,154	4.51%	549,162	7,694,133	7.14%
MORGAN STANLEY US ADVANTAGE FUND	365,848	6,859,154	5.33%	546,742	7,694,133	7.11%
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	474,609	6,859,154	6.92%	673,910	7,694,133	8.76%
SPDR MSCI ACWI UCITS ETF	152,882	6,859,154	2.23%	290,990	7,694,133	3.78%
JPMORGAN FUNDS-INCOME FUND	611,918	6,859,154	8.92%	390,014	7,694,133	5.07%
MFS FI II USD GL.HIGH YIELD	304,589	6,859,154	4.44%	327,976	7,694,133	4.26%
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	378,938	6,859,154	5.52%	495,880	7,694,133	6.44%
MFS EQ II USD CONTINENTAL EUR	32,371	6,859,154	0.47%	92,301	7,694,133	1.20%
NEW CAPITAL WEALTHY NATIONS BOND FUND	361,968	6,859,154	5.28%	278,182	7,694,133	3.62%
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	727,366	6,859,154	10.60%	1,027,730	7,694,133	13.36%
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	209,031	6,859,154	3.05%	436,527	7,694,133	5.67%
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	246,745	6,859,154	3.60%	205,140	7,694,133	2.67%
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	-	-	-	59,213	7,694,133	0.77%
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	87,243	6,859,154	1.27%	83,659	7,694,133	1.09%
SCHRODER ISF CHINA OPPORTUNITIES	36,911	6,859,154	0.54%	35,704	7,694,133	0.46%
JPM FUNDS - CHINA FUND	142,758	6,859,154	2.08%	189,474	7,694,133	2.46%
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	361,382	6,859,154	5.27%	336,846	7,694,133	4.38%
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	35,431	6,859,154	0.52%	47,081	7,694,133	0.61%
WELLINGTON GLOBAL BOND FUND	475,826	6,859,154	6.94%	759,221	7,694,133	9.87%
NEW CAPITAL GLOBAL EQUITY CONVICTION FUND	311,939	6,859,154	4.55%	-	-	-
NEW CAPITAL US SMALL CAP GROWTH FUND	356,580	6,859,154	5.20%	-	-	-

ii. Total Investment of the Fund to the Outstanding Securities of an Investee Company

As of March 31, 2021 and December 31, 2020

	2021			2020		
	Total Investment	Outstanding Securities of an Investee Company	% over Investee	Total Investment	Outstanding Securities of an Investee Company	% over Investee
Treasury Notes (ISIN)						
US912810SL35	-	**	-	32,000	**	-
US912810SN90	-	**	-	42,000	**	-
US912810SP49	-	**	-	150,000	**	-
US91282CAV37	70,000	**	-	70,000	**	-
US912810SU34	280,000	**	-	-	-	-
Mutual Funds						
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	3,727	5,862,946,000	0.00%	3,406	5,853,611,000	0.00%
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	71	**	-	71	**	-
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG- WELLINGTON GLOBAL QUALITY GROWTH FUND	7,814	**	-	14,154	**	-
MORGAN STANLEY US ADVANTAGE FUND	2,105	**	-	2,925	**	-
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	9,178	1,625,586,000	0.00%	12,454	1,603,919,000	0.00%
SPDR MSCI ACWI UCITS ETF	860	3,059,599,000	0.00%	1,720	2,777,946,000	0.00%
JPMORGAN FUNDS-INCOME FUND	4,483	9,061,311,000	0.00%	2,903	8,088,951,000	0.00%
MFS FI II USD GL.HIGH YIELD	1,292	**	-	1,398	**	-
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	681	4,522,141,000	0.00%	936	4,265,977,000	0.00%
MFS EQ II USD CONTINENTAL EUR	1,809	**	-	5,247	**	-
NEW CAPITAL WEALTHY NATIONS BOND FUND	2,384	2,023,080,000	0.00%	1,775	2,288,997,000	0.00%
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	138,414	5,202,405,000	0.00%	185,494	4,904,024,000	0.00%
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	702	797,284,000	0.00%	1,542	761,517,000	0.00%
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	18,724	2,346,660,000	0.00%	15,029	2,485,914,000	0.00%

PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	-	-	-	1,895	602,396,000	0.00%
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	328	157,012,000	0.00%	328	152,686,000	0.00%
SCHRODER ISF CHINA OPPORTUNITIES	60	1,780,553,000	0.00%	60	1,801,009,000	0.00%
JPM FUNDS - CHINA FUND	1,643	7,576,903,000	0.00%	2,226	6,946,865,000	0.00%
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	18,400	4,428,896,000	0.00%	16,659	4,540,314,000	0.00%
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	2,034	9,895,217,000	0.00%	2,932	9,912,345,000	0.00%
WELLINGTON GLOBAL BOND FUND	42,081	1,819,096,000	0.00%	64,459	1,796,454,000	0.00%
NEW CAPITAL GLOBAL EQUITY CONVICTION FUND	1,465	615,166,000	0.00%	-	-	-
NEW CAPITAL US SMALL CAP GROWTH FUND	1,518	214,992,000	0.00%	-	-	-

iii Total Investment in Liquid or Semi-Liquid Assets to Total Assets

As of March 31, 2021 and December 31, 2020

	2021	2020
Total Liquid and Semi-Liquid Assets	6,915,726	7,759,972
TOTAL ASSETS	6,916,389	7,759,972
Total Investment in Liquid or Semi-Liquid Assets to Total Assets	99.99%	100.00%

iv. Total Operating Expenses to Total Net Worth

As of March 31, 2021 and December 31, 2020

	2021	2020
Total Operating Expenses	39,060	145,931
Average Daily Net Worth	7,604,485	6,789,133
Total Operating Expenses to Average Daily Net Worth	0.51%	2.15%

v. Total Assets to Total Borrowings

As of March 31, 2021 and December 31, 2020

	2021	2020
Total Assets	6,916,389	7,759,972
Total Borrowings	57,235	65,839
Total Assets to Total Borrowings	12084.19%	11786.28%

SUN LIFE OF PROSPERITY DOLLAR WELLSRING FUND, INC.
Schedule of Investments
Financial assets at fair value through profit and loss

Name of Issuing Entity and Association of Each Issue	March 31, 2021			December 31, 2020	
	Number of Shares / Principal Amount of Bonds and Notes	Market Value	Aggregate Cost	Number of Shares / Principal Amount of Bonds and Notes	Amount Shown in Balance Sheet
Treasury Notes Issued by the Nat'l. Government	350,000	314,508		294,000.00	\$ 280,802
Mutual Funds					
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	3,727	\$ 171,067	\$ 157,139	3,406	\$ 158,770
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	71	18,096	13,677	71	18,039
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGTON GLOBAL QUALITY GROWTH FUND	7,814	309,080	198,775	14,154	549,162
MORGAN STANLEY US ADVANTAGE FUND	2,105	365,848	223,356	2,925	546,742
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	9,178	474,609	446,662	12,454	673,910
SPDR MSCI ACWI UCITS ETF	860	152,882	136,186	1,720	290,990
JPMORGAN FUNDS-INCOME FUND	4,483	611,918	574,503	2,903	390,014
MFS FI I1 USD GL HIGH YIELD	1,292	304,589	290,122	1,398	327,976
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	681	378,938	278,305	936	495,880
MFS EQ I1 USD CONTINENTAL EUR	1,809	32,371	23,572	5,247	92,301
NEW CAPITAL WEALTHY NATIONS BOND FUND	2,384	361,968	350,523	1,775	278,182
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	138,414	727,366	725,565	185,494	1,027,730
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	702	209,031	171,572	1,542	436,527
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	18,724	246,745	249,746	15,029	205,140
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	-	-	-	1,895	59,213
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	328	87,243	61,946	328	83,659
SCHRODER ISF CHINA OPPORTUNITIES	60	36,911	27,001	60	35,704
JPM FUNDS - CHINA FUND	1,643	142,758	94,476	2,226	189,474
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	18,400	361,382	355,987	16,659	336,846
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	2,034	35,431	24,977	2,932	47,081
WELLINGTON GLOBAL BOND FUND	42,081	475,826	486,362	64,459	759,221
NEW CAPITAL GLOBAL EQUITY CONVICTION FUND	1,465	311,939	315,001	-	-
NEW CAPITAL US SMALL CAP GROWTH FUND	1,518	356,580	380,003	-	-
GRAND TOTAL	609,774	\$ 6,487,088	\$ 5,585,457	631,612	\$ 7,283,361



This document contains key information clients of Sun Life Prosperity Dollar Wellspring Fund should know about. More information can be found in the Fund's prospectus. Ask a Sun Life Financial Advisor or contact Sun Life Asset Management Company, Inc., at 8-849-9888 or Phil-MF-Products@sunlife.com or visit www.sunlifefunds.com.

Launch Date	May 5, 2016	Fund Structure	Mutual Fund (Shares)	Transfer Agency Fee	0.15%
Fund Size	USD 6,858,563.52	Fund Classification	Multi-Asset Fund-of-Funds	Minimum Holding Period	180 days
Net Asset Value Per Share	1.1747	Minimum Subscription	USD 1,000	Early Redemption Fee	1.00%
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate	Minimum Subsequent Management and Distribution Fee	USD 200	Redemption Settlement	T+4 business days
			1.50%		

What does the Fund invest in?

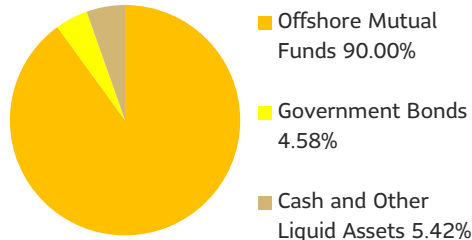
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g. savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

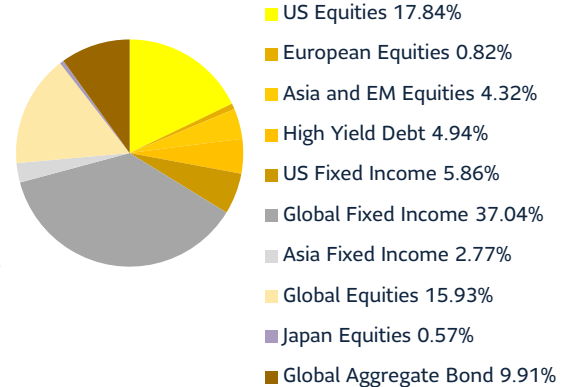
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 10.61%
2. J.P. Morgan Income Fund, 8.92%
3. Wellington - Global Bond Fund, 6.94%
4. Morgan Stanley - Global Bond, 6.92%
5. J.P. Morgan - US Select Equity, 5.53%

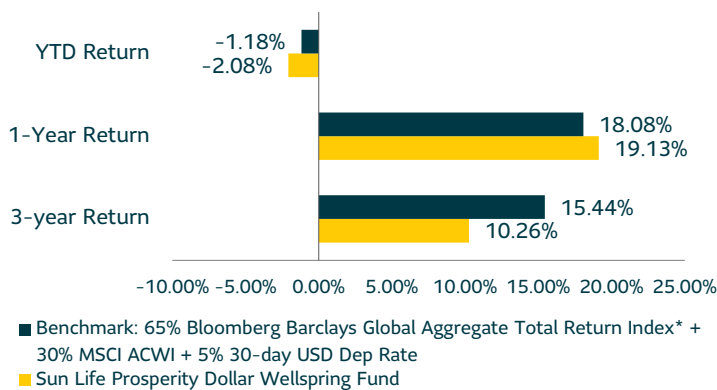
Investment Mix



Geographical Allocation



How has the Fund performed?



Note: Year-to-date (YTD) returns are computed as the return from the last business day of the previous year to the last business day of the reporting month.

***Benchmark Effectivity Date:**

JP Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review

- Global assets' performance in March was fairly reminiscent of the last month as global equities continued to rise by 2.72%, while global fixed income declined -1.92%. US equities led major regions at +3.76%, followed by Europe at +3.66%, and Asia Pacific at -2.54%.
- The US 10-year yield trended higher, rising by 34 basis points to close the month at 1.74%.
- US President Biden signed into law the American Rescue Plan, or the \$1.9 trillion stimulus package to support the country's recovery from recession, which included \$1,400 direct payments to individuals.
- At the annual National People's Congress, Premier Li Keqiang revived China's specific GDP target of over 6% for 2021, or back to "pre-pandemic vibrancy".
- The Fund has lost 2.08% YTD, underperforming the benchmark (-1.18%) by 90 bps, due to exposure to US equities.

Disclaimer: Mutual Fund performance depends on various market and economic conditions. Past performance is not a guarantee or an indication of future results. Thus, returns are not guaranteed and may differ from the original investment. Information contained in this Fund Fact Sheet do not constitute investment advice. For more information on our mutual funds, please consult a Sun Life Financial Advisor.



This document contains key information clients of Sun Life Prosperity Dollar Wellspring Fund should know about. More information can be found in the Fund's prospectus. Ask a Sun Life Financial Advisor or contact Sun Life Asset Management Company, Inc., at 8-849-9888 or Phil-MF-Products@sunlife.com or visit www.sunlifefunds.com.

Launch Date	May 5, 2016	Fund Structure	Mutual Fund (Shares)	Transfer Agency Fee	0.15%
Fund Size	USD 7,818,247.48	Fund Classification	Multi-Asset Fund-of-Funds	Minimum Holding Period	180 days
Net Asset Value Per Share	1.2077	Minimum Subscription	USD 1,000	Early Redemption Fee	1.00%
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate	Minimum Subsequent Management and Distribution Fee	USD 200	Redemption Settlement	T+4 business days
			1.50%		

What does the Fund invest in?

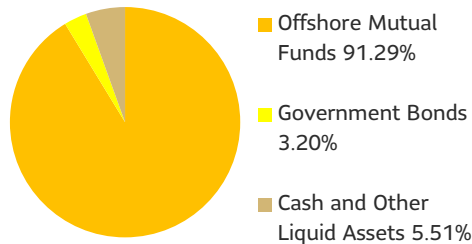
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g. savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

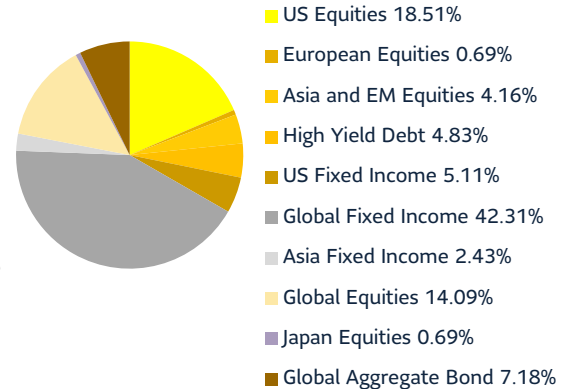
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 12.75%
2. Wellington - Global Bond Fund, 9.52%
3. Morgan Stanley - Global Bond, 8.45%
4. J.P. Morgan Income Fund, 6.55%
5. Morgan Stanley - US Advantage, 5.99%

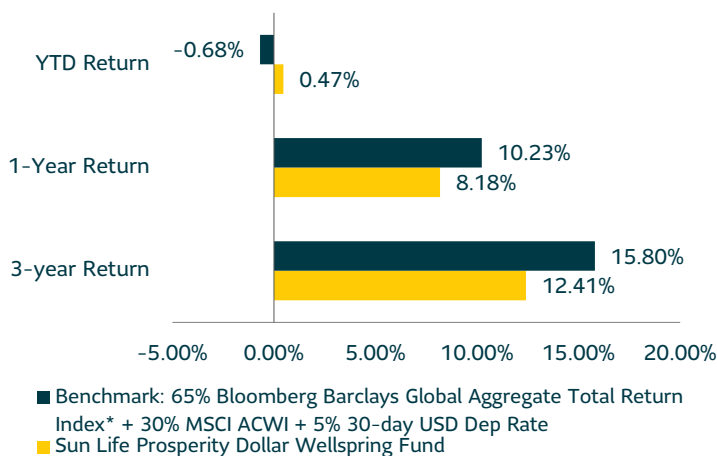
Investment Mix



Geographical Allocation



How has the Fund performed?



*Benchmark Effectivity Date:

JP Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review

- Global equities posted a gain of 2.35% in February, in contrast to the 1.72% drop for global fixed income. US equities led major regions at +2.76%, followed by Europe at +2.08%, and Asia Pacific at +1.43%.
- The US 10-year yield touched an intra-month high of 1.51%, before closing February at 1.40%, 34 basis points higher month-on-month.
- The US Food and Drug Administration (FDA) cleared Johnson & Johnson's COVID-19 vaccine as the third approved treatment. The company has made plans to release 3 million to 4 million doses initially.
- US headline inflation increased 1.4% year-on-year in January, continuing the rise from 2H 2020. Fuel prices accounted for a large part of the jump, gaining 7.4%.
- The Fund has returned 0.47% YTD, outperforming the benchmark (-0.68%) by 115 bps, due to asset allocation and exposure to Asia ex Japan equities.

Disclaimer: Mutual Fund performance depends on various market and economic conditions. Past performance is not a guarantee or an indication of future results. Thus, returns are not guaranteed and may differ from the original investment. Information contained in this Fund Fact Sheet do not constitute investment advice. For more information on our mutual funds, please consult a Sun Life Financial Advisor.



This document contains key information clients of Sun Life Prosperity Dollar Wellspring Fund should know about. More information can be found in the Fund's prospectus. Ask a Sun Life Financial Advisor or contact Sun Life Asset Management Company, Inc., at 8-849-9888 or Phil-MF-Products@sunlife.com or visit www.sunlifefunds.com.

Launch Date	May 5, 2016	Fund Structure	Mutual Fund (Shares)	Transfer Agency Fee	0.15%
Fund Size	USD 7,803,718.87	Fund Classification	Multi-Asset Fund-of-Funds	Minimum Holding Period	180 days
Net Asset Value Per Share	1.2041	Minimum Subscription	USD 1,000	Early Redemption Fee	1.00%
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate	Minimum Subsequent Management and Distribution Fee	USD 200	Redemption Settlement	T+4 business days
			1.50%		

What does the Fund invest in?

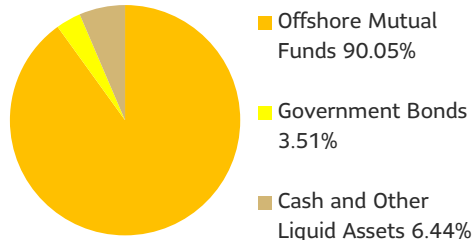
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g. savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

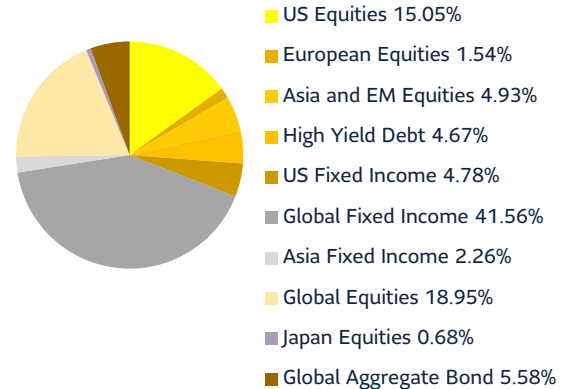
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 13.01%
2. Wellington - Global Bond Fund, 9.67%
3. Morgan Stanley - Global Bond, 8.58%
4. J.P. Morgan - US Select Equity, 5.71%
5. J.P. Morgan - Global Research Enhanced Index, 5.64%

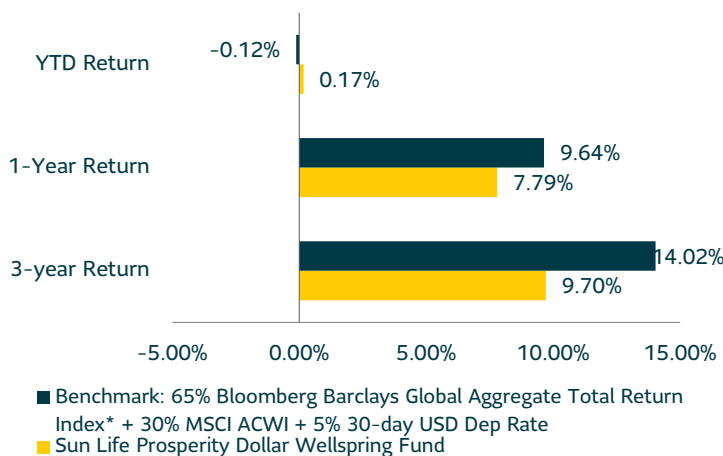
Investment Mix



Geographical Allocation



How has the Fund performed?



*Benchmark Effectivity Date:

JP Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review

- Global assets took a breather in the first month of the year after strong gains for the past 2 months. Global equities are down by 0.44%, while global fixed income gave up 0.88%. Only Asia Pacific equities posted gains of 3.99%, as US equities lost 0.93%, and European equities declined by 1.48%.
- The US 10-year yield rose by 15 basis points and breached 1% to close January at 1.07%.
- US 4th quarter GDP rose by 4.0% quarter-on-quarter, while full year GDP contracted by 3.5%, still a remarkable feat considering the swift COVID-related recession.
- Meanwhile, in China, the output gap caused by the pandemic has been closed, as it stands as the only major economy that expanded in 2020 with a full year GDP growth of 2.3%.
- The Fund has gained 0.17%, closing above the benchmark (-0.12%), primarily due to its overweight in equities, and exposure to China and Asia ex-Japan equities.

Disclaimer: Mutual Fund performance depends on various market and economic conditions. Past performance is not a guarantee or an indication of future results. Thus, returns are not guaranteed and may differ from the original investment. Information contained in this Fund Fact Sheet do not constitute investment advice. For more information on our mutual funds, please consult a Sun Life Financial Advisor.

sunlife_sec_communications

From: CGFD Account <cgfd@sec.gov.ph>
Sent: Friday, May 7, 2021 5:59 PM
To: sunlife_sec_communications
Cc: Merobhe T Esmele; Dynnple Rose F Apolinario; Shamira Angela P Juano; Candy Esteban; Sherwin S Sampang; MSRD COVID19
Subject: Fwd: MSRD_Sun Life Prosperity Dollar Wellspring Fund, Inc._SEC Form 17-L_07May2021
Attachments: Sun Life Prosperity Dollar Wellspring Fund, Inc._SEC Form 17-L_07May2021.pdf

CAUTION This email originated from outside the organization. Please proceed only if you trust the sender.

Dear Mr. Linsangan,

This is to acknowledge receipt of your email. Please be advised also that submission of **Fund Reports** should be with **CGFD**.

Please be informed that submission of the following reports will be via email to ICTD Account: ictdsubmission@sec.gov.ph pursuant to MC 3, 2021:

- Annual Report (SEC Form 17-A)
- Quarterly Report (SEC Form 17-Q)
- Current Report (SEC Form 17-C)
- SEC Form 17-L
- Monthly Sales and Redemption Report of Investment Companies
- Beneficial Ownership Reports (SEC Form 18-A or 18-AS and SEC Form 23-A/23-B)
- Corporate Governance Institutional Training Providers (CG-ITPs) Advance Report of CG Trainings (without request for exemption from speaker accreditation)
- Completion Reports of CG-ITPs
- Integrated Annual Corporate Governance Report (I-ACGR)
- Material Related Party Transactions (RPT) Policy
- Manual on Corporate Governance for Public Companies and Registered Issuers
- Manual on Corporate Governance for Publicly-Listed Companies (PLCs)
- Advisement Report on Material RPTs
- Compliance Officer's Certificate (CG Form-2020)
- Sworn Certification in compliance with SEC Memorandum Circular No. 18, Series of 2019[1] [2] [3] [4]
- SEC Form 1 – Existing Online Lending Platform
- SEC Form 2 – Prospective Online Lending Platform
- AMLA Compliance Form
- Revised Manual on Corporate Governance for financing companies, if applicable
- SEC Form MCG-2009 Compliance Officer's Certification on the extent of compliance with the Manual on Corporate Governance for financing companies
- Corporate Secretary's Certification on Attendance in Board Meetings for financing companies

For efficient and proper distribution of ICTD's forward facility, companies are advised to properly tag/submit the following mentioned reports to CGFD. Please include the word "**CGFD**" in the email subject line. Thus, the subject email format will be *CGFD_Complete Name of the Company_Type of Document_Date Submitted*.

We encourage you to regularly monitor the SEC Website (www.sec.gov.ph) and/or the SEC's Facebook page for updates and announcements.

Thank you.

CORPORATE GOVERNANCE AND FINANCE DEPARTMENT (CGFD)
Securities and Exchange Commission

Confidentiality Notice:

IMPORTANT: *This email message, including attachments, if any, contains confidential information which may be privileged or otherwise protected from disclosure and intended solely for the use of the individual or entity to whom it is addressed and others authorized to receive it. If you are not the intended recipient of this message you must not disclose or use the information contained in it. If you have received this email in error, please notify us immediately by return email and delete the document and any copies thereof. Notice is hereby given to you that any use, downloading, copying, review, re-transmission, dissemination, distribution, reproduction or any action taken in reliance upon this email, without the consent of the original sender is prohibited by law, including R.A. No. 4200 (The Anti-Wire Tapping Law), R.A. No. 8792 (The E-Commerce Law), A.M. No. 01-7-01-SC (Rules on Electronic Evidence), or R.A. No. 10173 (The Data Privacy Act of 2012).*

The Commission is neither liable for the proper and complete transmission of the information nor for any delay in its receipt. The Commission accepts no liability for any damage caused by this email or its attachments due to viruses, interference, interception, corruption or unauthorized access.

----- Forwarded message -----

From: **sunlife_sec_communications** <sunlife_sec_communications@sunlife.com>

Date: Fri, May 7, 2021 at 2:34 PM

Subject: MSRDR_Sun Life Prosperity Dollar Wellspring Fund, Inc._SEC Form 17-L_07May2021

To: msrd_covid19@sec.gov.ph <msrd_covid19@sec.gov.ph>, CGFD Account <cgfd@sec.gov.ph>, ICTD Submission <ictdsubmission@sec.gov.ph>

Cc: Merobhe T Esmele <Merobhe.Esmele@sunlife.com>, Dynnple Rose F Apolinario <DynnpleRose.Apolinario@sunlife.com>, Shamira Angela P Juano <ShamiraAngela.Juano@sunlife.com>, Candy Esteban <Candy.Esteban@sunlife.com>, Sherwin S Sampang <Sherwin.Sampang@sunlife.com>

To: MARKETS AND SECURITIES REGULATION DEPARTMENT (MSRD)

Good day.

Please see attached SEC Form 17-L of Sun Life Prosperity Dollar Wellspring Fund, Inc.

Please let me know once you receive this e-mail and its attachment.

For any queries / additional comments, kindly contact us at the following e-mail addresses below. Thank you.

Official email address: sunlife_sec_communications@sunlife.com

Alternative email address: sunlife_sec_communications2@sunlife.com

Official email address of authorized filer: nestor.linsangan@sunlife.com

Best regards,

Nestor S. Linsangan, Jr.

Financial Accounting and Reporting Specialist, Finance Department|Sun Life Financial

nestor.linsangan@sunlife.com

5F Sun Life Centre Fifth Ave. cor. Rizal Drive, Bonifacio Global City, Taguig 1634



This e-mail message (including attachments, if any) is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, proprietary, confidential and exempt from disclosure. If you are not the intended recipient, you are notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender and erase this e-mail message immediately.

Le présent message électronique (y compris les pièces qui y sont annexées, le cas échéant) s'adresse au destinataire indiqué et peut contenir des renseignements de caractère privé ou confidentiel. Si vous n'êtes pas le destinataire de ce document, nous vous signalons qu'il est strictement interdit de le diffuser, de le distribuer ou de le reproduire. Si ce message vous a été transmis par erreur, veuillez en informer l'expéditeur et le supprimer immédiatement.



Sun Life
Asset Management

Certification

I, Candy S. Esteban is a duly authorized representative of Sun Life Prosperity Dollar Wellspring Fund, Inc. with SEC registration number CS201517778 with principal office at Sun Life Center, 5th Ave. Cor. Rizal Drive Bonifacio Global City, Taguig City, on oath state:

- 1) That on behalf of Sun Life Prosperity Dollar Wellspring Fund, Inc., I have caused this SEC Form 17-L to be prepared;
- 2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
- 3) That the company Sun Life Prosperity Dollar Wellspring Fund, Inc. will comply with the requirements set forth in SEC Notice dated 24 June 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of May, 2021 at Taguig City.

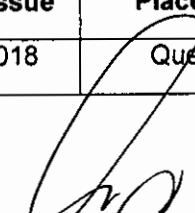

Candy S. Esteban
Treasurer

MAY 06 2021

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2021, affiant exhibiting his/her government issued identification card:

Name	Government ID No.	Date of Issue	Place of Issue
Candy S. Esteban	Driver's License N02-95-277891	05/08/2018	Quezon City

Doc. No. 421;
Page No. 77;
Book No. N;
Series of 2021.


ATTY. JOVINO R. ANGEL
NOTARY PUBLIC
UNTIL DEC. 31, 2022
PTR. NO. 7361920 01/04/2021 PASAY CITY
IBP NO. 141069 01/04/2021 PASAY CITY
COMMISSION NO. 19-37-PASAY CITY
MCLE NO. V-0024151-10-25-2016
ROLL NO. 28761

COVER SHEET

C S 201517778

S.E.C. Registration Number

S U N L I F E P R O S P E R I T Y D O L L A R
W E L L S P R I N G F U N D I N C .

5 T H F L R . , S U N L I F E C E N T R E 5 T H
A V E B O N I F A C I O G L O B A L F O R T
B O N I F A C I O T A G U I G C I T Y

(Business Address : No. Street City / Town / Province)

Merobhe T. Esmele
 Contact Person

8555-8888
 Company Telephone Number

1 2 **3 1**
 Month Day
 Fiscal Year

17-L
 FORM TYPE

 Month Day
 Annual Meeting

Mutual Fund Company
 Secondary License Type, If Applicable

 Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

 Domestic Foreign

To be accomplished by SEC Personnel concerned

 File Number

 LCU

 Document I.D.

 Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-L

**NOTIFICATION OF INABILITY TO FILE ALL OR
ANY PORTION OF SEC FORM 17-A OR 17-Q**

GENERAL INSTRUCTIONS

1. This Form may be signed by an executive officer of the issuer or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the issuer by an authorized representative other than an executive officer, evidence of the representative's authority to sign on behalf of the issuer shall be filed with the Form.
2. One signed original and four conformed copies of this Form and attachments thereto must be completed and filed with the Commission and, where any class of the issuer's securities are listed on a Stock Exchange, one with that Stock Exchange, in accordance with SRC Rule 17-1. The information contained in or filed with the Form will be made a matter of the public record in the Commission's and the Exchange's files.
3. A manually signed copy of the Form and amendments thereto shall be filed with the Stock Exchange if any class of securities of the issuer is listed thereon.
4. One signed original and four conformed copies of amendments to the notifications must also be filed on SEC Form 17-L but need not restate information that has been correctly furnished. The Form shall be clearly identified as an amended notification.
5. If the deadline for filing SEC Form 17-A or 17-Q specified in paragraph 2(b)(ii) of SRC Rule 17-1 is not complied with, a fine will be imposed for each day thereafter that the Form is not filed.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-L

NOTIFICATION OF INABILITY TO FILE ALL OR ANY PORTION OF SEC FORM 17-A OR 17-Q

Check One:

Form 17-A [] Form 17-Q [✓]

Period-Ended Date of required filing March 31, 2021

Date of this report May 06, 2021

Nothing in this Form shall be construed to imply that the Commission has verified any information contained herein.

If this notification relates to a portion or portions of the filing checked above, identify the item(s) to which the notification relates: SEC FORM 17-Q

1. SEC Identification Number CS201517778 2. BIR Tax Identification No. : 009-123-698-000

3. Sun Life Prosperity Dollar Wellspring Fund, Inc.
Exact name of issuer as specified in its charter

4. Bonifacio Global City, Taguig City
Province, country or other jurisdiction of incorporation

5. Industry Classification Code: (SEC Use Only)

6. 8F Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634

.....
Address of principal office

.....
Postal Code

7. (02) - 8555 8888
Issuer's telephone number, including area code

8. N.A.
Former name, former address, and former fiscal year, if changed since last report.

9. Are any of the issuer's securities listed on a Stock Exchange?

Yes [] No [X]

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
.....

Part I - Representations

If the subject report could not be filed without unreasonable effort or expense and the issuer seeks relief pursuant to SRC Rule 17-1, the following should be completed. (Check box if appropriate)

(a) The reasons described in reasonable detail in Part II of this Form could not be estimated without unreasonable effort or expense. []

(b) The subject annual report on SEC Form 17-A, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report on SEC Form 17-Q, or portion thereof, will be filed on or before the fifth day following the prescribed due date. [✓]

(c) The accountant's statement or other exhibit required by paragraph 3 of SRC Rule 17-1 has been attached if applicable. []

Part II - Narrative

State below in reasonable detail the reasons why SEC Form 17-A or SEC Form 17-Q, or portion thereof, could not be filed within the prescribed period. (Attach additional sheets if needed.)

The Company's SEC Form 17-Q for the quarter ending March 31, 2021 could not be completed and filed within the prescribed period. The Company has yet to complete the review of its financial statements and required notes disclosures. The Company undertakes to submit the report within five (5) calendar days after the prescribed deadline to the Securities and Exchange Commission.

Part III - Other Information

(a) Name, address and telephone number, including area code, and position/title of person to contact in regard to this notification

**Candy S. Esteban
Treasurer**

**Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634
8555-8888**

(b) Have all other periodic reports required under Section 17 of the Code and under Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months, or for such shorter period that the issuer was required to file such report(s), been filed? If the answer is no, identify the report(s).

Yes [✓] No [] Reports:

(c) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes [] No [✓]


If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

SIGNATURE

Pursuant to the requirements of the SRC Rule 17-1, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Dollar Wellspring Fund, Inc.

Registrant's full name as contained in charter



CANDY S. ESTEBAN
Treasurer

Date: **May 06, 2021**

MANAGEMENT REPORT

a. Management's Discussion and Analysis (MD&A) or Plan of Operation.

CORPORATE INFORMATION

Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on September 4, 2015. The Company is a registered open-end investment company under the Investment Company Act (Republic Act "R.A." No. 2629) and the Securities Regulation Code (R.A. No. 8799), formerly known as the Revised Securities Act (B.P. No. 178). The Company's investment objective is to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities. As an open-end investment company, its shares are redeemable anytime based on the Net Asset Value Per Share (NAVPS) at the time of redemption.

1. **Plan of Operation.** For the next twelve (12) months, management will continue its current plan of operation, with a focus on improving cost efficiency.
2. **Management's Discussion and Analysis.** The performance of the Company could be measured by the following indicators:
 - 2.1 **Increase/Decrease in Net Assets Value Per Share (NAVPS)** NAVPS is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding plus the total number of shares outstanding due to deposit for future subscriptions (DFFS) and for conversion to shares, if any, as of the end of the reporting day. Any increase or decrease in NAVPS translates to a prospective capital gain or capital loss, respectively, for the Company's shareholders.
 - 2.2 **Net Investment Income.** Represents the total earnings of the Company from its investment securities, less operating expenses and income tax. This gauges how efficiently the Company has utilized its resources in a given time period.
 - 2.3 **Assets under Management (AUM).** The assets under the Company's disposal. This measures the profitability of the Company (increase/decrease brought about by its operational income) as well as investor confidence (increase/decrease brought about by investor subscriptions/redemptions).
 - 2.4 **Cash Flow.** Determines whether the Company was able to achieve the optimal level of liquidity by being able to meet all its scheduled payments while at the same time maintaining the maximum level of investments and minimum level of cash.

FINANCIAL STATEMENT ANALYSIS

Management's Discussion and Analysis of Financial Condition and Results of Operations

Material Changes in the 1st Quarter Financial Statements

Statement of Financial Position and Statements of Changes in Equity – March 31, 2021 vs. December 31, 2020

For the Period Ended	31-Mar-21	31-Dec-20	Movement	Percentage (%)	MDAS
	Unaudited	Audited			
Cash in banks	\$ 217,758	\$ 475,438	(\$ 257,680)	-54.20%	Liquidity requirements are still met.
Financial assets at fair value through profit or loss	6,487,088	7,283,361	(796,273)	-10.93%	The decrease was due to net disposal of investments and unrealized loss incurred during the period.
Accrued interest receivable	880	1,173	(293)	100.00%	Collection of interest depends on the scheduled interest payments of each asset.
Due from brokers	210,000	-	210,000	100.00%	This account refers to amounts receivable from brokers arising from the sale of investments processed on or before the reporting period, which are settled three days after the transaction date.
Other current assets	663	-	663	100.00%	Prepaid expenses to be amortized until end of the accounting period.
Total Assets	6,916,389	7,759,972	(843,583)	-10.87%	
Accrued expenses and other payables	12,002	4,685	7,317	156.18%	The increase was due to custodian fees and professional fees payable and outstanding proceeds payable to investors for redemption of their investments processed on or before end of the reporting period, which are usually settled four (4) days after the transaction date.
Payable to fund manager	10,168	11,086	(918)	-8.28%	The decrease was due to lower outstanding recoverable fees from fund manager as of period end.
Due to brokers	35,000	50,000	(15,000)	-30.00%	This account pertains to amounts payable to brokers for the purchase of investments processed on or before the reporting period, which are settled four days after the transaction date.
Income tax payable	65	68	(3)	100.00%	Accrual of income tax for the 1st quarter of 2021.
Total Liabilities	57,235	65,839	(8,604)	-13.07%	
Share capital	142,731	140,801	1,930	1.37%	New issuance of shares during the period.
Additional paid in capital	6,465,350	6,361,847	103,503	1.63%	
Retained earnings	1,017,328	1,191,485	(174,157)	-14.62%	Net loss for the period.
Treasury Shares	(766,255)	-	(766,255)	100.00%	Due to net acquisition of treasury shares during the period.
Net Assets	6,859,154	7,694,133	(834,979)	-10.85%	Due to net loss and acquisition of treasury shares and partly offset with new shares issuance.
Net Assets Value per Share	\$ 1.1748	\$ 1.2022	P (0.0274)	-2.28%	

Material Changes in the 2020 Financial Statements

Statement of Financial Position and Statements of Changes in Equity – December 31, 2020 vs. December 31, 2019

	31-Dec-20	31-Dec-19	Movement	Percentage (%)	MDAS
	Audited	Audited			
Cash in banks	\$ 475,438	\$ 187,918	\$ 287,520	153.00%	Liquidity requirements were met.
Financial assets at fair value through profit or loss	7,283,361	6,590,513	692,848	10.51%	The increase was due to net acquisition of investments during the year.
Accrued interest receivable	1,173	226	947	100.00%	Collection of interest depends on the scheduled interest payments of each asset.
Other current assets	-	582	(582)	100.00%	Prepaid expenses from prior year were fully amortized during the year.
Total Assets	7,759,972	6,779,239	980,733	14.47%	
Accrued expenses and other payables	4,685	3,461	1,224	35.37%	Recorded payables for professional fees, custodian fees and withholding taxes have increased compared to prior year.
Payable to fund manager	11,086	10,434	652	6.25%	Increase in this account was due to higher average AUM for the year.
Due to brokers	50,000	-			
Income tax payable	68	213	(145)	100.00%	Lower net taxable income resulted to lower tax payable for the year.
Total Liabilities	65,839	14,108	1,731	12.27%	
Share capital	140,801	131,998	8,803	6.67%	New issuances of shares and stock dividends declared during the year.
Additional paid in capital	6,361,847	5,909,802	452,045	7.65%	
Retained earnings	1,191,485	730,396	461,089	63.13%	Net income for the period partly offset with the stock dividend declared.
Treasury Shares	-	(7,065)	7,065	-100.00%	Due to reissuance of all treasury shares during the year.
Net Assets	7,694,133	6,765,131	929,002	13.73%	Due to net income, new shares issuances and reissuance of treasury shares.
Net Assets Value per Share	\$ 1.2022	\$ 1.1287	P 0.0735	6.51%	

There were no known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing the Company's liquidity in any material way.

There was no contingent liability reflected in the accompanying audited financial statements.

The Company does not anticipate having any cash flow or liquidity problems as it complies with the liquidity requirements per ICA-IRR 6.10. The Company was able to meet all its monetary obligations to its shareholders (for redemption) and creditors for the period covered. It does not foresee any event that could trigger a direct or contingent financial obligation that is material to its operations.

There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities/other persons created during the reporting period. Likewise, there are no material commitments for capital expenditures, known trends, events, or uncertainties that have had or that are reasonably expected to have a material impact on net income/revenue from the continuing operations of the Company.

There are no other significant events and transactions from the last annual reporting period that is required for disclosure this year.

Statement of Comprehensive Income for the Three months ended – 31 March 2021 vs. March 31, 2020

	31-Mar-21	31-Mar-20	Movement	Percentage (%)	MDAS
	Unaudited	Unaudited			
Investment Income	\$ 301,918	\$ 72,093	\$ 229,825	318.79%	The increase mainly pertains to the higher trading gains realized upon disposal of securities and higher interest income earned during the period.
Investment Expense	-	248	(248)	-100.00%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses	39,060	35,119	3,941	11.22%	This is due to the increase in management fees brought by higher AUM and partly offset with the decline in recorded directors' fees incurred for the period.
Net Unrealized Losses on Investments	(436,932)	(775,666)	338,734	-43.67%	Due to impact of unfavorable market condition during the period.
Provision for Income Tax	83	106	(23)	-21.70%	Income tax under MCIT and final taxes of interest income earned from fixed income investments.
Net Investment Loss	(\$ 174,157)	(\$ 739,046)	564,889	76.43%	

Statement of Comprehensive Income for the Years ended – December 31, 2020 vs. December 31, 2019

	31-Dec-20	31-Dec-19	Movement	Percentage (%)	MDAS
	Audited	Audited			
Investment Income	\$ 132,033	\$ 402,199	(\$ 270,166)	-67.17%	The decrease mainly pertains to the lower trading gains realized upon disposal of equity securities compared to prior year.
Investment Expense	1,207	625	582	93.12%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses	145,931	138,481	7,450	5.38%	This is due to the increase in management fees brought by higher AUM, custodian fees and directors' fees and partly offset with the decline in recorded taxes and licenses and printing and supplies incurred for the year.
Net Unrealized Gains (Losses) on Investments	611,533	477,765	133,768	28.00%	Increase due to higher fair value of the investments in global mutual and exchanged traded funds during the year.
Provision for Income Tax	316	229	87	37.99%	Income tax under MCIT and final taxes of interest income earned from fixed income investments.
Net Investment Income (Loss)	\$ 596,112	\$ 740,629	(144,517)	19.51%	

Average daily net asset value from January to March 2021 and January to March 2020 are \$7,604,485 and \$6,565,996, respectively.

Average daily net asset value in 2020 and in 2019 is US\$ 6,789,133 and US\$ 6,537,632, respectively.

The Company has no unusual nature of transactions or events that affect assets, liabilities, equity, net income or cash flows.

There were no commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Fund which are not reflected in the accompanying audited financial statements. The management of the Company is of the opinion that there were no income or losses from these items that will have any material effect on its audited financial statements.

There were no known material events subsequent to the end of the quarterly reporting period that have not been reflected in the Fund's interim unaudited financial statements as at the period ended March 31, 2021.

There were no known material events subsequent to the end of the annual reporting period that have not been reflected in the Company's audited financial statements as at the period ended December 31, 2020. There were no significant elements of income or loss that did not arise from the Company's continuing operations.

There were no changes in estimates of amount reported in the current financial year or changes in estimates of amounts reported in prior financial years.

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company.

Top 5 Key Performance Indicators

The performance of a fund is important to its investors. Oftentimes, it is used when making investment decisions. That is why Key Performance Indicators (KPI), a set of quantifiable measures, is necessary to gauge its performance in terms of meeting the Fund's investment objective while consistently following its investment policy. The following are the top 5 KPIs related to the Fund:

1. **Total Return.** The performance of a mutual fund is always expressed in terms of its total return, which is the sum of the change in a fund's net asset value (NAV), its dividends and its capital gains distributions over a given period of time, net of its expenses.
2. **Market Conditions.** A fund's true performance potential needs to be evaluated within the context of the market environment prevailing during the different periods used. It is most relevant to investors to measure the performance of a fund within a 5-year time frame as it will most likely cover a mix of market conditions that may be translated into a more reliable long-term indicator of the fund manager's investment management abilities.
3. **Benchmarks.** Benchmarking is one of the most important aspects of a mutual fund's total return performance. A fund's performance metrics only have meaning if they are compared to appropriate "guideposts," or benchmarks.

The Bloomberg Barclays Global-Aggregate Total Return Index Value Unhedged USD (LEGATRUU Index) consists of U.S. dollar denominated, investment-grade index spanning asset classes from developed to emerging markets including multi-currency, investment-grade instruments. The MSCI All Country World Index (MSCI ACWI) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

	Total Return vs Benchmark	
	Benchmark: 65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day Dollar Deposit Rate	Sun Life Prosperity Dollar Wellspring Fund, Inc.
5-Year Return	29.68%	-
3-Year Return	15.44%	10.26%
1-Year Return	18.08%	19.13%
YTD Return	-1.18%	-2.08%

*As of March 31, 2021

The benchmark may be changed by the Fund's Board of Directors from time to time.

4. **Peer Comparisons.** Mutual funds are also compared to their peers, or peer groups, and relevant fund categories. For example, it is common for investment research materials to compare a bond fund, like the Fund, to funds similar in nature (peers or peer group). While this information is made available to the Fund's investors, the same may be found in the website of the PIFA - at www.pifa.com.ph.

Comparative Returns

	% of MF Industry	YTD	1-Year	3-Year	5-Year
Sun Life Prosperity Dollar Wellspring Fund, Inc.	0.09%	-2.08%	19.13%	10.26%	-
Sun Life Prosperity Dollar Advantage Fund, Inc.	0.49%	-0.38%	34.73%	22.17%	45.21%
PAMI Asia Balanced Fund, Inc.	0.11%	-2.74%	28.01%	4.87%	25.32%

*As of March 31, 2021

5. **Asset Size.** Open-ended mutual funds grow their asset size in two ways:
- i. Increase in the value of the underlying assets as a result of the strong performance of equity securities and/or bonds in the fund's portfolio. When the underlying assets in a portfolio increase in value, the fund's asset size increases.
 - ii. The inflow of investors' money. This is why a fund's asset size will continue to grow even if it has a negative return.

The increase in a fund's asset size signifies solid fund management skills which, combined with favorable market conditions backed by a strong economic outlook, illustrates how effectively a fund manager has performed and the extent to which value has been added through active management.

The second indicates investor confidence in the fund manager, the Fund, or both.

Most analysts check whether the performance of a mutual fund is attributable to personnel who have since left the fund. While there is no magic number when it comes to fund manager tenure, it should provide some investor comfort to know that with respect to the Fund, the Fund Manager and the Fund's top management have been with the Fund for at least five (5) years. Furthermore, SLOCPI having been in the business for decades combined with a record of consistent strong performance indicates a stability and resilience capable of withstanding the different stages of the business cycle.

- 3 **Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.** There have been no changes in and/or any disagreement with accountants on any accounting and financial disclosures and/or on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

- b. Registrant's Common Equity and Related Stockholder Matters

1. **Market Information.** Being an investment company that is not listed with the PSE and required to follow rules specific to mutual funds, shares are distributed through its principal distributor, SLAMCI.

The Fund is not listed in the PSE. It is registered as an open-end investment company and follows rules specific to mutual funds. The NAVPS, or the price at which investors may purchase or sell shares of this Fund is available daily, on any business day.

The following table shows the ranges of high and low prices (NAVPS) of the Fund's common shares for 2021, 2020 and 2019:

	2021		2020		2019	
	High	Low	High	Low	High	Low
Q1	\$1.2318	\$1.1719	\$1.1546	\$0.9456	\$1.0838	\$1.0100
Q2	-	-	\$1.1153	\$0.9955	\$1.1128	\$1.0808
Q3	-	-	\$1.1845	\$1.1096	\$1.1233	\$1.1055
Q4	-	-	\$1.2021	\$1.1546	\$1.1288	\$1.1023

2. Holders. There are approximately 655 stockholders as of 31 May 2021.

c. Dividends. Each shareholder has a right to any dividends declared by the Board of Directors. Dividends must be declared out of surplus. Except for the condition prescribed for the declaration of stock dividends, there are no restrictions that limit the ability to pay dividends on common equity or that are likely to do so in the future. Stock dividends of 2%, 0.50% and 1.88% were declared in 2018, 2019 and 2020, respectively to the stockholders of record, as determined by the Company.

Each shareholder is entitled to vote on matters taken up in the annual shareholders' meeting. Shares held by a shareholder can be redeemed anytime at the shareholder's discretion. However, the shareholders do not enjoy preemptive rights.

There are no provisions in the charter or by-laws that would delay, defer or prevent a change in control of the registrant.

d. Sale of Unregistered or Exempt Securities. There has been no sale of unregistered or exempt securities nor has there been a recent issuance of securities constituting an exempt transaction.

e. Top 20 Shareholders. Please refer to Item 4 (d) (1) of SEC Form Definitive 20-IS.