



Sun Life of Canada Prosperity Balanced Fund, Inc.

**ANNUAL REPORT
2001**



MESSAGE TO SHAREHOLDERS

Dear Shareholders:

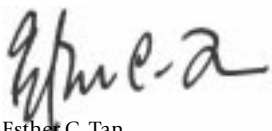
The year 2001 started with a euphoric change in the country's political leadership. However, several events and issues surfaced that slowed down economic growth. In spite of this, I am pleased to report to you that the Sun Life Prosperity Balanced Fund consistently outperformed its benchmark, a 50-50 composite mix of the PSE Composite Index and the 91-day T-Bill.

Increased market volatility through most part of the year 2001 resulted in higher yields on fixed-income instruments. Consequently, your fund manager continued to keep the asset allocation of the fund biased towards fixed-income instruments. In spite of this, the Sun Life Prosperity Balanced Fund ended the year with adequate equity exposure to ensure that the fund can take advantage of growth opportunities as the economy recovers.

You will further be pleased to know that your fund manager complied with all regulatory requirements for the period under review. Fund expenses were also kept to a minimum to optimize returns.

In the coming year, we have lined up several Investor Forums aimed at keeping you informed about economic developments so that you can make smart choices about your investment. In addition, you can now visit the Sun Life Prosperity Funds' website at sunlifefunds.com. The website contains useful information to help you in your investment strategies as well as tools that will enable you to determine your retirement and education fund goals. I trust that you will take advantage of these resources we developed specially for you.

On behalf of the Board of Directors of the Sun Life Prosperity Balanced Fund, thank you for your continued patronage. We look forward to another fruitful and rewarding year with you.



Esther C. Tan
Chairperson and President

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR THE FINANCIAL STATEMENTS

January 14, 2002

Securities and Exchange Commission
SEC Building, EDSA Greenhills
Mandaluyong City

The management of Sun Life of Canada Prosperity Balanced Fund, Inc. is responsible for all information and representations contained in the financial statements as of December 31, 2001 and 2000 and for the years ended December 31, 2001 and 2000. The financial statements have been prepared in conformity with generally accepted accounting principles and reflect amounts that are based on best estimates and informed judgement of management with an appropriate consideration of materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal control to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

The Board of Directors reviews the financial statements before such statements are approved and submitted to the stockholders of the Company. SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders, have examined the financial statements of the Company in accordance with generally accepted auditing standards and have expressed their opinion on the fairness of the presentation upon completion of such audit, in their report to the stockholders and the Board of Directors.



Esther C. Tan

Chairperson and President



Caesar P. Altarejos, Jr.

Treasurer

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

SyCip Gorres Velayo & Co.
A member firm of Arthur Andersen

6760 Ayala Avenue
1226 Makati City
Philippines

The Stockholders and the Board of Directors
Sun Life of Canada Prosperity Balanced Fund, Inc.
10/F Tower II, The Enterprise Center
6766 Ayala Avenue, Makati City

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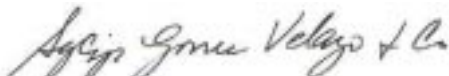
www.sgv.com.ph

We have audited the accompanying statements of assets and liabilities of Sun Life of Canada Prosperity Balanced Fund, Inc. (an open-end investment company) as of December 31, 2001 and 2000 and the related statements of operations, changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the Philippines. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The Company was incorporated on December 21, 1999 and started commercial operations on May 1, 2000.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sun Life of Canada Prosperity Balanced Fund, Inc. as of December 31, 2001 and 2000, and the results of its operations, changes in net assets and its cash flows for the years than ended, in conformity with accounting principles generally accepted in the Philippines.



R.D. Dizon
Partner
CPA Certificate No. 46047
PTR No. 6723209
January 2, 2002
Makati City

January 14, 2002

SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.
(An Open-End Investment Company)

STATEMENTS OF ASSETS AND LIABILITIES

	December 31	
	2001	2000
ASSETS		
Cash	P 191,304	P 760,383
Investments in:		
Fixed-income securities	48,925,475	43,083,000
Listed securities (Note 3)	29,228,433	31,443,628
Accrued interest receivable	1,577,862	1,233,076
Organization Costs - net of accumulated amortization of P 176,615 in 2001 and P 75,241 in 2000	331,385	432,759
	P 80,254,459	P76,952,846
LIABILITIES		
Accounts Payable and Accrued Expenses	P 66,092	P 58,221
Payable to Fund Manager (Note 4)	135,632	162,843
	201,724	221,064
NET ASSETS (Note 5)	P 80,052,735	P76,731,782

See accompanying Notes to Financial Statements.

SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.
(An Open-End Investment Company)

STATEMENTS OF OPERATIONS

	Years Ended December 31	
	2001	2000*
INVESTMENT INCOME		
Interest - net	P 6,959,021	P 4,820,941
Net realized gain on sale of investments in listed securities (Note 3)	882,843	370,786
Dividends	410,862	218,360
Others	-	27,765
	8,252,726	5,437,852
EXPENSES		
Management fee (Note 4)	1,791,251	1,337,681
Custodian and transfer agent fees	322,782	65,587
Taxes and licenses	120,474	332,913
Amortization of organization costs	101,374	75,241
Printing and supplies	76,853	151,427
Directors fees	45,000	25,000
Others	28,710	13,500
	2,486,444	2,001,349
INVESTMENT INCOME BEFORE INCOME TAX	5,766,282	3,436,503
PROVISION FOR INCOME TAX (Note 7)	1,116,367	944,462
NET INVESTMENT INCOME	P 4,649,915	P 2,492,041
CHANGES IN UNREALIZED DEPRECIATION OF INVESTMENTS		
End of year	8,926,721	2,811,853
Less beginning of year	2,811,853	-
UNREALIZED DEPRECIATION OF INVESTMENTS	P 6,114,868	P 2,811,853

* The Company started commercial operations on May 1, 2000.

See accompanying Notes to Financial Statements.

SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.
(An Open-End Investment Company)

STATEMENTS OF CHANGES IN NET ASSETS

	Years Ended December 31	
	2001	2000*
FROM OPERATIONS		
Net investment income	P 4,649,915	P 2,492,041
Unrealized depreciation of investments	(6,114,868)	(2,811,853)
Net decrease in net assets from operations	(1,464,953)	(319,812)
FROM CAPITAL STOCK TRANSACTIONS		
Proceeds from issuance of capital stock - 10,185,401 shares in 2001 and 31,351,407 shares in 2000	10,375,507	30,405,381
Payments made on redemption of capital stock - 5,643,178 shares in 2001 and 3,589,935 shares in 2000	(5,589,601)	(3,353,787)
Net increase in net assets from capital stock transactions	4,785,906	27,051,594
NET INCREASE IN NET ASSETS	3,320,953	26,731,782
NET ASSETS AT BEGINNING OF YEAR	76,731,782	50,000,000
NET ASSETS AT END OF YEAR (Note 5)	P 80,052,735	P76,731,782

* The Company started commercial operations on May 1, 2000.

See accompanying Notes to Financial Statements.

SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.
(An Open-End Investment Company)

STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2001	2000*
CASH FLOWS FROM OPERATING ACTIVITIES		
Net investment income	P 4,649,915	P 2,492,041
Adjustments to reconcile net investment income to net cash used in operating activities:		
Amortization of organization costs	101,374	75,241
Gain on sale of investments in listed securities	(882,843)	(370,786)
Changes in operating assets and liabilities:		
Net disposals (purchases) of:		
Listed securities	(1,249,095)	(32,864,689)
Fixed-income securities	(5,842,475)	6,917,000
Cost of listed securities sold	(1,767,735)	(1,020,006)
Increase in:		
Accrued interest receivable	(344,786)	(1,233,076)
Organization costs	-	(8,000)
Increase (decrease) in:		
Accounts payable and accrued expenses	7,871	(441,779)
Payable to fund manager	(27,211)	162,843
Net cash used in operating activities	(5,354,985)	(26,291,211)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of capital stock	10,375,507	30,405,381
Payments made on redemption of capital stock	(5,589,601)	(3,353,787)
Net cash provided by financing activities	4,785,906	27,051,594
NET INCREASE (DECREASE) IN CASH	(569,079)	760,383
CASH AT BEGINNING OF YEAR	760,383	-
CASH AT END OF YEAR	P 191,304	P 760,383

* The Company started commercial operations on May 1, 2000.

See accompanying Notes to Financial Statements.

SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.
(An Open-End Investment Company)

NOTES TO FINANCIAL STATEMENTS

1. Organization and Status of Operations

Sun Life of Canada Prosperity Balanced Fund, Inc. is a registered open-end investment company under the Investment Company Act (R.A. 2629) and the Revised Securities Act (B.P. 178). It is engaged in the sales of its shares of stock, the proceeds of which are invested in a mix of high-quality debt and equity securities. The Company is designed to provide total returns consisting of current income and capital growth. As an open-end investment company, its outstanding shares of stocks are redeemable anytime based on the net asset value per share at the time of redemption. The registered office address of the Company is located at the 10th Floor, Tower 2, The Enterprise Center, 6766 Ayala Avenue, Makati City.

Sun Life Asset Management Company, Inc. (SLAMC), a wholly-owned subsidiary of Sun Life of Canada (Philippines), Inc., acts as the Company's Fund Manager. SLAMC serves as the manager, adviser, administrator, distributor and transfer agent of the Company and provides management, distribution and all required operational services. The aggregate annual fees of SLAMC for these services amount to two percent (2%) of the daily average net assets managed.

The Company started commercial operations on May 1, 2000.

2. Summary of Significant Accounting Policies

Basis of Financial Statements

The Company's financial statements have been prepared under the historical cost convention method and in accordance with accounting principles generally accepted in the Philippines.

Valuation of Securities

For purposes of obtaining net asset value, investments in listed securities are valued using the latest closing price at the end of the year for securities with trading transactions at the stock exchanges or in the absence thereof, the latest bid or asked price. Investments in commercial papers and government securities are carried at cost, adjusted for the amortization of premiums or accretion of discounts on the acquisition of the securities.

The difference between the aggregate cost of investments in listed securities at year-end and the carrying value as defined in the preceding paragraph, is presented as Unrealized Depreciation of investments shown in the Statements of Changes in Net Assets. The difference between the selling price and the cost of investments sold, which is computed based on the average cost of all the shares of each security held at the time of sale, is shown as Net Realized Gain on sale of investments in listed securities shown in the Statements of Operations.

Investment in Fixed-Income Securities

Fixed-income investments include the amortized cost of short and long-term investments in Philippine government securities which approximates market values. Interest on these investments is recognized on a time proportion basis that takes into account the effective yield on the assets.

Net Asset Value (NAV) Per Share

Net asset value per share is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding at report date.

Sales and Redemption of Shares of Stock

Sales of fund shares are recorded by crediting capital stock at par value and additional paid-in-capital for the amount received in excess of the par value; redemptions are recorded by debiting those accounts.

Deferred Income Tax

Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial reporting bases of assets and liabilities and their related tax bases and the tax effect of net operating loss carryover (NOLCO). Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled and NOLCO is expected to be realized. A valuation allowance is provided for the portion of deferred tax assets, if any, which is not expected to be realized in the future.

Organization Costs

Organization costs and other expenses incurred prior to the Company's operations are capitalized and are amortized on a straight-line basis over a period of five (5) years.

3. Investments in Listed Securities

This account consists of investments in:

	Number of shares held	Cost	Market Value
<u>Common Stocks:</u>			
Ayala Corporation	539,600	₱ 3,821,029	₱ 2,536,120
Aboitiz Equity Ventures, Inc.	289,000	565,465	456,620
Ayala Land, Inc.	549,000	2,880,419	2,662,650
Benpres Holdings Corp.	240,000	1,438,509	144,000
Bank of the Phil. Islands	36,950	2,528,028	2,124,625
Filinvest Land, Inc.	318,000	666,047	527,880
First Phil. Holdings Corp.	28,600	665,465	729,300
Globe Telecom Inc.	1,636	1,109,101	1,112,480
Ionics Circuits, Inc.	26,000	300,702	163,800

Jollibee Foods Corp.	112,100	1,153,736	1,373,225
La Tondena Distillers, Inc.	31,400	873,522	737,900
Metropolitan Bank and Trust Company	6,226	1,390,720	1,276,330
Manila Electric Company "B"	56,320	3,410,346	1,661,440
Petron Corporation	590,000	1,202,067	849,600
San Miguel Corporation "B"	71,610	3,401,709	3,759,525
SM Prime Holdings, Inc.	534,000	2,833,126	3,364,200
PLDT Co.	8,820	6,284,280	3,682,350
Union Cement Corporation	379,000	341,405	363,840
Universal Robina Corporation	103,400	563,858	454,960

Warrants:

ABS-CBN, Phils. Depository Receipt	52,530	2,725,620	1,247,588
		P 3,815,154	P 29,228,433

As of January 14, 2002, the market value of the Company's investments in listed securities held as of December 31, 2001 amounted to P 30.2 Million.

Net realized gain on sale of investments in listed securities consists of:

	2001	2000
Proceeds from sales	P 2,650,578	P 1,390,792
Cost of listed securities sold	(1,767,735)	(1,020,006)
	P 882,843	P 370,786

4. Payable to Fund Manager

This account represents the liability to SLAMC arising from management and service fees as described in Note 1.

5. Net Assets

The Company's net assets consist of:

	2001	2000
Capital stock - P 1 par value		
Authorized - 200,000,000 shares		
Issued and outstanding - 82,303,695 shares		
in 2001 and 77,761,472 shares in 2000	P 82,303,695	P 77,761,472
Additional paid-in capital	(466,195)	(709,878)
Retained earnings (see Note 6)	7,141,956	2,492,041
Unrealized depreciation of investments	(8,926,721)	(2,811,853)
	P 80,052,735	P 76,731,782
NAV	P 0.9727	P 0.9868

6. Retained Earnings

This account consists of:

	2001	2000
Retained earnings at beginning of year	P 2,492,041	P -
Net investment income	4,649,915	2,492,041
	P 7,141,956	P 2,492,041

7. Income Taxes

The Company's net deferred income tax asset is attributable to the following:

	2001	2000
NOLCO	P 925,071	P 575,898
Less valuation allowance	925,071	575,898
	P -	P -

The current provision for income tax consists of the final tax on interest income. As mentioned in Note 2, a full valuation is provided where a tax benefit is not likely to be realized in the future since the Company's income is already subjected to final tax.

Details of the Company's NOLCO are as follows:

Year Incurred	Amount	Expiry Date
2000	P 575,898	December 31, 2003
2001	349,173	December 31, 2004
	P 925,071	

A reconciliation of statutory income tax rate to effective income tax rate follows:

	2001	2000
Statutory income tax rate	32.00%	32.00%
Tax effects of:		
Valuation allowance on DIT	6.06	16.76
Income subjected to final tax	(11.52)	(15.53)
Tax-paid income	(4.90)	(3.71)
Dividend income	(2.28)	(2.03)
Effective income tax rate	19.36%	27.49%

BUSINESS DEVELOPMENT

The Sun Life of Canada Prosperity Balanced Fund, Inc. (Fund), a diversified, open-end investment company, was incorporated in the Philippines on December 21, 1999 and registered under the Investment Company Act (R.A. 2629) and the Revised Securities Act (B.P. 178). Sun Life Asset Management Company, Inc. (SLAMC), a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. acts as the Fund's Fund Manager. The Fund is designed to provide total returns consisting of current income and capital growth through investment in a mix of debt and equity securities from both domestic and foreign issuers. The Fund will invest in a mix of high-quality debt and equity securities mainly of domestic issuers. Depending on the state of various world economies and markets, the Fund may invest in non-Philippine investment grade issues. With the exception of Philippine government issues, the Fund may not invest more than ten percent (10%) of its net assets in any single enterprise or company.

Shares of the Fund's common stock are available through the Principal Distributor's registered representatives and eligible securities dealers that have entered into an agreement to sell shares with the Fund's Principal Distributor, Sun Life Asset Management Company, Inc. The Fund is ready to redeem the shareholdings of any investor at the applicable net asset value per share.

The Fund's authorized capital is ₱ 200,000,000 divided into 200,000,000 shares with a par value of ₱ 1.00. Out of the ₱ 200 Million authorized capital of the Fund, ₱ 82,303,695 worth of shares had been subscribed and paid as of December 31, 2001.

The Sun Life Prosperity Funds offer excellent value to investors as a result of the Fund Manager's 50 years of collective experience in fund management, strong investment philosophy, remarkable investment performance, and strong organizational structure. However, it should be noted that past performance of any fund manager is only an indication of their capabilities to deal with rapid changes in the economy and market conditions in the future.

In addition, investors of the Sun Life Prosperity Funds may switch among the family of funds when there is a need to reassess their portfolio holdings in view of evolving investment objectives brought by changes in their personal economic situation or investor profile (age, social status, lifestyle). Investors, likewise, may invest in our back-end commission scheme that allows an investor to invest 100% of his funds immediately and redeem after 8 years, free of all charges. These features are not available to investors in the other mutual funds and have found wide acceptance with our investors.

In terms of industry size, twenty one (21) mutual funds operate within the mutual fund industry with aggregate assets of ₱ 11.46 Billion, or 87.03% increase from last year's ₱ 6.13 Billion. For the year ended December 31, 2001, industry net sales have reached ₱ 5.05 Billion. In 2001, the Fund is one of the two balanced funds that posted increase in net assets, and it's the only balanced fund that posted increase in net assets brought by proceeds from issuance of shares of stocks.

Once passed, the Revised Investment Company Act that will replace the current R.A. 2629 "Investment Company Act of 1960" will be of possible benefit to the mutual fund industry. The Investment Company Act is the main legislation that regulates the mutual fund industries in terms of investor protection. The Fund Manager of the Sun Life Prosperity Funds is participating

in the crafting of the legislation and expecting the regulatory environment to improve with the passage of the bill to the benefit of investors. In addition, the Fund Manager has filed several petitions with the Securities and Exchange Commission requesting various improvements in the regulations mandated by the Commission that will also augment its efforts for investor protection.

OPERATIONAL AND FINANCIAL INFORMATION

a. Market For Issuer’s Common Equity and Related Stockholders Matters

1. Market Information

The shares of Sun Life of Canada Prosperity Balanced Fund, Inc. (Fund) are available through the Principal Distributor’s registered representatives and eligible securities dealers that have entered into an agreement to sell shares with the Fund’s Principal Distributor, Sun Life Asset Management Company, Inc. The following data are the range of high and low information of the Fund’s share prices (NAVPS) for each quarter within the last two calendar years:

Year 2001	Low	High
1st Quarter	0.9728	1.0692
2nd Quarter	0.9969	1.0419
3rd Quarter	0.9576	1.0321
4th Quarter	0.9150	0.9727
Year 2000	Low	High
2nd Quarter (start of operations)	0.9279	1.0255
3rd Quarter	0.9413	0.9873
4th Quarter	0.9062	0.9865

2. Holders

The Fund has approximately 530 shareholders as of December 31, 2001.

The Fund’s investment company manager has a pending request with the Securities and Exchange Commission seeking exemption from the requirements to disclose the top twenty (20) shareholders, on the grounds of, among others, confidentiality of investments and irrelevance of such requirements to mutual funds.

(Shareholders of the Fund buy shares of the Fund primarily for savings purposes or as an investment vehicle, where the resulting control of the Fund is merely incidental. This is evident in the Fund’s prospectus where the shareholders’ pre-emptive rights have been denied. It is thus improper to impose on mutual funds these requirements which were designed to protect shareholders of other public or listed companies. The publication of the identities of these shareholders will only needlessly compromise the personal safety and security of these shareholders.)

3. Dividends

Each shareholder has a right to dividends declared by the Fund's Board of Directors. Shares of the Fund are priced (NAVPS) based on its underlying assets, and NAVPS is computed by dividing the value of the assets of the Fund less the liabilities by the total shares outstanding at any particular day. Any dividend declared shall create dividends payable (liability) in the books of the Fund which in turn reduces both net assets and NAVPS of the Fund. Since investments in the Fund are intended for long-term investment, dividends so declared shall automatically be reinvested in behalf of the shareholders.

During the calendar year 2001, the Fund did not declare any dividends to its shareholders.

b. Management Analysis and Discussion

The Sun Life of Canada Prosperity Balanced Fund, Inc. (Fund) posted a net income of P 4.65 Million, or 86.59% increase from last year's P 2.49 Million.

With the Phisix posting 21.8% decline for 2001, the Fund incurred unrealized depreciation in its equity investments amounting to P 6.11 Million. The combined effect of P 4.65 Million net income and P 6.11 Million decline in the value of its equity holdings caused a 1.4% decline in its NAVPS. Despite this, the Fund still managed to outperform its benchmark.

In 2001, the Fund's net assets increased to P 80.05 Million or 4.33% higher than last year's P 76.73 Million. Contributors to this increase were net proceeds from issuance of shares, and dividend and interest income collections. Unrealized depreciation of equity investments, however, capped the increase. Net cash flows from proceeds of issuance of shares and investment income were plowed back to local equities and longer tenure fixed-income securities.

There was little activity in the Fund. Fixed-income positions were locked in while changes in equity positions were minimal given weak cash inflows, and a volatile and illiquid equity market. The Fund closed the year with an asset mix of 36:64 in favor of fixed-income investments.

In terms of performance, the Fund outperformed its benchmark composite mix of 50% equity (composite index) and 50% fixed-income (91-day Treasury bill). The Fund posted a net return of -1.4% versus the benchmark's 7% decline. Relative to peers, the Fund was within the third quartile of peer performance, together with peers of similar asset weightings.

For 2002, in light of declining interest rates and an anticipated recovery in the near term, the strategy is to shift the asset mix to a heavier equity weight, cash flows permitting.

c. Directors and Executive Officers

The following are the incumbent directors and executive officers of the Fund:

Esther C. Tan

Mrs. Tan, 56 years old, Filipino, is Chairperson and President of the Fund. She is also the Chairman of the Board of Sun Life Asset Management Company, Inc. as well as the President of Sun Life of Canada (Philippines), Inc. She was appointed in May 1995 as Vice-President for Philippine Operations and in 1997 as Vice-President and General Manager (Philippines) of Sun Life Assurance Company of Canada. Mrs. Tan joined Sun Life in 1981 as an Agent, and rose

from the ranks with exemplary performance, including being instrumental in pushing the Company's performance to an enviable rank in the industry with premium income growing dramatically by 440%, from CDN\$ 35M in 1989 to CDN\$ 155M in 1996, as Sales Director (1990), Sales and Marketing Director (1991), and Vice-President, Marketing for the Asia-Pacific Region. As the Regional Vice-President for Marketing, she also contributed to the Company's operations in Hong Kong and Indonesia.

Mrs. Tan graduated from the University of the Philippines in 1969 with a degree in B.S. Nutrition. She earned MBA units from the Ateneo de Manila University, and completed the Advanced Management Program for International Executives at the Harvard Business School in 1998. She has also earned the following industry designations: Chartered Life Underwriter Diploma (1987); Chartered Financial Consultant Diploma (1990); Fellow, Life Management Institute Diploma (1993, with distinction) and Associate, Customer Service Diploma (1993, with honors). She is an Executive Board member of the Life Insurance Marketing and Research Association, Phils. (LIMRA Philippines), Member of the Philippine Life Insurance Association (PLIA), Insurance Institute for Asia and the Pacific (IIAP), Makati Business Club, Management Association of the Philippines and American Management Association (AMA), and Member and Past President of the Council of Life Underwriters Association of the Philippines (LUAP).

Rolando A. Robles

Mr. Robles, 43 years old, Filipino, is a Director of the Fund. He was the Director for Group Insurance of Sun Life Assurance Company of Canada. He has had eighteen years of progressively responsible positions in agency development, sales, and marketing management in the life insurance and pre-need industries. He was, at various times, Vice-President for Group Marketing Operations, Great Pacific Life Assurance Corporation; First Vice-President for Agencies, Philippine Life; First Vice-President, Megapolis Marketing Operations, Pacific Plans, Inc.; and Regional Manager, Northwest Luzon Sales Region, Great Pacific Life Assurance Corporation.

He obtained his B.S. Physics for Teachers under the NSDB Scholarship Program in 1979, graduating Cum Laude, from the Philippine Normal College and the De La Salle University. He has earned MBA units from the De La Salle University Graduate School for Business.

Rafael M. Alunan III

Mr. Alunan, 53 years old, Filipino, is a Director of the Fund. He has had extensive experience in government service as well as in the private sector. He served in the Cabinets of President Fidel V. Ramos and President Corazon C. Aquino, as Secretary of the Interior and Local Government and Secretary of Tourism, respectively. He has been President of the Manila Hotel; Director of Coca-Cola Amatil (Australia); President of General Reliance Corporation, and consultant on Government Relations for San Miguel Corporation, among others.

He is now President of Maynilad Water Services, Inc., and of Kybernan Group, Inc.; consultant of Benpres Holdings Corporation; and Director of First Philippine Infrastructure Development Corporation and of Manila North Tollways Corporation; a member of the Board of Trustees of De La Salle University and Galing Pook Foundation; and an Adjunct Professor of the University of the Philippines in Los Baños. Mr. Alunan holds the rank of Colonel in the Philippine Army (Reserves), Armed Forces of the Philippines, and is currently the Deputy Division

Commander of the 131st "Rainbow" Division.

He obtained his double degree in Business Administration and History and Political Science from the De La Salle University; attended the master in Business Administration-Senior Executive Program at the Ateneo de Manila University; and obtained a Master's degree in Public Administration from Harvard University, John F. Kennedy School of Government.

Erlinda S. Echanis

Dr. Echanis, 54 years old, Filipino, is a Director of the Fund. Dr. Echanis is a distinguished member of the academe, having taught in the University of the Philippines, and written a score of published and unpublished articles on business management. She is a Certified Public Accountant, presently the Dean and a professor at the College of Business Administration, University of the Philippines in Diliman. She obtained her Bachelor of Science in Business Administration (cum laude), Master of Business Administration, and Doctor of Business Administration from the University of the Philippines. Her involvement in the public and private sectors includes her being consultant for the Philippine National Oil Company, the Home Development Mutual Fund, Metrobank, Bangko Sentral ng Pilipinas, the Department of Budget and Management, the Board of Investments and the Asian Development Bank among others.

Nilo B. Peña

Atty Peña, 64 years old, Filipino, is a Director of the Fund. He is Senior Partner at one of the top law firms in the country, the Quasha Ancheta Peña & Nolasco Law Firm. He obtained his law degree from the University of the Philippines. He is a member of the Board of Trustees of St. Luke's Medical Center, Inc.; Chairman, Board of Trustees of Standard Chartered Bank Employees' Retirement Fund; Trustee-Corporate Secretary of the Philippine-Australian Business Council and director or officer of several corporations engaged in various business activities.

Caesar P. Altarejos, Jr.

Mr. Altarejos, 51 years old, Filipino, is the Treasurer of the Fund. He is also the Director and Treasurer of Sun Life Asset Management Company, Inc. He is the Vice-President for Finance, Sun Life of Canada (Philippines), Inc. He has had over ten (10) years of experience in managerial capacity with both multinational and local companies in all phases of financial management. He began his career at the Bank of the Philippine Islands; worked as Senior Bank Examiner for the Central Bank of the Philippines; progressed to the position of Senior Representative at Freight Conference Services, Inc.; and successfully became Senior Manager for Accounting at Rocha Y Cia, Inc.; Financial Accounting Manager at Telefunken Semiconductors Philippines, Inc.; Controller of International Flavors and Fragrances Phils, Inc.; and Assistant Vice-President for Finance at Sun Life Assurance Company of Canada.

A Certified Public Accountant, Mr. Altarejos obtained his B.S.B.A. in Accounting at the University of the East in 1972, graduating Magna Cum Laude, landed in the Top 30 in the board exams, and went on to complete his Master in Business Administration at the De La Salle University.

He is currently a member of the Financial Executives Institute of the Philippines, Inc.; Tax Management Association of the Philippines; Philippine Institute of Certified Public Accountants;

Marriage Encounter Foundation of the Philippines, Inc.; and the Brotherhood of Christian Businessmen & Professionals. He has also traveled extensively to the United States, Canada, Korea, Hong Kong, Thailand, China, and Indonesia

Amor M. Datinguino

Atty. Datinguino, 32 years old, Filipino, is the Secretary of the Fund. She is presently Assistant Counsel for Sun Life of Canada (Philippines), Inc.

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