



SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

NOTICE OF SPECIAL SHAREHOLDERS' MEETING

To all shareholders:

NOTICE IS HEREBY GIVEN that the Special Meeting of the Shareholders of the Sun Life Prosperity Dollar Wellspring Fund, Inc. shall be held on **13 November 2020 (Friday)** at **9:00 a.m.** via **Zoom Webinar** at <http://bit.ly/SLPF-ASHM-Nov2020> to consider the following:

AGENDA

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of Dividend Declaration of 1.88% to stockholders of record as of 26 November 2020
5. Adjournment

The Board of Directors has, in accordance with the By-Laws, fixed the close of business on **30 September 2020** as the date for the determination of the shareholders entitled to notice of and to vote as such in the special shareholders' meeting and any adjournment thereof.

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, 12 October 2020


ATTY. FRANCES IANNA S. CANTO
Assistant 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: **Sun Life Center, 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:

13 November 2020 (Friday), 9:00 a.m.
Via Zoom Webinar at <http://bit.ly/SLPF-ASHM-Nov2020>

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **19 October 2020.**

10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor: **Lyza D. Placido**

Address and Telephone Number: **6th Floor Sun Life Center, 5th Avenue cor Rizal Drive, Bonifacio Global City, Taguig City 1634; (632) 849-9452 or 849-9495**

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	5,961,369 shares (as of 30 September 2020)

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 special shareholders' meeting of Sun Life of Canada Prosperity Dollar Wellspring Fund, Inc. (the "Company") will be held on **13 November 2020 (Friday) at 9:00 a.m., via Zoom Webinar at <http://bit.ly/SLPF-ASHM-Nov2020>**. The principal office of the Company is located at 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 ("SSHM materials") will be sent to all shareholders is on 19 October 2020. Shareholders will receive the SSHM 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 SSHM materials via the Sun Life Asset Management Company, Inc. ("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 special 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 any associate thereof, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon.

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 5,961,369 outstanding common shares as of 30 September 2020. Each common share shall be entitled to one (1) vote with respect to all matters to be taken up during the special shareholders' meeting.

b. The date for determining shareholders entitled to notice of and to vote during the special shareholders' meeting is **30 September 2020**.

c. 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 30 September 2020 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	1	B & R	Filipino	0.00%
Common	Oscar M. Orbos	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.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 5. 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 6. 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 7. Financial and Other Information.

a. **Management's Discussion and Analysis (MD&A) or Plan of Operation.**

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 units 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.

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

- 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.

Accounting Policies on Financial Assets

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 June 30, 2020 and December 31, 2019, 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, including investments in complex debt instruments and equity investments, 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 June 30, 2020 and December 31, 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.

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.

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.

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 following data are the range of high and low prices (NAVPS) of the Fund's common shares for each quarter within the last three calendar years:

	2020		2019		2018	
	High	Low	High	Low	High	Low
Q1	\$1.1546	\$0.9456	\$1.0838	\$1.0100	\$1.1463	\$1.1010

Q2	\$1.1153	\$0.9955	\$1.1128	\$1.0808	\$1.1201	\$1.0827
Q3	-	-	\$1.1233	\$1.1055	\$1.1000	\$1.0828
Q4	-	-	\$1.1288	\$1.1023	\$1.0958	\$1.0056

2. Holders. There are approximately 590 stockholders as of 30 September 2020.

FINANCIAL STATEMENT ANALYSIS

Statement of Financial Position and Statements of Changes in Equity – 30 June 2020 and 31 December 2019

For the Period Ended	30-Jun-20	31-Dec-19	Movement	Percentage (%)	MDAS
	Unaudited	Audited			
Cash in banks	\$ 437,711	\$ 187,918	\$ 249,793	132.93%	Liquidity requirements were met.
Financial assets at fair value through profit or loss	6,282,404	6,590,513	(308,109)	-4.68%	The decrease was due to impact of unfavorable market condition during the period that was partially offset with the acquisition of investments in equity securities.
Accrued interest receivable	1,792	226	1,566	100.00%	Collection of interest depends on the scheduled interest payments of each asset.
Other current assets	1,002	582	420	100.00%	Prepaid expenses to be amortized until end of the accounting period.
Total Assets	6,722,909	6,779,239	(56,330)	-0.83%	
Accrued expenses and other payables	7,778	3,461	4,317	124.73%	The increase was due to 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	9,382	10,434	(1,052)	-10.08%	The decrease was due to late funding of SLAMCI for the fund expenses as of June 30, 2020 compared to prior year.
Income tax payable	-	213	(213)	100.00%	
Total Liabilities	17,160	14,108	3,052	21.63%	
Share capital	133,302	131,998	1,304	0.99%	New issuance of shares during the period.
Additional paid in capital	5,966,315	5,909,802	56,513	0.96%	
Retained earnings	609,415	730,396	(120,981)	-16.56%	Net loss for the period.
Treasury Shares	(3,283)	(7,065)	3,782	-53.53%	Due to net reissuance of treasury shares during the period.
Net Assets	6,705,749	6,765,131	(59,382)	-0.88%	Mainly due to net loss incurred partly offset with new issuance of share capital and reissuance of treasury shares.
Net Assets Value per Share	\$ 1.1072	\$ 1.1287	P (0.0215)	-1.90%	

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.

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities/other persons were created during the reporting period.

There are also no known trends, events, or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations and liquidity.

There are no significant elements of income that did not arise from the Company's continuing operations.

Statement of Comprehensive Income for Six months ended – June 30, 2020 vs. June 30, 2019

	30-Jun-20	30-Jun-19	Movement	Percentage (%)	MDAS
	Unaudited	Unaudited			
Investment income	(\$ 1,977)	\$ 122,668	(\$ 124,645)	-101.61%	The decrease mainly pertains to the trading losses realized upon disposal of equity securities.
Investment Expense	591	581	10	1.72%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses	69,624	66,955	2,669	3.99%	This is due to the increase in management fees brought by higher AUM and partly offset with the decline in recorded printing and supplies incurred for the period.
Net Unrealized Gains (Losses) on Investments	(48,757)	532,782	(581,539)	-109.15%	Due to impact of unfavorable market condition during the period.
Provision for Income Tax	32	10	22	220.00%	Income tax under MCIT and final taxes of interest income earned from fixed income investments.
Net Investment Income (Loss)	(\$ 120,981)	\$ 587,904	(708,885)	120.58%	

Average daily net asset value from January to June 2020 and January to June 2019 is \$6,502,166 and \$6,416,961, respectively.

The capital structure of the Fund consists of issued capital. The \$1,500,000 subscription represents seed capital from Sun Life Asset Management Company Inc. The Fund manages capital and Net Asset Value per Share (NAVPS) to ensure that the Company's net asset value remains competitive and appealing to prospective investors.

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.

The Fund manages its capital to ensure that the Fund 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.

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

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. The Company has not declared cash dividends to date.

Each shareholder is entitled to vote on matters taken up in the special shareholders' meeting. Shares held by a shareholder can be redeemed anytime at the shareholder's discretion. However, the shareholders do not enjoy pre-emptive 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. OTHER MATTERS

Item 8. Approval of Dividend Declaration and Payout. Management requests the approval of the declaration of stock dividends amounting to up to 1.88% of the outstanding shares with Record Date of 26 November 2020, and Payout Date of 27 November 2020, or any reasonable date after approval of SEC on the stock dividend declaration has been obtained.

Item 9. Other Proposed Action. Aside from the foregoing, there is no other proposed action.

Item 10. Voting Procedures. The approval of the 1.88% stock dividends to stockholders of record requires 2/3 vote of the outstanding capital stock.

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 Tuesday, 03 November 2020 (ten days prior to the Special Stockholders' Meeting). Investors who will decide to attend the SSHM via Zoom may also exercise their right to vote in absentia via the Zoom poll functionality available during the conduct of the SSHM. 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 11. 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 12. Instruction. Proxy forms attached to the notice of the special 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, or fax, 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 13. 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 Special Meeting, by giving written notice to the Corporate Secretary prior to the Special 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 Special Meeting.

Item 14. 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. Placido has been designated as the contact person for all inquiries related hereto at contact numbers (632) 849-9452 or 849-9495 with address at 8th Floor Sun Life Center, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City 1634.

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 PHP20,000.00 for the Sun Life Prosperity Dollar Wellspring Fund, Inc.

Item 15. Interest of Certain Persons in Matters to be Acted Upon. As of 30 September 2020, records show that SLAMCI owns 12.66% of the Company's outstanding capital stock. The President of SLAMCI has the power to vote on 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 WITH 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 CENTER, 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

Date: 12 October 2020


ATTY. FRANCES IANNA S. CANTO
Assistant Corporate Secretary

Sun Life Prosperity Dollar Wellspring Fund

Special Shareholders' Meeting

Proxy Form



I/we, hereby nominate, constitute and appoint **Ms. MARIA 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 Special Shareholders' Meeting on **13 November 2020**, and all adjournments and postponements thereof, of the Sun Life Prosperity Dollar Wellspring Fund, Inc.

A vote "FOR" the below item is recommended.

For Against

Declaration of 1.88% stock dividends to stockholders of record as of 26 November 2020

This proxy revokes all proxies which I/we may have previously executed concerning the above matter. 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 special shareholders' 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

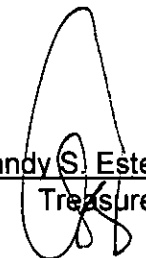


Certification

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-Q 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 17th day of August, 2020 at Taguig City.



Candy S. Esteban
 Treasurer

AUG 17 2020

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2020, 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. 2110 ;
 Page No. 54 ;
 Book No. 2110 ;
 Series of 2020.


ATTY. GERVACIO B. ORTIZ JR.
 Notary Public City of Makati
 Until December 31, 2020
 IBP No. 05725 - Lifetime Member
 MCLE Compliance No. VI-0024312
 Appointment No. M-163-(2019-2020)
 PTR No. 3116074 Jan. 2, 2020
 Makati City Roll No. 48091
 101 Urban Ave. Campos Rueda Bldg.
 Brgy. Pio Del Pilar, Makati City

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	3	1
---	---	---	---

Month 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 WELLSPRING FUND, INC.

(Company's Full Name)

**8th Floor 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)

June 30, 2020

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: June 30, 2020
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
8F 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 June 30, 2020)
<u>Common Shares (Unclassified)</u>	<u>6,056,221 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
FOR THE PERIOD ENDED JUNE 30, 2020 AND DECEMBER 31, 2019**

(In US Dollars)

		(Unaudited)	(Audited)
	Notes	2020	2019
ASSETS			
Current Assets			
Cash in banks	4	\$ 437,711	\$ 187,918
Financial assets at fair value through profit or loss	5	6,282,404	6,590,513
Accrued interest receivable	6	1,792	226
Other current assets	7	1,002	582
		\$6,722,909	\$6,779,239
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other payables	8	\$ 7,778	\$ 3,461
Payable to fund manager	9	9,382	10,434
Income tax payable		-	213
Total Current Liabilities		17,160	14,108
Equity			
Share capital	10	133,302	131,998
Additional paid-in capital	11	5,966,315	5,909,802
Retained earnings		609,415	730,396
		6,709,032	6,772,196
Treasury shares	10	(3,283)	(7,065)
Total Equity		6,705,749	6,765,131
		\$6,722,909	\$6,779,239
Net Asset Value Per Share	12	\$ 1.1072	\$ 1.1287
Total Equity		6,705,749	6,765,131
Capital Stock - Php1.00 per share			
Authorized - 10,000,000 shares			
Total number of shares outstanding		6,056,221	5,993,612
Net Asset Value Per Share		\$ 1.1072	\$ 1.1287

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED JUNE 30, 2020 AND JUNE 30, 2019

(In US Dollars) (Unaudited) (Unaudited)

	Notes	2020	2019
Investment Income - net			
Net realized gains on investments	5	(\$12,463)	\$ 122,209
Dividend income		8,668	-
Interest income	13	1,818	67
Others		-	392
		(1,977)	122,668
Investment Expenses			
Commission		591	581
Net Investment Income		(2,568)	122,087
Operating Expenses			
Management fees	9	59,644	57,370
Directors fees	9	2,507	2,794
Custodian fees		3,820	3,083
Professional fees		1,407	1,165
Taxes and licenses		1,069	842
Printing and supplies		470	1,045
Miscellaneous		707	656
		69,624	66,955
Profit Before Net Unrealized Gains on Investments		(72,192)	55,132
Net Unrealized Gain (Loss) on Investments	5	(48,757)	532,782
Profit (Loss) Before Tax		(120,949)	587,914
Income Tax Expense		32	10
Total Comprehensive Income (Loss) for the Period		(\$120,981)	\$587,904
Basic earnings (loss) per share	14	(\$0.020)	\$ 0.099

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.**STATEMENTS OF COMPREHENSIVE INCOME****FOR THE QUARTER ENDED JUNE 30, 2020 AND JUNE 30, 2019**

(In US Dollars)

(Unaudited)

(Unaudited)

	Notes	2020	2019
Investment Income - net			
Net realized gains on investments	5	(\$78,572)	\$72,875
Dividend income		3,313	-
Interest income	13	1,189	29
Others		-	169
		(74,070)	73,073
Investment Expenses			
Commission		343	447
Net Investment Income		(74,413)	72,626
Operating Expenses			
Management fees	9	29,522	29,324
Directors fees		760	1,977
Custodian fees		2,497	1,413
Professional fees		702	592
Taxes and licenses		511	254
Printing and supplies		235	531
Miscellaneous		278	483
		34,505	34,574
Profit Before Net Unrealized Gains on Investments		(108,918)	38,052
Net Unrealized Gain (Loss) on Investments	5	726,909	135,541
Profit (Loss) Before Tax		617,991	173,593
Income Tax Expense		(74)	5
Total Comprehensive Income (Loss) for the Period		\$618,065	\$173,588
Basic earnings (loss) per share	14	\$ 0.102	\$ 0.029

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JUNE 30, 2020 AND JUNE 30, 2019
(In US Dollars)

	Notes	Share Capital	Deposit for Future Subscriptions	Additional Paid-in Capital	Retained Earnings (Deficit)	Treasury Shares	Total
Balance, January 1, 2020	10, 11	\$131,998	\$ -	\$5,909,802	\$730,396	(7,065)	\$6,765,131
Total Comprehensive Loss for the Period		-	-	-	(120,981)	-	(120,981)
Transactions with owners:							
Issuance of shares during the period	10	1,304	-	61,395	-	-	62,699
Acquisition of treasury shares during the period		-	-	-	-	(370,992)	(370,992)
Reissuance of treasury shares during the period		-	-	(4,882)	-	374,774	369,892
Total transactions with owners		1,304	-	56,513	-	3,782	61,599
Balance, June 30, 2020	10, 11	133,302	-	5,966,315	609,415	(3,283)	6,705,749

	Notes	Share Capital	Deposit for Future Subscriptions	Additional Paid-in Capital	Retained Earnings (Deficit)	Treasury Shares	Total
Balance, January 1, 2019	10, 11	\$ 131,994	\$ -	\$ 5,908,559	\$ 22,413	\$ (52,659)	\$ 6,010,307
Total Comprehensive Income for the Period					587,904		587,904
Transactions with owners:							
Issuance of shares during the period	10	5	-	230	-	-	235
Acquisition of treasury shares during the period		-	-	-	-	(184,617)	(184,617)
Reissuance of treasury shares during the period		-	-	(387)	-	158,787	158,400
Total transactions with owners		5	-	(157)	-	(25,831)	(25,983)
Balance, June 30, 2019	10, 11	\$ 131,999	\$ -	\$ 5,908,402	\$ 610,317	\$ (78,490)	\$ 6,572,228

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED JUNE 30, 2020 AND JUNE 30, 2019
(In US Dollars)

	Notes	2020	2019
Cash Flows from Operating Activities			
Profit (Loss) before tax		(\$ 120,949)	\$ 587,914
Adjustments for:			
Net unrealized (gains) loss on investments	5	48,757	(532,782)
Net realized gains on investments	5	12,463	(122,209)
Interest income	13	(1,818)	(67)
Operating cash flows before working capital changes		(61,547)	(67,144)
Decrease (Increase) in:			
Other current assets		(420)	(2,087)
Increase (Decrease) in:			
Accrued expenses and other payables		4,317	103
Payable to fund manager		(1,052)	764
Cash used in operations		(58,702)	(68,364)
Acquisition of financial assets at fair value			
through profit or loss		(5,722,929)	(3,466,341)
Proceeds from disposal of financial assets at fair value			
through profit or loss		5,969,818	3,551,403
Interest received		252	67
Income taxes paid		(245)	(10)
Net cash generated from (used in) operating activities		188,194	16,755
Cash Flows from Financing Activities			
Proceeds from issuance of share capital	10	62,699	235
Payments on acquisition of treasury shares	10	(370,992)	(184,617)
Proceeds from reissuance of treasury shares	10	369,892	158,400
Net cash generated from (used in) financing activities		61,599	(25,983)
Net (Decrease) Increase in Cash and Cash Equivalents		249,793	(9,227)
Cash and Cash Equivalents, Beginning		187,918	149,530
Cash and Cash Equivalents, End		\$ 437,711	\$ 140,303

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

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 Philippine peso, 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 2019

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 adopted by the Company as at December 31, 2019 and assessed as not applicable and have no impact on the Company's financial statements.

New Accounting Standards Effective after the Reporting Period Ended December 31, 2019

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 within the scope of the standard. The objective of PFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

The key principles in PFRS 17 are that an entity:

- identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event)
- adversely affects the policyholder;
- separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- divides the contracts into groups that it will recognize and measure;
- recognizes and measures groups of insurance contracts at:
 - i. a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)
 - ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);
- recognizes the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately;

- presents separately insurance revenue (that excludes the receipt of any investment component), insurance service expenses (that excludes the repayment of any investment components) and insurance finance income or expenses; and
- discloses information to enable users of financial statements to assess the effect that contracts within the scope of PFRS 17 have on the financial position, financial performance and cash flows of an entity.

PFRS 17 includes an optional simplified measurement approach, or premium allocation approach, for simpler insurance contracts.

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

Amendments to PFRS 3, *Definition of Business*

The amendments are to:

- clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
- add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
- remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020 and to asset acquisitions that occur on or after the beginning of that period.

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

PIC Q&A No. 2019-02, *Accounting for Cryptographic Assets*

The interpretation provides guidance regarding accounting treatment for cryptographic assets. In classifying cryptographic assets, two relevant factors to consider are (i) its primary purpose, and (ii) how these assets derive its inherent value. The interpretation provided two (2) cryptographic classifications based on the aforementioned factors, these are (a) cryptocurrency, or (b) cryptographic assets other than cryptocurrencies, which are (b.1) asset-based token, (b.2) utility token, and (b.3) security token, or collectively the "security tokens".

From the holder of these assets' point-of-view, in the absence of a definitive accounting and reporting guidance from the IASB, the interpretation suggested to report cryptographic assets in the financial statements as either (i) cryptocurrencies held by an entity, or (ii) cryptographic assets other than cryptocurrencies.

From the issuer of these assets' point of view, as a consensus, the following accounting treatments are suggested:

- Cryptocurrencies held by an entity can be treated either as (i) inventory under PAS 2, or (ii) intangible asset under PAS 38.
- Cryptographic assets other than cryptocurrencies, the interpretation suggested the following relevant accounting frameworks for consideration:
 - i. If the token meets the definition of a financial liability, apply guidance in PFRS 9;
 - ii. If the token meets the definition of an equity instrument, apply guidance in PAS 32;
 - iii. If the token is a prepayment for goods and services from a contract with a customer, apply guidance in PFRS 15; and
 - iv. If the token does not meet any of the aforementioned, consider other relevant guidance.

The interpretation is effective for periods beginning on or after February 13, 2019.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not have cryptographic assets.

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	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 property.

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.

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 June 30, 2020 and December 31, 2019, 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, including investments in complex debt instruments and equity investments, 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 June 30, 2020 and December 31, 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.

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.

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.

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.

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, 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

	June 2020	December 2019
Cash in banks	\$ 437,711	\$ 187,918

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 2020	December 2019
Global mutual funds	\$ 4,743,992	\$ 5,926,854
Global exchange traded funds	1,037,397	498,853
Investments in fixed-income securities	434,377	98,672
Investment in mutual fund	66,638	66,134
	\$ 6,282,404	\$ 6,590,513

Net gains (losses) on investments recognized in profit or loss arising from financial assets at FVTPL are as follows:

	June 2020	December 2019
Net realized gains (losses) on investments in:		
Equity securities	(\$ 24,370)	\$ 389,538
Fixed-income securities	11,907	-
	(12,463)	389,538
Net unrealized gains (losses) on investments in:		
Equity securities	(34,068)	477,837
Fixed-income securities	(14,689)	(72)
	(48,757)	477,765
	(\$ 61,220)	\$ 867,303

6. ACCRUED INTEREST RECEIVABLE

	June 2020	December 2019
Fixed-income securities	\$ 1,792	\$ 226

7. OTHER CURRENT ASSETS

	June 2020	December 2019
Prepaid expenses	\$ 926	\$ 582
Prepaid tax	76	-
	\$ 1,002	\$ 582

8. ACCRUED EXPENSES AND OTHER PAYABLES

	June 2020	December 2019
Due to investors	\$ 3,283	\$ -
Custodianship fees	1,886	647
Professional fees	1,310	1,830
Withholding and documentary stamp taxes	830	984
Others	469	-
	\$ 7,778	\$ 3,461

Due to investors pertains to cash deposited by investors for subscription to the mutual fund which are yet to be processed at period-end.

Other accrued expenses refers to accrual of taxes and licenses and printing and supplies for the period. These payables are non-interest bearing and are normally settled within the year.

9. 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
		Q2 2020	Q2 2020		
SLAMCI – Fund Manager Management Distribution and Transfer fees	\$ 59,644	\$ 9,382	\$ 10,434	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	\$ 2,507	\$ -	\$ -	Payable on demand; Settled in cash	Unsecured
Entities under common control					
Sun Life of Canada (Philippines), Inc. Purchase	\$337,084	\$ -	\$ -	Payable on demand;	Unsecured
Sale	111,374	-	-	Settled in cash	

As of June 30, 2020, below is the outstanding investment of the Company in Sun Life Prosperity Dollar Starter Fund, Inc. to comply with the liquidity requirement rule of SEC ICA-IRR as amended.

	Shares	Amount
Sun Life Prosperity Dollar Starter Fund, Inc.	63,768	\$ 66,638

10. EQUITY

	2020	
	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	5,999,926	\$ 131,998
Issuance during the period	59,256	1,304
At June 30	6,059,182	\$ 133,302
Treasury shares:		
At January 1	6,314	\$ 7,065
Acquisition	330,368	370,993
Reissuance	(333,721)	(374,775)
At June 30	2,961	\$ 3,283

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.

In October 2018, the Company received a letter from SEC via fax directing the Company to amend the filed registration statement based on SEC comments. The Company's response was received by SEC on the same month.

In March 2019, the Company received a letter from SEC via email directing the Company to submit explanation to OGA findings in connection with the registration of approved Four Million (4,000,000) shares.

On May 30, 2019, SEC received the Company's revised registration statement and responses to OGA's comments in relation to the registration of approved 4,000,000 shares increase.

In June 2019, the Company received a letter from SEC via email directing the Company to submit explanation to OGA findings in connection with the registration of approved Four Million (4,000,000) shares. The Company's response was received by SEC on July 26, 2019.

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.

Current state

As at June 30, 2020, the Company has authorized capital of 10,000,000 shares, the Company has 6,056,221 issued and subscribed shares, each with a par value of P1 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 June 30, 2020.

% Ownership of Institutional Investors	% Ownership of Retail Investors
16.36%	83.64%

Area	Percentage of Investments
LUZON	92%
VISAYAS	6%
MINDANAO	2%
TOTAL	100%

11. **ADDITIONAL PAID-IN CAPITAL**

	June 2020	December 2019
APIC	\$ 5,966,315	\$ 5,909,802

12. **NET ASSET VALUE PER SHARE**

	June 2020	December 2019
Total equity	\$ 6,705,749	\$ 6,765,131
Issued and outstanding Shares	6,056,221	5,993,612
NAVPS	\$ 1.1072	\$ 1.1287

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)	-0.1263%	\$ 1.1088	June 28, 2019
3 Year - Simple	3.3890%	\$ 1.0711	June 30, 2017
5Year - Simple	-	-	-

13. INTEREST INCOME

	June 2020	June 2019
Fixed-income securities	\$ 1,784	\$ -
Cash in banks	34	67
	\$ 1,818	\$ 67

14. EARNINGS (LOSS) PER SHARE

The calculation of the earnings per share for the quarter is based on the following data:

	June 2020	June 2019
Total comprehensive income for the year	(\$ 120,981)	\$ 587,904
Weighted average number of outstanding shares for the purpose of computing earnings / loss per share	5,982,840	5,968,334
Basic and diluted earnings per share	(\$ 0.020)	\$ 0.099

15. 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	Total
June 30, 2020			
Global mutual funds	5	\$ 4,743,992	\$ 4,743,992
Global exchange traded funds		1,037,397	1,037,397
Investments in fixed-income securities		434,377	434,377
Investment in mutual fund	5	66,638	66,638
		\$ 6,282,404	\$ 6,282,404
December 31, 2019			
Global mutual funds	5	\$ 5,926,854	\$ 5,926,854
Global exchange traded funds	5	498,853	498,853
Investments in fixed-income securities		98,672	98,672
Investment in mutual fund		66,134	66,134
		\$ 6,590,513	\$ 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		Total
			Level 1	Level 2	
June 30, 2020					
Financial Assets					
Cash in banks	4	\$ 437,711	\$ 437,711	\$ -	\$ 437,711
Accrued interest receivable	6	1,792	-	1,792	1,792
		\$ 439,503	\$ 437,711	\$ 1,792	\$ 439,503
Financial Liabilities					
Accrued expenses and other payables	8	\$ 6,948	\$ -	\$ 6,948	\$ 6,948
Payable to fund manager	9	9,382	-	9,382	9,382
		\$ 16,330	P -	\$ 16,330	\$ 16,330
December 31, 2019					
Financial Assets					
Cash in banks	4	\$187,918	\$187,918	\$ -	\$187,918
Accrued interest receivable	6	226	-	226	226
		\$188,144	\$187,918	\$ 226	\$188,144
Financial Liabilities					
Accrued expenses and other payables	8	\$ 3,461	\$ -	\$ 3,461	\$ 3,461
Payable to fund manager	9	10,434	-	10,434	10,434
		\$ 13,895	\$ -	\$ 13,895	\$ 13,895

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:

- 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 units 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.
- 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.
- 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).
- 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 2nd Quarter Financial Statements

Statement of Financial Position and Statements of Changes in Equity –

June 30, 2020 vs. December 31, 2019

For the Period Ended	30-Jun-20	31-Dec-19	Movement	Percentage (%)	MDAS
	Unaudited	Audited			
Cash in banks	\$ 437,711	\$ 187,918	\$ 249,793	132.93%	Liquidity requirements were met.
Financial assets at fair value through profit or loss	6,282,404	6,590,513	(308,109)	-4.68%	The decrease was due to impact of unfavorable market condition during the period that was partially offset with the acquisition of investments in equity securities.
Accrued interest receivable	1,792	226	1,566	100.00%	Collection of interest depends on the scheduled interest payments of each asset.
Other current assets	1,002	582	420	100.00%	Prepaid expenses to be amortized until end of the accounting period.
Total Assets	6,722,909	6,779,239	(56,330)	-0.83%	
Accrued expenses and other payables	7,778	3,461	4,317	124.73%	The increase was due to 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	9,382	10,434	(1,052)	-10.08%	The decrease was due to late funding of SLAMCI for the fund expenses as of June 30, 2020 compared to prior year.
Income tax payable	-	213	(213)	100.00%	
Total Liabilities	17,160	14,108	3,052	21.63%	
Share capital	133,302	131,998	1,304	0.99%	New issuance of shares during the period.
Additional paid in capital	5,966,315	5,909,802	56,513	0.96%	
Retained earnings	609,415	730,396	(120,981)	-16.56%	Net loss for the period.
Treasury Shares	(3,283)	(7,065)	3,782	-53.53%	Due to net reissuance of treasury shares during the period.
Net Assets	6,705,749	6,765,131	(59,382)	-0.88%	Mainly due to net loss incurred partly offset with new issuance of share capital and reissuance of treasury shares.
Net Assets Value per Share	\$ 1.1072	\$ 1.1287	P (0.0215)	-1.90%	

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.

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities/other persons were created during the reporting period. There are also no known trends, events, or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations and liquidity.

There are no significant elements of income that did not arise from the Company's continuing operations.

Statement of Comprehensive Income for the Six months ended – June 30, 2020 vs. June 30, 2019

	30-Jun-20	30-Jun-19	Movement	Percentage (%)	MDAS
	Unaudited	Unaudited			
Investment Income	(\$ 1,977)	\$ 122,668	(\$ 124,645)	-101.61%	The decrease mainly pertains to the trading losses realized upon disposal of equity securities.
Investment Expense	591	581	10	1.72%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses	69,624	66,955	2,669	3.99%	This is due to the increase in management fees brought by higher AUM and partly offset with the decline in recorded printing and supplies incurred for the period.
Net Unrealized Gains (Losses) on Investments	(48,757)	532,782	(581,539)	-109.15%	Due to impact of unfavorable market condition during the period.
Provision for Income Tax	32	10	22	220.00%	Income tax under MCIT and final taxes of interest income earned from fixed income investments.
Net Investment Income (Loss)	(\$ 120,981)	\$ 587,904	(708,885)	120.58%	

Average daily net asset value from January to June 2020 and January to June 2019 is \$ 6,502,166 and \$ 6,416,961, respectively.

The capital structure of the Fund consists of issued capital. The \$1,500,000 subscription represents seed capital from Sun Life Asset Management Company Inc. The Fund manages capital and Net Asset Value per Share (NAVPS) to ensure that the Company's net asset value remains competitive and appealing to prospective investors.

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.

The Fund manages its capital to ensure that the Fund 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.

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

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:

Interest Rate Risk: Bonds are bought and sold continuously at various interest rates. Market conditions and prevailing interest rates may cause the prices at which the Funds can sell their assets to go down, selling their assets for a price lower than for what they purchased it and incurring losses in the process. These would be reflected as a lower NAVPS, possibly resulting in a decrease in the value of an investment. It is possible that the Funds may sell their assets at a price lower than acquisition cost because the Fund Manager needs cash to pay redemptions or would like to use the money to take advantage of better investment opportunities.

The Funds will manage interest rate risk by actively monitoring the prevailing interest rate environment. During periods of rising rates, falling prices, and widening of credit spreads, the Fund Manager will reduce the duration of the portfolio. During periods of falling rates, rising prices, and narrowing credit spreads, the Fund Manager will increase the duration of the portfolios.

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.

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.

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.

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.

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.

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.

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.

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.

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.

Not Insured: You should be aware that your investment in the Funds is not insured with the Philippine Deposit Insurance Corporation ("PDIC"). The Fund Manager is prevented by law to guarantee any return.

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

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 moderate-risk investment.

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 –65% JP Morgan Global Aggregate Bond Index (JPM GABI) + 30% MSCI 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 1.65% of the net assets attributable to shareholders on each valuation day.

As at June 30, 2020 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 June 30, 2020, the Company's investment in listed foreign equity securities are as follows:

Name of Issuing Entity and Association of Each Issue	Market Value
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGTON GLOBAL QUALITY GROWTH FUND	\$ 397,656
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	179,606
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	29,343
MORGAN STANLEY US ADVANTAGE FUND	347,307
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	1,601,129
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	417,743
JPMORGAN FUNDS-INCOME FUND	340,912
MFS EQ 11 USD CONTINENTAL EUR	110,016
NEW CAPITAL WEALTHY NATIONS BOND FUND	180,272
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	1,037,397
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	361,912
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	95,871
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	81,157
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	87,414
SCHRODER ISF CHINA OPPORTUNITIES	27,640
JPM FUNDS - CHINA FUND	90,436
SCHRODER INTERNATIONAL SELECTION FUND-EMERGING MARKETS	24,458
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	332,014
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	39,107
GRAND TOTAL	\$6,215,766

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 June 30, 2020 and December 31, 2019, 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 designated its redeemable share capital as equity instruments when the Company adopted the amendments in PAS 32, *Financial Instruments: Presentation*, and PAS 1, *Presentation of Financial Statements: Financial Instruments Puttable at Fair Value and Obligations Arising on Liquidation*, effective for annual reporting periods beginning on or after January 1, 2009. The Company's share capital met the specified criteria 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 June 30, 2020 and December 31, 2019, the recognized amount of share capital representing puttable shares in the statements of financial position amounted to \$133,302 and \$131,998, 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 June 30, 2020 and December 31, 2019, 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 June 30, 2020 and December 31, 2019.

Determining 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 : August 17, 2020

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

Schedule of Financial Soundness Indicators and Financial Ratios

June 30, 2020 and December 31, 2019

	Formula	2020	2019
<i>Current/ Liquidity Ratios</i>			
a. Current ratio	Current Assets/Current Liabilities	391.78:1	480.52:1
b. Quick ratio	Quick Assets/Current Liabilities	391.72:1	480.48:1
c. Cash ratio	Cash/Current Liabilities	25.51:1	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	1.00:1	1.00:1
f. Net working capital to sales ratio	Working Capital / Total Revenue	-3391.88:1	16.82:1
g. Defensive Interval Ratio	360* (Quick Assets / Proj. Daily Operating Expense)	34756.50:1	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	0.003:1	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	0.003:1	0.002:1
Asset to equity ratio	Total Assets/Total Equity	1.00:1	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	6117.80%	184.00%
b. Earnings before interest, taxes and depreciation and amortization (EBITDA) margin	EBITDA/Revenue	6117.80%	184.00%
c. Pre-tax margin	EBIT/Revenue	6117.80%	184.00%
d. Effective tax rate	Income Tax/EBIT	-0.03%	0.03%
e. Post-tax margin	Net Income After Tax/Revenue	6119.42%	184.14%
f. Return on equity	Net Income After Tax/Average Common Equity	-1.80%	11.59%
g. Return on asset	NIAT/Average Total Assets	-1.79%	11.57%
Capital intensity ratio	Total Assets/Revenue	-3400.56:1	16.86:1
Fixed assets to total assets	Fixed assets/Total assets	N/A	N/A
Dividend payout ratio	Dividends paid/Net Income	N/A	N/A

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 June 30, 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)						
US912828YS30	434,376	6,705,749	6.48%	98,672	6,765,131	1.46%
Mutual Funds						
SCHRODER INTERNATIONAL SELECTION FUND-GLOBAL BOND	-	6,705,749	0.00%	617,275	6,765,131	9.12%
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	179,606	6,705,749	2.68%	283,481	6,765,131	4.19%
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	29,343	6,705,749	0.44%	51,612	6,765,131	0.76%
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGT	397,656	6,705,749	5.93%	387,491	6,765,131	5.73%
MORGAN STANLEY US ADVANTAGE FUND	347,307	6,705,749	5.18%	283,550	6,765,131	4.19%
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	1,601,129	6,705,749	23.88%	614,515	6,765,131	9.08%
SPDR MSCI ACWI UCITS ETF	-	-	-	99,970	6,765,131	1.48%
PINEBRIDGE JAPAN SMALL CAP EQUITY FUND	-	-	-	122,501	6,765,131	1.81%
JPMORGAN FUNDS-INCOME FUND	340,912	6,705,749	5.08%	698,884	6,765,131	10.33%
NOM FI 1 USD US HIGH YIELD	-	6,705,749	0.00%	185,099	6,765,131	2.74%
SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC	66,638	6,705,749	0.99%	66,134	6,765,131	0.98%
MFS FI 11 USD GL HIGH YIELD	-	6,705,749	0.00%	160,767	6,765,131	2.38%
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	417,743	6,705,749	6.23%	287,350	6,765,131	4.25%
PINEBRIDGE ASIA EX JAPAN SMALL CAP EQUITY FUND	-	-	-	99,729	6,765,131	1.47%
MFS EQ 11 USD CONTINENTAL EUR	110,016	6,705,749	1.64%	120,576	6,765,131	1.78%
NEW CAPITAL WEALTHY NATIONS BOND FUND	180,272	6,705,749	2.69%	719,874	6,765,131	10.64%
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	1,037,397	6,705,749	15.47%	398,883	6,765,131	5.90%
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	361,912	6,705,749	5.40%	308,202	6,765,131	4.56%
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	95,871	6,705,749	1.43%	696,489	6,765,131	10.30%
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	81,157	6,705,749	1.21%	289,460	6,765,131	4.28%
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	87,414	6,705,749	1.30%	-	-	-
SCHRODER ISF CHINA OPPORTUNITIES	27,639	6,705,749	0.41%	-	-	-
JPM FUNDS - CHINA FUND	90,436	6,705,749	1.35%	-	-	-
SCHRODER INTERNATIONAL SELECTION FUND-EMERGING MARKETS	24,458	6,705,749	0.36%	-	-	-
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	332,014	6,705,749	4.95%	-	-	-
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	39,107	6,705,749	0.58%	-	-	-

ii. Total Investment of the Fund to the Outstanding Securities of an Investee Company
As of June 30, 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)						
US912828YS30	60,000	**	-	100,000	**	-
Mutual Funds						
SCHRODER INTERNATIONAL SELECTION FUND-GLOBAL BOND	-	2,022,608,000	0.00%	43,079	2,175,191,000	0.00%
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	4,070	3,441,586,000	0.00%	6,481	3,435,790,000	0.00%
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	138	**	-	224	2,402,663,000	0.00%
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGT	12,352	**	-	12,120	5,575,232,000	0.00%
MORGAN STANLEY US ADVANTAGE FUND	2,541	**	-	2,673	8,007,860,000	0.00%
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	31,706	1,365,787,000	0.00%	12,533	765,859,000	0.00%
SPDR MSCI ACWI UCITS ETF	-	**	-	680	1,572,278,000	0.00%
PINEBRIDGE JAPAN SMALL CAP EQUITY FUND	-	**	-	1,251	471,272,000	0.00%
JPMORGAN FUNDS-INCOME FUND	2,679	6,185,310,000	0.00%	5,362	5,755,290,000	0.00%
NOM FI 1 USD US HIGH YIELD	-	**	-	582	4,220,091,000	0.00%
SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC	63,768	11,849,291	0.54%	63,768	45,151,000	0.14%
MFS FI 11 USD GL HIGH YIELD	-	**	-	717	**	0.00%
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	1,004	2,661,672,000	0.00%	675	2,384,952,000	0.00%
PINEBRIDGE ASIA EX JAPAN SMALL CAP EQUITY FUND	-	**	-	141	1,013,315,000	0.00%
MFS EQ 11 USD CONTINENTAL EUR	7,449	**	-	7,739	3,889,721,000	0.00%
NEW CAPITAL WEALTHY NATIONS BOND FUND	1,216	1,691,521,000	0.00%	4,996	1,295,059,000	0.00%
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	196,514	4,226,074,000	0.00%	77,064	3,544,085,000	0.00%
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	1,602	340,871,000	0.00%	1,261	379,880,000	0.00%

INVESTCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	7,307	2,919,294,000	0.00%	53,633	2,287,229,000	0.00%
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	2,953	349,473,000	0.00%	8,753	421,766,000	0.00%
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	472	27,878,000	0.00%	-	-	-
SCHRODER ISF CHINA OPPORTUNITIES	60	537,370,000	0.00%	-	-	-
JPM FUNDS - CHINA FUND	1,474	2,238,957,000	0.00%	-	-	-
SCHRODER INTERNATIONAL SELECTION FUND-EMERGING MARKETS	1,385	4,570,986,000	0.00%	-	-	-
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	16,659	4,530,979,000	0.00%	-	-	-
INVESTCO JAPANESE EQUITY VALUE DISCOVERY FUND	2,932	8,137,345,000	0.00%	-	-	-

iii Total Investment in Liquid or Semi-Liquid Assets to Total Assets

As of June 30, 2020 and December 31, 2019

	2020	2019
Total Liquid and Semi-Liquid Assets	6,721,907	6,778,657
TOTAL ASSETS	6,722,909	6,779,239
Total Investment in Liquid or Semi-Liquid Assets to Total Assets	99.99%	99.99%

iv. Total Operating Expenses to Total Net Worth

As of June 30, 2020 and December 31, 2019

	2020	2019
Total Operating Expenses	69,624	138,481
Average Daily Net Worth	6,502,166	6,537,632
Total Operating Expenses to Average Daily Net Worth	1.07%	2.12%

v. Total Assets to Total Borrowings

As of June 30, 2020 and December 31, 2019

	2020	2019
Total Assets	6,722,909	6,779,239
Total Borrowings	17,160	14,108
Total Assets to Total Borrowings	39177.79%	48052.45%

SUN LIFE OF PROSPERITY DOLLAR WELLSPRING FUND, INC.
Schedule of Investments
Financial assets at fair value through profit and loss

Name of Issuing Entity and Association of Each Issue	June 30, 2020			December 31, 2019	
	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	384,000	434,376		100,000	\$ 98,672
Mutual Funds					
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGTON GLOBAL QUALITY GROWTH FUND	12,352	\$ 397,656	\$ 295,035	12,120	\$ 387,491
SCHRODER INTERNATIONAL SELECTION FUND-GLOBAL BOND	-	-	-	43,079	617,275
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	4,070	179,606	169,865	6,481	283,481
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	138	29,343	26,484	224	51,612
MFS FI I1 USD GL HIGH YIELD	-	-	-	717	160,767
MORGAN STANLEY US ADVANTAGE FUND	2,541	347,307	250,244	2,673	283,550
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	31,706	1,601,129	1,522,462	12,533	614,515
SPDR MSCI ACWI UCITS ETF	-	-	-	680	99,970
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	1,004	417,743	410,000	675	287,350
PINEBRIDGE JAPAN SMALL CAP EQUITY FUND	-	-	-	1,251	122,501
JPMORGAN FUNDS-INCOME FUND	2,679	340,912	329,503	5,362	698,884
NOM FI I USD US HIGH YIELD	-	-	-	582	185,099
SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC	63,768	66,638	66,000	63,768	66,134
PBR EQ Y USD AXJ SMALL CAP	-	-	-	141	99,729
MFS EQ I1 USD CONTINENTAL EUR	7,449	110,016	97,033	7,739	120,576
NEW CAPITAL WEALTHY NATIONS BOND FUND	1,216	180,272	170,523	4,996	719,874
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	196,514	1,037,397	1,026,011	77,064	398,883
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	1,602	361,912	348,506	1,261	308,202
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	7,307	95,871	94,746	53,633	696,489
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	2,953	81,157	90,617	8,753	289,460
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	472	87,414	89,036	-	-
SCHRODER ISF CHINA OPPORTUNITIES	60	27,640	27,001	-	-
JPM FUNDS - CHINA FUND	1,474	90,436	78,000	-	-
SCHRODER INTERNATIONAL SELECTION FUND-EMERGING MARKETS	1,385	24,458	28,000	-	-
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	16,659	332,014	320,987	-	-
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	2,932	39,107	36,000	-	-
GRAND TOTAL	742,280	\$ 6,282,404	\$ 5,476,053	403,731	\$ 6,590,513

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 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 6,706,502.41	Management and Distribution Fee	1.50%	Minimum Subsequent	USD 200
Net Asset Value Per Share	1.1074	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?

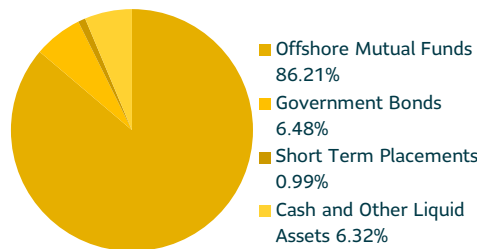
The Sun Life Prosperity Dollar Wellspring Fund aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally,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

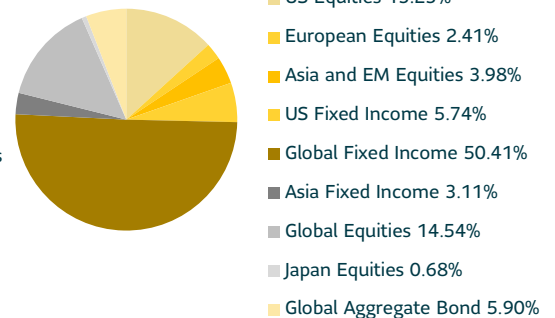
Top Offshore Mutual Fund Holdings

1. Morgan Stanley - Global Bond, 23.87%
2. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 15.47%
3. J.P. Morgan - US Select Equity, 6.23%
4. Wellington - Global Quality Growth, 5.93%
5. J.P. Morgan - Global Research Enhanced Index, 5.4%

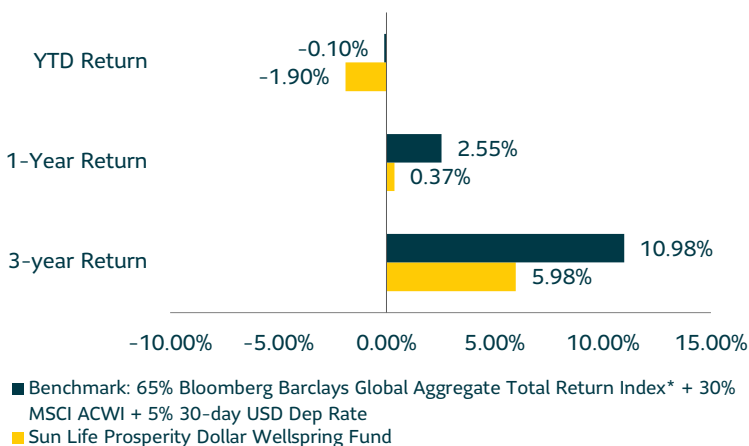
Investment Mix



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 rose 2.28% in June, outperforming global bonds which gained 0.80%. Asia Pacific equities led major regions at +3.28%, followed by European equities at +3.02%.
- The U.S. 10-year yield rose to an intra-month high of 0.89% and before closing June at 0.65%.
- Fears of a second wave of COVID-19 cases have impacted reopening plans in various areas in the U.S.
- The U.S. Federal Reserve reiterated its commitment to maintaining stimulus programs to support the economy.
- The fund has declined 1.90% YTD, underperforming the benchmark (-0.10%) by 180 bps, primarily due to its exposure to short-term diversified fixed income and global bond 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 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 6,526,851.71	Management and Distribution Fee	1.50%	Minimum Subsequent	USD 200
Net Asset Value Per Share	1.0858	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?

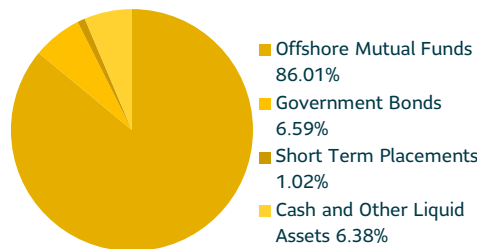
The Sun Life Prosperity Dollar Wellspring Fund aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally,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

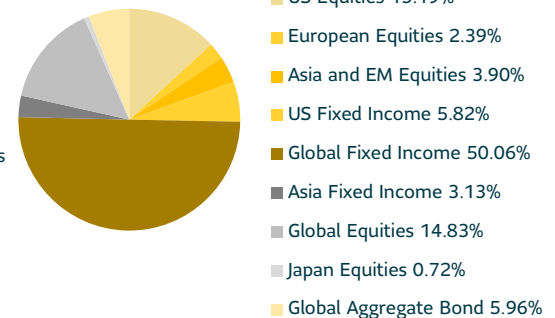
Top Offshore Mutual Fund Holdings

1. Morgan Stanley - Global Bond, 23.55%
2. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 15.35%
3. Wellington - Global Quality Growth, 6.17%
4. Morgan Stanley - US Advantage, 5.89%
5. J.P. Morgan - US Select Equity, 5.45%

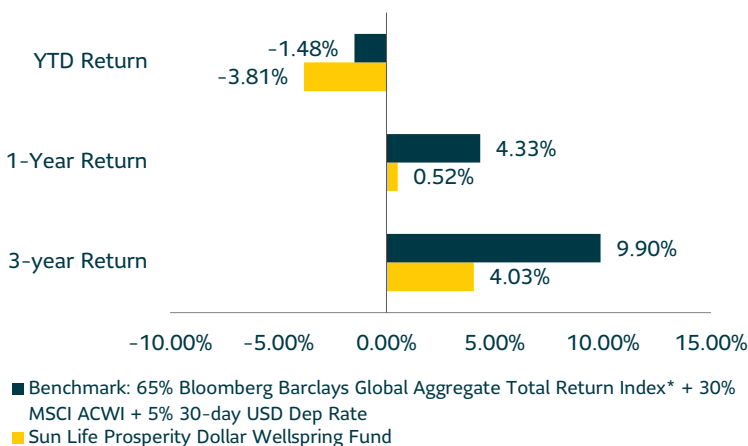
Investment Mix



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 rose 4.41% in May while global bonds gained 0.44%. U.S. equities led the advance at 5.20% while U.S. Treasuries were flat.
- The U.S. 10-year yield rose to an intra-month high of 0.73% and closed at 0.65%.
- COVID-19-related lockdowns around the world have been eased, increasing investor optimism on the recovery.
- China's annual National People's Congress focused on the country's post-pandemic recovery plan.
- Trade tensions between the U.S. and China resurface, adding to ongoing risks.
- The fund has declined 3.81% YTD, underperforming against the benchmark (-1.48%) by 233 bps, primarily due to its exposure to short-term diversified fixed income and global bond outlets.

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 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 6,398,365.05	Management and Distribution Fee	1.50%	Minimum Subsequent	USD 200
Net Asset Value Per Share	1.0624	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?

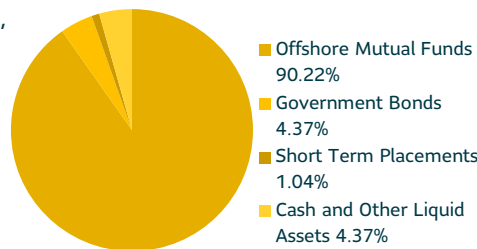
The Sun Life Prosperity Dollar Wellspring Fund aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally,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

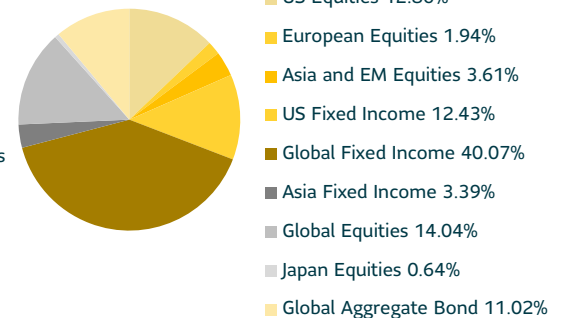
Top Offshore Mutual Fund Holdings

1. Morgan Stanley - Global Bond, 14.34%
2. J.P. Morgan - U.S. Aggregate Bond Fund, 11.21%
3. J.P. Morgan Income Fund, 9.94%
4. Invesco - Global Investment Grade Corporate Bond Fund, 9.69%
5. Wellington - Global Quality Growth, 6.62%

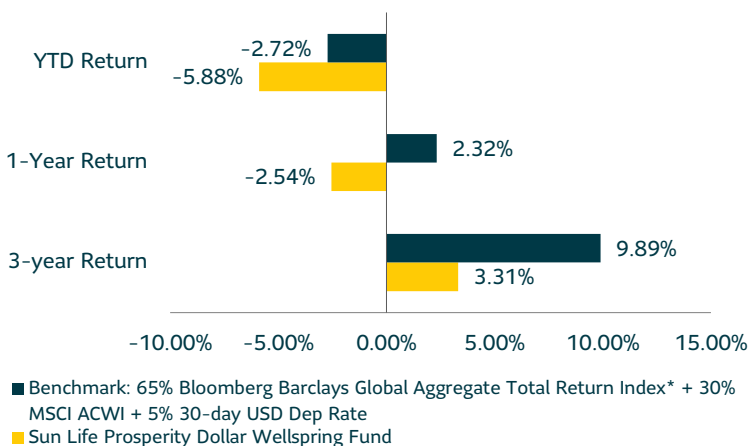
Investment Mix



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 rose 10.78% in April, taking back part of the March correction. Global fixed income followed suit, gaining 1.96%. The 10-year U.S. Treasury yield declined by 3 basis points (bps).
- The U.S. 10-year yield averaged 0.65% during the month, down from the 0.88% average in March.
- The Federal Reserve announced it would expand the coverage of its \$600bn lending facility to target a wider set of firms, with the annual revenue cutoff for eligibility rising from \$2.5bn to \$5.0bn.
- As expected, the ongoing COVID-19 lockdown pushed the U.S. economy into its largest contraction since 2008, declining at an annualized 4.8% rate in 1Q20. Growth expectations remain low for 2Q20, as observers await vaccine and policy developments.
- The Fund has declined 5.88% YTD, lagging behind the benchmark by 316 basis points, primarily due to its exposure to short-term diversified fixed income and high yield bond outlets.

From: [ICTD Submission](#)
To: [Nestor Linsangan](#)
Subject: Re: Sun Life Prosperity Dollar Wellspring Fund, Inc._SEC Form 17-L_07August2020
Date: Friday, August 7, 2020 5:59:32 PM

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

Dear Customer,

SUCCESSFULLY ACCEPTED
(subject to verification and review of the quality of the attached document)

Thank you.

SEC ICTD.

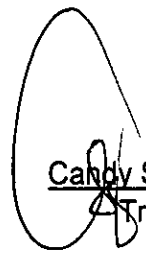


Certification

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.

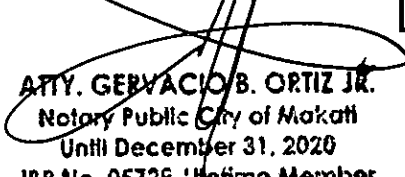
IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of August, 2020 at Taguig City.


Candy S. Esteban
 Treasurer

SUBSCRIBED AND SWORN to before me this AUG 06 2020 day of _____, 2020, 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. 3019;
 Page No. 81;
 Book No. XVII;
 Series of 2020.


ATTY. GERVACIO B. ORTIZ JR.
 Notary Public City of Makati
 Until December 31, 2020
 IBP No. 05729-Lifetime Member
 MCLE Compliance No. VI-0024312
 Appointment No. M-153-(2019-2020)
 PTR No. 8116014 Jan. 2, 2020
 Makati City Roll No. 40091
 101 Urban Ave., Campos Rueda Bldg.
 Brgy. Pio Del Pilar, Makati City

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	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

555-8888
Company Telephone Number

1	2
---	---

3	1
---	---

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 June 30, 2020

Date of this report August 06, 2020

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) - 85558888
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 June 30, 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 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 [✓]

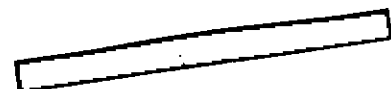
If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

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: **August 06, 2020**