



# SEC News Service

SERIES OF 2015

MARCH 23, 2015

- IFC MAY BACK 8990'S SECURITIZATION OFFER** [1]  
VG Cabuag, Business Mirror, p. B2
- AMENDMENT OF PROSPECTUS:  
SUN LIFE OF CANADA PROSPERITY BOND FUND, INC.** [2]  
Business Mirror, p. B2-2
- GUARANTEE FOR MORTGAGE-BACKED SECURITIES SOUGHT** [4]  
Krista Angela M. Montealegre, Business World, p. 2/S1
- NEXT ON PSE: CONSUMER BRAND IPOS** [5]  
Krista Angela M. Montealegre, Business World, p. 2/S1
- COSMETICS FIRM AGREES TO 'SUBMIT' TO SEC PROBE** [6]  
Daphne J. Magturo, Business World, p. 10/S1
- SEC OKS CROWN IPO** [7]  
Malaya Business Insight, p. A5
- 8990 SEEKS IFC GUARANTEE FOR P1-B ASSET SECURITIZATION** [8]  
JAL, Manila Bulletin, p. B2
- AMENDMENT OF PROSPECTUS:  
SUN LIFE OF CANADA PROSPERITY BOND FUND, INC.** [9]  
Manila Times, p. B2
- LBC EXPRESS EYES BACKDOOR LISTING** [11]  
Jenniffer B. Austria, The New Standard, p. B3
- SEC SUSPENDS TRADING FIRM** [12]  
Daxim L. Lucas, Philippine Daily Inquirer, p. B2
- PIPE MAKER'S PLAN TO GO PUBLIC OKD** [13]  
Doris C. Dumlao, Philippine Daily Inquirer, p. B2-3
- ONE LIGHTNING SUBMITS TO SEC INVESTIGATION** [14]  
Philippine Star, p. B4

# IFC may back 8990's securitization offer

**L**OW-COST housing builder 8990 Holdings Inc. is in talks with the International Finance Corp. (IFC), the private-sector lending arm of the World Bank, for its P1-billion securitization of its receivables portfolio.

A company official said "there's interest" from the IFC to back the deal. The IFC is conducting its own due diligence and will come back with its own proposal, the official said.

The measure involved securitizing some P1 billion worth of receivables or contract-to-sell accounts of 8990. Some 85 percent of these will be converted into a 12-year note with a 7.5-percent coupon rate and

a yield of 11.5 percent per year.

The remaining 15 percent will be used as subordinated debt or a credit enhancement that will be used in case the house owner preterminates his contract or decides to pay the unit in full.

SB Capital Corp. is the underwriter for the measure.

"If ever the bonds default, then the guarantee kicks in," said Januario

Jesus Gregorio Atencio, the company president. The proposal is still with the Securities and Exchange Commission more than a year after it was submitted by 8990.

"I'm now only supposing what could be the reason why. Maybe because this is the first issuance of its kind, you don't have existing model or template, so you can be very conservative of approving this," Atencio said. The government's action on any securitization issues, or sometimes called as asset-backed securities, was lukewarm at best as it involves future fund flows.

"Because it never happened before. So my feeling is for the government to be assured of the integrity of the securitization structure, as well as the long-term sustainability of the securitized loan coming out of this, I might as well get a guarantee," Atencio said.

8990's effort was only a coun-

terpart of the P4-billion housing asset-backed securitization measure launched in 2013 by National Home Mortgage Finance Corp., which will mature by 2017.

8990 was one of the backers of the measure called as Bahay Bonds.

The securitization is part of the company's effort to beef up financing while extending the maturity of its obligations.

8990 is also set to push through with its P9-billion bond issuance by May, proceeds of which will be used to retire its high-interest-bearing loans and for land banking activities.

The company said it will build 11,000 units for the year, with Luzon growing 44 percent, the Visayas at 31 percent and Mindanao at 25 percent. The company will launch nine new projects that will provide 4,486 additional units to its inventory with a total value of P4 billion. **VG Cabuag**



Republic of the Philippines  
 Department of Finance  
**Securities and Exchange Commission**  
 SEC Bldg., EDSA, Greengables, Mandaluyong City 1554  
**CORPORATE GOVERNANCE AND FINANCE DEPARTMENT**

SUN LIFE OF CANADA PROSPERITY :  
 BOND FUND, INC.

Amendment of Prospectus

-Registrant-

**NOTICE**

Notice is hereby given that on October 24, 2014 an Amended Registration Statement was filed with the Securities and Exchange Commission on behalf of SUN LIFE OF CANADA PROSPERITY BOND FUND, INC. to reflect the following amendments to its Registration Statement:

Subject	Original	Proposed Amendments
Per Value of Share	One Peco (P1.00)	Per Value is One Centavo (P0.01)
Dividends	The Board of Directors of the Fund has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from the Fund's unrestricted retained earnings. The amount of such dividends (either in cash, stock, property or a combination of the foregoing) will depend on the Fund's profits, cash flows, capital expenditure, financial condition and other factors. Cash dividends and property dividends may be declared by the Board of Directors and no stockholder approval is required. Stock dividends paid on the Offer shares are subject to approval by both the Board of Directors and the stockholders representing at least 2/3 of the outstanding capital stock of the Fund at a stockholders' meeting called for such purpose.	The Board of Directors of the Fund has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from the Fund's unrestricted retained earnings. The amount of such dividends (either in cash, stock, property or a combination of the foregoing) will depend on the Fund's profits, cash flows, capital expenditure, financial condition and other factors and will follow SEC's guidelines on determining retained earnings available for dividend declaration. The existence of surplus profit is a condition precedent before a dividend can be declared. The surplus profit or income must be a bona fide income founded upon actual earnings or profits. Actual earnings or profits shall be the net income for the year based on the audited financial statements, adjusted for unrealized items, which are considered not available for dividend declaration. Taking into account the Fund's cash flows, capital expenditure, investment objective and financial condition, at least 10% of the actual earnings or profits may be declared by the Board of Directors as dividends.
Automatic Reinvestment of Dividends	Depending on the dividend policy as approved by the Board, dividends so declared can either be automatically reinvested on behalf of the shareholders or paid out directly to the shareholders.	Dividends so declared will be automatically reinvested in additional shares on behalf of the shareholders, without voter election at the NAVPS on the payment date established for such dividends. An such shareholder realize their plans when shares are redeemed, Shareholders may elect not to have dividends reinvested and receive payment in cash, net of tax.
Compliance with Data Privacy Act of 2012	None	Compliance with Data Privacy Act of 2012 (Republic Act No. 10173)  The Fund requires all investors to expressly authorize the Fund to collect, process, use, destroy his/her personal and sensitive personal information, and any information related to him/her and his/her account as well as its sharing, transfer and/or disclosure to any of the Fund's branches, subsidiaries, affiliates, agents and representatives, industry associations and 3 <sup>rd</sup> parties such as but not limited to outsourced service providers, external auditors and local and foreign regulatory authorities in relation to any matter including but not limited to those involving anti-money laundering and tax monitoring, review and reporting, statistical and risk analysis, provision of any products, service or offers made through mail/e-mail/fax/SMS/telephone, customer satisfaction surveys, compliance with court and other lawful orders and requirements. The Fund further requires investors to hold the Funds and CLAMCI free and harmless from any liability that may arise from any transfer, disclosure, processing, collection, use, storage or destruction of said information.

Foreign Account Tax Compliance Act (FATCA)	None	<p>For purposes of compliance with the Foreign Account Tax Compliance Act (FATCA or Chapter 4 of the US Internal Revenue Code) particularly, Change in Circumstances (in compliance with the Foreign Account Tax Compliance Act also known as FATCA or Chapter 4 of the US Internal Revenue Code), the Fund required the investors to:</p> <p>(1) Notify the Fund in writing and provide the required details or documents within 30 days from a change of your circumstances. Change of circumstances means any change in the investor's circumstances which results in the Fund being subject to tax reporting and withholding requirements under local and/or foreign laws applicable to the investor or investor's property (such as the Foreign Account Tax Compliance Act). There is a change of circumstances if there is a change in the investor's contact information, identification documents, place of residence, citizenship of the owner or beneficiary or other circumstances as defined under applicable laws; and</p> <p>(2) Failure to accomplish the foregoing gives the Fund the right to exercise any of the following: a) continue the account on the same terms and conditions; b) continue the investment on the same terms and conditions and deduct from it any amounts that the Fund has to withhold under the applicable laws; or c) terminate your account. The right to terminate the account will only be exercised after the investor have failed to provide the required information within thirty (30) days from written notice from the Fund and only after the Fund is unable to transfer your policy or take any steps other than termination in order to comply with applicable laws.</p>
--------------------------------------------	------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The amendments were made for the information of the investing public and to comply with the Data Privacy Act of 2012 and Foreign Account Tax Compliance Act (FATCA).

According to the paper/documents presented, the following are the directors/officers of the corporation:

Name	Position	Citizenship
Rizalino G. Monterina	Chairman & Director	Filipino
Ma. Kerolina M. Casan	President & Director	Filipino
Valeria N. Poma	Director	Filipino
Oscar S. Reyes	Independent Director	Filipino
Alicia Annala G. Quirino	Independent Director	Filipino
Jemilyn S. Camencia	Corporate Secretary	Filipino
Maria Cecilia V. Sorio	Assistant Corp. Secretary	Filipino
Noni Thiam Ong (a.k.a. Raymond Ong)	Treasurer	Malaysian
Conchita D.L. Gregorio	Chief Compliance Officer	Filipino

Said Amended Registration Statement and other papers/documents attached thereto are open to inspection by interested parties during business hours and copies thereof, photostatic or otherwise, shall be furnished to any party upon request at such fees as the Commission may prescribe. The Registration Statement dated February 12, 2015 may also be downloaded from [www.rupifunds.com.ph](http://www.rupifunds.com.ph).

JUSTINA F. CALLANGAN  
Director

BM - March 21 & 23, 2015

# Guarantee for mortgage-backed securities sought

MASS HOUSING developer 8990 Holdings, Inc. is seeking a guarantee for P1 billion worth of mortgage-backed securities it plans to sell in its bid to convince regulators to approve what would potentially be the country's first private sector housing securitization deal.

The company had planned to launch the sale of P1 billion worth of housing receivables last year, but the deal has yet to get the go signal from corporate regulator Securities and Exchange Commission (SEC).

8990 Holdings President Januario Jesus B. Atencio III said one of the options the company is now looking at is securing the guarantee of the International Finance Corp., a member of the World Bank Group.

"For the government to be assured of the integrity of this structure as well as the long-term sustainability of the securitized notes, I might as well get a guarantee," Mr. Atencio said on the sidelines of COL Financial Group, Inc.'s Corporate Day in Ortigas on Saturday.

"If ever the bonds default, the guarantee kicks in so they [debt holders] get paid," he added.

A mortgage-backed security or MBS is a security that is backed by a mortgage or collection of

mortgages. Those investing in these securities get interest payments, while the issuer won't have to worry if the home buyer has assets to cover the mortgage, essentially becoming the middleman between the home buyer and the investor.

Mortgage-backed securities are at the heart of the US-led global financial crisis nearly eight years ago after those securities — mostly subprime — soured following the US housing bust.

"I am now only supposing what could be the reason [behind the delay in SEC approval]. It's the first issuance of this kind. You don't have an existing model or template," Mr. Atencio said.

"You can be very conservative about approving this because it's never happened before [here in the Philippines]."

8990 Holdings' securitization initiative is the private sector counterpart of the Bahay Bonds sold by state-run National Home Mortgage Finance Corp. The prospectus of the P603.74-million Bahay Bonds issued in 2012 showed that the SEC exempted the senior notes from registration, taking into consideration the guarantee provided by Home Guaranty Corp.

8990 Holdings had tapped SB Capital Investments Corp. as the underwriter for the securitization program.

Mr. Atencio had said about 85% of the transaction will be 12-year securitized notes carrying a coupon rate of 7.5% per annum. The balance of 15% will be subordinated debt or credit enhancement.

8990 Holdings is looking to seal a separate agreement with a bank for the liquidation of another P2 billion worth of receivables, Mr. Atencio said. The real estate firm inked a similar agreement with CBTC Bank for a P1-billion facility in June.

The property developer currently has P15 billion worth of receivables.

8990 Holdings plans to raise P5 billion from the sale of corporate bonds this May to facilitate the conversion of short-term debt to long-term liabilities. The company has an option to upsize the offering by another P4 billion.

The real estate firm grew its profit by 52% to P3.33 billion last year after gross sales jumped 48% to P7.9 billion year on year. This year, it expects earnings to grow by 15%-21% to up to P4 billion, supported by a 22%-27% expansion in sales to P10 billion. —  
**Krista Angela M. Montealegre**

# Next on PSE: Consumer brand IPOs

By **Krista A. M. Montealegre**  
Senior Reporter

IN AN ERA of large-scale initial public offerings (IPOs) becoming a rare event, investment banks are now chasing the next best thing to join the capital markets: the consumer brands.

Consumer brands are riding the household spending-driven Philippine economy — projected to grow by 7%-8% until 2016 — so they are attractive targets for investment banks in search of companies to convince about going public.

As an example, the likes of companies behind Pan de Manila, Mister Pullman and Boy Bawang are considered “perfect candidates” to access the equity market and have the potential to become noteworthy names in the Philippine capital market. First Metro Investment Corp. (FMIC) President Roberto Juanchito T. Dispo said in an interview.

The Philippines has a large pool of emerging companies with data from the Department of Trade and Industry showing 99.6% of registered enterprises are SMEs that provide 60% of the country's total employment.

“Lamentably, the Philippine capital market is dominated by a handful of big matured conglomerates,” Mr. Dispo said.

“For the Philippine capital market to progress, we need to expand it, broaden it, deepen it and that can be achieved only by identifying new entrants to the market.”

Philippine Stock Exchange (PSE) President Hans B. Sicat believes now is the perfect time to bring these SMEs public with the local stock market scaling new

heights, a reflection of investor confidence on the domestic economy.

“The issue for an expanding economy is it tells the smaller companies that there are no constraints to growth,” Mr. Sicat said. “You can position yourself for faster growth.”

## INCUBATOR PROGRAM

Mr. Dispo cited the story of Puregold Price Club, Inc., which made its debut on the stock market in 2011 when the supermarket operator had less than 100 stores.

The Lucio Co-led firm has more than doubled its store network to 233 stores at end-September 2014, or three years after listing.

“Now, it's competing head-on with SM. They start small and eventually graduate to become a conglomerate,” Mr. Dispo said.

While there are still several big companies that have yet to entertain listing prospects, investment banks like FMIC and BDO Capital & Investment Corp. are running after SMEs to help them make their PSE debut.

“We're talking to a lot, encouraging a lot of them,” BDO Capital President Eduardo V. Francisco said in a phone interview. “There are a lot of smaller companies easily making P100 million a year. There are more than 100 of those companies.”

For its part, FMIC has established an incubator program whereby companies with good potential are identified and prepared for listing, Mr. Dispo said.

“We are currently data mining the client base of [Metropolitan Bank & Trust Co.] and the objective is to identify SMEs with very good business models, profitable, viable,” he said. FMIC is the investment banking arm of Metrobank.

This year, FMIC is set to “harvest” the fruits of that program

with the planned listing of property developer Profriends Group, Inc. in the first half of the year.

While it has taken quite a while to convince family-owned companies to go public, more and more of them are warming up to the idea.

“The usual pitch in the past will be savings and taxation, but that has changed over time,” Mr. Dispo said.

These tightly-held companies realize now that going public “assure them professional management will be put in place” and “there will be transparency and adherence to regulations,” he said.

## 'NOT AN OPTION'

Not all companies, however, are attracted to enter the stock market. Take for example International Family Food Services, Inc. (IFFSI), operator of the Shakey's pizza brand.

IFFSI Chief Executive Officer Vicente L. Gregorio said in a phone interview that going public is “not an option in the near future,” with the liquidity in the financial system enough to finance its operations and expansion.

“There is added pressure and challenge to go public. You have to continuously show growth but sometimes it's a trap — you make decisions that are not considered prudent and it leads to major problems,” Mr. Gregorio said.

Several big corporations like United Laboratories, Inc., the country's biggest pharmaceutical company, and Lamojayan Corp., the firm behind the Hapee Toothpaste brand, have yet to entertain listing prospects in the stock market.

“There is resistance. These are family-owned corporations. They want to keep it private. Some will tell you they have so many resources,” Mr. Dispo said.

## Cosmetics firm agrees to 'submit' to SEC probe

COSMETICS firm One Lightning Corp. yesterday said it will "voluntarily submit" to an investigation conducted by the Securities and Exchange Commission (SEC), on allegations it is selling securities not registered with the regulator.

The SEC issued an advisory against One Lightning last month, warning the public that those participating in this investment activity "run the risk of being prosecuted for criminal violation of the Securities Regulation Code (SRC)."

"As part of its modus operandi, One Lightning Corp. invites people to invest in its cosmetics and health care products by promising huge returns on their investment through what it claims is a revolutionary compensation plan..." the SEC said in an advisory dated Feb. 27.

These promises include owning 70% of the company's profits, "referral rewards" for sponsoring new investors, "maturity rewards" for each matured package of their referrals, and "uni-level rewards of bonuses" for up to the third level of referrals, the SEC said in a second advisory dated March 11.

In its statement yesterday, One Lightning said it conducted its own internal investigation and found out that "some speakers or certain sales materials might have used certain terms that were deemed inappropriate and confusing during client presentations."

One Lightning said it submitted on March 16 "an undertaking manifesting its willingness to participate in any investigation of the SEC."

The "product packages" being offered by One Lightning must be registered with the SEC under sections 8 and 12 of the SRC, before they are sold or offered for sale and distribution in the country.

Violators of the law will be punished with a fine worth P50,000 to P5 million, or imprisonment from seven to 21 years, or both.

However, One Lightning reiterated that it is a "legitimate corporation engaged in trading which exclusively sells various health and beauty, beverage products through direct selling."

The company and its legal team "shall await procedural steps" to be prescribed by the SEC. — **Daphne J. Magturo**

## SEC OKs Crown IPO

CROWN Asia Chemicals Corp. has received regulatory approval from the Securities and Exchange Commission (SEC) for a P222.78-million initial public offering.

The company is offering to the public 158 million primary common shares, with a par value of P1, at P1.41 per share.

The proceeds will be used for the manufacturing plant for polypropylene pipes/polypropylene random copolymer (PP-R) and high-density polyethylene (HDPE) pipes, including warehouse and equipment; debt retirement; modernization of existing compounds and pipes plants; and working capital purposes.

The offer is eyed between April 10 and 17, and will be handled by Abacus Capital and Investment Corp. as underwriter.

Crown Asia said it ventured into pipe manufacturing given the prospects of the market in the construction sector.

In 2006, the company entered the HDPE market through marketing and trading HDPE pipes fittings under the Crown brand. The HDPE pipes sold were supplied by a pipe manufacturer and importer that manufactured the pipes and imported the fittings.

After the favorable market acceptance of Crown HDPE pipes and fittings, the company started manufacturing its own HDPE pipes in November 2013 utilizing one of its existing extrusion machineries for this product line while the HDPE fittings continued to be sourced from importers.

Crown Asia said the level of production proved to be insufficient to maintain ideal stock levels to meet the growing customers' orders that it decided to increase HDPE production.

The company also decided to diversify further its product lines to include PP-R pipes and fittings as construction projects are expected to continue to come online over the next several years with the foreseen demand in the construction sector.

The company also decided to be the first to embark on the manufacture of a complete line of PP-R fittings in the Philippines. It should be noted that even though there are PP-R pipe manufacturers in the Philippines, they do not manufacture their own PP-R fittings and instead just import these.

The plan to manufacture its own PP-R fittings will ensure a perfect fit with the company's PP-R pipes while maintaining the quality standard and ready availability to serve the needs of its customers promptly, Crown Asia said.

The company has a credit facility from Security Bank of P110 million covering a loan line, letter of credit and trust receipt line, and domestic bills of purchase line. Loan availments are covered by promissory notes with maturities up to 180 days and renewable for subsequent terms of up to 180 days.

Interest rates follow the approved rate for the company and interest rates charges are collected on a monthly basis. Interest rates may be adjusted based on prevailing market trends.

# 8990 seeks IFC guarantee for ₱1-B asset securitization

Mass housing developer 8990 Holdings, Inc. is seeking the financial backing of the International Finance Corporation (IFC) for its planned securitization of receivables worth ₱1 billion currently pending before regulators.

In an interview, 8990 president Jesus Januario Atencio said the two parties are currently doing due diligence for the transaction. "We are now in the data-gathering stage, the due diligence. At some time they're going to come back to us with a proposal. But there's already interest," said Atencio.

While the planned securitization was filed early last year, it has yet to be approved by the Securities and Exchange Commission.

"I'm now only supposing what could

be the reason why. Maybe because this is the first issuance of its kind, you don't have existing model or template, so you can be very conservative of approving this. Because it never happened before," noted Atencio.

He added that, "so my feeling is for the government to be assured of the integrity of the securitization structure, as well as the long-term sustainability of the securitized loan coming out of this, I might as well get a guarantee."

Should the IFC agree to guarantee the securities, investors will be assured of a backstop should the underlying assets of the security, which in this case are 8990 receivable out of its in-house financing scheme, turn sour.

"If ever the bonds default then the guarantee kicks in," said Atencio. The planned asset backed bonds will carry

an annual interest rate of 11.5 percent and sold as a 7.7 percent coupon-bearing 12-year notes.

Handling the securitization exercise is SB Capital, the investment banking arm of Security Bank.

The securitization is part of the company's effort to beef up financing while extending the maturity of its obligations.

The company recently reiterated its commitment to push through with a ₱9 billion bond issuance by May. The bond issuance will have an initial tranche of ₱5 billion and a ₱4-billion oversubscription option.

The company recently said it is also looking to transfer to the Home Development Mutual Fund (Pag-IBIG) at least ₱5.52 billion in collectibles. (JAL)



Republic of the Philippines  
 Department of Finance  
**Securities and Exchange Commission**  
 SEC Bldg., EDSA, Greenhills, Mandaluyong City 1554  
**CORPORATE GOVERNANCE AND FINANCE DEPARTMENT**

**SUN LIFE OF CANADA PROSPERITY** : **Amendment of Prospectus**  
**BOND FUND, INC.** :  
 - Registrant - :

x-----x

**NOTICE**

Notice is hereby given that on October 24, 2014 an Amended Registration Statement was filed with the Securities and Exchange Commission on behalf of **SUN LIFE OF CANADA PROSPERITY BOND FUND, INC.** to reflect the following amendments to its Registration Statement.

Subject	Original	Proposed Amendments
Par Value of Share	One Peso (P1.00)	Par Value is One Centavo (P0.01)
Dividends	The Board of Directors of the Fund has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from the Fund's unrestricted retained earnings. The amount of such dividends (either in cash, stock, property or a combination of the foregoing) will depend on the Fund's profits, cash flows, capital expenditure, financial condition and other factors. Cash dividends and property dividends may be declared by the Board of Directors and no stockholder approval is required. Stock dividends paid on the Offer shares are subject to approval by both the Board of Directors and the stockholders representing at least 2/3 of the outstanding capital stock of the Fund at a stockholders' meeting called for such purpose.	The Board of Directors of the Fund has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from the Fund's unrestricted retained earnings. The amount of such dividends (either in cash, stock, property or a combination of the foregoing) will depend on the Fund's profits, cash flows, capital expenditure, financial condition and other factors and <u>will follow SEC's guidelines on determining retained earnings available for dividend declaration. The existence of surplus profit is a condition precedent before a dividend can be declared. The surplus profits or income must be a bonafide income founded upon actual earnings or profits. Actual earnings or profits shall be the net income for the year based on the audited financial statements, adjusted for unrealized items, which are considered not available for dividend declaration. Taking into account the Fund's cash flows, capital expenditure, investment objective and financial condition, at least 10% of the actual earnings or profits may be declared by the Board of Directors as dividends.</u>
Automatic Reinvestment of Dividends	Depending on the dividend policy as approved by the Board, dividends so declared can either be automatically reinvested on behalf of the shareholders or paid out directly to the shareholders.	<u>Dividends so declared will be automatically reinvested in additional shares on behalf of the shareholders without sales charges at the NAVPS on the payment date established for such dividends. As such, shareholders realize their gains when shares are redeemed. Shareholders may elect not to have dividends reinvested and receive payment in cash, net of tax.</u>
Compliance with Data Privacy Act of 2012	None	Compliance with Data Privacy Act of 2012 (Republic Act No. 10173)  The Fund requires all investors to expressly authorize the Fund to collect, process, use, destroy his/her personal and sensitive personal information and any information related to him/her and his/her account as well as its sharing, transfer and/or disclosure to any of the Fund's branches, subsidiaries, affiliates, agents and representatives, industry associations and 3 <sup>rd</sup> parties such as but not limited to outsourced service providers, external auditors and local and foreign regulatory authorities in relation to any matter including but not limited to those involving anti-money laundering and tax monitoring, review and reporting, statistical and risk analysis, provision of any products, service or offers made through mail/e-mail/fax/SMS/telephone, customer satisfaction surveys, compliance with court and other lawful orders and requirements. The Fund further requires investors to hold the Funds and SLAMCI free and harmless from any liability that may arise from any transfer, disclosure, processing, collection, use, storage or destruction of said information.

Foreign Account Tax Compliance Act (FATCA)	None	<p>For purposes of compliance with the Foreign Account Tax Compliance Act (FATCA or Chapter 4 of the US Internal Revenue Code) particularly, Change in Circumstances (in compliance with the Foreign Account Tax Compliance Act also known as FATCA or Chapter 4 of the US Internal Revenue Code), the Fund required the investors to:</p> <p>(1) Notify the Fund in writing and provide the required details or documents within 30 days from a change of your circumstances. Change of circumstances means any change in the investor's circumstances which results in the Fund being subject to tax reporting and withholding requirements under local and/or foreign laws applicable to the investor or investor's property (such as the Foreign Account Tax Compliance Act.) There is a change of circumstances if there is a change in the investor's contact information, identification documents, place of residence, citizenship of the owner or beneficiary or other circumstances as defined under applicable laws; and</p> <p>(2) Failure to accomplish the foregoing gives the Fund the right to exercise any of the following: a) continue the account on the same terms and conditions; b) continue the investment on the same terms and conditions and deduct from it any amounts that the Fund has to withheld under the applicable laws; or c) terminate your account. The right to terminate the account will only be exercised after the investor have failed to provide the required information within thirty (30) days from written notice from the Fund and only after the Fund is unable to transfer your policy or take any steps other than termination in order to comply with applicable laws.</p>
--------------------------------------------	------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The amendments were made for the information of the investing public and to comply with the Data Privacy Act of 2012 and Foreign Account Tax Compliance Act (FATCA).

According to the paper/documents presented, the following are the directors/officers of the corporation:

Name	Position	Citizenship
Rizalina G. Mantaring	Chairman & Director	Filipino
Ma. Karerina M. Casas	President & Director	Filipino
Valeria N. Pama	Director	Filipino
Oscar S. Reyes	Independent Director	Filipino
Aleli Angela G. Quirino	Independent Director	Filipino
Jemilyn S. Camania	Corporate Secretary	Filipino
Maria Cecilia V. Soria	Assistant Corp. Secretary	Filipino
Hong Thiam Ong (a.k.a. Raymond Ong)	Treasurer	Malaysian
Conchitina D. L. Gregorio	Chief Compliance Officer	Filipino

Said Amended Registration Statement and other papers/documents attached thereto are open to inspection by interested parties during business hours and copies thereof, photostatic or otherwise, shall be furnished to any party upon request at such fees as the Commission may prescribe. The Registration Statement dated February 12, 2015 may also be downloaded from [www.sunlife-funds.com.ph](http://www.sunlife-funds.com.ph).

(SGD.) JUSTINA F. CALLANGAN  
Director

MT – March 21 & 23 2015

MONDAY: MARCH 23, 2015

<sup>The New</sup>  
**Standard**

**B3**

## LBC Express eyes backdoor listing

IF YOU could not get through the front door, try the backdoor... backdoor listing that is.

Could this be the principle being adopted by LBC Express Inc., which is reportedly looking for a listed shell company that it could use as a backdoor listing vehicle, after it withdrew its initial public offering application with the Securities and Exchange Commission in the middle of 2014.

Industry sources said LBC Express, one of the country's leading couriers and freight forwarding services firms owned by the Araneta family, was now considering a backdoor listing, on concerns it would not be able to raise capital through the straight IPO, as its application might not be approved by corporate regulators.

So why is LBC Express having a hard time getting its planned IPO approved by regulators? Apparently, it had something to do with its affiliation with LBC Development Bank, a thrift bank also owned by the Araneta group, which was closed down in 2011.

LBC Express earlier planned to raise P7.7 billion from the planned sale of up to 286.956 million in primary and secondary shares, with an overallotment option for another 43.043 million shares at an offer price of up to P21.16 apiece.

But in a letter to the SEC in July 2014, LBC Express said it was withdrawing the plan to generate funds through the equities market, as it explored other options to raise capital.

One of the companies reportedly being considered by LBC Express as a backdoor listing vehicle has recently denied it was being acquired by shareholders of a listed property developer.  
**Jenniffer B. Austria**

# SEC suspends trading firm

## Capital-deficient Tradition unit fined P1M

By Daxim L. Lucas

THE LOCAL unit of an international bond trading firm has been suspended by corporate regulators after it was found to have been operating with capital that was grossly insufficient to the size of its financial market activities.

Late last week, the Securities and Exchange Commission (SEC) ordered Tradition Financial Services Philippines Inc. to suspend its activities for five trading days "and until such time that the company is able to comply" with a higher capitalization level as required by the regulator's Risk Based Capital Adequacy (RBCA) Rules that have been the industry standard since 2004.

Under these rules, financial institutions such as securities brokers and dealers are required to set aside a portion of their capital to serve as a buffer in case of financial market

volatility or failed transactions that result in losses to either the firm or its clients' portfolios.

The RBCA is the standard mandated under SEC regulations to ensure that financial services firms such as banks and money brokers are sound enough to service their customers. A broker/dealer must maintain an RBCA ratio of at least +1.10 to be compliant. A ratio lower and the broker "shall immediately cease doing business" under SEC regulations.

The prudential measures were imposed by regulators to strengthen the capital structure of brokers and dealers and consequently prevent any difficulties of one firm from spreading across the entire financial industry.

In its "show cause" letter to Tradition as early as March 20, 2009, the SEC asked the firm to explain why it had failed to maintain adequate RBCA levels, failed to comply with the minimum net liquid capital require-

ment, failed to inform regulators that its aggregate indebtedness had exceeded 1,700 percent of its liquid capital floor and why it failed to voluntarily cease business operations once its capital had fallen below minimum industry levels.

The letter was addressed to the company's board of directors and its president, Jaime Villalon.

The SEC said that, in its reply, Tradition had apologized to the agency for its failure to inform them of the precarious capital situation, saying that it had started operations only a year earlier and, as such, was unable to comply immediately.

Tradition also reasoned that, as a broker, it did not take market positions, which could potentially impact its capital levels in case the prices of the securities moved against it, but only acted on behalf of its clients that were mostly banks and other financial institutions.

# Pipe maker's plan to go public OKd

THE SECURITIES and Exchange Commission has approved a plan by Bulacan-based plastic compound and pipe manufacturer Crown Asia Chemicals Corp. to raise P222.78 million from a local stock market debut.

Based on a document from the SEC, Crown Asia was given authority to sell up to 158 million primary common shares for a maximum of P1.41 per share, raising fresh funds to expand and modernize its manufacturing and warehousing facilities.

The price ceiling represents about 1.18 times the company's net tangible book value as of end-2014 amounting to P562.56 million or P1.19 per share.

Subject to the approval of the Philippine Stock Exchange, the offering is

targeted to run from April 10 to 17.

Abacus Capital & Investment Corp. has been mandated as the issue manager and underwriter for the transaction. About 31.6 million or 20 percent of the offer shares will be allocated for trading participants.

Proceeds from the initial public offering are targeted to fund construction of polypropylene random copolymer type and high-density polyethylene manufacturing plant and warehouse as well as purchase equipment. Some will be used to retire debt and modernize existing compounds and pipes plants while the rest will be used for working capital.

Crown Asia is primarily engaged in the production of plastic com-

pounds and other related products such as polyvinyl chloride (PVC) pellets. It also manufactures plastic pipes. The compounds and pipes are used directly and indirectly in the construction and telecommunications industries.

The company is owned by the Villanueva and Perez families which will collectively own 74.95 percent of Crown Asia after the offering.

Crown Asia started commercial operations in 1990 with the trading of imported polyethylene compounds and paraffin waxes. In the same year, it started the production and sales of PVC compounds at its plant in Guiguinto, Bulacan. Capitalizing on its expertise in PVC formula-

tion, Crown expanded downstream into the manufacture of industrial plastic pipes under the Crownpipes brand for electrical, sanitary, potable water, and telecommunications applications.

As of Jan. 31, 2015, Crown Asia had 132 regular employees, 39 probationary employees, and 74 contractual employees. It has an operating capacity of 15,000 million tons per annum (MTPA) for its compounds business and 8,500 MTPA for its pipes business.

In 2014, Crown Asia generated a net income of P65.38 million out of revenues of P850.74 million. *Doris C. Dumalao*

## One Lightning submits to SEC investigation

On March 9, 2015, Salve Duplito of ANC's On the Money aired that One Lightning Corp. is allegedly engaged in investment taking activities without the appropriate registration, which violates the Securities Regulation Code.

Also, OLC learned through its own internal investigation that some speakers or certain sales materials might have used certain terms that were deemed inappropriate and confusing during client presentations. Hence, the issuance of the Advisory.

Given this, One Lightning Corp. consulted its lawyers and, through them, submitted on March 16, 2015 an undertaking manifesting its willingness to participate in any investigation of the SEC.

OLC and its legal team shall await procedural steps to be prescribed by The commission.

One Lightning Corp. maintains that it is a legitimate corporation engaged in trading which exclusively sells various health and beauty, beverage products through direct selling. The said products were recently awarded with Superbrands distinction by the global independent brand arbiter.