

COVER SHEET

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SEC Identification Number

[illegible]

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[illegible][illegible][illegible]

(Company's Full Name)

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[illegible][illegible]

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

Atty. Paolo Macapagal

(Contact Person)

(Company Telephone Number)

1	2
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3	1
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Month _____ Day _____
(From Year)

(Form Type)

3rd Wed of June

Month Day

(Annual Meeting)

Mutual Funds/Investment

(Secondary License Type, If Applicable)

CGFD

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

RECEIVED

10-17-2014

By: [Signature] Time: 3:00 PM

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 12-1, AS AMENDED
REGISTRATION STATEMENT UNDER THE SECURITIES REGULATION CODE

1. SEC Identification Number CS200717497
2. GREPALIFE BALANCED FUND CORPORATION
Exact name of registrant as specified in its charter
3. Metro Manila, Philippines
Province, country or other jurisdiction of
incorporation or organization
4. 006-915-942-000
BIR Tax Identification Number
5. Open-end Investment Company
General character of business of registrant.
6. Industry Classification Code: Investment (SEC Use Only)
7. 6F GREPALIFE BUILDING 221 SEN. GIL PUYAT AVE. MAKATI CITY, PHILIPPINES, 1200.
Tel. Nos. (632) 866-6387 / 6388. Fax No. 866-6857.
Address, including postal code, telephone number, FAX number including area code, of
registrant's principal offices
8. Not Applicable.
If registrant is not resident in the Philippines, or its principal business is outside the Philippines,
state name and address including postal code, telephone number and FAX number, including
area code, and email address of resident agent in the Philippines.
9. Fiscal Year Ending Date (Month and Day): December 31

Computation of Registration Fee

Title of each class of securities to be registered	Amount to be registered	Proposed Maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
----------------------------------------------------------	----------------------------	------------------------------------------------	----------------------------------------------------	-------------------------------

Amended Registration Statement
Legal Research Fee

Php 10,000.00
100.00

TOTAL REGISTRATION FEES

Php 10,100.00



GREPALIFE BALANCED FUND CORPORATION

6/F Grepalife Building, 221 Sen. Gil J. Puyat Avenue, Makati City 1200
Telephone Numbers: (63-2) 866-6374 / 866-6375 ♦ Fax Number: (63-2) 866-6875

FINAL PROSPECTUS

600,000,000 Shares COMMON STOCK

The Offer Shares consisting of Six Hundred Million (600,000,000) common stock with a par value of PHP0.01 per share will be offered at current Net Asset Value per Share.
The Offer Shares will be traded over the counter.

GREPALIFE ASSET MANAGEMENT CORPORATION

INVESTMENT MANAGER, PRINCIPAL DISTRIBUTOR AND ADMINISTRATOR

**This Prospectus is dated
12 October 2016**

**THIS PROSPECTUS SHOULD BE READ CAREFULLY BEFORE INVESTING
AND RETAINED FOR FUTURE REFERENCE.**

SHARES OF GREPALIFE BALANCE FUND CORPORATION ARE NOT DEPOSITS OR OBLIGATIONS OF, OR GUARANTEED OR ENDORSED BY, ANY FINANCIAL INSTITUTION, AND ARE NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION. SHARES OF THE FUND BEAR INVESTMENT RISK. PAST INVESTMENT PERFORMANCE IS NOT A GUARANTEE OF FUTURE RETURNS.

GREPALIFE BALANCED FUND CORPORATION
(A corporation organized under Philippine laws)

Grepalife Balanced Fund Corporation Page 2

**SUMMARY OF FEES TO BE PAID BY INVESTORS
GREPALIFE BALANCED FUND CORPORATION**

Nature of Fees	Rate
Investment management fees	Monthly fee of 0.90% per annum (VAT exclusive) of the NAV of the Fund's assets, computed on a daily basis
Distribution fees	Monthly fee of 0.50% per annum (VAT exclusive) based on the NAV of the Fund's assets, computed on a daily basis
Administration fees	Monthly fee of 0.35% per annum (VAT exclusive) based on the NAV of the Fund's assets, computed on a daily basis
Custodian fees	Monthly fee of 0.015% per annum based on the month-end face value of the PhP Government Securities settled at RoSS, while, 0.010% per annum of the month-end market value for Scripless listed equities and Fixed income securities settled at PDTC.
Custodian bank transaction fees	PhP100 for each movement of listed local securities, Php200 for each movement of unlisted stock/Commercial Papers/Long Term Promissory Notes and \$35 for each movement of offshore securities, deposited for safekeeping.
Stock Transfer fees	Monthly fee of 0.05% per annum of the daily Asset under management (AUM), exclusive of VAT. The monthly fee is subject to a minimum of Thirty Five Thousand Pesos (Php35,000.00) plus VAT.

The Issuer is a domestic corporation, incorporated on November 27, 2007 as Grepalife Bond Fund Corporation (the "GBFC" or the "Fund"). The principal business office address of the Fund is at the 6th Floor, Grepalife Building, 221 Sen. Gil J. Puyat Avenue, Makati City, with telephone numbers: (63-2) 866-6387 to 88. On December 8, 2015, the SEC approved the amendment of the Articles of Incorporation of the Fund, changing its name from Grepalife Bond Fund Corporation to Grepalife Balanced Fund Corporation.

On February 10, 2011 the Securities and Exchange Commission (the "SEC") approved the increase in the Fund's authorized capital to Six Million Pesos (Php 6,000,000.00) divided into Six Hundred Million shares (600,000,000) with the par value of One Centavo (P0.01) per share from Two Million Pesos (Php2,000,000.00) divided into Two Hundred Million Shares (200,000,000) with a par value of One Centavo (Php0.01) per share. At the Special Meeting of the Stockholders held on June 25, 2010, the stockholders representing at least two-thirds (2/3) of the outstanding capital stock, approved the same increase of the authorized capital stock. A total of One Hundred Ninety Seven Million Four Hundred Eighty Eight Thousand Two Hundred Twenty Four (197,488,224) shares were subscribed as of August 31, 2016.

Total gross proceeds of the 600,000,000 Offer Shares, if sold as of August 31, 2016, are estimated at PHP799,440,000.00 (computed by multiplying 600,000,000 Offer Shares by PHP1.3324 NAVPS as of 31 August 2016).

The net proceeds from the sale of securities will be used to invest in high quality equity securities and high quality corporate and government debt securities. For a more detailed discussion, please refer to the section entitled "Use of Proceeds."

Grepalife Asset Management Corporation (the "GAMC") is the investment manager, principal distributor and administrator of the Fund. The GAMC is a corporation wholly owned by Sun Life Grepa Financial, Inc. ("SLGFI"), a company with a solid track record in investment management, among others.

The fees payable to the GAMC as investment manager is a monthly fee equivalent to nine-tenths of one percent (0.90%) per annum of the average NAV of the Fund's assets, computed on a daily basis. The GAMC shall likewise receive from the Fund a distribution fee of one-half percent (0.50%) per annum and an administration fee of three and one half-tenths of one percent (0.35%) per annum, both based on the average NAV of the Fund's assets, computed on a daily basis. These fees are VAT exclusive. The NAV is determined by computing the total value of the Fund's assets less its liabilities in accordance with the procedure used in computing the NAV of each share of the Fund.

GAMC is also the Fund's designated stock transfer agent, effective June 1, 2016. GAMC charges the Fund a monthly fee, which is accrued at 0.05% p.a. of the daily Asset under management (AUM), exclusive of VAT. The monthly fee is subject to a minimum of Thirty Five Thousand Pesos (Php35,000.00) plus VAT. Lastly, the Fund bears the cost of all out of pocket expenses incidental to the provision of stock transfer agency services by GAMC.

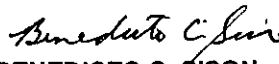
All of the offered shares are common shares, voting with identical rights and privileges, and may be owned by any person or entity, regardless of nationality. The shares are eligible for payment of dividends, which depends, among other factors, upon the Fund's unrestricted retained earnings, cash flow and financial condition. Cash dividends and property dividends may be declared by the Board of Directors and no stockholder approval is required. Dividends paid in the form of additional 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. Please refer to the section entitled "Dividends".

No dealer, selling agent or any other person has been authorized to give information or make any representation not contained in this Prospectus. This Prospectus does not constitute an offer to sell or a solicitation of an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction or to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The delivery of this Prospectus at any time does not imply that the information herein contained is correct as of any time subsequent to this date. The information contained in this Prospectus has been supplied by the GBFC unless otherwise stated. The GBFC accepts full responsibility for the accuracy of the information given herein, and confirms that there are no omissions of fact that would make any statement in this Prospectus misleading. The GAMC, the investment manager, principal distributor and administrator of the GBFC has

exerted reasonable efforts to verify the information herein and does not make any representations or warranties as to the accuracy or completeness of the materials contained herein.

Please read this Prospectus carefully before investing.


ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED
HEREIN IS TRUE AND CURRENT.


BENEDICTO C. SISON
President

SUBSCRIBED AND SWORN to me before this OCT 14 2016 day of 2016, the affiant
exhibiting to me his Passport No. EC5670334 issued on 16 June 2012 at PCG-San Francisco.

Notary Public

Doc No. 184
Page No. 37
Book No. 52
Series of 2016.


GAUDENCIO A. BARBOZA, JR.
NOTARY PUBLIC
Cities of Pasig, Taguig and San Juan and
the Municipality of Pateros, Metro Manila
(until December 31, 2016)
PTR No. 5439400 / 01-13-16 MKT
IDV No. 1016421 / 12-22-15 RSM
ROLL No. 41969
CLE Comp. V-0021481 / May 02, 2016
No. 17 United-Freemont Arcade Bldg
Law Bldg. Brgy. San Antonio, Pasig City
Appointment No. 95 (2015-2016)

RISK DISCLOSURE STATEMENT

I. GENERAL RISK WARNING

- The price of securities can and does fluctuate, and any individual security may experience upward or downward movements, and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling securities.
- Past performance is not a guide to future performance.
- There is an extra risk of losing money when securities are bought from smaller companies. There may be a big difference between the buying price and the selling price of these securities.
- An investor deals in a range of investments each of which may carry a different level of risk.

II. PRUDENCE REQUIRED

This risk disclosure does not purport to disclose all the risks and other significant aspects of investing in these securities. An investor should undertake his or her own research and study on the trading of securities before commencing any trading activity. He/she may request information on the securities and issuer thereof from the Commission which are available to the public.

III. PROFESSIONAL ADVICE

An investor should seek professional advice if he or she is uncertain of, or has not understood any aspect of the securities to invest in or the nature of risks involved in trading of securities specially those high risk securities.

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PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus.

Issuer

GREPALIFE BALANCE FUND CORPORATION

Investment Objective

The Fund seeks to provide moderate growth and a steady income stream through investments in high quality equity securities and equity-linked securities as well as high quality corporate and government debt securities. See page 16 for a more detailed discussion of investment objectives and policies.

Type of Issue

Open-end investment company

Shares Offered

Common stock

Par Value

One Centavo (P0.01) per share

Offering Price

The Offer Price will be the NAVPS as at the end of the day. 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 DFFS and for conversion to shares, if any, as of the end of the reporting day.

Sales Load

Investment Size	Sales Load
P5,000 to P49,999.99	2.00%
P50,000 to P99,999.99	1.75%
P100,000 to P499,999.99	1.50%
P500,000 to P999,999.99	1.25%
P1,000,000 and up	not more than 1%

Minimum Investment

The minimum initial investment is Five Thousand Pesos (P5,000.00) and subsequent investments shall be for a minimum of Five Hundred Pesos (P500.00). All sales shall be on cash basis. Installment sales are expressly prohibited.

Redemption Price

The price of securities surrendered for redemption within the daily cut-off time shall be the NAV per share computed at the end of the banking day, while those surrendered after the daily cut-off time shall be deemed to have been received on the next banking day and will be processed accordingly. Payment shall be made no later than seven (7) banking days from receipt of redemption request.

Daily Cut-Off Time

12:00 Noon

Redemption Charge

Investment Amount	Redemption Charge
P5,000 to P49,999.99	2.00%
P50,000 to P99,999.99	1.75%
P100,000 to P499,999.99	1.50%
P500,000 to P999,999.99	1.25%
P1,000,000 and up	not more than 1%

Redemption charges apply only if investments are redeemed within one (1) year from the date of investment. There are no redemption charges if investments are redeemed after one (1) year from the date of investment. Redemption charges are computed based on the original investment cost.

RISKS OF INVESTING

Prospective investors should carefully consider the matters addressed under "Risk Factors" before making an investment decision regarding the Offer Shares. Each of these matters could have adverse consequences to the Fund.

These risks (as described and explained under "Risk Factors") include:

- Market Risk: Interest Rate Risk
- Credit Risk
- Liquidity Risk
- Regulatory Risk
- Non-guarantee Risk
- Dilution Risk
- Large Transaction Risk
- Fund Manager Risk

The enumerated risks could adversely affect the redemption value of the securities for the shareholders resulting in losses should the shareholder redeem his shares when the NAVPS of the Fund is below his acquisition cost. For a more detailed discussion of these risks to be considered in connection with an investment in the Fund's shares, see "Risk Factors".

SUMMARY OF FINANCIAL INFORMATION

GREPALIFE BALANCED FUND CORPORATION

(An Open-End Investment Company)

GREPALIFE BALANCED FUND CORPORATION (An Open-End Investment Company) STATEMENTS OF FINANCIAL POSITION

	June 30, 2016	December 31, 2015
ASSETS		
Cash and cash equivalents	Php 59,319,011	Php 86,064,941
Financial assets at fair value through profit or loss	202,781,693	173,652,819
Available-for-Sale Financial Asset	6,210,000	6,210,000
Accrued interest receivable	3,239,506	2,927,998
	Php 271,550,210	Php 268,855,758
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	Php 176,005	Php 187,343
Due to related parties	391,231	361,962
Total Liabilities	567,236	549,305
EQUITY		
Capital stock	1,936,006	2,009,464
Additional paid-in capital	247,497,623	255,929,809
Revaluation Reserve on Available-for-sale financial asset	182,212	172,556
Retained earnings	21,367,133	10,194,624
Total Equity	270,982,974	268,306,453
	Php 271,550,210	Php 268,855,758
Net Asset Value Per Share	Php 1.3997	Php 1.3352

GREPALIFE BALANCED FUND CORPORATION (An Open-End Investment Company) STATEMENTS OF COMPREHENSIVE INCOME

	June 30, 2016	June 30, 2015
INVESTMENT INCOME		
Interest Income	Php 4,770,814	Php 4,545,495
Gain (loss) on Sale of Financial Assets	1,156,663	336,808
MTM Valuation	10,551,821	(682,627)
Foreign Exchange gain	-	455
	16,479,298	4,200,131
OPERATING EXPENSES		
Management fees	1,338,617	1,024,724
Distribution and Administration fees	1,264,249	967,796
Fees to Custodian bank	19,755	9,831
Professional fees	44,968	20,414
Directors' fees	15,000	22,500
Fees to stock transfer agent	163,591	79,611
Taxes and licenses	47,490	50,785
Foreign exchange loss	668	-
Miscellaneous	116,791	73,647
	3,011,129	2,249,308
INCOME BEFORE INCOME TAX	13,468,169	1,950,823
PROVISION FOR INCOME TAX	914,129	861,901
INCOME AFTER INCOME TAX	12,554,040	1,088,922
OTHER COMPREHENSIVE INCOME	9,656	1,020
INCOME AFTER INCOME TAX	Php 12,563,696	Php 1,089,942
Basic/Diluted Earnings (Loss) Per Share	Php 0.0632	Php 0.0080

FUND FEATURES

Issuer	:	GREPALIFE BALANCED FUND CORPORATION
Type of Issue	:	Open-End Investment Company
Shares Offered	:	Common Stock
Par Value	:	One Centavo (P0.01) per share
Offering Price	:	At NAVPS computed at the end of the day, if payment is made within the daily cut-off time, plus the applicable sales load and VAT on the sales load.
Sales Load	:	The sales load is a charge added to the amount of investment according to the following schedule:

Investment Size
P5,000 to P49,999.99
P50,000 to P99,999.99
P100,000 to P499,999.99
P500,000 to P999,999.99
P1,000,000 and up

Sales Load
2.00%
1.75%
1.50%
1.25%
not more than 1%

Daily Cut-Off Time	:	12:00 noon
Minimum Investment	:	Minimum initial investment of 5,000.00 Pesos worth of shares and a minimum of 500.00 Pesos worth of shares for additional purchases.
Redemption Price	:	The price of securities surrendered for redemption within the daily cut-off time shall be the NAV per share computed at the end of the banking day while those surrendered after the daily cut-off time shall be deemed to have been received on the next banking day and will be processed accordingly. Payment shall be made by the Custodian Bank no later than seven (7) banking days from receipt of redemption request.
Redemption Charge	:	The redemption charge is computed based on the original investment cost and is deducted from the redemption proceeds based on the following schedule:

Investment Cost	Redemption Charge
P5,000 to P49,999.99	2.00%
P50,000 to P99,999.99	1.75%
P100,000 to P499,999.99	1.50%
P500,000 to P999,999.99	1.25%
P1,000,000 and up	not more than 1%

Redemption charges apply only if investments are redeemed within one (1) year from the date of investment. There are no redemption charges if investments are redeemed after one (1) year from the date of investment.

GLOSSARY

The following words or expressions used in this Prospectus, unless the context otherwise requires, shall have the following corresponding meanings:

***The GAMC or Investment Manager
or Principal Distributor or Administrator***

Grepalife Asset Management Corporation

***The GBFC or the Issuer or
the Fund or the Registrant***

Grepalife Balanced Fund Corporation

BSP

Bangko Sentral ng Pilipinas

Commodities

Goods, wares, and any merchandise of any kind; articles of trade or commerce; or articles of merchandise movable in trade.

Custodian Bank

Deutsche Bank AG, Manila (Deutsche Bank)

Forward Exchange Contract

An agreement between two parties to exchange two currencies at a pre-agreed exchange rate and delivery date.

Investment Application Form

The form to be used by the Principal Distributor and its sub-distributors for investors to purchase the shares of stock of the Fund in accordance with the terms and conditions of the Fund as described in this Prospectus.

Investment Company

A company that is an issuer of securities and which company is or holds itself out as being engaged primarily or proposes to engage primarily in the business of investing, reinvesting or trading in securities.

Investor

Any person, association, or corporation with the intention of investing in the shares of the Fund.

NAV

Net Asset Value

Open-end Investment Company

An investment company, which is offering for sale or has outstanding any redeemable security of which it is the issuer.

P or Pesos

Philippine Pesos, lawful currency of the Republic of the Philippines

R.A. 2629

Republic Act No. 2629 or the Investment Company Act of 1960

Redemption Fee

The fee, computed on investment cost that is charged stockholders for having their investments redeemed within specified retention periods.

Retention Period

The amount of time a shareholder's investment remains invested in the Fund.

Sales Load

The fee, computed on investment cost that is charged stockholders for the purchase of the Fund's shares.

SEC

Securities and Exchange Commission

Shareholder or Stockholder

Any natural or juridical person who has subscribed to the shares of the Fund.

***Stock Transfer Agent
VAT***

Grepalife Asset Management Corporation
Value Added Tax

INFORMATION WITH RESPECT TO REGISTRANT

Description of Business

The Fund

Grepalife Balanced Fund Corporation is organized as a stock corporation on November 27, 2007 under SEC Registration No. CS200717497. It is a diversified, open-end investment company.

At the special meeting of the stockholders of the said Corporation held at the principal office on June 25, 2010, at which meeting there was a quorum, the stockholders representing at least two-thirds (2/3) of the outstanding capital stock, in person or by proxy, approved the increase of the Corporation's authorized capital stock from Two Million Pesos (Php2,000,000) divided into Two Hundred Million Shares (200,000,000), with a par value of One Centavo (Php0.01) per share to Six Million Pesos (Php6,000,000) divided into Six Hundred Million Shares (600,000,000), with a par value of One Centavo (Php0.01) per share.

As of August 31, 2016, the Fund has an authorized capital stock of Six Million Pesos (P6,000,000.00) divided into Six Hundred Million (600,000,000) common shares at One Centavo per share (P0.01), of which One Hundred Ninety One Million Three Hundred Fifteen Thousand Three Hundred Eighteen (191,315,318) shares are issued and outstanding.

Open-end mutual fund companies in the Philippines are organized as stock corporations. The Fund may become fully subscribed at any point in time. In such case, the Fund would continue to accept deposits for future subscription ("DFFS") in anticipation of an increase in capital, subject to the requirements of the law and regulations on the same. The DFFS accepted would be earmarked for the issuance of the appropriate number of shares that the DFFS would have purchased as of date of acceptance. Upon approval of the increase in authorized capital stock and upon registration of the new shares resulting therefrom with the Securities and Exchange Commission, the Fund would release the shares equivalent to the DFFS accepted, according to the "first in, first out" rule.

The Fund is principally engaged in the sale of its shares of stock. The investment objective of the Fund is to provide moderate growth and a steady income stream through investments in high quality equity securities and equity-linked securities as well as high quality corporate and government debt securities.

The Fund is ready to redeem the shareholding of any investor at the applicable NAV per share.

Distribution

The Fund aims to be one of the major players in the industry by providing competitive returns and excellent service to the segments of the investing public that remain untapped by existing mutual funds. In particular, this segment of the market would be the retail market where investment sizes average P 50,000 or lower. It is in this niche that the Fund expects to be one of the dominant players in the industry.

The Fund participates in the mutual funds sector which is a sub-sector of the financial services industry. In recent years, this industry has seen increased liberalization and an influx of competition principally begun during the Ramos administration but carried on with varying intensity during succeeding administrations. There are no national geographical boundaries as the nature of the industry and prevailing technology make it possible for the various players to offer their services to almost any place in the country.

Competition

The Fund principally competes directly with the Unit Investment Trust Funds ("UITFs") offered by commercial banks and other mutual funds in the Philippines, such as the fixed income mutual funds

managed and distributed by Philam Asset Management, Inc., and by Sun Life Asset Management Co., Inc. However, the Fund does not have any knowledge on the relative size, financial and market strengths of the Fund's competitors. The Fund principally competes in terms of returns and the associated risks of the return.

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

Below are the top three (3) Asset Management companies in the Philippines in terms of Net Asset Value (NAV) as of 30 June 2016.

	Mutual Fund Company	Net Asset Value (in PHP)	Market share*
1	ALFM Mutual funds	90,802,513,380	35.94%
2	Philam Asset Management, Inc., Inc.	54,249,930,827	21.47%
3	Sun Life Asset Management Co., Inc.	52,733,820,273	20.87%

**as a percentage of the mutual funds industry AUM*

Below are the top three (3) mutual fund companies in the Balanced Fund primarily invested in Peso Security category as of 30 June 2016:

	Mutual Fund Company	Net Asset Value (in PHP)	Market share*
1	Sun Life Prosperity Balanced Fund, Inc.	15,493,163,924	42.37%
2	Philam Fund, Inc.	10,884,554,540	29.77%
3	Sun Life Prosperity Dynamic Fund, Inc.	3,203,307,095	8.76%

**as a percentage of the mutual funds industry AUM*

Transactions with and/or Dependence on Related Parties

The Grepalife Asset Management Corporation ("GAMC") is the investment manager, principal distributor and administrator of the Fund. GAMC is confident that it can effectively manage the investments, distribute the shares and administer the operations of the Fund because of its internal pool of seasoned mutual fund professionals.

The Fund is indirectly affiliated to Grepalife by virtue of the GAMC providing investment advice to the former. The Fund and GAMC also have the same Chairman and President. On the other hand, the following firms are affiliated to the GAMC, by way of direct and indirect ownership:

- Sun Life Grepa Financial, Inc.
- Sun Life Financial Philippine Holding Company, Inc.
- GPL Holdings, Inc.

The GAMC is 100% owned by Sun Life Grepa Financial, Inc. is 51% owned by GPL Holdings, Inc. and 49% owned by Sun Life Financial Philippine Holding Company, Inc.

The amounts and the balances arising from the related party transactions are as follows:

Asset Manager:	June 2016	December 2015
Management, distribution and administration	P 352,031	P 361,962
Stock transfer fees	39,200	
Total	P 391,231	P 361,962

Investment Objectives and Legal Restrictions

The Fund aims to generate income in Philippine Pesos consistent with prudent management of the Funds' assets. The Fund is governed by the following fundamental investment policies:

1. The Fund shall not issue senior securities.
2. The Fund shall not incur any further debt or borrowing unless at the time of its incurrence or immediately thereafter there is an asset coverage of at least three hundred percent (300%) for all its borrowings. In the event that such asset coverage shall at any time fall below three hundred percent (300%), the Fund shall within three (3) days thereafter, reduce the amount of its borrowings to an extent that the asset coverage of such borrowings shall be at least three hundred percent (300%).
3. The Fund shall not participate in any underwriting or selling group in connection with the public distribution of securities, except its own capital stock.
4. The Fund will generally maintain a diversified portfolio. Industry concentrations may vary at any time depending on the investment manager's view on the prospects.
5. The Fund shall not invest more than twenty percent (20%) of its net assets in real estate properties and developments, subject to investment restrictions and/or limitations under applicable law, if any.
6. The Fund shall not purchase or sell commodity futures contracts.
7. The Fund shall 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.
8. The proportion of the Fund's assets that shall be invested in each type of security shall be determined from time to time, as warranted by economic and investment conditions.
9. Subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions.
10. The Fund may use various techniques to hedge investment risks.
11. The Fund will not change its investment objectives without the prior approval of a majority of its shareholders and prior notice to the SEC.

Investment Policy

The Fund seeks to provide optimum returns consisting of current income and capital growth through investment in a mix of fixed income instruments, equity-linked securities, as well as pooled funds, from both domestic and foreign issuers, subject to the regulations set by the SEC. Pooled funds include, but are not limited to:

1. Mutual funds
2. Exchange-traded funds
3. Private equity funds
4. Other pooled fund classes that the fund manager deems appropriate for the fund.

Equity-linked securities include, but are not limited to, equity-linked options and real estate investments trusts (REITs)

Policies with Respect to Security Investments

1. Type of securities, which the registrants may invest in, and the proportion of the assets which may be invested in each such type of security.
The Fund's objective is to generate as high a level of current income as is considered consistent with the preservation of capital and general fund liquidity. For purposes of liquidity, regulations require that each Fund invest a minimum of five percent (5%) of the Fund's net assets in liquid or semi-liquid assets, such as:

- i. Treasury notes or bills, certificates of indebtedness issued by the BSP which are short-term, and other government securities or bonds and such other evidence of indebtedness or obligations, the servicing and repayment of which are fully guaranteed by the Republic of the Philippines; and
- ii. Savings or time deposits with government-owned banks or commercial banks, provided that in no case shall any such savings or time deposit accounts be accepted or allowed under a "bearer" or "numbered" account or other similar arrangements. The Fund expects to invest more than 10% in the aforementioned securities and deposits.

2. Percentage of assets, which the Fund may invest in the securities of any one issuer.

The maximum investment of the Fund in any single enterprise shall not exceed the amount equivalent to fifteen percent (15%) of the Fund's net asset value except obligations of the Philippine Government or its instrumentalities.

3. Percentage of outstanding securities of any one issuer, which the Fund may acquire.

The total investment of the Fund shall not exceed ten percent (10%) of the outstanding securities of any investee company.

4. Investment in other companies for the purpose of exercising control or management.

The Fund has no intention of exercising control or management over other companies.

5. The Fund shall not purchase from or sell to any of its officers or directors or the officers or directors of its Investment Adviser, Manager or Distributor or firms of which any of them are members, any security other than the Fund's own capital stock.

6. The total operational expenses of the Fund shall not exceed ten percent (10%) of its average investment fund or net worth as shown in its previous Audited Financial Statements.

The formula shall be as follows:

$$\text{Total expense ratio (\%)} = \frac{\text{Total Operating expenses}}{\text{Average Net Asset Value}} * 100$$

"The average daily net asset value shall be indicated in the investment company's Quarterly and Annual Reports.

7. Until the SEC provides otherwise, the Fund shall not short sell securities or invest in any of the following:

- i. Margin purchases of securities (investment in partly paid shares are excluded),

- ii. Commodity futures contracts,
 - iii. Precious metals, and
 - iv. Unlimited liability investments such as a general partnership.
8. Minimum investment is PHP5,000.00 while subsequent investment is PHP500.00.
9. SEC Memorandum Circular No. 10, series of 2006 requires that investment in bonds and evidence of indebtedness registered and traded on an organized market in a foreign country whose issue and issuer borrower are rated at least BBB.
10. Investments in foreign securities shall be in accordance with SEC Memorandum Circular No. 7, series of 2005, as amended entitled "Guidelines on the Evaluation of Foreign Investments by Mutual Fund Companies."

Compliance with the Investment Company Act

In compliance with the requirements of the R.A. No. 2629, otherwise known as the Investment Company Act of 1960 or ICA, the Fund is organized as a stock corporation with a minimum subscribed and paid-in capital of Fifty Million Pesos (P50,000,000.00).

All the Members of the Board of Directors of the Fund are Filipino citizens and all shares of its capital stock are common and voting shares. The Articles of Incorporation of the Fund provide for the waiver of pre-emptive rights of stockholders.

As of June 30, 2016, the Fund is in compliance of the minimum subscribed and paid-in capital.

Compliance With Leading Practice On Corporate Governance

The Company adheres to the guidelines established by the Code of Corporate Governance (CCG) issued by the Securities and Exchange Commission. The Internal Audit and Compliance Group has been mandated to establish an evaluation system to determine and measure compliance with the provisions of the Manual.

The Evaluation system targets the following:

- 1. The Board of Directors
- 2. Management Executives / Officers

Recognizing the differences in functions and duties of the foregoing company officers and executives, a different evaluation for each has been required, in order to get the most responsive feedback on Corporate Governance compliance.

For members of the Board of Directors, they are required to conduct a self-evaluation on the Board's corporate governance-related policies and practices, as well as undertake a Corporate Governance assessment of the President/CEO. This evaluation is conducted on an annual basis.

Management Executives and other officers of the corporation are likewise required to accomplish their individual evaluation on Compliance with the company's policies on Corporate Governance. This evaluation provides the disclosures of business interests and certification on compliance with the Company's policies and an undertaking to continuously promote and uphold compliance with the company's Corporate Governance Manual. Where there are committed or noted deviations from the Corporate Governance policies, the same shall likewise be disclosed therein, specifying the details of such deviation.

There are no reported incidents of noncompliance with the CCG for the year 2015.

The current corporate governance of the company is sufficient to meet the needs of the stockholders satisfactorily.

Prevention of Money-Laundering and Terrorist Financing

As part of the Fund's responsibility for the prevention of money-laundering under the Anti-Money Laundering Act of 2001 (R. A. 9160), as amended, the Terrorism Financing Prevention and Suppression Act of 2012 (R.A. 10168) and other relevant rules and regulations, the Fund or an entity acting on its behalf may require evidence verifying the identity of a prospective purchaser of shares and the source of the relevant funds. Whether or not such evidence will be required and, if so, the nature and extent of such evidence will depend on the particular circumstances. The Fund and any entity acting on its behalf reserve the right to request such information as considered necessary to verify the identity of a proposed purchaser of shares in each case, and the Fund has absolute discretion to refuse to accept a subscription for shares in the event of delay or failure in the provision of any such information required. The Fund and /or relevant government agencies shall immediately preserve the subject property or funds upon receipt of the notice of a freeze order, in accordance with the order of the court of competent jurisdiction or the AMLC. The owner or holder of the property or funds shall be given a copy of the notice of the freeze order.

Compliance with Data Privacy Act of 2012 (Republic Act No. 10173)

The investor expressly authorizes the collection, processing, use, storage and destruction of 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 Issuer's branches, subsidiaries, affiliates, agents and representatives, industry associations and third 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/email/fax/SMS/telephone, customer satisfaction surveys; compliance with court and other lawful orders and requirements. The investor holds the Funds free and harmless from any liability that may arise from any transfer, disclosure, processing, collection, use, storage or destruction of said information.

Changes in Circumstances (in Compliance with the Foreign Account Tax Compliance Act also known as FATCA or Chapter 4 of the US Internal Revenue Code)

Investor shall notify the Fund in writing and provide the required details or documents within thirty (30) days from a change of his circumstances which 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 US 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;

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 the account. The right to terminate the account will only be exercised after the investor has 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 the policy or take any steps other than termination in order to comply with applicable laws.

Effect of Existing or Probable Governmental Regulations on the Business

The Fund's operations are subject to various regulations affecting accounting of assets and taxation, for example. The Fund is a registered open-end investment company under the Investment Company Act (R.A. 2629), the Securities Regulation Code (R.A. 8799 or "SRC"), and their respective implementing rules and regulations ("IRR"), such as ICA Rule 35-1 and the SRC IRRs. R. A. 2629 is the main legislation that regulates the mutual fund industry and promotes investor protection. These laws and regulations could change and as a result, investors may experience lower investment

returns or even losses depending on what such a regulatory change entails. Senate and congressional bills amending R. A. 2629 have been filed, the most prominent of which is the bill on the proposed Collective Investment Schemes Law. If passed into law, such would be of possible benefit to the mutual fund industry.

Employees

The Fund has no employees and relies totally on the GAMC for its day-to-day operations. For its part, GAMC will be paid a monthly investment management fee equivalent to nine-tenths of one percent (0.90%) per annum of the NAV of the Fund's assets, computed on a daily basis. The GAMC shall likewise receive from the Fund a distribution fee of one-half percent (0.50%) per annum and an administration fee of three and one half-tenths of one percent (0.35%) per annum, both based on the NAV of the Fund's assets, computed on a daily basis. The NAV is determined by computing the total value of the Fund's assets less its liabilities in accordance with the procedure used in computing the NAV of each share of the Fund.

Description of Property

The Fund does not own any real property, plant and equipment, mines, patents, etc.

The GBFC does not intend to acquire assets other than financial securities as it is only in the business of investing, reinvesting and trading in such securities.

DESCRIPTION OF SECURITIES TO BE REGISTERED

Securities of the Fund

Each share of stock of the Fund is a voting stock with voting rights equal to every other outstanding share of stock, and subject to the following:

Rights of Shareholders

- **Right of Redemption**

The holder of any shares of stock of the Fund, upon presentation to the Fund or to any of the Fund's duly authorized representatives, of the Confirmation Receipt or stock certificate, and upon filing of the duly accomplished redemption form, shall receive by way of redemption approximately his proportionate share in the Fund's prevailing net assets or the cash equivalent thereof at the time of filing of the redemption request (i.e., the net current asset value per share, subject to existing laws and the By-Laws of the Fund). Pursuant to the Investment Company Act Rule 35-1(c) (4), "In case of open-end investment funds, the investment company may establish a network of redemption centers acceptable to the Commission." Likewise, Investment Company Act Rule 35-1 (e)(6) states that "The Commission may, whenever necessary or appropriate in the public interest or for the protection of investors, suspend the redemption of securities of open-end companies."

- **Right of Accumulation**

The investments of each stockholder shall be totaled in determining the appropriate sales load to be applied to his subsequent investment. For this purpose, in-trust-for accounts shall be considered as part of the total investments in the Fund of an investor/trustor.

- **Waiver of Pre-emptive Rights**

No stockholder shall, because of his ownership of stock, have a pre-emptive or other right to purchase, subscribe for, or take any part of any stock or of any other securities convertible into or carrying options or warrants to purchase stock of the Fund. The Fund's Articles of Incorporation

further provide that any part of such stock or other securities may at any time be issued, auctioned for sale, and sold or disposed of by the Fund pursuant to the resolution of its Board of Directors, to such persons and upon such terms as the Board may deem proper, without first offering such stock or securities or any part thereof to existing stockholders.

- **Restrictions on Transfer**

No transfer of stock of the Fund's stock, which would reduce the stock ownership or equity interest of Filipino citizens to less than the percentage required by applicable laws or regulations, shall be caused or allowed to be recorded in the books of the Fund.

- **Distribution of Dividends**

The Board of Directors of the Fund may decide to declare dividends from the unrestricted retained earnings of the GBFC at a time and percentage as the same Board may deem proper and in accordance with law. There is currently no restriction that limits the ability of the Fund to pay out dividends apart from what is provided by law and what is sound business practice.

Cash dividends and property dividends may be declared by the Board of Directors and no stockholder approval is required. Stock dividends paid on the Offer Shares are subject to approval by both the Board of Directors and the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Fund at a stockholders' meeting called for such purpose.

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

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

- **There are no any other material rights of common stockholders.**

There is no provision in the charter or by-laws that would delay, deter or prevent a change in control of the registrant.

While the DFFS holders are not shareholders (hence, they do not have the rights to vote and receive dividends), they have the right to ask for a return of their DFFS amounts at any time based on NAVPS at the time of withdrawal

Sales Load

The sale loads applicable for the various levels of investments are as follows:

Investment Size	Sales Load
P5,000 to P49,999.99	2.00%
P50,000 to P99,999.99	1.75%
P100,000 to P499,999.99	1.50%
P500,000 to P999,999.99	1.25%
P1,000,000 and up	not more than 1%

Subscriptions must be paid in full upon submission of the application for subscription.

Subscription Procedure

An Investment Application Form and signature cards must be submitted together with the appropriate payment. Once submitted, the Investment Application may not be cancelled in full or in part. An Investment Application, once accepted, shall constitute an agreement between the Investor and the GAMC, in the manner and subject to the conditions set forth in this Prospectus and the Investment Application Form.

Eligible Investors

The shares of the Fund may be purchased and held by any person of legal age or duly organized and existing corporations, partnerships or corporate entities regardless of nationality. The Investor shall declare and warrant that there are no legal restrictions prohibiting the purchase of the shares applied for and that the Investor is otherwise eligible throughout the duration of the period that the Investor remains a stockholder of the GBFC.

Purchase of the shares of the Fund may be restricted by law in certain jurisdictions. Foreign investors interested in subscribing to the shares should get information on the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile and as to any relevant tax or foreign exchange control laws and regulations affecting them personally.

Requirements for Corporate Applicants

For investors other than individuals, the following documents, in addition to the Investment Application Form and the signature cards, must be accomplished and shall be considered integral parts thereof:

- (1) Copy of the Investor's SEC Certificate of Registration, Articles of Incorporation and By-Laws;
- (2) Notarized corporate secretary's certificate setting forth the resolutions of the Investor's Board of Directors or equivalent body:
 - (a) Authorizing the purchase of a specified Peso amount worth of shares of the Fund; and
 - (b) Designating the signatories for the purpose.

Minimum Investment

The minimum initial investment is Five Thousand Pesos (P5,000.00) and subsequent investments shall be for a minimum of Five Hundred Pesos (P500.00).

Acceptance of Investment Applications

Applications for the number of shares and the applicable NAV are subject to acceptance and approval by the Principal Distributor. The Principal Distributor reserves the right to reject, scale-down and reallocate any application for the shares for whatever reason. Applications for which check payments are dishonored upon first presentment, as well as those which do not comply with the requirements set in this Prospectus and Investment Application Form, shall be rejected.

The Principal Distributor shall inform the Investor of such reduction or rejection within three (3) banking days after submission of the investment application.

All investment applications shall be covered by the rules and regulations of the Anti-Money Laundering Act. The GBFC likewise commits to comply with the same act.

Payment Terms

Subscriptions shall be paid in full upon submission of a duly accomplished and executed Investment Application Form. Payments must be made in the form of personal or corporate check or cashier's or manager's check, drawn against a bank account with a BSP authorized agent bank. All such checks must be made payable to "GREPALIFE BALANCED FUND CORPORATION", dated as of the date of

the Investment Application, and remitted directly to the Principal Distributor at its principal office or deposited to GREPALIFE BALANCED FUND CORPORATION's bank account with its Custodian Bank. All investments made by check shall be credited to the investor's account on the day of check clearing. Remittance charges incidental to any investment shall be shouldered by the investor. In the case of direct deposit of an investment to the Fund's bank account, a copy of the deposit slip together with the Investment Application Form must still be delivered to the Principal Distributor's office, initially by fax on the day of deposit, and eventually in hard and original copies. A Confirmation Receipt and Official Receipt will be issued after two (2) working days upon acceptance of the Investment Application by the Principal Distributor (provided that the documents were received within the 12:00 noon cut-off time), to confirm the purchase of the shares of the Fund.

Refunds

Refunds of payments for any rejected or scaled-down applications shall be made without interest by the Principal Distributor not later than ten (10) calendar days from the date of submission of the application. The respective Investor shall receive a check, crossed "Payee's Account Only," mailed or delivered at the Investor's risk to the address specified in the Investment Application Form or to the corresponding distributor or any authorized investment salesmen of the Investor.

Delivery of Stock Certificates

Each stockholder of the Fund is entitled to receive a stock certificate representing ownership of the shares of the Fund. However, an Investor has an option not to request for stock certificates because the legal requirements for replacing lost certificates entail costly and lengthy procedures. Nevertheless, if an Investor still wants to receive a stock certificate, he must indicate so in the Investment Application Form. Stock certificates shall be made available to the Investor as soon as practicable at the office of the Transfer Agent. Any certificate that remains unclaimed for a period of thirty (30) days shall be mailed to the address specified in the Investment Application Form at the risk of the Investor.

Computation of Net Asset Value

The NAV is determined by computing the total value of the Fund's assets less its liabilities in accordance with the procedure used in computing the NAV of each share of the Fund. The NAV per share computation shall be made in accordance with the valuation method indicated in this Prospectus and shall be applied consistently. Any change in the NAV per share calculation or valuation method shall be subject to approval by the SEC. Except as the SEC shall, from time to time prescribe, the NAV per share ("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 DFFS and for conversion to shares, if any, as of the end of the reporting day.

Redemption of Shares

The holder of any shares of stock of the Fund, upon its presentation to the Fund in its principal office or to any of its duly authorized representatives of the confirmation receipt or stock certificate, and upon filing of the redemption request form, is entitled to receive by way of redemption approximately his proportionate share of the GBFC's current net assets or the cash equivalent thereof, i.e. the current NAV per share, subject to the existing laws and By-laws of the Fund. A valid I.D. must be presented to claim the check proceeds of the redemption. Proceeds of redemption requests shall be paid out in crossed check in the name of the investor or his lawful beneficiaries or credited to his bank bearing the same account name as his GBFC investment and provided that all credit and/or remittance charges, if any, shall also be borne by the said Investor. In the case of payment of redemption proceeds to the lawful beneficiaries of investors, the appropriate documentation and identification, as provided by law, must be presented.

For securities surrendered for redemption before the banking day cut-off time of 12:00 noon, the price, at which the GBFC's securities may be redeemed, shall be computed based on the NAV per share at the end of the banking day when such request for redemption is received. Should the request for redemption be received after the said banking day cut-off time, it shall be deemed to have

been received on the next banking day, and the applicable NAV per share to be used as basis for redemption shall be that which shall be computed at the end of the next banking day when such request for redemption is deemed to have been received.

The Fund shall compute and post its NAV per share on a daily basis and shall publish such daily prices in at least two (2) newspapers of general circulation in the Philippines and post them daily in a conspicuous place at the Fund's principal office as well as in all its branches or correspondent offices that are designated as redemption centers.

There shall be no minimum holding period. However, applicable redemption charges plus twelve percent (12%) VAT on the redemption charge shall be deducted from the redemption proceeds as follows:

Investment Cost	Redemption Charge
P5,000 to P49,999.99	2.00%
P50,000 to P99,999.99	1.75%
P100,000 to P499,999.99	1.50%
P500,000 to P999,999.99	1.25%
P1,000,000 and up	not more than 1%

Redemption charges apply only if investments are redeemed within one (1) year from the date of investment. There are no redemption charges if investments are redeemed after one (1) year from the date of investment. Redemption charges are computed based on the original investment cost. Payments for redeemed shares shall be effected within seven (7) banking days from receipt of the request for redemption.

The cost of check and remittance charges, if any, incurred in the process of paying redemption proceeds shall be for the account of the investor and shall be deducted from the said proceeds.

The Fund shall not suspend the right of redemption or postpone the date of payment or satisfaction upon redemption of any redeemable security in accordance with the terms appearing in this Prospectus, for more than seven (7) banking days after the tender of such security to the GAMC, except on the instances prescribed by applicable Philippine laws or regulations.

Benefits to the Investor

- **Professional Management and Supervision**

Investing in the Fund gives the Investor an opportunity to become a part owner of a professionally managed portfolio of securities. Thus, the Investor is saved from the very costly and prohibitive management fees of professional investment advisers. Also, he is relieved from the difficult task of research and analysis. The GAMC, which has the expertise, time and facilities to make profitable investment decisions, is in charge of what and when to buy and sell the securities.

- **Diversification**

One of the tools used to manage investment risk is diversification. Given the limited size of investible funds of a small investor, he does not have the financial resources to diversify. Investing in the Fund will give him that diversification and thus provide stability by insulating his investment from the ups and downs of any one security, thereby reducing risk.

- **Opportunity for Potentially Higher Returns**

For a minimal amount of Five Thousand Pesos (P5,000.00), the Investor can get a better opportunity for income compared to other fixed-income investments because of the benefit of economies of scale. However, there is no guarantee of yields on an investment in the Fund as the prices of securities it holds in its portfolio may increase or decrease.

- **Liquidity**

The Investor of the Fund may, at any time, convert his proportionate share of the Fund's current

net assets into its cash equivalent; provided that he submits to the GBFC all pertinent requirements as shown in the section headed "Redemption of Shares." There is no need to find a buyer as the Fund is always ready to redeem its shares.

RISK FACTORS

Before investing, potential investors should consider carefully the factors set forth below in conjunction with the other information contained in this Prospectus, in evaluating an investment in the Offer Shares.

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

The Fund's Risk Officer is responsible for overseeing the management of risks resulting from the Fund's business activities. He reports to the Audit and Compliance Committee of the Board of Directors. His duties and responsibilities include, among others: monitoring the investments of the Fund to ensure that all identified gaps in management's risk and management processes are resolved on a timely basis; provide leadership to facilitate management's understanding of the risk management framework, policies and processes; ensuring that the Philippine risk management organization is appropriately staffed with individuals who have the requisite skills and competencies, and that the organization structure and reporting relationships are appropriate and sufficiently independent; organizing and participating in the risk workshops of the annual risk identification process; ensuring that business units identify plausible risk scenarios; ensuring that risk-based measurement and reporting metrics, including risk limits and exception reporting are established; assigning risk category to the final risk lists; providing expertise in the development of action plans to address the risks identified; reviewing and updating the risk report quarterly; identifying and escalating as appropriate any missed target dates for key risk action plans; and providing documented quarterly status updates on key risks to the Audit and Compliance Committee. Pursuant to the foregoing, the Risk Officer has identified the risks enumerated below in order of importance:

Market Risk: Interest Rate Risk is a type of Market Risk which is applicable to the Fund's investments in bonds, if any. This refers to the increase/decrease of a bond price due to movement in market factors such as changes in interest rates. A change in interest rates is the period when interest rates rise or fall thus causing the decline or increase in the market price of 14 the bonds held by the Fund, if any. This risk is minimized by closely monitoring the direction of interest rates and aligning it with the appropriate strategy of the Fund.

Credit Risk: Investments in bonds carry the risk that the issuer of the bonds might default on its interest and principal payments. In the event of default, the Fund's value will be adversely affected and may result in a write-off of the concerned asset held by the Fund. To mitigate the 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. Further, the credit quality of the Issuer/Borrower/Counterparty is reviewed periodically to ensure that excellent credit standing is maintained. Moreover, a 10% exposure limit to a single entity is likewise observed.

Liquidity Risk: The Fund is usually able to service redemptions of investors within seven (7) banking days after receipt of the notice of redemption by paying out redemptions from available cash or near cash assets in its portfolio. However, when redemptions exceed the Funds available cash or near cash assets in its portfolio, the Fund will have to sell its other security holdings; and during periods of extreme market volatility, the Fund may not be able to find a buyer for such assets. Consequently, the Fund may not be able to generate sufficient cash from its sale of assets to meet the redemptions within the normal seven (7) banking day period. To mitigate this, the Fund maintains adequate highly liquid assets in the form of cash, cash equivalents and near cash assets in its portfolio. As the Fund's portfolio is composed of liquid assets, liquidity risk is deemed low.

The following are additional risks present in managing the Fund, however, non-quantifiable.

Regulatory Risk: The Fund's investments and operations are subject to various regulations affecting among others, accounting of assets and taxation. These regulations occasionally change, and may result in lower returns or even losses borne by the investors. For example, a higher tax imposed on the sale or purchase of underlying assets of the Fund may result in lower net asset value of the Fund. To mitigate this risk, GAMC adopts global best practices. Further, it maintains regular communications with the relevant government agencies to keep itself abreast of the issues giving them concern, and to have the opportunity to help them set standards for good governance. GAMC also takes an active participation in the Philippine Investment Funds Association, Inc. ("PIFA"), an association of mutual fund companies in the Philippines.

Non-guarantee Risk: Unlike deposits made with banks, an investment in the Fund is neither insured nor guaranteed by the Philippine Deposit Insurance Corporation ("PDIC"). Hence, investors carry the risk of losing the value of their investment, without any guaranty 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.

Dilution Risk: Being an open-end mutual fund, various investors may effectively subscribe to any amount of shares of the Fund. As such, investors face the risk of their investments being diluted as more investors subscribe to shares 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.

Fund Manager Risk: The performance of the Fund 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 Issuer, however, shall ensure that all investment policies and restrictions enumerated in this Prospectus are strictly followed.

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: In furtherance of its investment objective, that is, to generate income in Philippine Pesos consistent with prudent management of the Fund's assets, the Fund's portfolio may consist of fixed income and other related securities of the Philippine Government, and commercial papers issued by corporations within the Philippines, certificates of deposits, and other short-term instruments. Considering the nature of the aforementioned investments, the Fund is classified as a low-to-moderate risk investment.

The GBFC applies the mark to market method pursuant to PAS No. 39 in valuing its security holdings. Mark to market valuation requires that investment portfolios are valued at their theoretical liquidation values based on the latest available market prices. Since market prices for investment securities tend to fluctuate on a daily basis, the GBFC's NAVPS will also tend to fluctuate correspondingly. There is therefore a potential for an investor to realize a redemption value for his investment in the GBFC that is lower than his original cost should the same investor make the redemption during a time when security market prices are on a downtrend. Similarly, an investor may realize a redemption value for his investment in the GBFC that is higher than his original cost should the investor make the redemption during a time when security market prices are on an uptrend.

USE OF PROCEEDS

Proceeds from the sale of the Offer Shares will be used to invest in high quality equity securities and high quality corporate and government debt securities.

The Fund's investment manager shall be guided by the Fund's 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 of the Fund, shall be held by the designated custodian banks.

The Fund shall not make loans to other interested persons such as members of its Board of Directors, officers of the Fund and any of its affiliates/affiliated corporations. The Fund shall not acquire assets or finance the acquisition of other business. It does not have any existing debt, thus, proceeds shall not be utilized to settle any existing indebtedness or obligation.

Expenses charged to the Fund include, but are not limited to, remuneration of the members of the Board who are not officers and/or employees of GAMC, SEC filing fees, documentary stamp taxes, registration statement fees, transfer, distribution, and management fees.

Below are the estimated expenses for the registration of the Offer Shares:

Estimated Expenses	
SEC Registration Fees	Php 842,680.00
Publication & Printing	90,500.00
Professional Fees	100,000.00
TOTAL	<u>Php1,033,180.00</u>

As of August 31, 2016, the net proceeds of the Fund are estimated to be as follows (as computed by multiplying 600, 000, 000 offer shares by Php 1.4132 NAVPS as of August 31, 2016):

Gross Proceeds	PHP	847,920,000.00
Less: Estimated Expenses		<u>1,033,180.00</u>
Net Proceeds	PHP	846,886,820.00

The proceeds derived by the Fund from the sale of its shares including the payments for original subscriptions during incorporation shall be deposited and held by the Fund's Custodian Bank, as required by Article IV(4.3) of the Rules and Regulations Governing Investment Companies under Republic Act 2629. The net proceeds from the sale of the shares of stock of the Fund, net of any sales fees and taxes, shall be used for investment purposes in accordance with the policies set forth in the sections headed "Investment Policy" and "Investment Restrictions" of this Prospectus. No part of the proceeds derived by the Fund from the sale of its shares shall be used to discharge debt. Neither shall any of the said proceeds be used to reimburse any officer, director, employee or shareholder for service rendered, assets previously transferred, money loaned or advance or otherwise.

DETERMINATION OF OFFERING PRICE

The Offer Price will be the NAVPS as at the end of the day. 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 DFFS and for conversion to shares, if any, as of the end of the reporting day.

The banking day cut-off time for the reckoning of the date of submission of the subscription application shall be 12:00 noon. If the application is received on or before the said cut-off time, the shares shall be valued based on the NAV per share computed at the end of the same banking day.

For applications received after the cut-off time, they shall be deemed to have been received on the next banking day. In both instances, an applicable sales load and VAT on the sales load shall be charged on top of the investment amount. The NAV per share shall be the computed difference between total assets of the Fund and its total liabilities divided by the number of shares outstanding.

DILUTION

When fully sold, the increase in the Fund's authorized capital will dilute the percentage holdings of the current shareholders by 75%, should the current shareholders not subscribe to the increase in authorized capital.

PLAN OF DISTRIBUTION

Parties Involved in the Fund

- Investment Manager, Principal Distributor and Administrator

The Grepalife Asset Management Corporation (GAMC), a corporation duly organized and existing under and by virtue of Philippine laws with office address at the 6F Grepalife Building, 221 Sen. Gil Puyat Avenue, Makati City acting as the Fund's Investment Manager, Principal Distributor and Administrator, was incorporated on June 15, 2004 with an authorized capital stock of Forty Million Pesos (Php40,000,000.00) divided into Forty Million shares (40,000,000) at a par value of One Peso (Php1.00) per share. The GAMC currently has a paid-up capital of Thirty Million Pesos (Php30,000,000.00). Sun Life Grepa Financial, Inc. is the parent company of the GAMC, holding Thirty Million (30,000,000) shares. The guidelines for the management, distribution and administration of the resources and operations of the Fund by the GAMC are set in the Management, Distribution and Administration Agreement entered into by the parties.

GAMC is licensed by the Commission to act as investment manager, principal distributor and administrator of the Fund.

GAMC only engages the services of salesmen registered by the Commission for the distribution of the Fund's shares.

GAMC's renewal of license as investment manager, principal distributor and administrator by the Market Regulation Department was approved by the Commission last November 27, 2015 and it will expire one year after its issuance.

- Custodian Bank

The Custodian Bank of the GBFC is Deutsche Bank. The Custodian Bank Agreement establishes the partnership between the Fund, the GAMC and the Custodian Bank. It covers the Custodian Bank's duties on receipt of investments, redemption procedures to be used, reports and records to be accomplished by the custodian bank, procedures governing the transfer of the GBFC's shares and accounts of investors, custody of certificates representing investments made by the fund manager for the Fund and fees of the Custodian Bank.

Deutsche Bank charges a monthly custodian fee equivalent to 0.015% per annum based on the month-end face value of the Php Government Securities settled at RoSS, deposited by the Fund with the bank for safekeeping, while 0.010% per annum of the month-end market value for Scripless listed equities and Fixed income securities settled at PDTC. Lastly, the Fund bears the cost of all taxes and out of pocket expenses incidental to the provision of custodianship services by the bank.

- **Stock Transfer Agent**

The Fund transferred to Grepalife Asset Management Corporation (GAMC) from Deutsche Bank AG, Manila (Deutsche bank) as its designated stock transfer agent, on June 1, 2016. GAMC charges the Fund a monthly fee, which is accrued at 0.05% p.a. of the daily Asset under management (AUM), exclusive of VAT. The monthly fee is subject to a minimum of Thirty Five Thousand Pesos (Php35,000.00) plus VAT. Lastly, the Fund bears the cost of all out of pocket expenses incidental to the provision of stock transfer agency services by GAMC.

INTERESTS OF NAMED EXPERTS AND INDEPENDENT COUNSEL

Legal Matters

The law office of Pasiliao Soriano and Partners serves as the Fund's legal counsel. There is no expert or independent counsel hired on a contingent basis.

There is no expert or independent counsel that has a direct or indirect interest on the fund.

Independent Auditors

Per SRC Rule 68 (dated October 20, 2011) "The independent auditors or in the case of an audit firm, the signing partner, of the aforementioned regulated entities shall be rotated after every five (5) years of engagement. A two-year cooling off period shall be observed in the re-engagement of the same signing partner or individual auditor."

The name of the independent public accountant being submitted for election by the shareholders is SGV & Company for the year 2015. SGV & Company has been the Grepalife Balance Fund Corporation's independent public accountant since the year 2007.

Representatives of SGV & Company:

- (i) are expected to be present at the security holders' meeting;
- (ii) will have the opportunity to make a statement if they desire to do so; and
- (iii) are expected to be available to respond to appropriate questions.

During the two (2) most recent fiscal years, Sycip, Gorres, Velayo & Co./ Ernst & Young has served as the Fund's principal accountants and external auditors. The signing partner is Mr. Michael C. Sabado who served in capacity in 2013 to replace Ms. Cyril Jasmin B. Valencia, who has served in said capacity since 2010. The external auditor is designated in accordance with Section 29 of the Investment Company Act subject to ratification at the annual stockholders' meeting by the vote of a majority of the outstanding voting securities attending.

Neither do any of the GBFC's named experts nor independent legal counsel have any direct or indirect interests in the Fund that exceed Five Hundred Thousand Pesos (P500,000) or its equivalent in US Dollars.

LEGAL PROCEEDINGS

There is no material pending legal proceeding to which the Fund or any of its subsidiaries or affiliates is a party or of which any of their property is the subject. There are no bankruptcy petitions filed by or against any business of which such person was a general partner or executive officer whether at the time of the bankruptcy or within two (2) years prior to that time. There is no conviction by final judgment, in a criminal proceeding, domestic or foreign, or the Fund being subject to a pending criminal proceeding, domestic or foreign. The GBFC has not been found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the said judgment has not been reversed, suspended or vacated.

Neither the GBFC nor any of its subsidiaries/affiliates are the subject of any material pending legal proceedings.

MARKET PRICE FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

On February 10, 2011, the Securities and Exchange Commission (the "SEC") approved the Fund's authorized capital to from Two Million Pesos divided in to Two Hundred Million shares (200,000,000) to Six Million Pesos (P6,000,000.00) divided into Six Hundred Million shares (600,000,000) with the par value of One Centavo (P0.01) per share. The Fund had a minimum subscribed and paid-in capital of Fifty Million Pesos (P50,000,000) at incorporation.

Pursuant to Article IV, Section 4.4 of the SEC's rules and regulations governing R.A. 2629, the incorporators of the Fund agreed not to sell, transfer, convey, encumber or otherwise dispose of their shares in the Fund within a twelve-month (12) month lock up period from the registration date of the Fund. This lock up period has expired.

Being an open end mutual fund, the Fund's shares are not traded on any exchange, be it organized or informal. Shares of the Fund are bought and sold from the Fund itself. The Fund stands ready to buy or sell its shares at the current Net Asset Value Per Share ("NAVPS").

Market Information

The Authorized Share Capital of the Fund as of August 31, 2016 is P6,000,000.00 divided into 600,000,000 shares with a par value of P0.01 per share.

As of August 31, 2016, the Fund has capital stock of 191,315,318 shares, equivalent to P270,366,807.40 at a NAVPS of PHP 1.4132.

NAV HISTORY

		Q1		Q2		Q3		Q4	
2009	High							30-Dec-09	1.0780
	Low	NA		NA		NA		30-Nov-09	1.0474
2010	High	6-Mar-10	1.0809	28-Jun-10	1.0976	22-Sep-10	1.1425	7-Nov-10	1.1638
	Low	4-Mar-10	1.0738	1-Apr-10	1.0757	1-Jul-10	1.0967	7-Dec-10	1.1349
2011	High	3-Jan-11	1.1467	28-Jun-11	1.1632	11-Sep-11	1.1814	29-Dec-11	1.1952
	Low	11-Feb-11	1.1315	7-Apr-11	1.1385	1-Jul-11	1.1631	5-Oct-11	1.1659
2012	High	9-Jan-12	1.1973	27-May-12	1.2089	2-Sep-12	1.2777	13-Dec-12	1.3268
	Low	9-Feb-12	1.1783	2-May-12	1.1845	4-Jul-12	1.1854	3-Oct-12	1.2698
2013	High	31-Mar-13	1.4755	5-May-13	1.4967	31-Jul-13	1.4304	7-Nov-13	1.4262
	Low	1-Jan-13	1.3239	26-Jun-13	1.3912	8-Jul-13	1.3778	23-Dec-13	1.3655
2014	High	18-Mar-14	1.3439	8-Jun-14	1.3564	17-Jul-14	1.3492	26-Nov-14	1.3710
	Low	4-Mar-14	1.3102	17-Apr-14	1.3272	12-Sep-14	1.3303	1-Oct-14	1.3353
2015	High	2-Feb-15	1.4032	2-Jun-15	1.3625	11-Aug-15	1.3821	29-Oct-15	1.3688
	Low	13-Mar-15	1.3339	5-May-15	1.3427	8-Jul-15	1.3530	10-Dec-15	1.3113
2016	High	30-Mar-16	1.3773	28-Jun-16	1.4002				
	Low	15-Mar-16	1.3135	13-Apr-16	1.3510				

Holders

The Fund has approximately 142 shareholders as of August 31, 2016.

Top Twenty (20) Shareholders

On 16 December 2012, SEC en banc approved the confidential treatment of the list of Top 20 shareholders of the Fund, including it's the 5% and 10% beneficial owners. This is to protect the investors' privacy, which is a privilege they enjoy when they invest in other shared investment vehicles, such as unit investment trust funds, and when they invest in bank deposits.

Dividends

The Board of Directors of the Fund may decide to declare dividends from the unrestricted retained earnings of the GBFC at a time and percentage as the same Board may deem proper and in accordance with law. There is currently no restriction that limits the ability of the Fund to pay out dividends apart from what is provided by law and what is sound business practice. The Fund has not declared any cash dividends since its inception.

Recent Sales of Unregistered or Exempt Securities

There are no sales of unregistered or exempt securities as of August 31, 2016.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Interim Period – June 30, 2016

The Fund ended June 30, 2016 with a NAV/share of P1.3997 higher by 4.83% from its NAV/share in December 31, 2015 of P1.3352.

As of June 30, 2016, the Fund's portfolio allocation remained in high yielding bonds as follows:

Cash and Cash Equivalents	21.84%
Investments in Medium to Long-term securities	76.97%
Receivables	1.19%

The company posted a net income of P12.55 million as of the quarter ended June 30, 2016. The income was derived mainly from Unrealized Gain on Mark to Market Investment valuation amounting to P10.55 million and from Interest income amounting to P4.77 million. The interest income was higher by P0.23 million as compared to the second quarter of the previous year due to more bonds held in the current year. The current year also have favorable market prices resulting to an increase of P11.23 million in market value, as against second quarter of 2015. The expenses for the 2nd quarter increased by P0.76 million which was mainly attributed to the increase in management, administration and distribution fees by P0.31 million, P0.12 million and P0.17 million, respectively. Management, administration and distribution fees were computed based on the Fund's net asset.

Total assets stood at P271.55 million, P2.69 million higher as compared to the previous yearend balance, due to higher market prices of bonds in the 2nd quarter. Financial assets at fair value through profit and losses financial assets increased by P29.13 million due to purchase of bonds to earn higher interest income.

Total liabilities stood at P0.57 million, P0.02 million higher than the previous year. The increase was attributed to months of unpaid fees as of June 2016.

Net Assets increased by P2.68 million from P268.31 million at the end of previous year. The net increase was due to net income as of the 2nd quarter (P12.55 million income, netted against P10.28 million redemptions during the first two quarters of 2016).

The average daily net asset value for June 30, 2016 and June 30, 2015, are P266,448,241.49 and P207,162,836.36, respectively.

For the 2nd quarter of 2016, the Fund was able to comply with all the portfolio diversification requirements of the SEC.

Yearend performance

2015 vs. 2014

The Fund ended 2015 with an NAV/share of P1.3352, fell by -1.66% from its NAV/share in December 31, 2014 of P1.3577. By the end of 2015 the Fund's asset portfolio consists only of the following:

Cash and Cash Equivalents	32.01 %
Accrued Interest Receivable	1.09 %
Investments in Medium to Long-term securities	66.90 %

The company posted a net loss of P3,569,620 for the year ended 2015. The loss for the year was derived from the unrealized fair value loss of P7,613,572. Market prices are lower in 2015 as compared to 2014. Interest income is lower by 1,441,990 as compared to the previous year due to lower interest rate of bond holdings in 2015. On the other hand, total operating expenses amounted to P5,412,092 in 2015, which is higher by P343,491 from 2014. The increase was attributed to higher management, distribution and administration fees in 2015. These fees are dependent on the size of Asset under management (AUM).

Total assets increased by P105,131,489 in 2015 as against 2014 due to investors' subscriptions in the second quarter. Financial assets at fair value through profit and loss and cash and cash equivalents increased by P40,769,254 and P63,616,127, respectively, due to purchases of bonds and Time Deposit placements.

Total liabilities in 2015, decreased by P316,089, compared with the liabilities in 2014, due to settled redemptions at yearend.

Redemptions in 2015 totaled 31,454,849 shares. The Fund's outstanding shares at yearend is 200,946,373 shares out of its Six Hundred Million (600,000,000) authorized capital shares. By the end of 2015, the Fund has 165 investors.

During 2015, the Fund was able to comply with all the portfolio diversification requirements of the SEC.

As of December 31, 2015 GBFC is not aware of any event within the foreseeable future that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation. There are neither significant elements of income or loss that arose from the GBFC's continuing operations.

There are currently no events that will trigger any direct or contingent financial obligation that is material to the Fund. As of the year end December 31, 2015, the Fund had no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Fund with unconsolidated entities or other persons created during the reporting period.

Top Five (5) Key Performance Indicators For The Year Ending December 31, 2015 and the period ending 30 June 2016

The performance of a fund is important to its investors. Oftentimes, it is used when making investment decisions. That is why Key Performance Indicators (KPI), a set of quantifiable measures, is necessary to gauge its performance in terms of meeting the Fund's investment objective while consistently following its investment policy. The following are the top 5 KPIs related to the Fund:

1. **Total Return.** The performance of a mutual fund is always expressed in terms of its total return, which is the sum of the change in a fund's net asset value (NAV), its dividends and its capital gains distributions over a given period of time, net of its expenses.
2. **Market Conditions.** A fund's true performance potential needs to be evaluated within the context of the market environment prevailing during the different periods used.

It is most relevant to investors to measure the performance of a fund within a 5-year time frame as it will most likely cover a mix of market conditions that may be translated into a more reliable long-term indicator of the fund manager's investment management abilities.

Name of the Fund	NAV per share (30-June-16)	1 Year Return (p.a.)	3 Year Return (p.a.)	5 Year Return (p.a.)	Since Inception (March 2010)
GBFC	1.3997	3.03%	0.14%	3.77%	39.97%

3. **Benchmarks.** Benchmarking is one of the most important aspects of a mutual fund's total return performance. a fund's performance metrics only have meaning if they are compared to appropriate "guideposts," or benchmarks.

As for the Fund, considering that it is invested in high-quality debt instruments issued by the Republic of the Philippines and prime Philippine companies, its performance is measured against 95% HSBC ALBI Index + 5% 30-day Special Savings Account.

	Benchmark: 95% HSBC ALBI Index + 5% 30-day Special Savings Account	Grepalife Balanced Fund Corporation
1 year return*	0.19%	-1.66%
YTD return**	1.68%	4.83%

*as of December 31, 2015

**as of June 30, 2016

4. **Peer Comparisons.** Mutual funds are also compared to their peers, or peer groups, and relevant fund categories. For example, it is common for investment research materials to compare a Balanced fund, like the Fund, to funds similar in nature (peers or peer group). While this information is made available to the Fund's investors, the same may be found in the website of the PIFA at www.pifa.com.ph.
5. **Asset Size.** Open-ended mutual funds grow their asset size in two ways:
 - i. Increase in the value of the underlying assets as a result of the strong performance of equity securities and/or bonds in the fund's portfolio. When the underlying assets in a portfolio increase in value, the fund's asset size increases.

- ii. The inflow of investors' money. This is why a fund's asset size will continue to grow even if it has a negative return.

The increase in a fund's asset size signifies solid fund management skills which, combined with favorable market conditions backed by a strong economic outlook, illustrates how effectively a fund manager has performed and the extent to which value has been added through active management.

The second indicates investor confidence in the fund manager, the Fund, or both.

Fund's Asset Value

30-Jun-16	31-Dec-15	% change*
P270,982,974	P268,306,453	1.00%

* The net increase was due to income for the quarter.

There are currently no events that will trigger any direct or contingent financial obligation is material to the Fund. The Fund had no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Fund with unconsolidated entities or other persons created during the period.

There are currently no events that will trigger any direct or contingent financial obligation that is material to the Fund. As of June 30, 2016, the Fund had no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Fund with unconsolidated entities or other persons created during the reporting period.

There are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations of the Fund. There are also no significant elements of income or loss that did not arise from the Fund's continuing operations.

The GBFC does not know of any event within the foreseeable future that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation. There are neither significant elements of income or loss that arose from the GBFC's continuing operations.

**CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS
ON ACCOUNTING AND FINANCIAL DISCLOSURE**

There are no changes in and disagreements with the Fund's accountants on accounting and financial disclosures.

There are no other assurance related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements.

AUDIT AND AUDIT RELATED FEES

For 2015 and 2014, aggregate fees billed for professional services rendered by the external auditor for the audit of the Fund's annual financial statements and services normally provided by external auditors in connection with statutory and regulatory filings amounted to PHP90,182 and PHP81,990 respectively, inclusive of VAT and out-of-pocket expenses. There were no other payments made to the auditor for any other service, including assurance, tax, and related services.

DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

Directors and Executive Officers

As of the date of this Prospectus, the directors and officers of the Fund are as follows:

RIZALINA G. MANTARING

Director/Chairman (2011 to present)

Ms. Mantaring, 56, Filipino, is currently the Chairman of the eleven Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Money Market Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., and Sun Life Prosperity World Voyager Fund, Inc. (the "11 Sun Life Prosperity Funds"). She is also the Chairman of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation ("Grepalife Funds") (2011 to present). She serves as the President & CEO of Sun Life of Canada (Philippines), Inc. ("SLOCPI") (2009 to present), Sun Life Financial Plans, Inc. ("SLFPI") (2009 to present) and, a Director of the Sun Life Asset Management Company, Inc. ("SLAMCI") (2007 to present). Ms. Mantaring is Independent Director of Ayala Land, Inc. and Microventures Foundation, Inc. Prior to the foregoing, Ms. Mantaring was Deputy President of the Sun Life Financial Philippines group of companies (2009) and Regional Chief Operations Officer of Sun Life Financial Asia (2008 to 2009). She also served as Chief Operating Officer of SLOCPI (1999 to 2008) and Information Systems Head, Asia Pacific Division of the Sun Life Assurance Company of Canada (1992 to 1999). Ms. Mantaring received her Bachelor of Science in Electrical Engineering (cum laude) from the University of the Philippines and Master of Science in Computer Science from the State University of New York at Albany. She is also a Fellow, Life Management Institute (with distinction) and Associate, Customer Service (with honors).

BENEDICTO C. SISON

President and Director (2015 to present)

Mr. Sison, 55, is President of the 11 Sun Life Prosperity Funds. He is also the Chief Financial Management and Strategy Officer of Sun Life in the Philippines. Before returning to the Philippines, Mr. Sison was the Chief Financial Officer of Sun Life Financial - Asia based in Hong Kong from 2012 to 2015. Prior to joining Sun Life in 2010 as Chief Financial Officer, Mr. Sison served as Finance Director - Asia Pacific of ConAgra International Food Group (2006 to 2010). He earned a Bachelor of Science degree in Business Administration (magna cum laude) from the University of the Philippines (Diliman) in 1983 and a Master's in Business Administration from the University of California Riverside in 1988. He is a certified public accountant (CPA), a Chartered Global Management Accountant (CGMA), and a member of the American Institute of CPAs (AICPA).

VALERIE N. PAMA

Director (2011 to present)/ President (2011 to 22 March 2013)

Ms. Pama, 52, Filipino, is currently a Director of the 8 Sun Life Prosperity Funds and of the Grepalife Funds i.e. Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation (2011 to present). Ms. Pama was formerly the President of the Sun Life Prosperity Funds and the Grepalife Funds (2011 to 2012). She also served as the Chief Operating Officer of Sun Life Asset Management Company, Inc. (2011 to 2012) before being appointed as its President in 2013. Ms. Pama is a veteran banker, having been in the industry for more than 20 years. She started her career with Citibank N.A. in 1990 as a Management Associate. By the time she retired from Citibank N.A. in 2009, Ms. Pama was the President of Citicorp Financial Services and Insurance Brokerage Inc. Prior to joining Sun Life, Ms. Pama was a product development consultant for ING Bank's Investment Management Group. Ms. Pama has held the chairmanship of the Philippine Investment Funds Association (PIFA) since 2011. Ms. Pama is a graduate of the Ateneo de Manila University with a Bachelor of Science degree in Management

Engineering. She obtained her MBA in International Business and Finance, with a minor in Business Economics from Katholieke Universiteit Leuven in Belgium. On her sophomore year in MBA, she was awarded *With Distinction* by the university for her exemplary academic performance.

ALELI ANGELA G. QUIRINO

Independent Director (2011 to present)

Atty. Quirino, 72, Filipino, is an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation ("Grepalife Funds") (2011 to present). She is also an Independent Director of Sun Life of Canada Prosperity Balanced Fund, Inc. (2009 to present), Sun Life of Canada Prosperity Bond Fund, Inc. (2000 to present), Sun Life of Canada Money Market Fund, Inc. (2004 to present), Sun Life Prosperity Dynamic Fund, Inc. (2012 to present). She is currently a Senior Counsel of Angara Abello Concepcion Regala & Cruz Law Offices (ACCRA Law). She also serves as Director-Treasurer of SysNet Integrators, Inc. (2001 to present), EP2, Inc. (2003 to present), Ideawurx Inc. (2001 to present), ELC Beauty, Inc./Estee Lauder Phils. (2002 to present), Vani-Txt, Inc. (2005 to present), and the Jejecom, Inc. (2011 to present), among others. She also serves as a Director of Anglo-Eastern Crew Management (SPV-AMC), Inc. (1999 to present), Plaka Athena Holdings Corporation (2005 to present), New Pacific Resources Management (SPV-AMC), Inc. (2007 to present), LNC (SPV) – AMC Corp. (2005 to present), and LNC 3 Asset Management, Inc. (2006 to present). She is the Vice-Chairman and Trustee of Ateneo de Manila Law Alumni Association, Inc. (2008 to present), and Asian Patent Attorney Association (2012 to present). She is also the Vice-President and Philippine Councilor of ASEAN Intellectual Property Association (2015 to present) and Vice-President and ExCom Member of Association Internationale pour la Protection de la Propriete Intellectuelle (2004 to present). She is the Trustee of Cancare Foundation, Inc. (2010 to present), Trustee-Treasurer of Intellectual Property Foundation, Inc. (1998 to present), and Trustee-Corporate Secretary of Assumption College, Inc. (1996 to present). Atty. Quirino received her Bachelor of Arts and Bachelor of Science in Education (*magna cum laude*) from Assumption College and Bachelor of Laws (with honors) from the Ateneo de Manila University.

OSCAR S. REYES

Independent Director (2011 to present)

Mr. Reyes, 70, Filipino, is an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation ("Grepalife Funds") (2011 to present). He is also an Independent Director of the Sun Life Prosperity Dollar Abundance Fund, Inc. (2004 to present), Sun Life Prosperity Dollar Advantage Fund, Inc. (2002 to present), Sun Life of Canada Prosperity GS Fund, Inc. (2011 to present), Sun Life Prosperity Money Market Fund, Inc. (2011 to present), Sun Life of Canada Prosperity Bond Fund, Inc. (2011 to present), Sun Life Prosperity Dynamic Fund, Inc. (2012 to present). His other positions are: member of the Advisory Board of the Philippine Long Distance Telephone Company (PLDT) and of the Board of Directors of the Bank of the Philippine Islands, Manila Water Co., Inc., Pepsi Cola Products Philippines, Inc. (Chairman), PLDT Communications and Energy Ventures, Inc., Basic Energy Corporation, Cosco Capital Inc. and Sun Life Financial Plans, Inc., among other firms. He is a Director of Manila Electric Company where he also holds the position of President and Chief Executive Officer. He is also President of Meralco PowerGen Corporation and Chairman of Meralco Industrial Engineering Services Corporation (MIESCOR), CIS Bayad Center, Meralco Energy, Inc. (MEI), Redondo Peninsula Energy, Inc., Miescorrail Inc. and PacificLight Pte. Ltd. He served as Country Chairman of the Shell Companies in the Philippines and concurrently President of Pilipinas Shell Petroleum Corporation and Managing Director of Shell Philippines Exploration B.V. He is a member of the Board of Trustees of One Meralco Foundation, Inc., Pilipinas Shell Foundation, Inc., SGV Foundation, Inc. and El Nido Foundation, Inc. He completed his Bachelor of Arts degree in Economics at the Ateneo de Manila University in 1965 (*Cum Laude*) and did post-graduate studies at the Ateneo Graduate School of Business, Waterloo Lutheran University and the Harvard Business School.

MARIA JOSEFINA A. CASTILLO
Treasurer (2012 to Present)

Ms. Castillo, 43, Filipino, is the Treasurer of the Grepalife Funds, Grepalife Asset Management and the Sun Life Grepa Financial Inc. (2012 to present). Prior to joining the aforementioned companies, she was the Head of Regional Accounting and Control (June 2006- June 2011) and Manager of Asia Accounting (2003 to 2006) of Sun Life Financial Asia Services Ltd. She also worked with CMG Philippines (1997-2003), Permanent Plans, Inc. (1997-1998) and Sycip, Gorres, Velayo & Co. (1994-1996). She earned her Bachelor of Science in Accountancy from the Miriam College Foundation, Inc. She has a degree of Master of Business Administration from the University of the Philippines. Ms. Castillo is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants.

JEMILYN S. CAMANIA
Corporate Secretary (2011 to present)

Atty. Camania, 40, Filipino, is also the Corporate Secretary of SLOCPI (2010 to present), SLFPI (2010 to present), SLAMCI (2005 to present), Sun Life Financial Philippines Holding Co., Inc. (2012), Sun Life Financial-Philippines Foundation, Inc. (2012), the 11 Sun Life Prosperity Funds (2005 to present), GAMC (2011 to present), Great Life (2012), and the 3 Grepalife Funds (2011 to present). She also serves as Assistant Corporate Secretary of SLGFI (2012). She started at Sun Life as Assistant Counsel (2004), became its Counsel (2007 to 2011) and Senior Counsel (2011 to 2012). She is currently Sun Life's Deputy General Counsel (2012 to present) and Head of General Corporate Services (01 May 2016). In April 2016, she was appointed in a concurrent capacity as Senior International Counsel for Sun Life Financial Asia. Prior to joining Sun Life, she was an Associate at the Cayetano Sebastian Ata Dado & Cruz Law Offices (2001 to 2004). Atty. Camania received her Bachelor of Arts in Psychology (1996) and Bachelor of Laws (2001) from the University of the Philippines. She was called to the Bar in 2002. She is also a Fellow, Life Management Institute (2010) and Professional, Customer Service (with honors) (2011) of LOMA.

MARIA CECILIA V. SORIA
Assistant Corporate Secretary (September 6, 2013 to present)

Atty. Soria, 41, Filipino, is the Assistant Corporate Secretary of the 11 Sun Life Prosperity Funds (September 2013 to present), and the 3 Grepalife Funds (September 2013 to present), and Sun Life Financial-Philippines Foundation, Inc. Prior to joining these companies, she worked as Associate, later promoted to Senior Associate, at Tan Venturanza Valdez (May 2010 to August 2013), as Senior Associate at Reyes-Fajardo and Associates (2009 to 2010) and SGV & Co. (2008 to 2009), as Associate at Medialdea Ata Bello & Guevarra (2007-2008), and as Executive Assistant 6 at the Civil Service Commission (2006-2007). Atty. Soria received her Bachelor of Arts in Political Science and Bachelor of Laws from the University of the Philippines. She was admitted to the Philippine Bar in May 2007.

CONCHITINA D.L. GREGORIO
Compliance Officer (2014 to present)

Atty. Gregorio, 51, Filipino, is the Chief Compliance Officer of SLOCPI, SLFPI, SLAMCI, the 11 Sun Life Prosperity Funds, SLGFI, GAMC, Great Life, and the 3 Grepalife Funds. Before joining Sun Life, Atty. Gregorio headed the Compliance Department of Metrobank Card Corporation where she implemented the company's programs on compliance, money laundering & terrorist financing prevention and corporate governance. Atty. Gregorio also spent a number of years as a capital markets specialist and held legal and compliance roles in both the Philippine Stock Exchange and Fixed-Income Exchange. Atty. Gregorio received her Juris Doctor Degree from the Ateneo de Manila University and was admitted to the Philippine Bar in 1992.

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

Director/Officer	Fund	GAMC
Maria Josefina A. Castillo	Treasurer	Treasurer
Jemilyn S. Camania	Corporate Secretary	Corporate Secretary
Ma. Cecilia V. Soria	Asst. Corporate Secretary	n/a
Anna Katrina K. Ibero	n/a	Asst. Corporate Secretary
Conchitina D.L. Gregorio	Compliance Officer	Compliance Officer

Extent of Participation or Ownership of Members of the Board of Directors

Name of Subscriber	No. of Shares	Amount Subscribed
Rizalina G. Mantaring	1	₱ 0.01
Valerie N. Pama	1	0.01
Aleli Angela G. Quirino	1	0.01
Oscar S. Reyes	1	0.01
Benedicto C. Sison	1	0.01

Significant Employee

There is no significant employee who is expected by the Fund to make a significant contribution to the business.

Family Relationship

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

Involvement in Certain Legal Proceedings

None of the Board of Directors was:

- involved in any legal proceeding during the past five (5) years that are material to an evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter, or control person of the Fund;
- involved in any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time;
- involved in or convicted by final judgment in any criminal proceeding, domestic or foreign, or subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- subject to any order, judgment, or decree not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the said judgment has not been reversed, suspended or vacated.

COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE

The Fund has submitted to the Securities and Exchange Commission (SEC) its Corporate Governance Manual as approved by the Board of Directors.

The Fund has complied with the appropriate performance self-rating assessment as submitted to the SEC and has monitored compliance with the Manual.

In compliance with the Corporate Governance Manual, the Fund's Board of Directors in its March 10, 2008 Board meeting formed an Audit Committee which is chaired by an Independent Director and whose members are not part of management. There is also an Audit Committee Charter covering responsibilities on the following:

1. Management and financial reporting
2. Compliance with laws and regulations
3. Review of Internal Controls and Risk Management
4. Membership
5. Frequency of meetings (at least quarterly)
6. Committee authority
7. Board reporting obligations

The Audit Committee reviews and approves the audit scope, frequency and annual internal audit plan. It also reviews the status of all internal audit and external audit recommendations and their implementation.

The Head of Internal Audit reports directly to the Audit Committee. The internal audit examinations cover the evaluation of the adequacy and effectiveness of controls encompassing the Fund's governance, operations, and information systems. It also covers the effectiveness and efficiency of operations, the safeguarding of assets and compliance with laws, rules regulations and contracts. These audit activities are being conducted in accordance with the Standards for the Professional Practice of Internal Auditing.

There has been no deviation from the Fund's Manual of Corporate Governance during the review period. Such Manual is constantly reviewed. Apart from the regular quarterly audit reports to the Audit Committee and the Board of the Directors, the Head of Internal Audit may present changes or updates to the said Manual.

EXECUTIVE COMPENSATION

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

There is no employment contract between the Fund and a named executive officer. There is no compensatory plan or arrangement, including payments to be received from the Fund, with respect to a named executive officer in the event of resignation, retirement or any other termination of such officer's employment with the Fund and its subsidiaries.

The directors do not receive any form of compensation from inception up to the present other than a per diem for meetings attended, which is currently at PHP7,500.00 per meeting attended. Their contributed efforts to the Company are on a voluntary basis only. Also, there is no bonus, profit sharing or other compensation plan, pension or retirement plan, contract or arrangement in which any director or nominee for election as a director or executive officer of the Company will participate.

For the years 2015 and 2014, per diems of directors amounted to PHP52,500 and PHP60,000 respectively.

The Board has scheduled four (4) regular quarterly meetings for 2016, including the organizational board meeting after the annual shareholders' meeting. For the four (4) meetings, the Company forecasts a total directors' per diem of PHP60,000.00 for the year 2016.

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Certain Record and Beneficial Owners as of August 31, 2016

Title Of Class	Name, Address Of Record Owner And Relationship With Issuer	Name Of Beneficial Owner And Relationship With Issuer	Citizenship	No. Of Shares	Perce nt Of Class	Person To Exercise Vote
Common	Sun Life Grepa Financial Inc./ Grepalife Bldg. 221 Sen. Gil Puyat Ave., Makati City	Beneficial (B) and Record (R)	Filipino (Domestic)	111,176,994	58.12	Sun Life Grepa Financial, Inc.
Common	RCBC TA#79-262-4 / 9F, Yuchengco Tower RCBC Plaza, 6819 Ayala Avenue, Makati City 1600	Beneficial (B) and Record (R)	Filipino	13,379,385	6.99	RCBC Trust
Common	Ti-Mata, Valerie C./ 938 Benavidez St., Binondo Manila City/ None	Beneficial (B) and Record (R)	Filipino	10,461,219	5.47	Ti-Mata, Valerie C.

Other than being an investor in the Fund, Sun Life Grepa, RCBC Trust and Ms. Valerie Ti-Mata, has no other relationship with the GBFC. There is no trust agreement between Sun Life Grepa, RCBC Trust, Ms. Valerie Ti-Mata and GBFC ("The Fund"). The rights are limited to those of ordinary stockholders. Sun Life Grepa, RCBC Trust and Ms. Valerie Ti-Mata may appoint the President of the Fund, or in her absence, the Corporate Secretary as its proxy, giving her the power to vote or dispose of the shares or direct the voting or disposition of the shares held by it.

Security Ownership of Management as of August 31, 2016

Title Of Class	Name Of Beneficial Owner	Number Of Shares	Nature Of Beneficial Ownership	Citizenship	Percent Of Class
Common	Rizalina G. Mantaring	1	Beneficial (B) and Record (R)	Filipino	0.0000%
Common	Valerie N. Pama	1	B & R	Filipino	0.0000%
Common	Aleli Angela G. Quirino	1	B & R	Filipino	0.0000%
Common	Oscar S. Reyes	1	B & R	Filipino	0.0000%
Common	Benedicto C. Sison	1	B & R	Filipino	0.0000%

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influences. Related parties may be individuals or corporate entities.

GAMC acts as the investment manager, principal distributor and administrator of the Fund. The Fund entered into management, distribution and administration agreement with GAMC for the management of its resources and operations.

The amounts and the balances arising from the related party transactions are as follows:

Asset Manager:	30 June 2016	31 December 2015
Management, distribution and administration	P 352,031	P 361,962
Stock Transfer fees	39,200	-
Total	P 391,231	P 361,962

The fees payable to GAMC as investment manager is a monthly fee equivalent to nine-tenths of one percent (0.90%) per annum of the NAV of the Fund computed on a daily basis. The Fund also pays GAMC a distribution fee of one-half percent (0.50%) per annum and an administration fee of three and one half-tenths of one percent (0.35%) per annum, both based on the NAV of the Fund's net assets, computed on a daily basis. Distribution and administration fees payable to GAMC are only to the extent of the number of shares distributed by GAMC.

As to other Related Transactions described in SEC Memorandum Circular No. 14 series of 2004:

There are no material transactions with or involving the Fund or any of its subsidiaries in which a director, executive officer, or stockholder owns ten percent (10%) or more of the total outstanding shares, and any member of their immediate family had or is to have a direct or indirect material interest.

There are no transactions during the last two (2) years or proposed transactions, to which the Fund was or is to be a party in which any of the Fund's directors, executive officers or stockholders had or is to have a direct or indirect material interest.

There are no transactions by any security holder named in response to Part IV, paragraph C of Securities Regulation Code.

There are no transactions with promoters and there are no transactions that involve the nature and amount of anything of value (including money, property, contracts, options or rights of any kind) received or to be received by each promoter, directly or indirectly, from the Issuer and the nature and amount of any assets, services or other consideration received or to be received by the Fund.

There are no transactions as to any assets acquired or to be acquired from a promoter.

MATERIAL CONTRACTS AND AGREEMENTS RELATING TO THE FUND

Management, Distribution and Administration Agreement

Under this agreement, GAMC was appointed as the Investment Manager, Principal Distributor and Administrator of the Fund. Under the agreement, the services of the GAMC shall include the following:

1. Investment and reinvestment of the resources of the Fund in accordance with the investment policies and guidelines set by the Fund's Board of Directors in conformity with the Fund's Prospectus, the ICA and other applicable laws and regulations;
2. Preparation and submission of such information and data relating to economic conditions, industries, business, corporations, or securities as may be reasonably required by the Fund's Board of Directors or as the GAMC may deem to be necessary in formulating and evaluating its investment policies or guidelines;
3. Coordination of the activities of, and extension of all necessary cooperation or assistance to the Fund's Custodian Bank, the Transfer Agent, the auditors, and the legal counsel without prejudice to the direct responsibility of such firms to the Fund;
4. Preparation of such reports, circulars, notices and other information on internal corporate affairs that may be required, from time to time, by the Fund, its stockholders, Board of Directors, and/or officers, which shall include a monthly report on:
 - a. Revenues and disbursements broken down as to investments and expenses;
 - b. Sales and redemptions; and
 - c. Performance, changes in or status of the Fund's assets;
5. Representation with Government offices, instrumentalities and agencies, including all work required in registering the Fund's securities, obtaining proper licenses and permits, complying with other legal requirements including those requirements relevant to the GAMC's own operations, and submitting regular reports to various government agencies;
6. Accounting, bookkeeping, clerical and other administrative services in the ordinary conduct of the Fund's activities, other than those services provided by the Custodian Bank, the auditors, and the legal counsel;
7. Transactions with fixed income securities dealers for the account of the Fund in connection with the GAMC's investment and reinvestment of the Fund's assets;
8. Provide office space and other administrative facilities; and
9. Distribution of the shares of the Fund by salesmen registered by the Commission.

The fees payable to the GAMC as Investment Manager is a monthly fee equivalent to nine-tenths of one percent (0.90%) per annum of the NAV of the Fund's assets, computed on a daily basis. The GAMC shall likewise receive from the Fund a distribution fee of one-half percent (0.50%) per annum and an administration fee of three and one half-tenths of one percent (0.35%) per annum, both based on the NAV of the Fund's assets, computed on a daily basis. The NAV is determined by computing the total value of the Fund's assets less its liabilities in accordance with the procedure used in computing the NAV of each share of the Fund.

The appointment of GAMC as Investment Manager, Principal Distributor and Administrator of the Fund does not include the right to designate or nominate a member or members of the board of directors of the Fund.

Custodian Bank Agreement

Under the agreement, the Custodian Bank shall receive, safe keep, record, and account for the proceeds of the sale of the shares of stock of the Fund. The Custodian Bank shall, likewise, hold all the certificates representing the investments made by the Investment Manager in behalf of the Fund in accordance with the regulations of the SEC. The Custodian bank charges a monthly custodian fee equivalent to 0.015% per annum based on the month-end face value of the Php Government Securities settled at RoSS, deposited by the Fund with the bank for safekeeping while, 0.010% per annum of the month-end market value for Scripless listed Equities and Fixed income securities settled

at PDTC. The Custodian bank also charges transaction fees of P100 for each movement of local securities and \$35 for each movement of offshore securities, deposited for safekeeping.

Stock Transfer Agent Agreement

Under the agreement, the Stock Transfer Agent shall render the following services:

1. File the reports pertaining to the Fund as may be required by SEC and other government entities;
2. Prepare the list of stockholders for all regular or special meetings of the Fund's stockholders;
3. Prepare and mail out all notices, reports, and circulars to all stockholders upon prior request of the Fund or Investment Manager;
4. Prepare and mail dividend checks;
5. Prepare and issue stock certificates; and
6. Register all liens constituted on the shares of stock of the Fund.

INFORMATION INCLUDED IN REGISTRATION STATEMENT BUT NOT REQUIRED IN PROSPECTUS

Applicable Philippine Laws

Investment Company Act of 1960

The business of investment company/companies is primarily regulated by the Investment Company Act of 1960 and the SEC rules and regulations governing investment companies. Subject to the exceptions under the laws, an investment company is any issuer, which is or holds itself out as being engaged primarily, or proposes to engage primarily in the business of investing, reinvesting, or trading in securities. An investment company is either an open-end company or a closed-end company.

On one hand, an open-end company is an investment company that offers for sale or has outstanding redeemable security, of which it is the issuer. On the other hand, a closed-end company is any investment company other than an open-end company.

To be incorporated as an investment company, the following requirements should be complied with:

1. Minimum subscribed and paid-in capital of 50,000,000.00 Pesos;
2. All shares of stock should be common and voting shares. In the case of open-end companies, the articles of incorporation thereof should expressly deny the pre-emptive rights of stockholders;
3. All the members of the board of directors must be Filipino citizens.

The Investment Company Act, likewise, requires the registration of the investment company and of the shares of the investment company itself and to place and maintain its securities and similar investments in the custody of:

- a. a duly organized local commercial bank of good repute; or
- b. a company that is a member of a securities exchange as defined in the Securities Regulation Code subject to such rules and regulations of the Securities and Exchange Commission; or
- c. Such registered company, but only in accordance with such rules and regulations or order as the Commission may from time to time prescribed for the protection of investors.

Rights of Minority Shareholders

The right of a shareholder to institute on behalf of the corporation in a derivative suit is recognized by Philippine law. Derivative suits may be filed where the corporation itself is unable or unwilling to institute the necessary proceedings to redress a wrong committed against the corporation or to vindicate corporate rights. The regular courts have original and exclusive jurisdiction over intra-corporate controversies.

Shareholders have the right to inspect the records of the corporation. These records include minutes of all meetings of the board of directors and of the shareholders, and records of all business transactions of the corporation. However, the right of inspection may be denied if the shareholder seeking to examine the corporate records has improperly used any information secured through any prior examination of corporate records, or was not acting in good faith or with a legitimate purpose in making his demand for inspection.

Management

Corporate powers are exercised, all business conducted, and all properties of a corporation are controlled and held by the board of directors. However, a corporation may enter into a management contract with another corporation, for a period not exceeding five (5) years for any one term, subject to the approval of the board of directors and stockholders owning at least a majority (or in certain instances, two-thirds) of the outstanding capital stock of both the managing and managed corporations. The nature of an investment company's business, however, makes it imperative for the corporation to enter into a management contract with an investment manager/adviser. The Investment Company Act lays down the requirements for such kind of contract as follows:

1. The contract has been approved by the vote of a majority of the outstanding voting securities of the investment company;
2. The contract precisely described all compensation to be paid there under;
3. The contract shall continue in effect for a period more than two years from the date of its execution, provided that such continuance is specifically approved at least annually by the board of directors or by vote of a majority of the outstanding voting securities of such company;
4. The contract provides in substance that it may be terminated at any time without the payment of any penalty by the board of directors of the company or by vote of two-thirds (2/3) of the outstanding voting securities of such company or not more than sixty days written notice to the investment adviser; and
5. The contract provides in substance for the automatic termination in the event of assignment thereof by the investment adviser/manager.

Unless otherwise provided by the Corporation Code, the articles of incorporation or By-laws of the corporation, an act of the majority of the directors present in a meeting with a quorum shall be valid as a corporate act. Certain corporate acts, however, may only be effected with the approval of stockholders representing at least two-thirds (2/3) of the outstanding capital stock at a shareholders' meeting convened for the purpose. Matters requiring such shareholders' approval include, but are not limited to:

- The amendment of the articles of incorporation;
- The removal of directors;
- The sale, lease, exchange, mortgage, pledge, or other disposition of all or a substantial part of the assets of the corporation; and
- Investment of corporate funds in any other corporation, or business, or for any purpose other than primary purpose for which the corporation was organized.

Each member of the board of directors, who must hold at least one (1) share of the corporation, is elected for a one (1) year term during the annual meeting of stockholders of the corporation.

Each share of stock is entitled to one vote during shareholder's meeting. However, in the election of directors, each shareholder is entitled to such number of votes as is equal to the product of the number of shares owned by him and the other number of directors to be elected. The shareholder may cumulate his votes in favor of one candidate or distribute these votes in such proportion and amount between or among as many of the candidates as he may see fit. The election of directors may only be held at a meeting convened for that purpose at which shareholders representing a majority of outstanding capital stock are present in person or by proxy. However, any vacancy in the board, other than by removal or expiration of term, may be filled by the majority of the remaining directors if still constituting a quorum.

Accounting and Auditing

Corporations are required to file copies of their annual financial statements with the SEC. Shareholders are entitled to request copies of the most recent financial statements of the corporation which shall include a balance sheet as of the end of the last tax year and profit and loss statement approved at least annually by the board of directors or by vote of a majority of the outstanding voting securities of such company for that year. The board of directors is required to present to shareholders at every annual meeting a financial report of the operations of the corporation for the preceding year. This report is required to include audited financial statements.

Taxation

The Fund

1. 30% corporate income tax on taxable income derived from all sources within and without the Philippines;
2. Final withholding tax of 20% on gross interest from Philippine currency bank deposits and yield from deposit substitutes, trust funds and similar arrangement.

Shareholder

1. Tax on dividends received from the Fund by:
 - a. Domestic corporations and resident foreign corporation: None.
 - b. Individual citizen and individual resident alien: 10%

Documentary stamp tax at the rate of P1.00 per P200.00 (or fractional part thereof) of par value on original issuance of shares by the Fund

2. Capital gains are exempt from taxes.

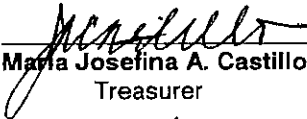
LIST OF EXHIBITS


Exhibit A	Articles of Incorporation and By-laws
Exhibit B	Independent Legal Opinion
Exhibit C	Curriculum Vitae
Exhibit D	Board Resolution
Exhibit E	Material Contracts
Exhibit F	Authorization re: Bank Account
Exhibit G	2014 AFS and SEC Form 17-Q
Exhibit H	Certification
Exhibit I	Affidavit of Publication
Exhibit J	Sample Application Forms


SIGNATURE

Pursuant to the requirements of the Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of PASIG CITY on _____th day of _____ 2016.

By:


Maria Josefina A. Castillo
Treasurer


Benedicto C. Sison
President


Atty. Maria Cecilia V. Soria
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this OCT 14 2016 day of _____ 2016 affiants exhibiting to me their competent evidence of identity, as follows:


Name	Government ID No.	Date of Issue	Place of Issue
Benedicto C. Sison	Passport No. EB5670334	16 June 2012	PCG-San Francisco
Maria Josefina A. Castillo	Passport No. EB5574529	05 June 2012	DFA-Manila
Maria Cecilia V. Soria	Passport No. EC2765788	19 November 2014	DFA-NCR East

known to me and to me known to be the same persons who executed the foregoing SEC Form 12-1, and acknowledged to me that the same is their free and voluntary act and deed and that of the corporation, which they represent.

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

Doc. No. 185
Page No. 57
Book No. 52
Series of 2016.

Notary Public


GALDEACIO A. BARBOZA, JR.
NOTARY PUBLIC
Cities of Pasig, Taguig and San Juan and
in the Municipality of Pateros, Metro Manila
Until December 31, 2016
PTR No. BARBAROS / 01-13-16 MKT
IDP No. 016731 / 12-22-15 RSM
CEN No. 41969
SEC Code: 140921481 / May 02, 2011
401, 31, United Freemont Arcade Bldg.
7th Bldg. Upper San Antonio, Pasig City
PTR No. 02 (2015-2016)

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