

## **Sun Life Global Investments (Canada) Inc.**

### **ANNUAL INFORMATION FORM**

Offering Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities of the following Funds, as indicated below:

**Sun Life MFS Global Growth Fund** (Series A, D, T5, T8, F, F5, F8, I, O securities)

**Sun Life MFS Global Value Fund** (Series A, T5, T8, F, F5, F8, I, O securities)

**Sun Life MFS U.S. Growth Fund** (Series A, AH, T5, T8, F, FH, F5, F8, I, IH, O, OH securities)

**Sun Life MFS U.S. Value Fund** (Series A, AH, T5, T8, F, FH, F5, F8, I, IH, O, OH securities)

**Sun Life MFS International Growth Fund** (Series A, D, T5, T8, F, F5, F8, I, O securities)

**Sun Life MFS International Value Fund** (Series A, T5, T8, F, F5, F8, I, O securities)

**Sun Life Excel Emerging Markets Fund** (*formerly, Sun Life Schroder Emerging Markets Fund*)  
(Series A, DB, F, I, O securities)

**Sun Life MFS Global Total Return Fund** (Series A, T5, F, F5, I, O securities)

**Sun Life JPMorgan International Equity Fund** (Series A, T5, T8, F, F5, F8, I, O securities)

**Sun Life Milestone 2020 Fund** (Series A securities)

**Sun Life Milestone 2025 Fund** (Series A securities)

**Sun Life Milestone 2030 Fund** (Series A securities)

**Sun Life Milestone 2035 Fund** (Series A securities)

**Sun Life Multi-Strategy Bond Fund** (Series A, F, I, O securities)

**Sun Life MFS Monthly Income Fund** (Series A, T5, F, F5, I, O securities)

**Sun Life Money Market Fund** (Series A, D, F, I, O securities)

**Sun Life Dynamic Energy Fund** (Series A, T5, T8, F, F5, F8, I, O securities)

**Sun Life Excel China Fund** (*formerly, Excel China Fund*) (Series A, F, I securities)

**Sun Life Excel Emerging Markets Balanced Fund** (*formerly, Excel Emerging Markets Balanced Fund*)  
(Series A, DB, F securities)

**Sun Life Excel High Income Fund** (*formerly, Excel High Income Fund*) (Series A, DB, F, I securities)

**Sun Life Excel India Balanced Fund** (*formerly, Excel India Balanced Fund*) (Series A, F securities)

**Sun Life Excel India Fund** (*formerly, Excel India Fund*) (Series A, DB, F, I securities)

**Sun Life Excel New India Leaders Fund** (*formerly, Excel New India Leaders Fund*) (Series A, F securities)

**Sun Life BlackRock Canadian Balanced Class\*** (Series A, AT5, F, FT5, O securities)

**Sun Life BlackRock Canadian Composite Equity Class\*** (Series A, AT5, F, FT5, I, O securities)

**Sun Life BlackRock Canadian Equity Class\*** (Series A, AT5, AT8, F, FT5, FT8, I, O securities)

**Sun Life Money Market Class\*** (Series A, F, O securities)  
**Sun Life Dynamic Equity Income Class\*** (Series A, AT5, F, FT5, I, O securities)  
**Sun Life Dynamic Strategic Yield Class\*** (Series A, AT5, F, FT5, I, O securities)  
**Sun Life MFS Dividend Income Class\*** (Series A, AT5, F, FT5, I, O securities)  
**Sun Life Granite Conservative Class\*** (Series A, AT5, F, FT5, O securities)  
**Sun Life Granite Moderate Class\*** (Series A, AT5, F, FT5, O securities)  
**Sun Life Granite Balanced Class\*** (Series A, AT5, F, FT5, O securities)  
**Sun Life Granite Balanced Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)  
**Sun Life Granite Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)  
**Sun Life MFS Canadian Equity Growth Class\*** (*formerly, Sun Life MFS Canadian Equity Class*)  
(Series A, AT5, F, FT5, O securities)  
**Sun Life Sentry Value Class\*** (Series A, AT5, F, FT5, I, O securities)  
**Sun Life MFS U.S. Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)  
**Sun Life MFS Global Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)  
**Sun Life MFS International Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)

\*each a class of shares of Sun Life Global Investments Corporate Class Inc., a mutual fund corporation.



No securities regulatory authority has expressed an opinion about these securities. It is an offence to claim otherwise.

The Funds and the securities of the Funds offered under this document are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

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## NAME AND FORMATION OF THE FUNDS

Sun Life MFS Global Growth Fund, Sun Life MFS Global Value Fund, Sun Life MFS U.S. Growth Fund, Sun Life MFS U.S. Value Fund, Sun Life MFS International Growth Fund, Sun Life MFS International Value Fund, Sun Life Excel Emerging Markets Fund, Sun Life MFS Global Total Return Fund, Sun Life JPMorgan International Equity Fund, Sun Life Milestone 2020 Fund, Sun Life Milestone 2025 Fund, Sun Life Milestone 2030 Fund, Sun Life Milestone 2035 Fund, Sun Life Multi-Strategy Bond Fund, Sun Life MFS Monthly Income Fund, Sun Life Money Market Fund, Sun Life Dynamic Energy Fund\*, Sun Life Excel China Fund, Sun Life Excel Emerging Markets Balanced Fund, Sun Life Excel High Income Fund, Sun Life Excel India Balanced Fund, Sun Life Excel India Fund, and Sun Life Excel New India Leaders Fund (each, a “**Trust Fund**” and collectively, the “**Trust Funds**”) are mutual fund trusts established under the laws of Ontario. Sun Life Global Investments (Canada) Inc. (“**Sun Life Global Investments Canada**”) is the trustee and manager of the Funds.

Sun Life BlackRock Canadian Balanced Class, Sun Life BlackRock Canadian Composite Equity Class, Sun Life BlackRock Canadian Equity Class, Sun Life Money Market Class, Sun Life Dynamic Equity Income Class\*, Sun Life Dynamic Strategic Yield Class\*, Sun Life MFS Dividend Income Class, Sun Life Granite Conservative Class, Sun Life Granite Moderate Class, Sun Life Granite Balanced Class, Sun Life Granite Balanced Growth Class, Sun Life Granite Growth Class, Sun Life MFS Canadian Equity Growth Class, Sun Life Sentry Value Class, Sun Life MFS U.S. Growth Class, Sun Life MFS Global Growth Class and Sun Life MFS International Growth Class (each, a “**Corporate Class**” and collectively, the “**Corporate Classes**”) are each a separate class of mutual fund shares of Sun Life Global Investments Corporate Class Inc. (the “**Mutual Fund Corporation**”), which is a mutual fund corporation incorporated by articles of incorporation under the laws of the Province of Ontario on June 7, 2013, as amended on March 17, 2015, July 30, 2015, December 15, 2017 and July 13, 2018. The articles and by-laws of the Mutual Fund Corporation are the constating documents of the Funds. The board of directors of the Mutual Fund Corporation has exclusive authority over the business of the Mutual Fund Corporation.

The Trust Funds and the Corporate Classes are collectively referred to as the “**Funds**”.

In this document, “**Manager**”, “**us**” and “**we**” refer to Sun Life Global Investments Canada. “**Sun Life Global Investments Mutual Funds**” refers to all of the mutual funds managed by Sun Life Global Investments Canada, and includes the Funds. The Manager is a wholly-owned indirect subsidiary of Sun Life Financial Inc. Sun Life Financial Inc., a publicly traded company, is a global international financial services organization providing a diverse range of protection and wealth accumulation products and services as well as investment products to individuals and institutions.

On January 2, 2018, the Manager acquired all of the outstanding shares of Excel Funds Management Inc. (“**EFMI**”) and Excel Investment Counsel Inc. (“**EIC**”). EFMI was the manager, trustee and promoter of Sun Life Excel China Fund, Sun Life Excel Emerging Markets Balanced Fund, Sun Life Excel High Income Fund, Sun Life Excel India Balanced Fund, Sun Life Excel India Fund, Sun Life Excel New India Leaders Fund (collectively, the “**Former Excel Funds**”) and EIC was the portfolio manager of the Former Excel Funds. As a result of the acquisition, the Manager acquired control of the investment fund manager and portfolio manager of the Former Excel Funds. Effective July 13, 2018 EFMI resigned as the trustee of the Former Excel Funds and appointed Sun Life Global Investments (Canada) Inc. as the successor trustee. Effective that date, Sun Life Global Investments (Canada) Inc. was also appointed as the manager, promoter and portfolio manager and also became the Manager of the Former Excel Funds. EFMI and EIC will be wound up following appointment of Sun Life Global Investments (Canada) Inc. as Manager of the Former Excel Funds.

In this document, Sun Life Milestone 2020 Fund, Sun Life Milestone 2025 Fund, Sun Life Milestone 2030 Fund and Sun Life Milestone 2035 Fund are collectively referred to as the “**Milestone Funds**”. Under the Master Declaration of Trust of the Milestone Funds, each Milestone Fund will automatically terminate on its scheduled maturity date, the “**Maturity Date**” or, to an earlier date, if the scheduled maturity is accelerated, the “**Accelerated Maturity Date**”. The Maturity Date of a Milestone Fund may only be accelerated under certain circumstances. Please see “Redemption of Units – Guaranteed Value” below and the Simplified Prospectus of the Milestone Funds for more detail.

The registered office of the Funds and of the Manager is located at One York Street, Suite 3300, Toronto, Ontario M5J 0B6.

\*Dynamic, Dynamic Equity Income Class and Dynamic Strategic Yield Class are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager (as defined below).

### **The Structure of Sun Life Global Investments Mutual Funds**

A mutual fund may be set up as a trust or a corporation. We offer both types of mutual funds. Certain Sun Life Global Investments Mutual Funds that are separate classes of shares of the Mutual Fund Corporation (each a “**Sun Life Global Investments Corporate Class**” and collectively, the “**Sun Life Global Investments Corporate Classes**”) and certain Sun Life Global Investments Mutual Funds that are trusts are offered under a separate simplified prospectus and are not covered by this document.

If an investor invests in a Trust Fund, the investor purchases units of a trust and is called a “**unitholder**”. If an investor invests in a Corporate Class, the investor purchases shares of a class of a corporation and is called a “**shareholder**”. Shares and units are collectively called “**securities**” and holders of shares and units are collectively called “**securityholders**”.

### **Constating Documents for the Funds and Major Events in the Last 10 Years**

Details of the date of establishment and the governing document for each Fund, any material amendment to such governing document, and any major event affecting the Funds in the last 10 years, are set out below:

<b>Fund</b>	<b>Date on which Fund was Established and Governing Document</b>	<b>Material Amendment to Governing Document</b>	<b>Major Event in the Last 10 Years</b>
Sun Life MFS Global Growth Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011, as amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	Amended and restated on January 10, 2011 to provide for the ability to create a hedged class for the Fund.  Amended and consolidated on June 1, 2012 to add certain mutual funds.  Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.  Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for	On November 12, 2012, Sun Life MFS McLean Budden Global Research Equity Fund merged into the Fund and, as a result, unitholders of Sun Life MFS McLean Budden Global Research Equity Fund became unitholders of the Fund.  Changed name from Sun Life MFS Global Growth Fund to Sun Life MFS McLean

Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
		the Sun Life Global Investments Mutual Funds.	<p>Budden Global Growth Fund on April 2, 2012.</p> <p>Changed name from Sun Life MFS McLean Budden Global Growth Fund to Sun Life MFS Global Growth Fund on August 29, 2013.</p> <p>Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.</p>
Sun Life MFS Global Value Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011 and as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	<p>Amended and restated on January 10, 2011 to provide for the ability to create a hedged class for the Fund.</p> <p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>Changed name from Sun Life MFS Global Value Fund to Sun Life MFS McLean Budden Global Value Fund on April 2, 2012.</p> <p>Changed name from Sun Life MFS McLean Budden Global Value Fund to Sun Life MFS Global Value Fund on August 29, 2013.</p> <p>Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.</p>
Sun Life MFS U.S. Growth Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	<p>Amended and restated on January 10, 2011 to provide for the creation of a hedged class for the Fund.</p> <p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p>	<p>Changed name from Sun Life MFS U.S. Growth Fund to Sun Life MFS McLean Budden U.S. Growth Fund on April 2, 2012.</p> <p>Changed name from Sun Life MFS McLean Budden U.S. Growth Fund to Sun Life MFS U.S. Growth Fund on August 29, 2013.</p>

Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
		Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.	Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.
Sun Life MFS U.S. Value Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	<p>Amended and restated on January 10, 2011 to provide for the creation of a hedged class for the Fund.</p> <p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>Changed name from Sun Life MFS U.S. Value Fund to Sun Life MFS McLean Budden U.S. Value Fund on April 2, 2012.</p> <p>Changed name from Sun Life MFS McLean Budden U.S. Value Fund to Sun Life MFS U.S. Value Fund on August 29, 2013.</p> <p>Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.</p>
Sun Life MFS International Growth Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	<p>Amended and restated on January 10, 2011 to provide for the ability to create a hedged class for the Fund.</p> <p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>On November 12, 2012, Sun Life MFS McLean Budden International Equity Fund merged into the Fund and, as a result, unitholders of Sun Life MFS McLean Budden International Equity Fund became unitholders of the Fund.</p> <p>Changed name from Sun Life MFS International Growth Fund to Sun Life MFS McLean Budden International Growth Fund on April 2, 2012.</p> <p>Changed name from Sun Life MFS McLean</p>

Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
			<p>Budden International Growth Fund to Sun Life MFS International Growth Fund on August 29, 2013.</p> <p>Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.</p>
Sun Life MFS International Value Fund	<p>September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.</p>	<p>Amended and restated on January 10, 2011 to provide for the ability to create a hedged class for the Fund.</p> <p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>Changed name from Sun Life MFS International Value Fund to Sun Life MFS McLean Budden International Value Fund on April 2, 2012.</p> <p>Changed name from Sun Life MFS McLean Budden International Value Fund to Sun Life MFS International Value Fund on August 29, 2013.</p> <p>Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.</p>
Sun Life Excel Emerging Markets Fund	<p>August 24, 2011, pursuant to an amended and restated Schedule A dated August 24, 2011 to the amended and restated master declaration of trust dated January 10, 2011 for the Sun Life Global Investments Mutual Funds, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.</p>	<p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>Tradewinds Global Advisors, LLC ceased to be a sub-advisor for the Fund, effective close of business August 28, 2013.</p> <p>Schroder Investment Management North America Inc. (“Schroders”) appointed as sub-advisor to the Fund effective August 29, 2013.</p>



Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
			<p>Schroder Investment Management North America Limited (“SIMNA Ltd.”) appointed as sub-advisor to Schrodgers effective August 29, 2013.</p> <p>Investment strategy of the Fund amended to, <i>inter alia</i>, permit investment in certain other investment funds.</p> <p>Changed name from Sun Life Tradewinds Emerging Markets Fund to Sun Life Schroder Emerging Markets Fund on August 29, 2013.</p> <p>Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.</p> <p>Changed name from Sun Life Schroder Emerging Markets Fund to Sun Life Excel Emerging Markets Fund on June 18, 2018.</p>
Sun Life MFS Global Total Return Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	<p>Amended and restated on January 10, 2011 to provide for the ability to create a hedged class for the Fund.</p> <p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p> <p>Amended and restated on July 13, 2018 to incorporate the</p>	<p>Changed name from Sun Life MFS Global Total Return Fund to Sun Life MFS McLean Budden Global Total Return Fund on April 2, 2012.</p> <p>Changed name from Sun Life MFS McLean Budden Global Total Return Fund to Sun Life MFS Global Total</p>

<b>Fund</b>	<b>Date on which Fund was Established and Governing Document</b>	<b>Material Amendment to Governing Document</b>	<b>Major Event in the Last 10 Years</b>
		Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.	Return Fund on August 29, 2013.  Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.
Sun Life JPMorgan International Equity Fund	July 13, 2018, pursuant to an amended and restated Schedule A dated July 13, 2018 to the master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.	
Sun Life Milestone 2020 Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Milestone Mutual Funds, as amended and consolidated on August 28, 2014 and as amended and restated on January 1, 2015.	Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.	Sun Capital Advisers, LLC ceased to be a sub-advisor for the Fund effective January 3, 2012.  Effective on or about February 5, 2016, Series E units were redesignated as Series A units.
Sun Life Milestone 2025 Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Milestone Mutual Funds, as amended and consolidated on August 28, 2014 and as amended and restated on January 1, 2015.	Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.	Sun Capital Advisers, LLC ceased to be a sub-advisor for the Fund effective January 3, 2012.  Effective on or about February 5, 2016, Series E units were redesignated as Series A units.

<b>Fund</b>	<b>Date on which Fund was Established and Governing Document</b>	<b>Material Amendment to Governing Document</b>	<b>Major Event in the Last 10 Years</b>
Sun Life Milestone 2030 Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Milestone Mutual Funds, as amended and consolidated on August 28, 2014 and as amended and restated on January 1, 2015.	Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.	Sun Capital Advisers, LLC ceased to be a sub-advisor for the Fund effective January 3, 2012.  Effective on or about February 5, 2016, Series E units were redesignated as Series A units.
Sun Life Milestone 2035 Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Milestone Mutual Funds, as amended and consolidated on August 28, 2014 and as amended and restated on January 1, 2015.	Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.	Sun Capital Advisers, LLC ceased to be a sub-advisor for the Fund effective January 3, 2012.  Effective on or about February 5, 2016, Series E units were redesignated as Series A units.
Sun Life Multi-Strategy Bond Fund	August 24, 2011, pursuant to an amended and restated Schedule A dated August 24, 2011 to the amended and restated master declaration of trust dated January 10, 2011 for the Sun Life Global Investments Mutual Funds, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	Amended and consolidated on June 1, 2012 to add certain mutual funds.  Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.  Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.	Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.  Beutel, Goodman & Company Ltd. ceased to be a sub-advisor for the Fund, effective close of business April 29, 2016.  Connor, Clark & Lunn Investment Management appointed as a sub-advisor to the Fund effective May 2, 2016.  Changed name from Sun Life Beutel Goodman Canadian Bond Fund to Sun Life Multi-Strategy Bond Fund on May 2, 2016.

<b>Fund</b>	<b>Date on which Fund was Established and Governing Document</b>	<b>Material Amendment to Governing Document</b>	<b>Major Event in the Last 10 Years</b>
Sun Life MFS Monthly Income Fund	August 24, 2011, pursuant to an amended and restated Schedule A dated August 24, 2011 to the amended and restated master declaration of trust dated January 10, 2011 for the Sun Life Global Investments Mutual Funds, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	<p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>Changed name from Sun Life McLean Budden Monthly Income Fund to Sun Life MFS McLean Budden Monthly Income Fund on April 2, 2012.</p> <p>Changed name from Sun Life MFS McLean Budden Monthly Income Fund to Sun Life MFS Monthly Income Fund on August 29, 2013.</p> <p>Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.</p>
Sun Life Money Market Fund	September 10, 2010, pursuant to a master declaration of trust dated September 10, 2010 for the Sun Life Global Investments Mutual Funds, as amended and restated on January 10, 2011, as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.	<p>Amended and restated on January 10, 2011 to provide for the ability to create a hedged class for the Fund.</p> <p>Amended and consolidated on June 1, 2012 to add certain mutual funds.</p> <p>Amended and restated on January 1, 2015 to implement the fixed-rate administration fee.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.</p>
Sun Life Dynamic Energy Fund	July 29, 2015, pursuant to an amended and restated Schedule A dated July 29, 2015 to the amended and restated master declaration of trust dated January 10, 2011 for the Sun Life Global Investments Mutual Funds,	Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.	Effective on or about February 5, 2016, Series E and Series EF units were redesignated as Series A and Series F units, respectively.

Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
	as further amended and consolidated on June 1, 2012, as amended and restated on January 1, 2015, and as further amended and restated on July 13, 2018.		
Sun Life Excel China Fund	January 17, 2000, pursuant to a declaration of trust dated January 17, 2000, as amended on December 15, 2001, as further amended and consolidated on December 23, 2004, as amended and restated on October 22, 2007, as further amended and restated on October 22, 2010, as further amended on September 30, 2016, as amended and restated on June 18, 2018, and as further amended and restated on July 13, 2018.	<p>Amended and consolidated on December 23, 2004 for the purposes of: (i) facilitating the administration of each Former Excel Fund that was in existence prior to December 23, 2004; (ii) re-designating the single series of units of each Former Excel Fund that existed at that time as Series A units; and (iii) creating additional series of units, Series F units and Series I units.</p> <p>Amended and restated on October 22, 2007 to reflect the new securities regulatory requirements for an independent review committee and to create Series O units.</p> <p>Amended and restated on October 22, 2010 to clarify certain trustee powers conferred thereunder.</p> <p>Amended on September 30, 2016, to create Series D units and Series N units and to rename the PM Series units as “Institutional Series units”.</p> <p>Amended and restated on June 18, 2018 to adopt (1) a fixed administration fee; and (2) revisions to align with the master declaration of trust for the other funds managed by Sun Life Global Investments (Canada) Inc.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for</p>	<p>Effective December 14, 2001, the investment objectives and strategy of the Fund was amended to change the investment mandate from a global “tech” fund to one that invests primarily in equity securities of companies based in China, Hong Kong and Taiwan and the Fund changed its name from Excel Innovation Fund to Excel China Fund.</p> <p>Toron Capital Markets Inc. (sub-advised by Hamon Asset Management Limited) appointed as portfolio manager to the Fund effective December 15, 2001.</p> <p>Baring International Investment Limited (sub-advised by Baring Asset Management (Asia) Limited) appointed as portfolio manager to the Fund effective January 9, 2009.</p> <p>EIC (sub-advised by Baring International Investment Limited and Baring Asset Management (Asia) Limited) appointed as portfolio manager to the Fund effective September 25, 2013.</p>

Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
		the Sun Life Global Investments Mutual Funds.	<p>EIC (sub-advised by Baring International Investment Limited, Baring Asset Management (Asia) Limited and China Asset Management Co., Ltd.) appointed as portfolio manager to the Fund effective February 1, 2014.</p> <p>EIC (sub-advised by China Asset Management Co., Ltd.) appointed as portfolio manager to the Fund effective November 27, 2015.</p> <p>Changed name from Excel China Fund to Sun Life Excel China Fund on June 18, 2018.</p> <p>Sun Life Global Investments Canada appointed as successor trustee, manager and portfolio manager to the Fund effective July 13, 2018.</p>
Sun Life Excel Emerging Markets Balanced Fund	September 30, 2013, pursuant to a master amended and restated declaration of trust dated October 22, 2010, as further amended on September 30, 2016, as amended and restated on June 18, 2018, and as further amended and restated on July 13, 2018.	<p>Amended on September 30, 2016, to create Series D units and Series N units and to rename the PM Series units as “Institutional Series units”.</p> <p>Amended and restated on June 18, 2018 to adopt (1) a fixed administration fee; and (2) revisions to align with the master declaration of trust for the other funds managed by Sun Life Global Investments (Canada) Inc.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for</p>	<p>Changed name from Excel Blue Chip Balanced Fund to Excel EM Blue Chip Balanced Fund on August 30, 2016.</p> <p>Changed name from Excel EM Blue Chip Balanced Fund to Excel Emerging Markets Balanced Fund on September 18, 2017.</p> <p>On October 30, 2017, Excel Blue Chip Equity Fund, a mutual fund managed by</p>

Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
		the Sun Life Global Investments Mutual Funds.	<p>EFMI was merged into the Fund.</p> <p>Changed name from Excel Emerging Markets Balanced Fund to Sun Life Excel Emerging Markets Balanced Fund on June 18, 2018.</p> <p>Sun Life Global Investments Canada appointed as successor trustee, manager and portfolio manager to the Fund effective July 13, 2018.</p>
Sun Life Excel High Income Fund	October 22, 2010, pursuant to a master amended and restated declaration of trust dated October 22, 2010, as further amended on September 30, 2016, as amended and restated on June 18, 2018, and as further amended and restated on July 13, 2018.	<p>Amended on September 30, 2016, to create Series D units and Series N units and to rename the PM Series units as “Institutional Series units”.</p> <p>Amended and restated on June 18, 2018 to adopt (1) a fixed administration fee; and (2) revisions to align with the master declaration of trust for the other funds managed by Sun Life Global Investments (Canada) Inc.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>Changed name from Excel EM High Income Fund to Excel High Income Fund on March 1, 2013.</p> <p>On September 3, 2015, Excel Latin America Bond Fund and Excel Latin America Bond Fund II, two closed-end funds managed by EFMI, were merged into the Fund.</p> <p>Changed name from Excel High Income Fund to Sun Life Excel High Income Fund on June 18, 2018.</p> <p>Sun Life Global Investments Canada appointed as successor trustee, manager and portfolio manager to the Fund effective July 13, 2018.</p>
Sun Life Excel India Balanced Fund	April 20, 2016, pursuant to a master amended and restated declaration of trust dated October 22, 2010, as further amended on September 30, 2016, as amended and	Amended on September 30, 2016, to create Series D units and Series N units and to rename the PM Series units as “Institutional Series units”.	Changed name from Excel India Balanced Fund to Sun Life Excel India Balanced Fund on June 18, 2018.

Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
	restated on June 18, 2018, and as further amended and restated on July 13, 2018.	<p>Amended and restated on June 18, 2018 to adopt (1) a fixed administration fee; and (2) revisions to align with the master declaration of trust for the other funds managed by Sun Life Global Investments (Canada) Inc.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>On July 14, 2017, Excel India Growth &amp; Income Fund, a closed-end fund managed by EFMI, was merged into the Fund.</p> <p>Sun Life Global Investments Canada appointed as successor trustee, manager and portfolio manager to the Fund effective July 13, 2018.</p>
Sun Life Excel India Fund	November 28, 1997, pursuant to a declaration of trust dated November 28, 1997, as amended on December 8, 1998 and December 10, 1999, as further amended and consolidated on December 23, 2004, as amended and restated on October 22, 2007, as further amended and restated on October 22, 2010, as further amended on September 30, 2016, as amended and restated on June 18, 2018, and as further amended and restated on July 13, 2018.	<p>Amended and consolidated on December 23, 2004 for the purposes of: (i) facilitating the administration of each Former Excel Fund that was in existence prior to December 23, 2004; (ii) re-designating the single series of units of each Former Excel Fund that existed at that time as Series A units; and (iii) creating additional series of units, Series F units and Series I units.</p> <p>Amended and restated on October 22, 2007 to reflect the new securities regulatory requirements for an independent review committee and to create Series O units.</p> <p>Amended and restated on October 22, 2010 to clarify certain trustee powers conferred thereunder.</p> <p>Amended on September 30, 2016, to create Series D units and Series N units and to rename the PM Series units as "Institutional Series units".</p>	<p>Effective January 1, 2003, appointed Toron Capital Markets Inc. as portfolio manager.</p> <p>Effective August 1, 2009, appointed EIC as portfolio manager.</p> <p>Changed name from Excel India Fund to Sun Life Excel India Fund on June 18, 2018.</p> <p>Sun Life Global Investments Canada appointed as successor trustee, manager and portfolio manager to the Fund effective on July 13, 2018.</p>



Fund	Date on which Fund was Established and Governing Document	Material Amendment to Governing Document	Major Event in the Last 10 Years
		<p>Amended and restated on June 18, 2018 to adopt (1) a fixed administration fee; and (2) revisions to align with the master declaration of trust for the other funds managed by Sun Life Global Investments (Canada) Inc.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	
Sun Life Excel New India Leaders Fund	April 20, 2016, pursuant to a master amended and restated declaration of trust dated October 22, 2010, as further amended on September 30, 2016, as amended and restated on June 18, 2018, and as further amended and restated on July 13, 2018.	<p>Amended on September 30, 2016, to create Series D units and Series N units and to rename the PM Series units as “Institutional Series units”.</p> <p>Amended and restated on June 18, 2018 to adopt (1) a fixed administration fee; and (2) revisions to align with the master declaration of trust for the other funds managed by Sun Life Global Investments (Canada) Inc.</p> <p>Amended and restated on July 13, 2018 to incorporate the Former Excel Funds into the master declaration of trust for the Sun Life Global Investments Mutual Funds.</p>	<p>Changed name from Excel New India Leaders Fund to Sun Life Excel New India Leaders Fund on or about June 18, 2018.</p> <p>Sun Life Global Investments Canada appointed as successor trustee, manager and portfolio manager to the Fund effective on July 13, 2018.</p>
Sun Life BlackRock Canadian Balanced Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.
Sun Life BlackRock Canadian Composite Equity Class	June 7, 2013 pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted

<b>Fund</b>	<b>Date on which Fund was Established and Governing Document</b>	<b>Material Amendment to Governing Document</b>	<b>Major Event in the Last 10 Years</b>
			to Series A and Series F shares, respectively.
Sun Life BlackRock Canadian Equity Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.
Sun Life Money Market Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.
Sun Life Dynamic Equity Income Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.
Sun Life Dynamic Strategic Yield Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		<p>Investment strategy of the Fund amended to reflect that the investment strategy of the underlying fund in which the Fund invests all, or substantially all, of its assets, Sun Life Dynamic Strategic Yield Fund, was changed, effective as of September 30, 2015, such that the underlying fund seeks to achieve its investment objective by investing directly in a diversified portfolio of fixed income and income-oriented equity securities.</p> <p>Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.</p>

<b>Fund</b>	<b>Date on which Fund was Established and Governing Document</b>	<b>Material Amendment to Governing Document</b>	<b>Major Event in the Last 10 Years</b>
Sun Life MFS Dividend Income Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.
Sun Life Granite Conservative Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		<p>Changed name from Sun Life Managed Conservative Class to Sun Life Granite Conservative Class on July 29, 2015.</p> <p>Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.</p>
Sun Life Granite Moderate Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		<p>Changed name from Sun Life Managed Moderate Class to Sun Life Granite Moderate Class on July 29, 2015.</p> <p>Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.</p>
Sun Life Granite Balanced Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		<p>Changed name from Sun Life Managed Balanced Class to Sun Life Granite Balanced Class on July 29, 2015.</p> <p>Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.</p>
Sun Life Granite Balanced Growth Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		<p>Changed name from Sun Life Managed Balanced Growth Class to Sun Life Granite Balanced</p>

<b>Fund</b>	<b>Date on which Fund was Established and Governing Document</b>	<b>Material Amendment to Governing Document</b>	<b>Major Event in the Last 10 Years</b>
			<p>Growth Class on July 29, 2015.</p> <p>Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.</p>
Sun Life Granite Growth Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		<p>Changed name from Sun Life Managed Growth Class to Sun Life Granite Growth Class on July 29, 2015.</p> <p>Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.</p>
Sun Life MFS Canadian Equity Growth Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		<p>Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.</p> <p>Effective June 18, 2018, the investment objective and investment strategies of the Fund were changed to reflect that the Fund invests primarily in units of Sun Life MFS Canadian Equity Growth Fund as a result of the Fund's underlying fund, Sun Life MFS Canadian Equity Fund, merging into Sun Life MFS Canadian Equity Growth Fund.</p>

<b>Fund</b>	<b>Date on which Fund was Established and Governing Document</b>	<b>Material Amendment to Governing Document</b>	<b>Major Event in the Last 10 Years</b>
Sun Life Sentry Value Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.
Sun Life MFS U.S. Growth Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.
Sun Life MFS Global Growth Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.
Sun Life MFS International Growth Class	June 7, 2013, pursuant to the articles of the Mutual Fund Corporation.		Effective on or about February 5, 2016, Series E and Series EF shares were converted to Series A and Series F shares, respectively.

The master declaration of trust for the Milestone Funds and the master declaration of trust for all the other Trust Funds are collectively referred to as “**the Master Declarations of Trust**”.

## **INVESTMENT RESTRICTIONS OF THE FUNDS**

### **Investment Restrictions**

The Funds are subject to certain standard investment restrictions and practices contained in securities legislation, including National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”). This legislation is designed, in part, to ensure that the investments of the Funds are diversified and relatively liquid and to ensure the proper administration of the Funds. Each of the Funds adheres to these standard investment restrictions and practices, except to the extent a Fund has obtained exemptive relief from such investment restrictions and practices. A copy of these investment restrictions and practices may be obtained from the Manager upon request.

The fundamental investment objectives of each of the Funds are set out in the simplified prospectus of the Funds (the “**Simplified Prospectus**”). Any change in the investment objectives of a Fund requires the approval of a majority of investors at a meeting called for that purpose. We may change a Fund’s investment strategies from time to time at our discretion.

## Exemptive Relief Obtained by the Funds

### *Transactions with Related Parties*

Each of the Funds obtained exemptive relief from the Canadian securities regulatory authorities to deviate from certain restrictions in securities legislation in order to invest in debt securities of related entities in the primary and secondary market, provided that the Fund's independent review committee ("**IRC**") has approved the transaction, the transaction complies with certain pricing requirements and provided that certain other conditions are met. The Funds may also rely upon IRC approval to permit them to purchase and hold investments in related party securities that are traded on an exchange, in accordance with National Instrument 81-107 *Independent Review Committee for Investment Funds* ("**NI 81-107**").

### *Investing in Silver*

Each of the Funds obtained exemptive relief from the Canadian securities regulatory authorities to invest in silver, silver certificates that are: (i) available for delivery in Canada, free of charge, to or to the order of the holder of the certificate; (ii) of a minimum fineness of 999 parts per 1000; (iii) held in Canada; (iv) in the form of either bars or wafers; and (v) if not purchased from a bank listed in Schedule I, II or III of the Bank Act (Canada), fully insured against loss and bankruptcy by an insurance company licensed under the federal laws of Canada or a province or territory of Canada ("**Permitted Silver Certificates**") and specified derivatives the underlying interest of which is silver. Each Fund is permitted to invest up to 10% of its net asset value in gold, permitted gold certificates, silver, Permitted Silver Certificates and specified derivatives of which the underlying interest is gold or silver.

Currently, none of the Funds rely on this relief.

### *Investing in Exchange-Traded Funds not Otherwise Permitted by NI 81-102*

The Funds obtained exemptive relief from the Canadian securities regulatory authorities (the "**ETF Exemption**") to invest in the following exchange-traded funds ("**ETFs**"):

- ETFs that seek to provide daily results that replicate the daily performance of a specified widely-quoted market index (the ETF's "**Underlying Index**") by a multiple of 200%, by an inverse multiple of 200% or an inverse multiple of 100% ("**Inverse or Leveraged ETFs**");
- ETFs that hold or seek to replicate the performance of gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates on an unlevered basis ("**Gold ETFs**");
- ETFs that hold or seek to replicate the performance of silver, permitted silver certificates or specified derivatives of which the underlying interest is silver or permitted silver certificates on an unlevered basis ("**Silver ETFs**");
- Gold ETFs that are also Inverse or Leveraged ETFs, by a multiple of up to 200% ("**Leveraged Gold ETFs**"); and
- Silver ETFs that are also Inverse or Leveraged ETFs, by a multiple of up to 200% ("**Leveraged Silver ETFs**").

(the ETFs described above are collectively referred to as the "**Underlying ETFs**", and the Gold ETFs, Silver ETFs, Leveraged Gold ETFs, Leveraged Silver ETFs, together with gold, silver, permitted gold

certificates, Permitted Silver Certificates and specified derivatives the underlying interest of which is gold or silver are collectively referred to as the “**Gold and Silver Products**”).

The Funds will only invest in Underlying ETFs if certain conditions are met, including: (i) the investment by a Fund in securities of an Underlying ETF is in accordance with the fundamental investment objective of the Fund; (ii) the Funds do not short sell securities of an Underlying ETF; (iii) the securities of the Underlying ETFs are traded on a stock exchange in Canada or the United States; (iv) a Fund may not purchase securities of an Underlying ETF if, immediately after the purchase, more than 10% of the net asset value of the Fund, taken at market value at the time of the purchase, would consist of securities of the Underlying ETFs; (v) if a Fund engages in short selling, the Fund does not purchase securities of an Inverse or Leveraged ETF that tracks the inverse of its Underlying Index by no more than 200% (a “**Bear ETF**”) or sell any securities short if, immediately after the transaction, the aggregate market value of (A) all securities sold short by the Fund, and (B) all securities of Bear ETFs held by the Fund, would exceed 20% of the Fund’s net asset value, taken at market value at the time of the transaction; (vi) each Fund that intends to rely on the ETF Exemption will not purchase Gold and Silver Products if, immediately after the transaction, more than 10% of the Fund’s net asset value would consist of Gold and Silver Products; (vii) each Fund that intends to rely on the ETF Exemption will not purchase Gold and Silver Products if, immediately after the transaction, the market value exposure to gold or silver through the Gold and Silver Products is more than 10% of the Fund’s net asset value; and (viii) the securities of the Underlying ETFs are treated as specified derivatives for the purposes of NI 81-102.

Currently, none of the Funds rely on this relief.

#### *Investment in Closed-End Funds*

Each of the Funds obtained exemptive relief from the Canadian securities regulatory authorities to invest in non-redeemable investment funds listed on a stock exchange in Canada or the U.S. (“**Closed-End Funds**”). A Fund will only invest in Closed-End Funds if certain conditions are met, including: (i) the securities of each Closed-End Fund must trade on a stock exchange in Canada or the U.S.; (ii) the Fund may not purchase securities of a Closed-End Fund if, immediately after the purchase, more than 10% of the Fund’s net asset value would consist of securities of Closed-End Funds; (iii) subject to (iv) below, each Closed-End Fund complies with the investment restrictions of NI 81-102 applicable to mutual funds, subject to certain exemptions; (iv) the weighted average leverage exposure of each Fund does not exceed 10% of the net asset value of the Fund; and (v) the Manager uses pre-trade compliance controls to monitor the restrictions in (iii) and (iv).

Currently, none of the Funds rely on this relief.

#### *Relief from Certain Restrictions on Fund-of-Fund Investments*

Sun Life Excel Emerging Markets Fund obtained exemptive relief from the Canadian securities regulatory authorities to permit it to invest up to a total of 10% of its net asset value, taken at market value at the time of purchase, in the aggregate, in securities of Schroder International Selection Fund Frontier Markets Equity (the “**Frontier Markets Equity Fund**”), a sub-fund of Schroder International Selection Fund (the “**International Selection Fund**”). The International Selection Fund is managed by Schroder Investment Management (Luxembourg) S.A. and is organized under the laws of Luxembourg as a Société d’Investissement à Capital Variable, an open-end investment company. The International Selection Fund is qualified as an undertaking or collective investment in transferable securities (“**UCITS**”) under the EU Council Directive 2009/65/EC of 13 July 2009 on the Coordination of Laws, Regulations and Administrative Provisions relating to *Undertakings for Collective Investment in Transferable Securities* (UCITS), as amended. (the “**EU Directives**”).

The Fund may rely on this relief, provided that: (i) the International Selection Fund qualifies as a UCITS and is distributed in accordance with the EU Directives, which subject the Frontier Markets Equity Fund to investment restrictions and practices that are substantially similar to those that govern Sun Life Excel Emerging Markets Fund; (ii) the investment of Sun Life Excel Emerging Markets Fund in the Frontier Markets Equity Fund otherwise complies with section 2.5 of NI 81-102 and Sun Life Excel Emerging Markets Fund provides the disclosure required for fund-of-fund investments in NI 81-101. Specifically, the investment by Sun Life Excel Emerging Markets Fund in the Frontier Markets Equity Fund is disclosed in its simplified prospectus; (iii) Sun Life Excel Emerging Markets Fund will not purchase securities of the Frontier Markets Equity Fund if, immediately after the purchase, more than 10 per cent of its net asset value would consist of investments in the Frontier Markets Equity Fund; and (iv) Sun Life Excel Emerging Markets Fund shall not acquire any additional securities of the Frontier Markets Equity Fund and shall dispose of the securities of the Frontier Markets Equity Fund then held in an orderly and prudent manner, after the date that the laws applicable to the Frontier Markets Equity Fund that are, at the date of the decision substantially similar to Part 2 of NI 81-102, change to be materially inconsistent with Part 2 of NI 81-102.

### *Three-Tier Fund-on-Funds Structure*

Each of Sun Life BlackRock Canadian Balanced Class, Sun Life BlackRock Canadian Equity Class, Sun Life Dynamic Equity Income Class, Sun Life Dynamic Strategic Yield Class, Sun Life Granite Conservative Class, Sun Life Granite Moderate Class, Sun Life Granite Balanced Class, Sun Life Granite Balanced Growth Class and Sun Life Granite Growth Class obtained exemptive relief from the Canadian securities regulatory authorities to allow the Fund to invest in securities of another Trust Fund, despite the fact that the Trust Fund itself may invest more than 10% of its net asset value in one or more mutual funds from time to time.

### *Sun Life Excel India Fund*

Sun Life Excel India Fund has received the approval of the securities regulatory authorities to purchase and continue to hold more than 10% of its assets in securities of the India Excel (Mauritius) Fund (the “**Mauritius Sub-fund**”) which, in turn, holds more than 10% of its net assets in securities of the India Excel (Offshore) Fund (the “**India Sub-fund**”). Securities regulatory approval was granted on the condition (among others) that:

- no sales charges will be payable by Sun Life Excel India Fund and the Mauritius Sub-fund in relation to a purchase of units of the Mauritius Sub-fund and the India Sub-fund, respectively;
- no redemption fees or other charges will be charged by the Mauritius Sub-fund or the India Sub-fund in respect of a redemption by Sun Life Excel India Fund or the Mauritius Sub-fund, respectively, of units of such fund;
- no trailing commission or other fees or other charges will be paid by the Manager, Sun Life Excel India Fund, India Sub-fund and the Mauritius Sub-fund or by any affiliate or associate of any of the foregoing entities to anyone in respect of the investment by Sun Life Excel India Fund in the Mauritius Sub-fund or the investment by the Mauritius Sub-fund in the India Sub-fund; and
- the arrangements between or in respect of Sun Life Excel India Fund, the India Sub-fund and the Mauritius Sub-fund are such to avoid the duplication of management fees.

### *Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund*



Sun Life Excel India Balanced Fund has received the approval of the securities regulatory authorities to purchase and hold securities of the Growth & Income Class (the “**Balanced Underlying Fund**”) of the Excel Funds Mauritius Company Ltd. (the “**Company**”) and Sun Life Excel New India Leaders Fund has received the approval of the securities regulatory authorities to purchase and hold securities of the New Leaders Class (the “**New Leaders Underlying Fund**”). The Company and each of the Balanced Underlying Fund and the New Leaders Underlying Fund are not mutual funds subject to NI 81-102 or have offered securities under a simplified prospectus in accordance with NI 81-101.

The Balanced Underlying Fund and the New Leaders Underlying Fund are referred to as the “**Underlying Funds**”. Securities regulatory approval was granted on the condition (among others) that the Underlying Funds have adopted the investment restrictions contained in NI 81-102 and will continue to be managed in accordance with these restrictions, subject to any exemptions obtained by Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund.

#### *Oil and Gas Futures Relief*

Sun Life Dynamic Energy Fund has obtained exemptive relief from the Canadian securities regulatory authorities to allow the Fund to invest in standardized futures contracts (as such term is defined in NI 81-102) with underlying interests in sweet crude oil or natural gas (“**Oil and Gas Contracts**”) for hedging purposes and non-hedging purposes. The relief is subject to certain conditions, including that the Fund will may purchase an Oil and Gas contract (i) for hedging purposes if, immediately following the purchase, the Fund’s aggregate underlying market exposure of such investment would exceed or represent greater than 80% its net asset value of the Fund at the time of purchase, and (ii) for non-hedging purposes if, immediately following the purchase, the Fund’s aggregate underlying market exposure to all physical commodities would exceed or represent greater than 10% of the net asset value of the Fund at the time of purchase.

#### *Investment in Certain Cleared Swaps*

The Funds obtained exemptive relief from the Canadian securities regulatory authorities from the counterparty credit rating requirement, the counterparty exposure threshold and the custodian requirements set out in NI 81-102 in order to permit the Funds to clear certain swaps, such as interest rate and credit default swaps, entered into with futures commission merchants that are subject to U.S. and European clearing requirements (“**Futures Commission Merchants**”) and to deposit cash and other assets directly with the Futures Commission Merchants, and indirectly with a clearing corporation, as margin for such swaps. The relief was granted on the basis that: (i) for Futures Commission Merchants based in Canada, the Futures Commission Merchant must be a member of a self-regulatory organization and a participating member of the Canadian Investor Protection Plan, and the amount of margin deposited and maintained with the Futures Commission Merchant must not, when aggregated with the other amount of margin already held by the Futures Commission Merchant, exceed 10% of the net asset value of the Fund at the time of deposit; and (ii) for Futures Commission Merchants based outside of Canada, the Futures Commission Merchant must be a member of a clearing corporation and subject to regulatory audit, the Futures Commission Merchant must have a net worth (determined from audited financial statements or other publicly available information) in excess of \$50 million, and the amount of margin deposited and maintained with the Futures Commission Merchant must not, when aggregated with the other amount of margin already held by the Futures Commissions Merchant, exceed 10% of the net asset value of the Fund at the time of deposit.

#### **Eligibility under the *Income Tax Act* (Canada)**

Securities of each Fund are expected to be qualified investments at all times for trusts governed by registered retirement savings plans and registered retirement income funds (including the various types of

locked-in registered plans such as locked-in retirement accounts and life income funds), tax free savings accounts, deferred profit sharing plans, registered disability savings plans and registered education savings plans (collectively referred to as “**Registered Plans**”).

Securities of a Fund may be a prohibited investment under the *Income Tax Act* (Canada) (the “**Tax Act**”) for a Registered Plan (other than a deferred profit sharing plan) even when the securities are a qualified investment. Generally, securities of a Trust Fund will not be a prohibited investment for a Registered Plan if the planholder, annuitant or subscriber, as the case may be, of the Registered Plan and person(s) (and partnerships) who do not deal at arm’s length with the planholder, annuitant or subscriber do not, in total, own directly or indirectly 10% or more of the value of the Trust Fund. Securities of a Corporate Class will not be a prohibited investment for a Registered Plan of a planholder if the planholder, annuitant or subscriber, as the case may be, of the Registered Plan and persons (and partnerships) who do not deal at arm’s length with the planholder do not, in total, directly or indirectly, own 10% or more of the securities of any series of the Mutual Fund Corporation. Under a safe harbour rule for newly established mutual funds, securities of a Fund will not be a prohibited investment for a Registered Plan of any planholder at any time during the first 24 months of the Fund’s existence provided the Fund qualifies as a mutual fund trust under the Tax Act or is a Corporate Class and the Fund either remains in substantial compliance with NI 81-102 or follows a reasonable policy of investment diversification during the safe harbour period.

Investors should consult their own tax advisor for advice on whether or not an investment in a Fund would be a prohibited investment for their Registered Plan.

## **DESCRIPTION OF SECURITIES**

### **General**

Each Trust Fund may issue securities in one or more classes and a class may be issued in one or more series. An unlimited number of securities of each series may be issued. Currently, only Sun Life MFS U.S. Growth Fund and Sun Life MFS U.S. Value Fund have created two classes of units: the Hedged Class and the Ordinary Class. The Hedged Class is issued in Series AH, Series FH, Series IH and Series OH units, and the Ordinary Class is issued in Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series O and Series I units. The separate classes and series of each of these Funds derive their return from a common pool of assets with a single investment objective and together constitute a single mutual fund. All other Funds have created one class of securities and the series that the class is issued in are shown on the front cover of this Annual Information Form. The series of each of these Funds derive their return from a common pool of assets with a single investment objective and together constitute a single mutual fund.

Sun Life Excel India Balanced Fund has outstanding Series X units that were issued to investors in connection with the merger of Excel India Growth & Income Fund, a closed-end fund that was managed by EFMI, into Sun Life Excel India Balanced Fund.

Sun Life Excel Emerging Markets Fund, Sun Life Excel India Fund and Sun Life Excel High Income Fund have outstanding Series IS units that are no longer offered for sale under the prospectus.

The Mutual Fund Corporation may issue an unlimited number of Class A shares and an unlimited number of Class B shares. 1 Class A share and 99 Class B shares have been issued to a voting trust. The Mutual Fund Corporation is also authorized to issue 1,000 classes of mutual fund shares, and each Corporate Class is a class of mutual fund shares of the Mutual Fund Corporation. The Mutual Fund Corporation may issue an unlimited number of mutual fund shares of each class. Each class of mutual fund shares is authorized to issue an unlimited number of series, each series consisting of an unlimited number of shares. For each class of mutual fund shares, Series A, Series AT5, Series AT8, Series F, Series FT5, Series FT8, Series I

and Series O shares, among others, have been designated. The series that the Corporate Class has issued in are shown on the front cover of this Annual Information Form. Certificates are not generally issued to shareholders.

Each of the Corporate Classes issues more than one series of shares. The principal differences between the series are the fees payable by the series, the purchase options under which you may purchase the series, and the type and frequency of distributions you may receive as an investor in the series. Each Corporate Class has its own investment objective. Each of the Corporate Classes will pay dividends, including capital gains dividends, when declared payable by the Board of Directors of the Mutual Fund Corporation, in its sole discretion, and each class of mutual fund shares ranks equally with all other classes of mutual fund shares with respect to payment of declared dividends and participation in the remaining assets of the Mutual Fund Corporation, in the event of the liquidation, dissolution or winding up of the Mutual Fund Corporation based on the net asset value of the class. Each series of a Corporate Class will participate in the dividends including capital gains dividends that are paid on that Fund, and ranks equally with other series of that Fund with respect to payment of declared dividends in the event of liquidation, dissolution or winding up of the Mutual Fund Corporation.

Shareholders of the Corporate Classes are not entitled to receive notice of, or to attend, annual meetings of shareholders of the Mutual Fund Corporation. The holder(s) of the Class A shares and the Class B shares will elect the directors and appoint the auditors of the Mutual Fund Corporation. Shareholders of the Corporate Classes are entitled to attend meetings of shareholders and to vote when required under securities legislation or corporate law. Please see “Meetings of securityholders” below for a description of your voting rights.

Each Fund generally derives its value from the portfolio assets held by that Fund and the income earned in respect thereof. A separate net asset value (“NAV”) is calculated daily in respect of each series of securities issued by each Fund. The NAV of each Fund and of each series of securities is determined as described under “Calculation of Net Asset Value and Valuation of Portfolio Securities”.

Each holder of a whole security of a Fund is entitled to one vote per security at meetings of securityholders of that Fund, other than meetings at which the holders of one series of securities of that Fund are entitled to vote separately as a series. Subject to the fee distributions described below under “Fee Distributions” and the distribution of capital gains to redeeming securityholders, all securities of each series of a Fund are treated equally with respect to distributions and on any winding up of a Fund based on the relative NAV of each series.

All securities of a Fund are fully paid and non-assessable when issued. Details regarding switching of securities between different series of the same Fund or between the same series of different Sun Life Global Investments Mutual Funds are described below under “Switching Privileges”. Additional information and restrictions relating to switching between series of the same Fund and between series of different Funds is also available in the Simplified Prospectus of the Funds.

Fractions of securities may be issued. Fractional securities carry the rights and privileges, and are subject to the restrictions and conditions, applicable to whole securities in the proportions which they bear to one security; however, the holder of a fractional security is not entitled to vote in respect of such fractional security.

Securityholders of the Funds other than the Milestone Funds can redeem all or any of their securities at the then-current series NAV of those securities as described under “Redemption of Securities”.

All securities of the Funds are transferable without restriction.

The rights and conditions attaching to the securities of each of the Funds may be modified only in accordance with the provisions attaching to such securities and the provisions of the constating document of the Fund. A description of the series of securities offered by each Fund and the eligibility requirements attached to each series of securities is contained in the Simplified Prospectus of the Funds.

### **Milestone Funds**

Each Milestone Fund has a scheduled Maturity Date on which the Milestone Fund will be terminated. At any time prior to the Maturity Date of a Milestone Fund, unitholders can redeem all or any of their units at the NAV of those units as described under “Redemption of Units” below. We, as the portfolio manager, and Sun Life Assurance Company of Canada (“**Sun Life**”), as the sub-advisor of the Milestone Funds, intend to manage each Milestone Fund so that it will have sufficient assets on the scheduled Maturity Date to pay the “**Guaranteed Value**” to investors for each unit of the Milestone Fund then held. The Guaranteed Value, in respect of each unit of each series of a Milestone Fund, is the greatest of the following three values: (i) \$10.00 per unit (the NAV per unit on the start date), (ii) the highest month-end NAV per unit during the period from the start date until the scheduled Maturity Date or (iii) the NAV per unit on the scheduled Maturity Date. If an Accelerated Maturity Date is selected, then unitholders can redeem their units at the greater of the NAV per unit of the applicable series on the Accelerated Maturity Date or the “Net Present Value of the Guaranteed Value” (the “**Accelerated Guaranteed Value**”), less any applicable redemption or other charges. The “Net Present Value of the Guaranteed Value” refers to the amount determined on the Accelerated Maturity Date, if any, of the Milestone Fund by applying discount rates based on the internal rates of return of the fixed income securities held by the Milestone Fund to the Guaranteed Value in effect on the date of the notice to investors advising of the Accelerated Maturity Date.

If on the Maturity Date (or Accelerated Maturity Date, if applicable), in respect to any series, the NAV per unit is less than the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be), then under an amended and restated sub-advisory agreement among the Milestone Funds, Sun Life Milestone Global Equity Fund, the Manager and Sun Life (the “**Milestone Sub-Advisory Agreement**”), Sun Life has agreed to pay to each Milestone Fund the amount of such shortfall (the “**Shortfall**”).

All units of a particular series of a Milestone Fund that are not redeemed by the Maturity Date (or the Accelerated Maturity Date, if applicable) of the Milestone Fund will be automatically switched to the same series of Sun Life Money Market Fund based on the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be). Please see “Redemption of Units – Guaranteed Value” below.

Please see the Simplified Prospectus of the Milestone Funds for details on the risk of not receiving the Guaranteed Value (or the Accelerated Guaranteed Value, if applicable) on the Maturity Date (or the Accelerated Maturity Date, as the case may be).

### **Meetings of Investors**

The Funds do not hold regular meetings. Investors of a Fund are entitled to vote on all matters that require securityholder approval under NI 81-102 or under the constating documents of the Fund. Some of these matters are:

- a change to the basis of the calculation of a fee or expense that is charged to a Fund that could result in an increase in charges to the Fund or to its investors, and the entity charging the fee or expense is a non-arm’s length party to the Fund;
- an introduction of a fee or expense to be charged to a Fund or its investors by the Fund or the Manager in connection with holding securities of the Fund that could result in an increase in charges

to the Fund or its investors, and the entity charging the fee or expense is a non-arm's length party to the Fund;

- a change of the Manager, unless the new manager is an affiliate of the Manager;
- a change in the fundamental investment objectives of the Fund;
- a decrease in the frequency of the calculation of the NAV per each series of securities of the Fund; and
- certain material reorganizations of the Fund.

Approval of these matters requires an affirmative vote by at least a majority of the votes cast at a meeting of the securityholders of a Fund called to consider these matters.

## **CALCULATION OF NET ASSET VALUE AND VALUATION OF PORTFOLIO SECURITIES**

### **Calculation of NAV**

We calculate a separate NAV for each Fund. The NAV of each Fund is computed by deducting all expenses or liabilities of the Fund from the value of the assets of that Fund. All expenses or liabilities of each Fund are calculated on an accrual basis. We also calculate a separate NAV for each series of securities of each Fund, which is referred to as "series NAV".

For each Fund other than Sun Life Money Market Fund, the series NAV is based on the value of the proportionate share of the assets of the Fund attributable to the particular series less the liabilities of the Fund attributed only to that series and the proportionate share of the class liabilities and common liabilities of the Fund allocated to that series. The NAV for each security of a series is determined by dividing the series NAV by the total number of securities of that series outstanding at the time.

For Funds that have created a Hedged Class, the proportionate share of the assets of the Fund attributed to each series is as follows:

- For series in the Ordinary Class, the Fund's assets to be allocated to each series in the class do not include the foreign currency hedging derivatives and related expenses entered into specifically for the Hedged Class;
- For series in the Hedged Class, the Fund's assets to be allocated to each series in the class is:
  - the series' proportionate share of the assets of the Fund, excluding the foreign currency hedging derivatives and related expenses entered into specifically for the Hedged Class; plus
  - the series' proportionate share of the foreign currency hedging derivatives and related expenses entered into specifically for the Hedged Class, which is allocated among only the series in the Hedged Class.

Sun Life Money Market Fund (which is currently the underlying Trust Fund of Sun Life Money Market Class) is designed to keep a constant series NAV of \$10.00 per unit. We achieve this by crediting each investor's account with net income and applicable net realized capital gains (less applicable losses and management fee distributions) each business day so that the total number of units of each series outstanding

varies in proportion with that Fund's liabilities and assets. It cannot be guaranteed that this Fund will always maintain a constant series NAV.

The series NAV per security of each series is normally determined as at the close of business on each day that the Toronto Stock Exchange (the "TSX") is open for trading, or any other day determined from time to time by the Manager, unless the Manager has declared a suspension of the determination of the series NAV as described under "Redemption of Securities". The series NAV per security of each series so determined remains in effect until the time as at which the next determination of series NAV per security is made. The day on which series NAV is determined is referred to in this Annual Information Form as a "valuation day".

The NAV of the Funds is determined and reported in Canadian dollars.

Securities of each series of each of the Funds, other than units of the Milestone Funds that are redeemed on the applicable Maturity Date or the Accelerated Maturity Date, are issued or redeemed at the series NAV next determined after the receipt by the Fund of the purchase order or the redemption request. For the Milestone Funds, redemptions processed on the Maturity Date (or the Accelerated Maturity Date, if applicable) of a Milestone Fund will be processed at the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be). Please see the Simplified Prospectus of the Milestone Funds for details on the risks of not receiving the Guaranteed Value (or the Accelerated Guaranteed Value, if applicable) on the Maturity Date (or the Accelerated Maturity Date, as the case may be).

The daily NAV for each Fund and the series NAV per security of each Fund is available upon request, free of charge, by calling the Manager toll free at 1-877-344-1434, by sending an email to [info@sunlifeglobalinvestments.com](mailto:info@sunlifeglobalinvestments.com) or by mailing Sun Life Global Investments (Canada) Inc. at One York Street, Suite 3300, Toronto, Ontario M5J 0B6.

### **Valuation of Portfolio Securities**

In calculating the series NAV at any time of any securities of a Fund, the following valuation principles apply:

- the value of any cash or its equivalent on hand, on deposit or on call, bills and demand notes and accounts receivable, prepaid expenses, cash dividends declared, and interest accrued and not yet received is deemed to be the full amount thereof unless the Manager has determined that any such deposit, bill, demand note or account receivable is not worth the full amount, in which event the value thereof is deemed to be such value as the Manager determines to be the fair value;
- short term notes are valued at cost plus accrued interest which approximate their fair value;
- the value of any bonds, debentures, and other debt obligations shall be valued by taking the average of the bid and ask prices as reported by an independent source on the day as of which the NAV of the Fund is being determined;
- the value of any security (including an exchange traded fund) which is listed on any recognized exchange is valued, subject to the principles set out below, by the closing sale price or, if there is no closing sale price, the average between the closing bid and the closing asked price on the day on which the NAV of the Fund is being determined, all as reported by any report in common use or authorized as official by a recognized stock exchange; if the average between closing bid and closing ask cannot be determined then the previous day's price will be used, provided that if such

stock exchange is not open for trading on that date, then on the last previous date on which such stock exchange was open for trading;

- delisted securities are valued at the lower of the last reported trading price or the Manager's best estimate of fair value;
- if securities are interlisted or traded on more than one exchange or market, the Manager uses the last sale price reported on the exchange or market determined by the Manager to be the principal exchange or market for such securities;
- securities and other assets for which market quotations are, in the Manager's opinion, inaccurate, unreliable, not reflective of all available material information or not readily available are valued at their fair value, as determined by the Manager;
- private investments in reporting issuers are valued at the current market price of the corresponding publicly traded portfolio investment less a discount for illiquidity due to the existence of a restricted period, which is amortized on a degressive basis over the restricted period. Where the market price of the publicly traded portfolio investment is lower than the subscription price of the private investment, and no discount can be calculated, the minimum value of the portfolio investment during the restricted period will be the lower of its cost and the closing price of the unrestricted publicly traded portfolio investment;
- securities of non-reporting issuers are valued at the Manager's best estimate of fair value;
- if the underlying security is listed on a recognized public securities exchange, special warrants are priced at market value of the underlying security. If the underlying security is not listed on a recognized public securities exchange or if there is no underlying security, special warrants are valued at the Manager's best estimate of fair value;
- warrants for which the exercise price exceeds the current price of the underlying security ("**out of the money**") are valued at nil;
- long positions in options, clearing corporation options, options on futures, over-the-counter options and debt like securities are valued at the current market value of the position;
- where an option, clearing corporation option, option on futures or over-the-counter option is written by the Fund, the premium received by the Fund for those options is reflected as a liability that is valued at an amount equal to the current market value of the option that would have the effect of closing the position. Any difference resulting from revaluation is treated as an unrealized gain or loss on investment. The liability is deducted in arriving at the NAV of the Fund. The securities, if any, that are the subject of a written option are valued in the manner described above for listed securities;
- the value of any mutual fund security not listed on any stock exchange and held by a Fund will be the last available net asset value per security;
- the value of a forward contract or swap is the gain or loss on the contract that would be realized if, on that valuation date, the position in the forward contract or swap was closed out;
- credit default swaps are valued at the net present value of the current cost of protection, which represents the fair value of the credit risk exposure to the referenced asset;

- the value of a standardized future is:
  - if daily limits imposed by the futures exchange through which the standardized future was issued are not in effect, the gain or loss on the standardized future that would be realized if, on that valuation date, the position in the standardized future was closed out; or
  - if daily limits imposed by the futures exchange through which the standardized future was issued are in effect, based on the current market value of the underlying interest of the standardized futures;
- margin paid or deposited on standardized futures or forward contracts is reflected as an account receivable and margin consisting of assets other than cash is noted as held as margin;
- securities quoted in foreign currencies are translated to Canadian dollars using the prevailing rate of exchange as quoted on the day as of which the NAV of the Fund is being determined by independent pricing sources acceptable to the Manager; and
- if an asset cannot be valued under the above principles or under any valuation principles set out in securities legislation, or if any valuation principles adopted by the Manager but not set out in securities legislation are at any time considered by the Manager to be inappropriate in the circumstances, then the Manager applies fair value pricing based on valuation principles that it considers to be appropriate in the circumstances.

Each Fund may, from time to time, trade in, or otherwise be exposed to, securities listed on exchanges located in India, China or other Far Eastern and European markets. Generally, these foreign markets operate at different times relative to North American markets, like the TSX. As a result, the closing price of securities that trade on these foreign markets (“**foreign securities**”) may be “stale” by the time the Fund calculates its NAV. For example, this situation may arise where a significant event that would materially affect the value of the foreign security occurs after the close of the foreign exchange but before the Fund calculates its NAV. Examples of such significant events could include natural disasters, acts of war or terrorism, a substantial fluctuation in foreign markets, unforeseen governmental actions or a halt in trading of the foreign security. In situations where the price for foreign securities may be “stale”, the Manager may, in consultation with the relevant portfolio manager, fair value a foreign security using procedures established and approved by the Manager if it determines that the value of such foreign security held by a Fund is unavailable or otherwise unreliable. These procedures may include the use of independent pricing services. In such cases, the value of the foreign security will likely be different from its last quoted price. Also, it is possible that the fair value price determined by the Manager may be materially different from the value realized when the foreign security is sold.

The Manager has not exercised its discretion to deviate from the Funds’ valuation principles as set out above for any of the Funds in the past three years.

## **PURCHASE OF SECURITIES**

### **General**

Securities of each of the Funds are offered for sale on a continuous basis. Please see the cover of this Annual Information Form for the series of securities that are offered by each Fund under this Annual Information Form. Purchase orders must be placed with registered dealers in an investor’s province or territory. The Manager generally does not accept any purchase orders directly from individual investors.



## Purchase Price

Securities of the Funds may be purchased at their series NAV from time to time, computed as described under “Calculation of Net Asset Value and Valuation of Portfolio Securities”. The purchase price per security is the series NAV per security next determined following receipt by the Fund of a complete subscription. Any subscription received on a valuation day after the cut off time or on any day that is not a valuation day is deemed to have been received on the following valuation day. The purchase price per security is then the series NAV per security established on the valuation day following the day of actual receipt of the subscription. The cut off time for receipt of subscriptions is 4 p.m. ET, except on days that the TSX closes early, when the cut off time is such earlier closing time. The Manager may, in its sole discretion and in accordance with applicable securities legislation accept security as purchase payment for shares of a Corporate Class.

You may elect to purchase Series A, Series F, Series O and Series DB securities, as applicable, of Sun Life MFS Global Total Return Fund, Sun Life MFS Global Growth Fund, Sun Life MFS International Growth Fund, Sun Life MFS U.S. Growth Fund, Sun Life MFS U.S. Value Fund, Sun Life Excel Emerging Markets Fund, Sun Life JPMorgan International Equity Fund, Sun Life Excel China Fund, Sun Life Excel Emerging Markets Balanced Fund, Sun Life Excel High Income Fund, Sun Life Excel India Balanced Fund, Sun Life Excel India Fund and Sun Life Excel New India Leaders Fund in U.S. dollars (“**U.S. Dollar Purchase Option**”). Under this option, we will determine your purchase price per security by taking the Canadian dollar series NAV per security and converting it into U.S. dollars based on the exchange rate at the time the NAV is calculated on the day your purchase order is received. Similarly, any distributions or dividends made on securities purchased under the U.S. Dollar Purchase Option are determined in Canadian dollars and paid out in U.S. dollars using the exchange rate at the time of the distribution or dividend. The U.S. Dollar Purchase Option is offered as a convenience to allow investors to purchase securities of these Funds with U.S. dollars. It does not act as a currency hedge or protect against losses caused by fluctuations in the exchange rates between the Canadian and U.S. dollars. Any apparent difference in performance between securities purchased in Canadian dollars versus securities purchased in U.S. dollars is solely the result of the difference in the value between the Canadian and U.S. dollar and does not reflect any difference in the actual performance of the Fund.

The investor’s dealer may provide in any arrangements it has with the investor that the investor is required to compensate the investor’s dealer for any losses suffered by it in connection with a failed settlement of a purchase order caused by the investor.

## Minimum Investment

The minimum amount for an initial investment in Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series O or Series OH securities of the Funds is \$500. Each subsequent investment in Series A, Series AH, AT5, Series T5, Series AT8, Series T8, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series O or Series OH securities of the Funds must be at least \$50. Each subsequent investment in Series D securities must be at least \$100. There is no minimum initial or additional investment amount in Series DB securities. These minimum investment amounts may be adjusted or waived in our absolute discretion and without notice to securityholders. The minimum initial investment and each additional investment in Series I securities of any of the Funds is negotiated between each Series I investor and the Manager.

Please see “Automatic Redemption” for more information on the minimum balance that must be maintained for investments in each series of securities of the Funds and the consequences of failing to maintain such minimum.

## Sales Options

Investors purchasing Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of the Funds, where available, may choose between paying:

- a sales charge negotiable at the time of purchase (the “**Front End Sales Charge option**”);
- a redemption fee payable at the time of redemption if redeemed within seven years of the original purchase (the “**Deferred Sales Charge option**”); and
- a reduced redemption fee payable at the time of redemption if redeemed within three years of the original purchase (the “**Low Load Sales Charge option**”).

Investors will pay different fees under the Front End Sales Charge option, the Deferred Sales Charge option and the Low Load Sales Charge option, and the choice of different purchase options affects the amount of compensation paid by the Manager to the dealer.

For securities of any Fund, other than the Former Excel Funds, purchased under the Deferred Sales Charge option or the Low Load Sales Charge option, upon the completion of the redemption fee schedule applicable to those securities, such securities will be automatically changed to Front End Sales Charge option securities without increased costs to the investor. A dealer may, from the time such securities are changed, receive the higher level of service fees or trailing commissions that are applicable to securities purchased under the Front End Sales Charge option. For securities of the Former Excel Funds purchased under the Deferred Sales Charge option or the Low Load Sales Charge option, upon the completion of the redemption fee schedule applicable to those securities, such securities will not be automatically changed to Front End Sales Charge option securities, though your dealer may receive the higher level of service fees or trailing commissions that are applicable to securities purchased under the Front End Sales Charge option from the time the redemption fee schedule applicable to those securities is completed. Effective on or about August 1, 2018, securities of the Former Excel Funds purchased under the Deferred Sales Charge option or the Low Load Sales Charge option, will be automatically changed to Front End Sales Charge option securities upon the completion of the redemption fee schedule applicable to those securities without increased costs to you. Additionally, securities of the Former Excel Funds purchased under the Deferred Sales Charge option or the Low Load Sales Charge option, the redemption fee schedule applicable to which was completed before August 1, 2018, will be automatically changed to Front End Sales Charge option securities on or about August 1, 2018 without increased costs to you. See the Simplified Prospectus of the Funds for more information on the service fees or trailing commissions the Manager pays to dealers.

Units of a Milestone Fund may not be purchased under the Deferred Sales Charge option in the last seven years prior to the scheduled Maturity Date of a Milestone Fund. In addition, units of a Milestone Fund may not be purchased under the Low Load Sales Charge option in the last three years prior to the scheduled Maturity Date of the Milestone Fund.

See “Redemption of Securities” for further information concerning the Deferred Sales Charge option and the Low Load Sales Charge option.

To qualify for the Private Client Program, Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities, must be purchased or held under the Front End Sales Charge option. Series O and Series OH are only sold under the Front End Sales Charge option. No fee is payable on redemption of such securities. In the case of Series O and Series OH securities, a dealer may charge an investor a service fee (“**Series O Service Fee**”) of between 0% and 1.00%. This Series O Service Fee is negotiable between the investor and

the dealer. Series O and Series OH securities also have special attributes as described in the Simplified Prospectus.

Some of the Funds also offer Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I and/or Series IH securities. Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I and Series IH securities of these Funds have special attributes as described in the Simplified Prospectus. These series of securities are sold with no sales charge and no fee payable on redemption. Series F, Series FH, Series F5, Series F8, Series FT5 and Series FT8 securities are eligible for the Private Client Program. All series of securities are subject to a short-term trading fee, if applicable (see “Short Term Trading Fees” for more information).

### **Processing Orders**

An investor must send all orders for securities to his, her or its dealer and such orders will then be forwarded by the dealer to the registered office of the Funds for acceptance or rejection. Each Fund reserves the right to reject any order in whole or in part. Dealers must transmit an order for securities to the registered office of the Funds without charge to the investor. They must make such transmittal wherever practical by same day courier, priority post or telecommunications facility. The investor and the investor’s dealer are responsible for ensuring that the investor’s purchase order is accurate and that the Manager receives all the necessary documents or instructions. The decision to accept or reject any order for securities will be made within one business day of receipt of the order by the Fund. In the event that any purchase order is rejected, all monies received with the order are returned to the subscriber. Full and proper payment for all orders of securities must be received at a Fund’s registered office on or before the settlement date. The settlement date is generally the third business day from (but not including) the day on which the subscription price for the securities so ordered is determined.

Orders placed must be settled within the time periods described above. Where payment of the subscription price is not received on a timely basis or where the payment is returned or dishonoured, the Manager, on behalf of the Fund, redeems the securities ordered by the cut off time on the first business day following such period. The redemption proceeds reduce the amount owing to the Fund in respect of the failed purchase transaction. If the proceeds are greater than the amount you owe us, the Fund keeps the difference. If the proceeds are less than the amount you owe us, your dealer will pay the difference to the Fund and you may have to reimburse your dealer. Where no dealer has been involved in an order for securities, the Manager is entitled to collect the amounts described above from the investor who has failed to make payment for the securities ordered.

## **SWITCHING PRIVILEGES**

### **General**

An investor may, at any time, switch all or part of the investor’s investment in one Fund to a different Sun Life Global Investments Mutual Fund, provided that the investor is eligible to make the switch. Subject to certain exceptions, an investor may also change between series of the same Fund (which is referred to as “**redesignation**” in the case of a Trust Fund and a “**conversion**” in the case of a Corporate Class), provided that the investor is eligible for the new series, or change between purchase options. It is generally not advisable to make changes between purchase options. An investor, by retaining the original purchase option, will avoid any unnecessary additional charges. See “*Changing Between Purchase Options*”.

If an investor switches out of a Milestone Fund prior to the Maturity Date or Accelerated Maturity Date of that Milestone Fund, the switch transaction will be based on the NAV of the units being switched and not on the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be) of such units.

Investors must place all switch orders through their advisor.

### **Switching Between Funds**

An investor can switch securities of a Fund into securities of the same series or a different series of another Sun Life Global Investments Mutual Fund, provided that the investor is qualified for the series switched into.

Switching securities of a Fund for securities of another Sun Life Global Investments Mutual Fund involves both a redemption of securities of the Fund and a purchase of securities of the other Sun Life Global Investments Mutual Fund. The redemption is a disposition for tax purposes and will generally result in realizing a capital gain or capital loss. Please refer to “Income Tax Considerations” for more details.

Switches from a series of a Fund purchased under the U.S. Dollar Purchase Option to a series of another Fund which offers the U.S. Dollar Purchase Option will be processed in U.S. dollars.

If an investor switches from securities of a Fund purchased under the Deferred Sales Charge option or the Low Load Sales Charge option to new securities under the same purchase option, the investor’s new securities will generally have the same redemption fee schedule as the investor’s original securities.

### **Changing Between Series**

Subject to the exceptions set out below, an investor may change securities of one series of a Fund into securities of a different series of the same Fund if the investor is eligible to purchase the new series. The eligibility details of the different series of the Funds are described in the Simplified Prospectus. A change to or from units of any of Series AH, Series FH, Series IH or Series OH of a Trust Fund to or from units of any of Series A, Series AT5, Series T5, Series AT8, Series T8, Series D, Series F, Series F5, Series F8, Series FT5, Series FT8, Series I or Series O of the same Trust Fund is processed as a redemption of units followed by a purchase of units. A redemption is a disposition for tax purposes and will generally result in realizing a capital gain or loss. Otherwise, a change between series of the same Fund is processed as a redesignation in the case of a Trust Fund, or a conversion, in the case of a Corporate Class. A redesignation or conversion of securities is not considered to be a disposition of the securities for tax purposes and does not result in realizing a capital gain or loss unless securities are redeemed to pay any fees or charges. Please refer to “Income Tax Considerations” for more details.

Switches from a series of a Fund purchased under the U.S. Dollar Purchase Option to another series of the Fund which offers the U.S. Dollar Purchase Option will be processed in U.S. dollars.

The following are some more things an investor should keep in mind about changing between series:

- If an investor changes Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of a Fund purchased under the Deferred Sales Charge option or the Low Load Sales Charge option into Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities of the same Fund, the investor will have to pay any applicable redemption fees.
- If an investor changes from Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities of a Sun Life Global Investments Mutual Fund into Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of the same or another Sun Life Global Investments Mutual Fund, the investor can choose to have any of the three available purchase options apply to the investor’s new securities.

- Any change into or out of Series I or Series IH securities is subject to the prior written approval of the Manager.
- A change from one series of a Fund to another series of the same Fund will likely result in a change in the number of securities of the Fund an investor holds since each series of a Fund generally have a different NAV per security.
- If an investor is no longer eligible to hold Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities, the Manager may change the investor's Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities to Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities, as applicable, of the same fund under the Front End Sales Charge option.

### **Changing Between Purchase Options**

Changes in purchase options may involve a change in the compensation paid to an investor's dealer. For the reasons set out below, it is generally not advisable to make changes between purchase options.

Changes between purchase options will generally be permitted only if an investor provides the Manager with instructions to sell the investor's original securities of a Fund and buy new securities under a different purchase option. The sale is a disposition for tax purposes and will generally result in realizing a capital gain or capital loss (see "Income Tax Considerations – Taxation of the Investors" for more details). If the investor's original securities are subject to a redemption fee or do not have a free redemption amount (as described below), such a change will also trigger any applicable redemption fees. In addition, if the investor is changing to either the Deferred Sales Charge option or the Low Load Sales Charge option from a different purchase option, a new redemption fee schedule will be imposed on the investor's new securities.

A change from securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option that are not subject to redemption fees to securities purchased under the Front End Sales Charge option may result in an increase in the trailing commissions being paid to an investor's dealer, although no incremental charges to the investor, other than any switch fee as described in "Switch Fees". See "Dealer compensation" in the Simplified Prospectus for more details. If the securities are registered in the investor's name, the Manager generally requires written authorization from the investor through the investor's dealer. If the securities are registered in the name of the dealer or an intermediary, the Manager generally requires written authorization from the dealer or intermediary. The dealer or intermediary will generally be required to make certain disclosures to the investor and to obtain the investor's written consent to a change between purchase options.

An investor may not change to units of a Milestone Fund under the Deferred Sales Charge option during the last seven years prior to the scheduled Maturity Date of the Milestone Fund, or the Low Load Sales Charge option during the last three years prior to the scheduled Maturity Date of the Milestone Fund.

### **Switch Fees**

Dealers may charge an investor a switch fee of up to 2% of the value of the securities switched to cover the time and processing costs involved in a switch. Generally, dealers may charge an investor a switch fee for a switch to or from Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series O or Series OH securities. The investor and advisor negotiate the fee.

Switch fees and sales commissions are exclusive of each other. Dealers may receive a switch fee or a sales commission for a switch transaction, but not both.

If an investor is no longer eligible to hold a certain series of securities and the Manager changes that investor out of that series to another series of securities of the same Fund, the dealer will not receive a fee or a sales commission.

Investors may also have to pay a short term trading fee (as further described below) if they switch from securities purchased or switched into within the last 30 days. See “Short Term Trading Fees” below.

No switch fees are charged when:

- an investor changes securities of a series of a Fund to securities of another series of the same Fund, including changes to or from Series AH (where such changes are permitted);
- an investor is switching Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of a Sun Life Global Investments Mutual Fund purchased under the Deferred Sales Charge option or the Low Load Sales Charge option to the Front End Sales Charge option, and the investor’s dealer charges the investor a sales commission for the switch transaction;
- an investor is switching from Series D, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I or Series IH securities of a Sun Life Global Investments Mutual Fund to Series D, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I or Series IH securities of the same or another Sun Life Global Investments Mutual Fund;
- an investor is switching securities as a result of a rebalancing transaction under the Private Client account rebalancing service; or
- an investor is switching under the Systematic Transfer Plan.

## **REDEMPTION OF SECURITIES**

### **Price on Redemption**

Securities of a Fund, other than units of a Milestone Fund on its Maturity Date (or the Accelerated Maturity Date, if applicable), may be redeemed at the series NAV per security next determined after receipt of a redemption request at the registered office of the Funds. For units of a Milestone Fund, an investor will receive the Guaranteed Value (or the Accelerated Guaranteed Value, if applicable) only if the investor redeems his, her or its units on the Maturity Date (or the Accelerated Maturity Date, as the case may be). See “Guaranteed Value” below for more details.

Redemption requests received on any day that is not a valuation day or received after the cut off time on a valuation day are deemed to have been received on the following valuation day. In that case, the price on redemption will be the series NAV per security established on the valuation day following the day of actual receipt. The cut off time for receipt of redemption requests is 4 p.m. ET, except that on days that the TSX closes early, the cut off time is such earlier closing time.

All series of the Funds will pay redemption proceeds in Canadian dollars, unless you purchased under the U.S. Dollar Purchase Option. Securities purchased under the U.S. Dollar Purchase Option can be redeemed in U.S. dollars only.

If you purchased securities under the U.S. Dollar Purchase Option, we will calculate your redemption value per security by taking the Canadian dollar series NAV per security and converting it into U.S. dollars based on the exchange rate at the time the NAV is calculated on the day your redemption order is received.

### **Processing Redemptions**

Redemption requests from investors must be sent to dealers for delivery to the Funds. Dealers must transmit the particulars of such redemption request to the Fund without charge to an investor and must make such transmittal wherever practical by same day courier, priority post or telecommunications facility. The investor and the investor's dealer are responsible for ensuring that the investor's redemption request is accurate and that the Manager receives all necessary documents or instructions. The investor's dealer may provide in any arrangement it has with the investor that the investor is required to compensate the investor's dealer for any losses suffered by it in connection with the investor's failure to satisfy the requirements for a redemption of securities of a Fund.

No payment of redemption proceeds is made until a duly completed redemption request has been received from the registered holder of the securities. Redemption requests:

- for redemption proceeds of \$25,000 or more;
- that direct redemption proceeds to be paid to someone other than the registered investor or to an address other than the registered address of the investor;
- for redemption proceeds not payable to all joint owners on an investor's account; or
- from a corporation, partnership, agent, fiduciary or surviving joint owner

are, in each case, required to have signatures guaranteed by a Canadian chartered bank or trust company or by the investor's dealer. Investors should consult their advisors with respect to the documentation required.

Where a Fund has received a duly completed redemption request, the Fund pays the redemption proceeds within two business days of receipt of such documents. If an investor fails to provide the Fund with a duly completed redemption request within ten business days of the date on which the series NAV is determined for the purposes of the redemption, the Manager, on behalf of the Fund, purchases the securities redeemed on the tenth business day after the redemption. The redemption proceeds which would have been paid on the failed transaction are used to pay the purchase price. If the redemption proceeds are more than the purchase price, the difference belongs to the Fund. If the redemption proceeds are less than the purchase price, the dealer placing the redemption request pays the difference to the Fund and the investor may have to reimburse the dealer. Where no dealer has been involved in the redemption request, the Manager is entitled to collect the amounts described above from the investor who has failed to supply the proper redemption request.

Payment for the securities that are redeemed shall be made as described above, provided that the investor's cheque in payment for the purchase of any of the securities being redeemed has cleared. Any redemption fees are deducted from the payment.

Unless an investor otherwise requests, the cheque representing the redemption proceeds is mailed to the address of the investor as shown on the register of the Fund. As a convenience to investors of the Funds whose securities are registered in their own names, the Manager will, if the investor so requests, deliver by wire transfer the redemption proceeds to a designated Canadian dollar account of the investor at a Canadian

bank, trust company or credit union on the day on which the redemption proceeds are made available by a Fund to the Manager. There are no charges for this service, other than any costs or other fees in connection with a wire transfer that may be charged by the investor's financial institution.

Investors whose securities are registered in the name of their dealer, broker or other intermediary must instruct their advisor to provide the Manager with a redemption request. Redemption proceeds are paid only to registered holders of securities, so investors holding through financial intermediaries should expect redemption proceeds to be paid into their account with their financial intermediary.

### **Automatic Redemption**

Investors in Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I and Series IH securities of the Funds must keep at least \$500 (Canadian) in their accounts. If an investor's account falls below \$500, the Manager may notify the investor and give the investor 30 days to make another investment. If the investor's account stays below \$500 after those 30 days, the Manager may redeem all of the securities in the investor's account and send the proceeds to the investor.

Investors in Series DB units of Sun Life Excel Emerging Markets Fund must keep at least \$250 in their accounts. If an investor's account falls below \$250, the Manager may notify the investor and give the investor 30 days to make another investment. If the investor's account stays below \$250 after those 30 days, the Manager may redeem all of the securities in the investor's account and send the proceeds to the investor.

The Manager reserves the right to redeem, without notice to the investor, all of the securities that the investor holds in a Fund if the investor's investment in that Fund falls below \$500. The Manager also intends to observe all redemption policies that may be implemented from time to time by industry participants such as FundSERV, which provides a transaction processing system used by some mutual funds in Canada.

Please see "Minimum Investment" for more information on the minimum balance that must be maintained for investments in Series O or Series OH securities of the Funds and the consequences of failing to maintain such minimum.

Irrespective of the size of an investor's investment in a Fund, the Manager reserves the right to redeem all of the securities that an investor holds in their account if the Manager believes it is in the best interest of the Fund to do so.

Investors should also refer to "Switching Privileges – Switch Fees" above and "Short term Trading Fees" below in connection with any redemption of securities.

### **Redemption Fees**

Where an investor purchased Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities pursuant to the Front End Sales Charge option, no redemption fee applies. No fees or charges are otherwise deducted in respect of such securities on a redemption except on a switch to another Fund. In certain circumstances, a short-term trading fee may apply.

Where Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities are purchased through the Deferred Sales Charge option, a redemption fee is payable on any redemption of securities of a Fund during the first seven years after the date of original purchase of the securities being redeemed. The



redemption fee to be paid in respect of securities of that Fund being redeemed is based on the original cost of such securities. No redemption fee is payable on the redemption of securities acquired through reinvestment of distributions. Where securities of a Fund that are presented for redemption were acquired through the Deferred Sales Charge option pursuant to a switch from another Sun Life Global Investments Mutual Fund (as described under “**Switching Privileges**”), the redemption fee is based on the original purchase date and cost of the other Sun Life Global Investments Mutual Fund.

The redemption fee is deducted from the aggregate series NAV of the securities being redeemed. The redemption fee applicable to redemptions of securities of a Fund is a specified percentage of the original series NAV of the securities being redeemed (and not of the NAV at the time of redemption) and declines over time as set out in the following table:

<b>If Redeemed During the Following Period After Date of Original Purchase</b>	<b>Redemption Fee as % of Original Cost (under the Deferred Sales Charge Option)</b>
During the first year	5.5%
During the second year	5.0%
During the third year	5.0%
During the fourth year	4.0%
During the fifth year	4.0%
During the sixth year	3.0%
During the seventh year	2.0%
Thereafter	Nil

Where Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities are purchased through the Low Load Sales Charge option, a redemption fee is payable on any redemption of securities of a Fund during the first three years after the date of original purchase of the securities being redeemed. The redemption fee to be paid in respect of securities of that Fund being redeemed is based on the original cost of such securities. No redemption fee is payable on the redemption of securities acquired through reinvestment of distributions. Where securities of a Fund that are presented for redemption were acquired through the Low Load Sales Charge option pursuant to a switch from another Sun Life Global Investments Mutual Fund (as described under “**Switching Privileges**”), the redemption fee is based on the original purchase date and cost of the other Sun Life Global Investments Mutual Fund.

The redemption fee is deducted from the aggregate series NAV of the securities being redeemed. The redemption fee applicable to redemptions of securities of a Fund is a specified percentage of the original series NAV of the securities being redeemed (and not of the NAV at the time of redemption) and declines over time as set out in the following table:

<b>If Redeemed During the Following Period After Date of Original Purchase</b>	<b>Redemption Fee as % of Original Cost (under the Low Load Sales Charge Option)</b>
During the first year	2.5%
During the second year	2.0%
During the third year	2.0%
Thereafter	Nil

No redemption fees are payable on the redemption of Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities. In certain circumstances, a short term trading fee may be charged. There is no redemption fee on securities acquired through reinvested distributions, although these securities are the last to be redeemed. All series of securities are subject to a short-term trading fee, if applicable (see “Short-Term Trading Fees” for more information).

The Deferred Sales Charge option is not available within seven years of the scheduled Maturity Date of a Milestone Fund. The Low Load Sales Charge option is not available within three years of the scheduled Maturity Date of a Milestone Fund.

### **Redemption of Deferred Sales Charge and Low Load Sales Charge Securities Following Death of an Investor**

We may waive the deferred sales charge or low load sales charge if securities are redeemed following the death of the holder of an individual account. Once we receive the required estate documentation in good order, we will process the redemption as requested, and in accordance with our current policies. Please contact us or your advisor for more information.

### **Free Redemption Amount**

Generally, no redemption fee is payable in respect of redemptions of Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of a Fund purchased under the Deferred Sales Charge option or the Low Load Sales Charge option up to the annual maximum established by the Manager from time to time (the “**Free Redemption Amount**”).

For securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option with a Free Redemption Amount, an investor may redeem in any calendar year, without payment of any redemption fees, an annual amount in securities equal to:

- up to 10% of the investor’s securities held in a Fund as at the preceding December 31, plus
- up to 10% of the securities of that Fund purchased in the current calendar year prior to the date of redemption.

Unused portions of the investor’s Free Redemption Amount for any year cannot be carried forward to the next.

When redeeming securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option, the order of redemption will be as follows: (i) securities that qualify for the Free Redemption Amount (in order of maturity date); (ii) mature securities (securities that are no longer subject to a redemption fee); and (iii) securities that have a fee remaining, starting with those that will mature first.

There is no redemption fee on securities acquired through reinvested distributions, although these securities are the last to be redeemed.

We may modify or discontinue the free redemption amount at any time in our sole discretion.

## **Suspension of Redemption Rights**

The Manager reserves the right to suspend the right of redemption and to postpone the date of payment upon redemption for any period, but only in compliance with applicable securities legislation. The right of redemption with respect to securities of a Fund may be suspended during any period when normal trading is suspended on any exchange on which are traded portfolio securities or specified derivatives representing more than 50% of a Fund's total asset value without allowance for liabilities, provided that those portfolio securities or specified derivatives are not traded on another exchange that represents a reasonably practical alternative for the Fund. In addition, the right of redemption may be suspended with the consent of securities regulatory authorities. In the case of suspension of the right of redemption before the redemption proceeds have been determined, a securityholder may either withdraw a redemption request or receive payment based on the applicable series NAV per security next determined after the termination of such suspension. During any period of suspension of redemption rights, orders to purchase securities will not be accepted.

## **Guaranteed Value**

The Manager has structured each Milestone Fund so that it will have sufficient assets to pay to investors on the scheduled Maturity Date an amount for each outstanding unit equal to the greatest of the following three values: (i) \$10.00 per unit, (ii) the highest month-end NAV per unit during the period from the start date until the scheduled Maturity Date or (iii) the NAV per unit on the scheduled Maturity Date. This amount is called the "Guaranteed Value".

The initial Guaranteed Value of each unit of each series of each Milestone Fund is \$10.00 per unit, being the NAV per unit on the start date. On the last business day of each calendar month during the term of a Milestone Fund, we compare the then current Guaranteed Value of each series with the NAV per unit of such series calculated on that day. For any series, if this NAV per unit is higher than the current Guaranteed Value, the Guaranteed Value will be increased to equal the higher NAV per unit.

In effect, for each series, the Guaranteed Value is moved up each time the month-end NAV per unit is higher than the current Guaranteed Value. In no event will the Guaranteed Value be decreased, regardless of any subsequent decrease in the NAV per unit. On the scheduled Maturity Date, the then current Guaranteed Value for each series is compared with the NAV per unit of such series on the Maturity Date and, if applicable, is moved up to the higher of these two values. The Guaranteed Value is the same for each investor of a series of a Milestone Fund, regardless of when during the term of the Fund the investor purchased his, her or its units.

If you hold your units until the scheduled Maturity Date of a Milestone Fund and redeem them on that date, then you will receive the Guaranteed Value for each redeemed unit on such date. All units of a particular series of a Milestone Fund outstanding on the scheduled Maturity Date of the units of a Milestone Fund that are not redeemed will be automatically switched to the same series of units of Sun Life Money Market Fund that you held under the applicable purchase option based on the Guaranteed Value. No sales charges or switch fees will be payable in respect of this switch. The switch will be treated like a redemption for tax purposes. Please see "Income Tax Considerations" for a discussion of the tax consequences of a redemption of units.

The Maturity Date of a Milestone Fund may be accelerated to a date prior to the scheduled Maturity Date if the Manager determines that the Fund's asset size is not economically viable, if Sun Life resigns as sub-advisor or is terminated and we determine that a replacement sub-advisor will not be appointed, or if we determine, in our sole discretion, that it is in the best interests of investors to accelerate the Maturity Date of the Milestone Fund. In addition, the Maturity Date of a Milestone Fund may be accelerated if all

of the assets of the Milestone Fund are invested in zero-coupon bonds. On acceleration, investors will be entitled to receive the Accelerated Guaranteed Value for each unit of the Milestone Fund then held. Because the Accelerated Guaranteed Value is based on a net present value calculation that takes into account the time value of money, the amount investors receive could be less than \$10.00 per unit (the NAV per unit on the start date of each Series of the Milestone Fund) and could be less than the original investment.

Investors who redeem their units on the Accelerated Maturity Date will receive the Accelerated Guaranteed Value per unit, less any redemption or other charges that apply to units purchased under the Low Load Sales Charge option or the Deferred Sales Charge option. All units of a particular series of a Milestone Fund that are not redeemed by the Accelerated Maturity Date will be automatically switched to the same series of units of Sun Life Money Market Fund under the applicable purchase option based on the Accelerated Guaranteed Value. Units of Sun Life Money Market Fund held by an investor as a result of being switched from units of a Milestone Fund purchased under the Low Load Sales Charge option or the Deferred Sales Charge option will have the same remaining term of any applicable redemption fee schedule as the corresponding series of units of the Milestone Fund. No sales charges or switch fees will be payable in respect of this switch. The switch will be treated like a redemption for tax purposes. Please see “Income Tax Considerations” for a discussion of the tax consequences of a redemption of units.

Investors will receive at least 60 days’ prior written notice of any Accelerated Maturity Date of a Milestone Fund. If an Accelerated Maturity Date is declared, the Milestone Fund will be automatically closed to new purchases, subject to such rules relating to distributions and pre-authorized chequing plans as the Manager may determine.

We, as the portfolio manager, and Sun Life, as the sub-advisor, of the Milestone Funds, intend to manage each Milestone Fund so that it will have sufficient assets on the Maturity Date to pay the Guaranteed Value to investors for each unit of the Milestone Fund then held. If on the Maturity Date or Accelerated Maturity Date the NAV per unit (calculated without taking into account any obligation to pay the Shortfall) is less than the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be), then under the sub-advisory agreement Sun Life has agreed to pay the Shortfall to the Milestone Fund. If on the Maturity Date (or the Accelerated Maturity Date) there is a Shortfall and, for any reason, Sun Life does not pay the Shortfall to the Milestone Fund, then the above redemptions and switches will be based on the applicable NAV per unit on the Maturity Date (or the Accelerated Maturity Date).

Please see the Simplified Prospectus of the Milestone Funds for details on the risk of not receiving the Guaranteed Value (or the Accelerated Guaranteed Value, if applicable) on the Maturity Date (or the Accelerated Maturity Date, as the case may be).

## **MANAGEMENT OF THE FUNDS**

### **Sun Life Global Investments Corporate Class Inc.**

The board of directors has exclusive authority over the business of the Mutual Fund Corporation. The board of directors of the Mutual Fund Corporation may exercise all the powers that are not required by statute, its articles or its by-laws to be exercised by the shareholders. The Funds are administered in their day-to-day operations by the Manager.

The name, municipality of residence and principal occupation during the past five years and other information pertaining to each of the directors and officers of the Mutual Fund Corporation are as follows:

Name and Municipality of Residence	Position with the Mutual Fund Corporation	Principal Occupation Within the Preceding Five Years
Sadiq S. Adatia Mississauga, Ontario	Chief Investment Officer and Director	<p>Since July 2011, Chief Investment Officer, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;</p> <p>Since January 2018, Chief Investment Officer &amp; Director, Excel Funds Management Inc.;</p> <p>Since January 2018, Chief Investment Officer &amp; Director, Excel Investment Counsel Inc.</p>
Rick C. Headrick Toronto, Ontario	President and Director	<p>Since June 2010, President, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;</p> <p>Since July 2008, Vice President, Sun Life Global Investments Inc., Sun Life Financial Inc.;</p> <p>Since January 2018, President, Director and Ultimate Designated Person, Excel Funds Management Inc.;</p> <p>Since January 2018, President, Director and Ultimate Designated Person, Excel Investment Counsel Inc.</p>
Andrew Smith Toronto, Ontario	Director	Since April 2004, self-employed.
Nancy Church Brantford, Ontario	Director	<p>Since 2013, retired lawyer;</p> <p>From January 2001 to March 2013, Manager, Business Policy and Governance, RBC Global Asset Management Inc.</p>
Kari Holdsworth Tavistock, Ontario	Chief Financial Officer and Director	<p>Since April 2018, Chief Financial Officer, Sun Life Global Investments (Canada) Inc.;</p> <p>Since May 2016, Vice President, Individual Wealth Actuarial, Sun Life Assurance Company of Canada;</p> <p>From September 2011 to April 2016, Vice President, Individual Wealth Business Management, Sun Life Assurance Company of Canada.</p>

### The Manager

Sun Life Global Investments (Canada) Inc. is the manager of the Funds. The head office of the Manager is located at One York Street, Suite 3300, Toronto, Ontario M5J 0B6. The phone number for the Manager is 1-877-344-1434, the e mail address is info@sunlifeglobalinvestments.com and the website address is www.sunlifeglobalinvestments.com. The Manager is responsible for the day to day business, operations and affairs of the Funds, and provides investment advisory, marketing and administrative services to the Funds. As the portfolio manager of the Funds, the Manager is responsible for the management of the investment portfolios, the establishment of investment policies and guidelines and the provision of investment analysis relating to the Funds. The Manager is also responsible for furnishing the office space and facilities, clerical help, bookkeeping and the internal accounting services required by each of the Funds. All investor reporting and servicing requirements are also furnished by or on behalf of the Manager. In

addition, the Manager has arranged for recordkeeping and related services to be provided to the Funds by International Financial Data Services (Canada) Limited.

The names and municipalities of residence of the directors and executive officers of the Manager, and their positions and offices, are as follows:

<b>Name and Municipality of Residence</b>	<b>Position with the Manager</b>	<b>Principal Occupation Within the Preceding Five Years</b>
Sadiq S. Adatia Mississauga, Ontario	Chief Investment Officer	<p>Since July 2011, Chief Investment Officer, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;</p> <p>Since January 2018, Chief Investment Officer &amp; Director, Excel Funds Management Inc.;</p> <p>Since January 2018, Chief Investment Officer &amp; Director, Excel Investment Counsel Inc.</p>
Jacques Goulet Toronto, Ontario	Director and Chairman of the Board	<p>Since January 2018, President, Sun Life Financial Canada, Sun Life Assurance Company of Canada;</p> <p>Since January 2018, President, Sun Life Financial Canada, Sun Life Financial Inc.;</p> <p>From January 2017 to December 2017, President, Health and Wealth, Mercer, Inc.;</p> <p>From October 2014 to December 2016, President, Retirement, Health and Benefits, Mercer Inc.;</p> <p>From March 2013 to October 2014, President, Retirement, Mercer Inc.</p>
Rick C. Headrick Toronto, Ontario	President, Director and Ultimate Designated Person	<p>Since June 2010, President, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;</p> <p>Since July 2008, Vice President, Sun Life Global Investments Inc., Sun Life Financial Inc.;</p> <p>Since January 2018, President, Director and Ultimate Designated Person, Excel Funds Management Inc.;</p> <p>Since January 2018, President, Director and Ultimate Designated Person, Excel Investment Counsel Inc.</p>

Name and Municipality of Residence	Position with the Manager	Principal Occupation Within the Preceding Five Years
Marcy Einarsson Toronto, Ontario	Chief Compliance Officer	<p>Since April 2018, Chief Compliance Officer, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;</p> <p>From June 2016 to April 2018, Chief Compliance Officer and Senior Director of Operations, SEI Investments Canada Company;</p> <p>From September 2014 to June 2016, Director, Asset Management Compliance, Canadian Imperial Bank of Commerce;</p> <p>From November, 2004 to September 2014, Director, Regulatory Reporting, CIBC Asset Management Inc.</p>
Lori Landry Mississauga, Ontario	Chief Marketing Officer	<p>Since April 2011, Vice President, Marketing and Institutional Business, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada.</p>
Patricia Callon Toronto, Ontario	Director	<p>Since December 2014, Senior Vice-President &amp; General Counsel, Sun Life Financial Canada, Sun Life Assurance Company of Canada;</p> <p>From August 2009 to December 2014, Chief Legal Officer and Director, Stakeholder Outreach and Communication, Canadian Securities Transition Office.</p>
Leo Grepin Kitchener, Ontario	Director	<p>Since May 2016, Senior Vice-President, Individual Insurance and Wealth, Sun Life Assurance Company of Canada;</p> <p>From January 2014 to February 2016, Department Head, Account Management, Bridgewater Associates;</p> <p>From September 1998 to December 2013, Senior Partner, McKinsey &amp; Company.</p>
Brennan Kennedy Waterloo, Ontario	Director	<p>Since November 2016, Vice-President, Chief Actuary and Chief Risk Officer, Sun Life Assurance Company of Canada;</p> <p>From May 2016 to November 2016, Vice-President, Individual Wealth, Sun Life Assurance Company of Canada;</p> <p>From June 2011 to May 2016, Vice-President Asset Liability Management, Canada, Sun Life Assurance Company of Canada.</p>

Name and Municipality of Residence	Position with the Manager	Principal Occupation Within the Preceding Five Years
Kari Holdsworth  Tavistock, Ontario	Chief Financial Officer	Since April 2018, Chief Financial Officer, Sun Life Global Investments (Canada) Inc.;  Since May 2016, Vice President, Individual Wealth Actuarial, Sun Life Assurance Company of Canada;  From September 2011 to April 2016, Vice President, Individual Wealth Business Management, Sun Life Assurance Company of Canada.

The Manager acts as manager of the Trust Funds pursuant to a master management agreement dated as of September 10, 2010, as amended and restated as of January 10, 2011 and as further amended and restated effective June 1, 2012, August 29, 2013 and January 1, 2015, as the same may be amended from time to time (the “**Trust Management Agreement**”). The Manager acts as manager of the Corporate Classes pursuant to a master management agreement dated as of July 29, 2013 and effective as of June 7, 2013, as the same may be amended from time to time (the “**Corporate Class Management Agreement**”) (collectively, the Trust Management Agreement and the Corporate Class Management Agreement are referred to herein as the “**Management Agreements**”). In consideration of the services provided to the Funds, each Fund pays the Manager management fees in respect of Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D, Series F, Series FH, Series F5, Series F8, Series FT5 and Series FT8 securities of the Fund. The management fees are calculated and accrued daily and paid monthly. Each Fund also pays the Manager administration fees in exchange for payment by us of certain of the operating expenses of each Fund. The administration fees are calculated and accrued daily and paid monthly. The Management Agreements may be terminated by the Manager or a Fund on 90 days’ prior written notice. Any change in the manager of a Fund (other than to an affiliate of the Manager) may be made only with the approval of the investors of that Fund and, where applicable, in accordance with securities legislation.

The Funds do not pay the Manager management fees for Series I, Series IH, Series O or Series OH securities. Series I, Series IH, Series O and Series OH investors pay the Manager management fees directly.

### **Trustee**

The Manager has been appointed the trustee of the Trust Funds under the Master Declaration of Trust, which establishes the fundamental operating structure for the Trust Funds. In its capacity as trustee, the Manager has ultimate responsibility for the business and undertaking of the Trust Funds and must carry out the terms of the Master Declaration of Trust. Currently, the Manager receives no compensation in its capacity as trustee. The Manager may resign as trustee of a Fund by giving 90 days’ prior written notice to securityholders. If a successor trustee can be found and agrees to accept the appointment, such successor trustee will assume the duties and obligations of the incumbent trustee within the notice period. If a successor trustee cannot be found or is not appointed by investors in accordance with the provisions of the Master Declaration of Trust, then the Fund will be terminated at the expiry of the notice period.

### **Portfolio Manager**

Pursuant to the Management Agreement, the Manager is also the portfolio manager of the Funds and, in such capacity, is responsible for the management of the investment portfolios, the establishment of investment policies and guidelines and the provision of investment analysis relating to the Funds. While the Manager has policies and procedures in place to supervise the investment decisions made on behalf of



the Funds, such investment decisions are not subject to the oversight, approval or ratification of a committee.

Founded in 2007, Sun Life Global Investments Canada has grown its assets under management worldwide to over CAD \$23.3 billion in a number of mandates as at June 29, 2018.

### **Sub-advisors**

The Manager has appointed:

- Amundi Canada Inc. (“**Amundi Canada**”) to act as a sub-advisor to the Manager in respect of the securities portion of the investment portfolio of Sun Life Excel High Income Fund, pursuant to an investment sub-advisory and portfolio management agreement between the Manager, Amundi Canada and Amundi Asset Management (“**Amundi**”). Amundi Canada has engaged its affiliate, Amundi to provide investment advisory services with respect to Sun Life Excel High Income Fund.
- Amundi to act as sub-advisor to the Manager in respect of the commodity futures portion of the investment portfolio of Sun Life Excel High Income Fund, pursuant to an investment sub-advisory and portfolio management agreement between the Manager, Amundi and Amundi Canada.
- China Asset Management Company Limited (“**China AMC**”) to act as sub-advisor to the Manager in respect of Sun Life Excel China Fund, pursuant to a sub-management agreement between the Manager and China AMC.
- Connor, Clark & Lunn Investment Management (“**CC&L**”) to act as a sub-advisor to the Manager in respect of a portion of the investment portfolio of Sun Life Multi-Strategy Bond Fund, pursuant to a sub-advisory agreement between the Manager and CC&L.
- MFS Investment Management Canada Limited (“**MFS IMC**”), an affiliate of the Manager, to act as a sub-advisor to the Manager in respect of Sun Life MFS Monthly Income Fund and Sun Life Money Market Fund (the “**MFS IMC Funds**”), pursuant to a sub-advisory agreement between the Manager and MFS IMC;
- MFS Institutional Advisors, Inc. (“**MFS**”), an affiliate of the Manager, to act as a sub-advisor to the Manager in respect of Sun Life MFS Global Growth Fund, Sun Life MFS Global Value Fund, Sun Life MFS U.S. Growth Fund, Sun Life MFS U.S. Value Fund, Sun Life MFS International Growth Fund, Sun Life MFS International Value Fund and Sun Life MFS Global Total Return Fund (the “**MFS Funds**”), pursuant to a sub-advisory agreement among the Manager, MFS and the MFS Funds;
- Sun Life Assurance Company of Canada, an affiliate of the Manager, to act as sub-advisor to the Manager in respect of the Milestone Funds, pursuant to the Milestone Sub-Advisory Agreement;
- Schroder Investment Management North America Inc. (“**Schroders**”) to act as a sub-advisor to the Manager in respect of Sun Life Excel Emerging Markets Fund, pursuant to a sub-advisory agreement between the Manager and Schroders. Schroders has engaged its affiliate, Schroder Investment Management North America Limited (“**SIMNA Ltd.**”) to provide investment advisory services with respect to Sun Life Excel Emerging Markets Fund;

- 1832 LP to act as sub-advisor to the Manager in respect of Sun Life Dynamic Energy Fund\* pursuant to a sub-advisory agreement between the Manager and 1832 Asset Management G.P. Inc. on behalf of 1832 LP. and
- JPMorgan Asset Management (Canada) Inc. (“**JPMAMC**”) to act as sub-advisor to the Manager in respect of Sun Life JPMorgan International Equity Fund, pursuant to a sub-advisory agreement between the Manager and JPMAMC. JPMAMC has in turn, appointed its affiliate, J.P. Morgan Investment Management Inc. (“**JPMIM**”) to act as sub-advisor to the fund.

Amundi is Europe’s largest asset manager by assets under management. Following the integration of Pioneer Investments, as of March 31, 2018 it now manages 1.452 trillion euros of assets across six main investment hubs. Amundi offers its clients in Europe, Asia-Pacific, the Middle-East and the Americas a wealth of market expertise and a full range of capabilities across the active, passive and real assets investment universes. Headquartered in Paris, and listed since November 2015, Amundi is the 1st asset manager in Europe by market capitalization as of March 31, 2018.

Leveraging the benefits of its increased scope and size, Amundi has the ability to offer new and enhanced services and tools to its clients. Thanks to its unique research capabilities and the skills close to 4,700 team members and market experts based in 37 countries, Amundi provides retail, institutional and corporate clients with innovative investment strategies and solutions tailored to their needs, targeted outcomes and risk profiles.

China AMC was established in 1998 as one of the first asset managers in China. As at March 30, 2018, China AMC and its subsidiaries have approximately \$165 billion under management. China AMC and its subsidiaries have clients that are major financial institutions, including banks and insurance companies, public and private pension funds, financial intermediaries and retail investors. China AMC has a network of offices throughout mainland China and in Hong Kong and approximately 200 portfolio managers and analysts covering China and the world’s financial markets.

Connor, Clark & Lunn Investment Management Ltd has been in business since 1982, providing investment management services to insurance companies, pension funds, endowments, foundations, high net worth individuals and mutual funds. As at March 31, 2018, Connor, Clark & Lunn Investment Management Ltd. managed investment portfolios with an aggregate value of approximately \$49.9 billion.

MFS is a global investment firm managing equity and fixed income assets for institutional and individual investors worldwide. Founded in 1924, MFS established one of the industry’s first in-house fundamental research departments in 1932. Today, MFS serves investors in more than 75 countries through offices in nine major financial centers – Boston, Hong Kong, London, Mexico City, São Paulo, Singapore, Sydney, Toronto, and Tokyo.

For decades, MFS’ long-standing investment philosophy has remained consistent – to identify opportunities for clients through comprehensive research and bottom-up security selection. As markets and clients’ needs became more sophisticated, MFS expanded its capabilities accordingly. In the 1970s, MFS established a quantitative team to complement its fundamental research and in the following decades continued to build its quantitative capabilities while also expanding its global research platform. In an effort to further expand its global reach, MFS acquired one of Canada’s oldest investment counseling firms, McLean Budden Limited, in November 2011, now known as MFS Investment Management Canada Limited. Today, MFS

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\* Dynamic, Dynamic Funds, Dynamic Equity Income Class and Dynamic Strategic Yield Class are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

offers a broad range of investment styles that combine fundamental equity research, quantitative solutions and credit expertise to pursue excess returns and manage risk.

MFS' culture is investment-driven, client-centered and collaborative. MFS believes that the best way to achieve superior long-term results for clients is to hire talented professionals who work effectively as a team and support them with a research-rich environment. To underscore the firm's values of collaboration and accountability, MFS structures its ownership and compensation to reward long-term investment performance and teamwork. Up to 20% ownership of MFS is available to MFS investment professionals, senior management and other key employees. MFS' majority shareholder since 1982 has been Sun Life Financial Inc. As at March 31, 2018, MFS had approximately USD\$481 billion assets under management.

Sun Life is one of Canada's largest life insurance companies with over \$978 billion in global assets as of March 31, 2018. The financial strength of Sun Life was rated "AA- (very strong)" by Standard and Poor's as of April 6, 2018.

Schroders Plc and its global affiliates have over 200 years of financial services experience. Schroders Plc, Schroders' ultimate parent, engages through its subsidiary firms as a global asset management company with approximately USD\$597.7 billion under management as of March 31, 2018. Schroders and its affiliates have clients that are major financial institutions including banks and insurance companies, public and private pension funds, endowments and foundations, high net worth individuals, financial intermediaries and retail investors. Schroders Plc has a large network of offices as an asset management company and over 510 fund managers and analysts covering the world's investment markets.

1832 LP is the manager and portfolio manager to the Dynamic Funds<sup>1</sup> and the portfolio solutions of the Marquis Investment Program\*. The general partner of 1832 LP, 1832 Asset Management G.P. Inc., is a wholly-owned subsidiary of The Bank of Nova Scotia. It also provides investment management and administrative services to, among others, hedge funds, closed end funds, pooled funds, a labour-sponsored fund and institutional clients. As of March 31, 2018 1832 LP has approximately CAD\$108.3 billion in assets under management.

JPMAMC and JPMIM and their global affiliates make up J.P. Morgan Asset Management. With assets under management of USD\$1.7 trillion (as of March 31, 2018), J.P. Morgan Asset Management is a global leader in investment management. J.P. Morgan Asset Management's clients include institutions, retail investors and high net worth individuals in every major market throughout the world. J.P. Morgan Asset Management offers global investment management in equities, fixed income, real estate, hedge funds, private equity and liquidity. JPMorgan Chase & Co. (NYSE: JPM), the parent company of J.P. Morgan Asset Management, is a leading global asset management firm with assets of approximately USD\$2.6 trillion (as of March 31, 2018) and operations worldwide.

The Manager remains wholly responsible for the management of each of the Funds, including the management of their investment portfolios and the investment advice provided by each sub-advisor. The Manager manages the currency hedging strategies in order to hedge the foreign currency exposure of Series AH, Series FH, Series IH and Series OH of Sun Life MFS U.S. Growth Fund and Sun Life MFS U.S. Value Fund. The Manager also manages the asset allocation strategy for each Milestone Fund.

It may be difficult to enforce legal rights against Amundi, China AMC, MFS or Schroders because they are resident outside Canada and all, or substantially all, of their assets are located outside Canada.

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<sup>1</sup> Dynamic, Dynamic Funds, Dynamic American Fund, Dynamic Equity Income Fund, Dynamic Strategic Yield Fund, Marquis and Marquis Investment Program are registered and proprietary trademarks of Scotiabank, an affiliate of 1832 LP, used under license by the Manager.

Under each of the sub-advisory agreements that the Manager has entered into with the sub-advisors, the Manager pays an advisory fee to each sub-advisor. The sub-advisory agreement with Amundi Canada and Amundi is terminable on 45 business days' prior written notice from one party to another. The sub-advisory agreement with China AMC is terminable on 90 days' prior written notice from one party to the other and the Manager has agreed to be contractually responsible for the advice given to Sun Life Excel China Fund by China AMC. Subject to compliance with applicable securities legislation, the agreement with Schroders is terminable on 60 days' prior written notice from one party to another. The agreements with each of MFS IMC, MFS and Sun Life Assurance Company of Canada are terminable by the Manager upon written notice to the sub-advisor and by the sub-advisor upon 60 days' prior written notice to the Manager. The agreements with each of 1832 LP, JPMAMC, and CC&L are terminable on 90 days' prior written notice from one party to another. Each such agreement is also terminable earlier on the happening of certain specified events, such as the bankruptcy or insolvency of the sub-advisor.

Investment decisions are made by one or more teams of portfolio managers employed by Sun Life Global Investments Canada, Amundi Canada, Amundi, China AMC, CC&L, MFS IMC, MFS, Sun Life Assurance Company of Canada, Schroders, 1832 LP, or JPMAMC, as applicable. The sub-advisors are subject to the oversight of Sun Life Global Investments Canada, as portfolio manager of the Funds. The individuals who are principally responsible for the management of a material portion of the portfolio, implementing a particular material strategy or managing a particular segment of the portfolio of each Fund are:

<b>Fund</b>	<b>Name and Title</b>	<b>Firm</b>	<b>Years with Firm and other business experience in the last five years (if any)</b>
Sun Life MFS Global Growth Fund	David Antonelli, CFA Vice Chairman, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	26
	Jeffrey Constantino, CFA, CPA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	17
	Joseph Skorski Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	11
Sun Life MFS Global Value Fund	Nevin Chitkara Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	20
	Steven Gorham, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	28
	Pablo de la Mata, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	10

Fund	Name and Title	Firm	Years with Firm and other business experience in the last five years (if any)
	Benjamin Stone, IIMR Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	12
Sun Life MFS U.S. Growth Fund	Eric Fischman, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	18
	Paul Gordon Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	14
	Sadiq Adatia Chief Investment Officer	Sun Life Global Investments (Canada) Inc. (currency hedging for the Hedged Class)	7  Since July 2011, Chief Investment Officer, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;
	Chhad Aul Vice-President and Portfolio Manager	Sun Life Global Investments (Canada) Inc. (currency hedging for the Hedged Class)	4  Since March 2014, Assistant Vice-President and Portfolio Manager, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;  From January 2009 to August 2013, Vice-President and Senior Portfolio Manager, Active and Enhanced Equities, State Street Global Advisors.

Fund	Name and Title	Firm	Years with Firm and other business experience in the last five years (if any)
Sun Life MFS U.S. Value Fund	Nevin Chitkara, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	20
	Steven Gorham, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	28
	Sadiq Adatia Chief Investment Officer	Sun Life Global Investments (Canada) Inc. (currency hedging for the Hedged Class)	7  Since July 2011, Chief Investment Officer, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;
	Chhad Aul Vice-President and Portfolio Manager	Sun Life Global Investments (Canada) Inc. (currency hedging for the Hedged Class)	4  Since March 2014, Assistant Vice-President and Portfolio Manager, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;  From January 2009 to August 2013, Vice-President and Senior Portfolio Manager, Active and Enhanced Equities, State Street Global Advisors.
Sun Life MFS International Growth Fund	David Antonelli, CFA Vice Chairman, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	26
	Matthew Barrett Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	18

<b>Fund</b>	<b>Name and Title</b>	<b>Firm</b>	<b>Years with Firm and other business experience in the last five years (if any)</b>
	Kevin Dwan Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	12
Sun Life MFS International Value Fund	Pablo de la Mata, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	10
	Benjamin Stone, IIMR Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	12
Sun Life Excel Emerging Markets Fund	Tom Wilson Head of Emerging Market Equities	Schroder Investment Management North America Limited	16
	Robert G. Davy Emerging Markets Fund Manager	Schroder Investment Management North America Limited	31
	James Gotto Emerging Markets Fund Manager	Schroder Investment Management North America Limited	27
	Waj Hashmi Emerging Markets Fund Manager	Schroder Investment Management North America Limited	13
	Nicholas Field Emerging Markets Fund Manager/Strategist	Schroder Investment Management North America Limited	12
Sun Life MFS Global Total Return Fund	Nevin Chitkara, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	20
	Steven Gorham, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	28
	Pablo de la Mata, CFA Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	10
	Benjamin Stone, IIMR Investment Officer, Equity Portfolio Manager	MFS Institutional Advisors, Inc.	12

Fund	Name and Title	Firm	Years with Firm and other business experience in the last five years (if any)
	Erik Weisman, Ph. D Investment Officer, Fixed Income Portfolio Manager	MFS Institutional Advisors, Inc.	16
	Richard Hawkins, CFA Investment Officer, Portfolio Manager	MFS Institutional Advisors, Inc.	29
	Robert Persons, CFA Investment Officer, Fixed Income Portfolio Manager	MFS Institutional Advisors, Inc.	18
	Pilar Gomez-Bravo, CFA Investment Officer, Fixed Income Portfolio Manager	MFS Institutional Advisors, Inc.	5
	Robert Spector, CFA Investment Officer, Multi-Asset Class Portfolio Manager	MFS Investment Management Canada Limited	14
	Jonathan Sage, CFA Investment Officer, Portfolio Manager	MFS Institutional Advisors, Inc.	18
Sun Life JPMorgan International Equity Fund	Shane Duffy, CFA Managing Director and Portfolio Manager	JPMorgan Asset Management (Canada) Inc.	19
	Tom Murray, CFA Managing Director and Portfolio Manager	JPMorgan Asset Management (Canada) Inc.	22
Milestone Funds	Sadiq Adatia Chief Investment Officer	Sun Life Global Investments (Canada) Inc.	7  Since July 2011, Chief Investment Officer, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;



Fund	Name and Title	Firm	Years with Firm and other business experience in the last five years (if any)
	Chhad Aul Vice-President and Portfolio Manager	Sun Life Global Investments (Canada) Inc.	4  Since March 2014, Assistant Vice-President and Portfolio Manager, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada.  From January 2009 to August 2013, Vice-President and Senior Portfolio Manager, Active and Enhanced Equities, State Street Global Advisors.
Sun Life Multi-Strategy Bond Fund	Chris Kalbfleisch, Portfolio Manager and Co-Team Lead of Fixed Income	Connor, Clark & Lunn Investment Management	16
	Brian Eby, Portfolio Manager and Co-Team Lead of Fixed Income	Connor, Clark & Lunn Investment Management	20
	David George, Portfolio Manager	Connor, Clark & Lunn Investment Management	12
	Simon MacNair, Portfolio Manager	Connor, Clark & Lunn Investment Management	12
	Jane Justice, Portfolio Manager	Connor, Clark & Lunn Investment Management	28
	Crista Caughlin, Portfolio Manager	Connor, Clark & Lunn Investment Management	17
Sun Life MFS Monthly Income Fund	Peter Kotsopoulos, CFA CEO, Fixed Income Portfolio Manager	MFS Investment Management Canada Limited	24

<b>Fund</b>	<b>Name and Title</b>	<b>Firm</b>	<b>Years with Firm and other business experience in the last five years (if any)</b>
	Robert Spector, CFA Investment Officer, Multi-Asset Class Portfolio Manager	MFS Investment Management Canada Limited	14
	Soami Kohly, CFA, FSA, FCIA Investment Officer, Fixed Income Portfolio Manager	MFS Investment Management Canada Limited	10
	Jeff Morrison, CFA Investment Officer, Equity Portfolio Manager	MFS Investment Management Canada Limited	11
Sun Life Money Market Fund	Jeremy Bau, CFA Investment Officer, Fixed Income Trader	MFS Investment Management Canada Limited	9
	Cindy Neville, CFA Investment Officer, Fixed Income Trader	MFS Investment Management Canada Limited	15
Sun Life Dynamic Energy Fund	Jennifer Stevenson Vice President and Portfolio Manager, Energy	1832 Asset Management L.P.	8 Joined in August 2010.
Sun Life Excel China Fund	Guoxi Chen, CFA Portfolio Manager and Head of Research for Overseas Chinese Equity	China Asset Management Co., Ltd.	12
	Bing Lu Portfolio Manager	China Asset Management Co., Ltd.	10
Sun Life Excel High Income Fund	Sergei Strigo Co-Head of Emerging Market Debt	Amundi Asset Management	14
	Maxime Vydrine, CFA Senior Emerging Market Debt Fund Manager	Amundi Asset Management	14
	Esther Law Emerging Market Debt and Currencies Fund Manager	Amundi Asset Management	20

Fund	Name and Title	Firm	Years with Firm and other business experience in the last five years (if any)
All Corporate Classes	Sadiq Adatia Chief Investment Officer	Sun Life Global Investments (Canada) Inc.	7  Since July 2011, Chief Investment Officer, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;
	Chhad Aul Vice President and Portfolio Manager	Sun Life Global Investments (Canada) Inc.	4  Since March 2014, Assistant Vice-President and Portfolio Manager, Sun Life Global Investments (Canada) Inc., Sun Life Assurance Company of Canada;  From January 2009 to August 2013, Vice-President and Senior Portfolio Manager, Active and Enhanced Equities, State Street Global Advisors.

### Sub-Advisors to the Underlying Funds

#### *Sun Life Excel India Fund*

The Mauritius Sub-fund, the underlying fund to Sun Life Excel India Fund, is administered by SANNE Mauritius (“SANNE”)(formerly known as International Financial Services Limited) and the India Sub-fund, the underlying fund of the Mauritius Sub-fund, is managed by Birla Sun Life AMC Limited (“BSLAMC”), an affiliate of Aditya Birla Sun Life AMC Limited (“Aditya Birla”).

The responsibilities of SANNE, as administrator of the Mauritius Sub-fund, and BSLAMC, as manager of the India Sub-fund, include the day-to-day general management and administration of the Mauritius Sub-fund and India Sub-fund, respectively, and the provision of office services and facilities.

SANNE Trustees (Mauritius) (a related company of SANNE) is the trustee of the Mauritius Sub-fund and Sun Life Excel India Fund acts as the protector of the Mauritius Sub-fund. As trustee, SANNE Trustees appoints the manager of the Mauritius Sub-fund and establishes the investment objectives, policies and restrictions of the Mauritius Sub-fund. SANNE Trustees (Mauritius) will make investment decisions for the Mauritius Sub-fund. In making its investment decisions, SANNE Trustees (Mauritius) will receive advice from an advisory committee of the Mauritius Sub-fund.

BSLAMC makes the portfolio management decisions for the India Sub-fund. With rich experience of 22 years and a strong investment capability, BSLAMC, established in 1994, is a joint venture of Sun Life Financial Inc., a diversified global financial services organization, and Aditya Birla Group, a large Indian industrial group. BSLAMC has a more than 30 member investment team with a cumulative experience of more than 400 years across all sectors covered in the economy and across equity and debt asset classes. The investment decisions of the India Sub-fund are not subject to the approval or ratification of any particular committee of BSLAMC or the Manager.

Fees payable to the portfolio managers of Sun Life Excel India Fund and the Mauritius Sub-fund will be paid by the Manager directly out of its management fee. In the case of the India Sub-fund, the Manager will waive a portion of its management fee equivalent to that amount of portfolio management fees that is owing to BSLAMC. (BSLAMC's fees will accrue at the Mauritius Sub-fund level and be paid to BSLAMC by the trustee of the Mauritius Sub-fund).

The individual who is principally responsible for the management of a material portion of the portfolio, implementing a particular material strategy or managing a particular segment of the portfolio of the India Sub-fund is:

<b>Fund</b>	<b>Name and Title</b>	<b>Firm</b>	<b>Years with Firm and other business experience in the last five years (if any)</b>
Sun Life Excel India Fund	Atul Penkar Portfolio Manager	Birla Sun Life AMC Limited	11

### ***Sun Life Excel India Balanced Fund***

Aditya Birla acts as portfolio manager for the Balanced Underlying Fund of the Company, the underlying fund to Sun Life Excel India Balanced Fund.

The Balanced Underlying Fund of the Company is managed by the Manager. The responsibilities the Manager include the investment management and administration of the Balanced Underlying Fund and the provision of office services and facilities. The Company has retained Aditya Birla to act as the portfolio manager to the Balanced Underlying Fund. Aditya Birla is based in Singapore and is an experienced and well-established advisor.

The investment strategies for the Balanced Underlying Fund is implemented by designated sub-groups within Aditya Birla. A seven-person equity team is responsible for investment decisions related to the fund's equity investments. A three-person fixed income team is responsible for investment decisions related to the fund's fixed income and debt investments. A three-person asset mix team is responsible for ensuring

that the fund's mix of fixed income and equity investment holdings, purchased as a result of the investment decisions made by the fixed income team and equity team, are consistent with the investment objectives of the fund.

Fees payable to the portfolio manager of Sun Life Excel India Balanced Fund will be paid by the Manager directly out of its management fee. The Company will pay fees directly to Aditya Birla for its services as portfolio manager.

The individuals who are principally responsible for the management of a material portion of the portfolio, implementing a particular material strategy or managing a particular segment of the portfolio of the Balanced Underlying Fund are:

<b>Fund</b>	<b>Name and Title</b>	<b>Firm</b>	<b>Years with Firm and other business experience in the last five years (if any)</b>
Sun Life Excel India Balanced Fund	Atul Penkar Portfolio Manager	Birla Sun Life AMC Limited	11
	Bhavna Mohan Portfolio Manager	Aditya Birla Sun Life AMC Limited	3

#### ***Sun Life Excel New India Leaders Fund***

Aditya Birla acts as portfolio manager for the New Leaders Underlying Fund of the Company, the underlying fund to Sun Life Excel New India Leaders Fund.

The New Leaders Underlying Fund of the Company is managed by the Manager. The responsibilities of the Manager include the investment management and administration of the New Leaders Underlying Fund and the provision of office services and facilities. The Company has retained Aditya Birla to act as the portfolio manager of the New Leaders Underlying Fund. Aditya Birla is based in Singapore and is an experienced and well-established advisor.

The investment strategies for the New Leaders Underlying Fund is implemented by a designated sub-group within Aditya Birla. A seven-person equity team is responsible for investment decisions relating to the fund. The investment decisions are not subject to the approval or ratification of any particular committee of Aditya Birla or the Manager.

Fees payable to the portfolio manager of Sun Life Excel New India Leaders Fund will be paid by the Manager directly out of its management fee. The Company will pay fees directly to Aditya Birla for its services as portfolio manager.

The individual who is principally responsible for the management of a material portion of the portfolio, implementing a particular material strategy or managing a particular segment of the portfolio of the New Leaders Underlying Fund:

Fund	Name and Title	Firm	Years with Firm and other business experience in the last five years (if any)
Sun Life Excel New India Leaders Fund	Atul Penkar Portfolio Manager	Birla Sun Life AMC Limited	11

### Brokerage Arrangements

All decisions as to the purchase and sale of portfolio securities and all decisions as to the execution of these portfolio transactions, including the selection of market and dealer and the negotiation of commissions, where applicable, will be made by the sub-advisor of each Fund and the Manager for each Corporate Class; however, such decisions are made by the Manager: (i) for Sun Life MFS U.S. Growth Fund and Sun Life MFS U.S. Value Fund in connection with the currency hedging strategies; and (ii) for the Milestone Funds. All decisions regarding the purchase and sale of portfolio securities and the execution of portfolio transactions are the ultimate responsibility of the Manager. The Manager reviews the policies of each sub-advisor with respect to brokerage arrangements and monitors the allocation of brokerage commissions paid.

In effecting portfolio transactions, the Manager and/or sub-advisor, as applicable, seeks to obtain best execution of orders as required by applicable securities regulations.

In effecting portfolio transactions, the Manager and/or sub-advisor, as applicable, may direct brokerage commissions paid by a Fund in return for the provision of certain goods or services by the dealer or third-party as permitted by securities legislation. This is expected to occur minimally, if at all, in connection with the Corporate Classes since they invest primarily in underlying funds.

The only goods and services that can be received in return for directing brokerage commissions are:

- advice relating to the value of a security or the advisability of effecting the transaction in a security;
- an analysis, or report, concerning a security, portfolio strategy, issuer, industry, or an economic or political factor or trend; and
- a database, or software, to the extent that it supports goods or services described above

(collectively, “**Research Goods and Services**”), or

- order execution and goods or services to the extent that they are directly related to order execution

(collectively, “**Order Execution Goods and Services**”).

Since July 28, 2017, the date of the last annual information form of the Funds, no companies affiliated to a sub-advisor or the Manager have provided Research Goods and Services to the sub-advisor or the Manager in return for the allocation of brokerage transactions. Since the date of the last annual information form, services other than Order Execution Goods and Services provided to a sub-advisor by non-affiliated dealers and third parties in return for the allocation of brokerage transactions have included access to corporate

management, conferences, research field trips, research support, analysts' meetings, market colour and market updates.

The name of any non-affiliated dealer or third party that provided such Research Goods and Services to a Fund in return for the allocation of brokerage transactions will be provided upon request by contacting the Manager at 1-877-344-1434 or by visiting our website at [www.sunlifeglobalinvestments.com](http://www.sunlifeglobalinvestments.com).

Currently, only MFS, MFS IMC, Schrodgers and 1832 LP are expected to take into account a dealer's provision of Order Execution Goods and Services or Research Goods and Services in directing brokerage transactions involving client brokerage commissions for the Funds for which they act as sub-advisor. Summaries of each sub-advisor's policy on the use of client brokerage commissions in return for receipt of Order Execution Goods and Services and Research Goods and Services is set forth below.

### ***Aditya Birla***

Where Aditya Birla receives goods or services (i.e. soft dollar) from a broker in consideration for client-brokerage commissions:

- a) the soft dollars should reasonably be expected to assist in the provision of the investment services to its clients;
- b) transactions are executed on best available terms, taking into consideration the market at the time for transactions of the kind and size concerned; and
- c) it will not enter into unnecessary trades to achieve sufficient volume of transactions to qualify for soft dollars.

Aditya Birla will maintain a record of client-brokerage commission arrangements and activities. The goods and services under such arrangements may include any of the following:

- a) specific advice as to the advisability of dealing in, or of the value of any investments;
- b) research and advisory services;
- c) economic and political analyses;
- d) portfolio analyses, including valuation and performance measurements;
- e) market analyses;
- f) data and quotation services;
- g) computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and
- h) custodial services in relation to the investments managed for clients.

Goods and services received under client-brokerage commission arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employee salaries or direct money payment. The list of goods and services set out above is not exhaustive and may be changed from time to time.

### ***MFS and MFS IMC***

It is expected that MFS and MFS IMC will have agreements or arrangements in place with dealers for portfolio transactions regarding the Funds sub advised by those firms. Both MFS and MFS IMC seek to deal with broker-dealers that can meet a high standard of quality regarding execution services. Each of MFS and MFS IMC may also place value on a broker-dealer's ability to provide useful research assistance.

In selecting a broker-dealer, MFS and MFS IMC takes into account all the factors it considers relevant, including but not limited to: bid-ask spread, the size of the transaction, the nature of the market of the security, the amount of the commission, the timing and impact of the transaction (taking into account market prices and trends), the reputation, experience and financial stability of the broker-dealer involved, the willingness of the broker-dealer to commit capital, the need for anonymity in the market, and the quality of services rendered by the broker-dealer in other transactions, including the quality of the broker dealer's research.

In certain instances, each of MFS and MFS IMC may receive Order Execution Goods and Services and/or Research Goods and Services from broker-dealers in exchange for directing brokerage transactions to those broker-dealers. Services acquired may include, among other things, research services used by portfolio managers and investment analysts in making investment decisions such as reports or databases containing corporate fundamental and technical analyses, portfolio modeling strategies, execution systems and trading analytics. Where a broker-dealer offers such services, each of MFS and MFS IMC make a good faith determination that its clients, including the Funds for which it acts as sub-advisor, receive reasonable benefit by considering whether the commissions paid to the broker-dealer are reasonable in relation to the value of the services or products provided by the broker-dealer, taking into account that particular client's transaction and MFS' and/or MFS IMC's overall responsibility to all of their respective clients. Beginning January 3, 2018, to the extent that a portion of commissions paid by the portfolio are used to pay for Order Execution Goods and Services and/or Research Goods and Services received by MFS IMC, MFS IMC will periodically reimburse that portion of commissions to the portfolio.

Each of MFS and MFS IMC periodically and systematically review the performance of the broker-dealers that execute transactions for their clients, including the commission rates paid to broker-dealers by considering the value and quality of brokerage and research services provided. The quality of a broker dealer's services is measured by analyzing various factors that could affect the execution of trades. These factors include the ability to execute trades with a minimum of market impact, the speed and efficiency of executions, electronic trading capabilities, adequacy of capital, information provided, and the accommodation of any special needs. Beginning January 3, 2018, to the extent that a portion of commissions paid by the portfolio are used to pay for Order Execution Goods and Services and/or Research Goods and Services received by MFS IMC, MFS IMC will periodically reimburse that portion of commissions to the portfolio.

### ***Schroders***

Schroders selects brokers or execution forums to try to obtain the overall best execution for its clients. Schroders does not execute trades for clients through affiliated broker-dealers. Its traders route orders where they expect to obtain the most favorable overall price and efficient execution. Traders do not operate under constraints concerning their choice of brokers other than on the basis of their creditworthiness or client restrictions.

Schroders uses a number of brokerage firms. Some are full service firms that may execute on Schroders' behalf and others are electronic crossing networks, automated trading firms or execution-only firms. Schroders deals with brokerage firms that it deems capable of providing best price and execution and is financially stable. All counterparties are approved by a Credit Committee operated globally for the firm. The Committee reviews the brokerage firm when trading begins and at least once a year. Where appropriate Schroders establishes credit limits for the counterparties.

SIMNA Ltd., which handles the day-to-day management of the Funds managed by Schroders, pays for the cost of research from its own resources rather than using commissions from clients' transactions. Therefore the Funds managed by Schroders do not bear any direct research cost. Schroders establishes maximum



commission rates for equity trading by type of security and reviews those rates periodically based on industry standards. Schroders reviews both commission rates and overall commissions to monitor whether trades are being executed within guidelines.

### ***1832 LP***

1832 LP has established policies and procedures for selecting and retaining dealers to effect securities transactions for the funds that it manages or sub-advises, including the 1832 LP Sub-Advised Funds, in accordance with which 1832 LP is required to, among other things, obtain internal approvals and comply with the conditions of the applicable fund's IRC's standing instruction on brokerage arrangements. When selecting a dealer to effect a securities transaction 1832 LP seeks to achieve the most favourable terms possible, and to that end 1832 LP follows a process that involves compliance with its policies and procedures, including consideration of numerous factors such as the requirements of the transaction, the ability of the dealer to efficiently effect the transaction and the total cost to the fund(s) of effecting the transaction. 1832 LP also considers whether Research Goods and Services and/or Order Execution Goods and Services will be received as part of a given transaction, subject always to the priority of seeking best execution.

1832 LP follows the same process in determining whether to effect securities transactions through a dealer that is an affiliate of 1832 LP, such as Scotia Capital Inc., as it would use in relation to any other dealer. From time to time 1832 LP may enter into brokerage arrangements whereby a portion of the commissions paid by 1832 LP Sub-Advised Funds are used to obtain Research Goods and Services and/or Order Execution Goods and Services that directly benefit the 1832 LP Sub-Advised Funds. These arrangements include both transactions with dealers who will provide proprietary Research Goods and Services and/or Order Execution Goods and Services and transactions with dealers where a portion of the brokerage commissions will be used to pay for third party Research Goods and Services and/or Order Execution Goods and Services.

Research Goods and Services and/or Order Execution Goods and Services obtained through such brokerage arrangements, including research reports, access to databases, trade-matching, clearance and settlement and order management systems (OMS), assist 1832 LP with investment and trading decisions and with effecting securities transactions on behalf of the 1832 LP Sub-Advised Funds. 1832 LP conducts a fact-based analysis, including an examination of alternative sources of goods and services and their relative costs, in order to make a good faith determination as to the benefits of the Research Goods and Services and/or Order Execution Goods and Services received compared to the relative costs of obtaining such benefits.

1832 LP may receive goods and services that include Research Goods and Services and/or Order Execution Goods and Services as well as other forms of goods and services, in which case the goods and services are considered to be "**mixed-use**" goods and services. In the event that 1832 LP receives mixed use goods and services, 1832 LP will only direct a portion of brokerage commissions that are paid by the 1832 LP Sub-Advised Funds to those goods and services that constitute Research Goods and Services and/or Order Execution Goods and Services and which are used by the 1832 LP in connection with its investment and trading decisions and with effecting securities transactions on behalf of the 1832 LP Sub Advised Funds.

### **Custodian**

The portfolio assets of the Funds are held under the custodianship of RBC Investor Services Trust of Toronto, Ontario pursuant to a custodian agreement. The custodian has a qualified foreign sub custodian in each jurisdiction in which the Funds have securities. The Manager may terminate the custodian agreement at any time upon 60 days' written notice to the custodian. The custodian may terminate the

custodian agreement at any time upon 120 days' written notice to the Manager. Under the custodian agreement, the Manager pays a custodial fee to the custodian.

### **Auditors**

Ernst & Young LLP of Kitchener, Ontario are the independent auditors of each Fund (other than the Former Excel Funds). Deloitte LLP of Toronto, Ontario are the independent auditors of the Former Excel Funds. The auditors audit the Funds and provide an opinion on whether the annual financial statements of the Funds are fairly presented in accordance with applicable accounting principles. Each of Ernst & Young LLP and Deloitte LLP has confirmed that it is independent with respect to the Funds within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

### **Record keeper**

International Financial Data Services (Canada) Limited, the record keeper of the Funds, maintains the register of securities of the Funds at its principal office in Toronto, Ontario.

### **Securities lending agent**

In the event that a Fund engages in securities lending or repurchase transactions, RBC Investor Services Trust of Toronto, Ontario will be appointed as the Fund's securities lending agent. The securities lending agent will not be an affiliate of the Manager.

## **CONFLICTS OF INTEREST**

### **Principal Holder of the Manager**

The Manager is an indirect wholly-owned subsidiary of Sun Life Financial Inc., a widely-held publicly traded company. To the knowledge of Sun Life Financial Inc., no person owns more than 10% of the common shares of Sun Life Financial Inc.

### **Principal Holders of Securities**

Sun Life Global Investments Voting Trust I owns 100% of the Class A share and Class B securities of the Mutual Fund Corporation.

As at June 15, 2018 (and as of the date of this document for Sun Life JPMorgan International Equity Fund), the following persons owned more than 10% of the issued and outstanding securities of the following series of the Funds:

<b>Securityholder*</b>	<b>Fund</b>	<b>Series</b>	<b>Type of Ownership</b>	<b>Number of Securities</b>	<b>Percentage of Series of Securities Issued and Outstanding</b>
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Balanced Class	A	Beneficially and of record	13,927.308	15.90%

LIFESTAGES WEALTH MANAGEMENT INC.	Sun Life BlackRock Canadian Balanced Class	A	Beneficially and of record	10,237.182	11.69%
INVESTOR A*	Sun Life BlackRock Canadian Balanced Class	F	Beneficially and of record	6,992.866	46.88%
INVESTOR B*	Sun Life BlackRock Canadian Balanced Class	F	Beneficially and of record	3,797.288	25.46%
INVESTOR C*	Sun Life BlackRock Canadian Balanced Class	F	Beneficially and of record	2,156.147	14.45%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Balanced Class	F	Beneficially and of record	1,970.167	13.21%
INVESTOR D*	Sun Life BlackRock Canadian Balanced Class	FT5	Beneficially and of record	8,901.960	92.86%
INVESTOR E*	Sun Life BlackRock Canadian Balanced Class	O	Beneficially and of record	20,965.811	47.93%
INVESTOR F*	Sun Life BlackRock Canadian Balanced Class	O	Beneficially and of record	6,361.365	14.54%
INVESTOR G*	Sun Life BlackRock Canadian Balanced Class	T5	Beneficially and of record	2,052.230	44.92%
INVESTOR H*	Sun Life BlackRock Canadian Balanced Class	T5	Beneficially and of record	1,531.361	33.52%

SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Balanced Class	T5	Beneficially and of record	907.234	19.86%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Composite Equity Class	A	Beneficially and of record	16,822.774	21.80%
INVESTOR I*	Sun Life BlackRock Canadian Composite Equity Class	A	Beneficially and of record	13,126.481	17.01%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Composite Equity Class	F	Beneficially and of record	2,233.468	50.41%
INVESTOR J*	Sun Life BlackRock Canadian Composite Equity Class	F	Beneficially and of record	1,892.815	42.72%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Composite Equity Class	FT5	Beneficially and of record	702.265	100.00%
SUN BLACKROCK CANADIAN COMPOSITE EQUITY BUNDLE	Sun Life BlackRock Canadian Composite Equity Class	I	Beneficially and of record	600,470.181	51.03%
SUN BLACKROCK CANADIAN COMPOSITE EQUITY	Sun Life BlackRock Canadian Composite Equity Class	I	Beneficially and of record	577,715.911	49.10%
INVESTOR K*	Sun Life BlackRock Canadian	O	Beneficially and of record	3,557.995	30.45%

	Composite Equity Class				
INVESTOR L*	Sun Life BlackRock Canadian Composite Equity Class	O	Beneficially and of record	3,294.387	28.19%
INVESTOR M*	Sun Life BlackRock Canadian Composite Equity Class	O	Beneficially and of record	2,237.390	19.15%
INVESTOR N*	Sun Life BlackRock Canadian Composite Equity Class	O	Beneficially and of record	2,180.280	18.66%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Composite Equity Class	T5	Beneficially and of record	1,029.115	100.00%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Equity Class	A	Beneficially and of record	15,158.690	27.33%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Equity Class	F	Beneficially and of record	2,103.943	100.00%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Equity Class	FT5	Beneficially and of record	693.727	100.00%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Equity Class	FT8	Beneficially and of record	700.709	100.00%
SUN BLACKROCK CANADIAN EQUITY	Sun Life BlackRock	I	Beneficially and of record	378,481.990	90.00%

	Canadian Equity Class				
1599760 ONTARIO INC.	Sun Life BlackRock Canadian Equity Class	O	Beneficially and of record	10,748.355	48.32%
1147909 ONTARIO LIMITED	Sun Life BlackRock Canadian Equity Class	O	Beneficially and of record	7,339.659	33.00%
INVESTOR O*	Sun Life BlackRock Canadian Equity Class	T5	Beneficially and of record	1,058.014	40.27%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Equity Class	T5	Beneficially and of record	997.970	37.99%
INVESTOR P*	Sun Life BlackRock Canadian Equity Class	T5	Beneficially and of record	571.184	21.74%
INVESTOR Q*	Sun Life BlackRock Canadian Equity Class	T8	Beneficially and of record	1,198.335	41.31%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life BlackRock Canadian Equity Class	T8	Beneficially and of record	1,158.666	39.94%
INVESTOR R*	Sun Life BlackRock Canadian Equity Class	T8	Beneficially and of record	543.685	18.74%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Dynamic Energy Fund	F5	Beneficially and of record	677.148	100.00%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Dynamic Energy Fund	F8	Beneficially and of record	683.548	100.00%

INVESTOR S*	Sun Life Dynamic Energy Fund	F	Beneficially and of record	3,283.393	10.84%
SUN LIFE GRANITE ENHANCED INCOME PORTFOLIO	Sun Life Dynamic Energy Fund	I	Beneficially and of record	502,488.227	100.00%
INVESTOR T*	Sun Life Dynamic Energy Fund	O	Beneficially and of record	20,878.787	40.69%
GFJB HOLDINGS LTD.	Sun Life Dynamic Energy Fund	O	Beneficially and of record	10,132.410	19.75%
GROUPE KARAM INC.	Sun Life Dynamic Energy Fund	T5	Beneficially and of record	1,360.110	39.41%
INVESTOR U*	Sun Life Dynamic Energy Fund	T5	Beneficially and of record	1,131.200	32.77%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Dynamic Energy Fund	T5	Beneficially and of record	773.345	22.41%
INVESTOR V*	Sun Life Dynamic Energy Fund	T8	Beneficially and of record	2,634.363	28.27%
INVESTOR W*	Sun Life Dynamic Energy Fund	T8	Beneficially and of record	1,975.773	21.20%
INVESTOR X*	Sun Life Dynamic Energy Fund	T8	Beneficially and of record	1,448.904	15.55%
GROUPE KARAM INC.	Sun Life Dynamic Energy Fund	T8	Beneficially and of record	1,416.330	15.20%
INVESTOR Y*	Sun Life Dynamic Equity Income Class	F	Beneficially and of record	26,399.880	23.66%
INVESTOR Z*	Sun Life Dynamic Equity Income Class	F	Beneficially and of record	20,725.868	18.58%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Dynamic Equity Income Class	FT5	Beneficially and of record	680.906	100.00%

SUN DYNAMIC EQUITY INCOME	Sun Life Dynamic Equity Income Class	I	Beneficially and of record	1,309,436.334	100.00%
TREVOR DAVIES HOLDINGS LTD.	Sun Life Dynamic Equity Income Class	O	Beneficially and of record	13,482.092	28.11%
INVESTOR AA*	Sun Life Dynamic Equity Income Class	O	Beneficially and of record	5,897.023	12.29%
INVESTOR BB*	Sun Life Dynamic Equity Income Class	O	Beneficially and of record	4,998.770	10.42%
INVESTOR CC*	Sun Life Dynamic Equity Income Class	T5	Beneficially and of record	53,907.830	52.11%
INVESTOR DD*	Sun Life Dynamic Equity Income Class	T5	Beneficially and of record	12,138.565	11.73%
INVESTOR EE*	Sun Life Dynamic Strategic Yield Class	F	Beneficially and of record	31,655.786	43.49%
INVESTOR FF*	Sun Life Dynamic Strategic Yield Class	F	Beneficially and of record	13,962.106	19.18%
1708500 ONTARIO INC.	Sun Life Dynamic Strategic Yield Class	F	Beneficially and of record	10,253.085	14.09%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Dynamic Strategic Yield Class	FT5	Beneficially and of record	678.683	100.00%
SUN DYNAMIC STRATEGIC YIELD	Sun Life Dynamic Strategic Yield Class	I	Beneficially and of record	858,969.417	100.00%
INVESTOR GG*	Sun Life Dynamic Strategic Yield Class	O	Beneficially and of record	327,178.586	36.86%



INVESTOR HH*	Sun Life Dynamic Strategic Yield Class	T5	Beneficially and of record	6,907.765	20.46%
INVESTOR II*	Sun Life Dynamic Strategic Yield Class	T5	Beneficially and of record	6,784.335	20.09%
INVESTOR JJ*	Sun Life Dynamic Strategic Yield Class	T5	Beneficially and of record	6,153.627	18.23%
INVESTOR KK*	Sun Life Excel High Income Fund	DB	Beneficially and of record	18,373.503	21.15%
INVESTOR LL*	Sun Life Excel High Income Fund	DB	Beneficially and of record	11,389.047	13.11%
SUN LIFE EXCEL EMERGING MARKETS BALANCED FUND	Sun Life Excel High Income Fund	I	Beneficially and of record	2,385,709.283	100.00%
ASC GROUP HOLDINGS INC.	Sun Life Excel China Fund	F	Beneficially and of record	30,229.864	10.90%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Excel China Fund	I	Beneficially and of record	238.233	100.00%
INVESTOR MM*	Sun Life Excel Emerging Markets Balanced Fund	DB	Beneficially and of record	649.999	50.70%
INVESTOR NN*	Sun Life Excel Emerging Markets Balanced Fund	DB	Beneficially and of record	321.139	25.05%
INVESTOR OO*	Sun Life Excel Emerging Markets Balanced Fund	DB	Beneficially and of record	311.022	24.26%
UMANA HOLDINGS INC.	Sun Life Excel Emerging Markets Balanced Fund	F	Beneficially and of record	175,914.222	10.35%
INVESTOR PP*	Sun Life Excel Emerging Markets Fund	DB	Beneficially and of record	2,285.480	23.96%

SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life Excel Emerging Markets Fund	I	Beneficially and of record	18,273,481.325	34.24%
SUN LIFE GRANITE BALANCED PORTFOLIO	Sun Life Excel Emerging Markets Fund	I	Beneficially and of record	11,184,987.942	23.89%
SUN LIFE GRANITE BALANCED GROWTH PORTFOLIO	Sun Life Excel Emerging Markets Fund	I	Beneficially and of record	5,324,296.567	11.37%
KJENNER FINANCIAL SERVICES LTD.	Sun Life Excel Emerging Markets Fund	O	Beneficially and of record	9,705.495	14.58%
INVESTOR QQ*	Sun Life Excel India Fund	DB	Beneficially and of record	112,605.802	17.10%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Excel India Fund	I	Beneficially and of record	265.489	100.00%
PLACEMENTS ITALCAN INC.	Sun Life Excel New India Leaders Fund	F	Beneficially and of record	396,915.191	22.08%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Granite Balanced Class	FT5	Beneficially and of record	691.310	100.00%
ANNAND AGRO SERVICES LTD.	Sun Life Granite Balanced Growth Class	F	Beneficially and of record	132,385.521	17.16%
INVESTOR RR*	Sun Life Granite Balanced Growth Class	F	Beneficially and of record	93,511.586	12.12%
INVESTOR SS*	Sun Life Granite Balanced Growth Class	FT5	Beneficially and of record	13,073.864	52.27%
INVESTOR TT*	Sun Life Granite Balanced Growth Class	FT5	Beneficially and of record	11,246.533	44.96%

SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Granite Balanced Growth Class	FT8	Beneficially and of record	699.495	100.00%
INVESTOR UU*	Sun Life Granite Balanced Growth Class	T5	Beneficially and of record	11,862.196	15.29%
INVESTOR VV*	Sun Life Granite Balanced Growth Class	T5	Beneficially and of record	8,005.417	10.32%
INVESTOR WW*	Sun Life Granite Balanced Growth Class	T8	Beneficially and of record	82,084.449	31.38%
INVESTOR XX*	Sun Life Granite Balanced Growth Class	T8	Beneficially and of record	36,443.928	13.93%
INVESTOR YY*	Sun Life Granite Conservative Class	FT5	Beneficially and of record	43,137.486	90.13%
FUJI STARLIGHT EXPRESS CO. LTD.	Sun Life Granite Conservative Class	O	Beneficially and of record	926,081.539	13.27%
INVESTOR ZZ*	Sun Life Granite Conservative Class	O	Beneficially and of record	749,880.663	10.75%
GESTION J.L. TROTTIER INC.	Sun Life Granite Conservative Class	T5	Beneficially and of record	81,872.620	16.02%
KUTNY INVESTMENTS LTD.	Sun Life Granite Growth Class	A	Beneficially and of record	175,411.495	12.60%
J & M FINANCIAL SERVICES INC.	Sun Life Granite Growth Class	F	Beneficially and of record	57,923.780	12.40%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Granite Growth Class	FT5	Beneficially and of record	691.129	100.00%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Granite Growth Class	FT8	Beneficially and of record	698.074	100.00%
INVESTOR AAA*	Sun Life Granite Growth Class	T5	Beneficially and of record	4,586.623	50.19%

INVESTOR BBB*	Sun Life Granite Growth Class	T5	Beneficially and of record	2,863.791	31.34%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Granite Growth Class	T5	Beneficially and of record	996.879	10.91%
INVESTOR CCC*	Sun Life Granite Growth Class	T8	Beneficially and of record	15,000.784	26.55%
NEURAL BUCKET SOLUTIONS INC.	Sun Life Granite Growth Class	T8	Beneficially and of record	8,222.082	14.55%
INVESTOR DDD*	Sun Life Granite Growth Class	T8	Beneficially and of record	5,937.301	10.51%
INVESTOR EEE*	Sun Life Granite Growth Class	T8	Beneficially and of record	5,735.105	10.15%
INVESTOR FFF*	Sun Life Granite Growth Class	T8	Beneficially and of record	5,707.994	10.10%
PAAL INC.	Sun Life Granite Moderate Class	F	Beneficially and of record	127,285.924	14.71%
INVESTOR GGG*	Sun Life Granite Moderate Class	FT5	Beneficially and of record	68,060.331	83.00%
INVESTOR HHH*	Sun Life Granite Moderate Class	T5	Beneficially and of record	77,099.390	15.20%
INVESTOR III*	Sun Life Granite Moderate Class	T5	Beneficially and of record	77,099.390	15.20%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Canadian Equity Growth Class	A	Beneficially and of record	17,062.473	36.78%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Canadian Equity Growth Class	F	Beneficially and of record	2,171.443	94.30%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Canadian Equity Growth Class	FT5	Beneficially and of record	688.490	100.00%
INVESTOR JJJ*	Sun Life MFS Canadian Equity Growth Class	O	Beneficially and of record	4,489.264	54.64%

INVESTOR KKK*	Sun Life MFS Canadian Equity Growth Class	O	Beneficially and of record	1,368.115	16.65%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Canadian Equity Growth Class	O	Beneficially and of record	1,134.627	13.81%
INVESTOR LLL*	Sun Life MFS Canadian Equity Growth Class	T5	Beneficially and of record	7,920.985	88.31%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Canadian Equity Growth Class	T5	Beneficially and of record	1,048.598	11.69%
INVESTOR MMM*	Sun Life MFS Dividend Income Class	F	Beneficially and of record	8,040.128	40.78%
INVESTOR NNN*	Sun Life MFS Dividend Income Class	F	Beneficially and of record	3,506.063	17.78%
INVESTOR OOO*	Sun Life MFS Dividend Income Class	F	Beneficially and of record	2,778.565	14.09%
INVESTOR PPP*	Sun Life MFS Dividend Income Class	F	Beneficially and of record	2,236.608	11.34%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Dividend Income Class	FT5	Beneficially and of record	682.709	100.00%
SUN MFS DIVIDEND INCOME	Sun Life MFS Dividend Income Class	I	Beneficially and of record	1,716,952.233	100.00%
INVESTOR QQQ*	Sun Life MFS Dividend Income Class	O	Beneficially and of record	9,483.049	13.17%
KASA MANAGEMENT LTD.	Sun Life MFS Dividend Income Class	O	Beneficially and of record	8,521.503	11.83%

SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Dividend Income Class	T5	Beneficially and of record	978.165	96.47%
INVESTOR RRR*	Sun Life MFS Global Growth Class	F	Beneficially and of record	19,308.713	16.51%
INVESTOR SSS*	Sun Life MFS Global Growth Class	F	Beneficially and of record	18,407.787	15.74%
INVESTOR TTT*	Sun Life MFS Global Growth Class	F	Beneficially and of record	12,950.420	11.07%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Global Growth Class	FT5	Beneficially and of record	687.690	100.00%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Global Growth Class	FT8	Beneficially and of record	694.449	40.50%
INVESTOR UUU*	Sun Life MFS Global Growth Class	FT8	Beneficially and of record	604.673	35.26%
INVESTOR VVV*	Sun Life MFS Global Growth Class	FT8	Beneficially and of record	415.696	24.24%
INVESTOR WWW*	Sun Life MFS Global Growth Class	O	Beneficially and of record	148,825.449	38.62%
INVESTOR XXX*	Sun Life MFS Global Growth Class	T5	Beneficially and of record	18,888.883	51.84%
INVESTOR YYY*	Sun Life MFS Global Growth Class	T5	Beneficially and of record	8,352.139	22.92%
INVESTOR ZZZ*	Sun Life MFS Global Growth Class	T5	Beneficially and of record	4,675.368	12.83%

INVESTOR AAAA*	Sun Life MFS Global Growth Class	T8	Beneficially and of record	8,247.183	27.30%
STEVEN D PLUNKETT HOLDINGS LTD.	Sun Life MFS Global Growth Class	T8	Beneficially and of record	7,176.854	23.76%
INVESTOR BBBB*	Sun Life MFS Global Growth Class	T8	Beneficially and of record	3,509.848	11.62%
INVESTOR CCCC*	Sun Life MFS Global Growth Class	T8	Beneficially and of record	3,260.521	10.79%
INVESTOR DDDD*	Sun Life MFS Global Growth Fund	D	Beneficially and of record	15,790.163	11.98%
SMALLROCK INC.	Sun Life MFS Global Growth Fund	F	Beneficially and of record	85,418.241	19.58%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Global Growth Fund	F5	Beneficially and of record	677.393	100.00%
INVESTOR EEEE*	Sun Life MFS Global Growth Fund	F8	Beneficially and of record	10,077.942	24.78%
INVESTOR FFFF*	Sun Life MFS Global Growth Fund	F8	Beneficially and of record	5,248.837	12.91%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS Global Growth Fund	I	Beneficially and of record	3,096,713.659	64.56%
SUN LIFE MFS GLOBAL GROWTH CLASS	Sun Life MFS Global Growth Fund	I	Beneficially and of record	767,445.123	16.00%
SUN MFS GLOBAL GROWTH	Sun Life MFS Global Growth Fund	I	Beneficially and of record	708,503.963	14.77%

INVESTOR GGGG*	Sun Life MFS Global Growth Fund	O	Beneficially and of record	208,940.913	45.88%
INVESTOR HHHH*	Sun Life MFS Global Growth Fund	T5	Beneficially and of record	3,449.000	21.00%
INVESTOR IIII*	Sun Life MFS Global Growth Fund	T5	Beneficially and of record	2,769.868	16.87%
INVESTOR JJJJ*	Sun Life MFS Global Growth Fund	T5	Beneficially and of record	2,516.793	15.33%
INVESTOR KKKK*	Sun Life MFS Global Growth Fund	T8	Beneficially and of record	10,723.668	10.55%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Global Total Return Fund	F5	Beneficially and of record	677.814	100.00%
SUN MFS GLOBAL TOTAL RETURN	Sun Life MFS Global Total Return Fund	I	Beneficially and of record	7,728,708.996	93.70%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Global Value Fund	F5	Beneficially and of record	677.756	100.00%
INVESTOR LLLL*	Sun Life MFS Global Value Fund	F8	Beneficially and of record	11,563.192	32.30%
INVESTOR MMMM*	Sun Life MFS Global Value Fund	F8	Beneficially and of record	7,422.475	20.73%
INVESTOR NNNN*	Sun Life MFS Global Value Fund	F8	Beneficially and of record	4,308.914	12.04%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS Global Value Fund	I	Beneficially and of record	4,881,157.285	70.36%
SUN MFS GLOBAL VALUE	Sun Life MFS Global Value Fund	I	Beneficially and of record	1,330,502.627	19.18%



INVESTOR OOOO*	Sun Life MFS Global Value Fund	O	Beneficially and of record	145,972.657	15.21%
GESTION SYLVIANE CLOUTIER INC.	Sun Life MFS International Growth Class	F	Beneficially and of record	30,296.166	28.00%
INVESTOR PPPP*	Sun Life MFS International Growth Class	F	Beneficially and of record	11,405.344	10.54%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS International Growth Class	FT5	Beneficially and of record	685.657	100.00%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS International Growth Class	FT8	Beneficially and of record	692.419	100.00%
INVESTOR QQQQ*	Sun Life MFS International Growth Class	T5	Beneficially and of record	6,412.830	55.11%
9164, 1456 QUEBEC INC.	Sun Life MFS International Growth Class	T5	Beneficially and of record	1,481.502	12.73%
INVESTOR RRRR*	Sun Life MFS International Growth Class	T8	Beneficially and of record	8,401.600	26.79%
INVESTOR SSSS*	Sun Life MFS International Growth Class	T8	Beneficially and of record	7,689.395	24.52%
INVESTOR TTTT*	Sun Life MFS International Growth Class	T8	Beneficially and of record	3,711.047	11.83%
INVESTOR UUUU*	Sun Life MFS International Growth Class	T8	Beneficially and of record	3,593.902	11.46%
BRIAN FEAGAN MEDICINE PROFESSIONAL CORP.	Sun Life MFS International Growth Fund	D	Beneficially and of record	34,508.791	16.83%

INVESTOR VVVV*	Sun Life MFS International Growth Fund	D	Beneficially and of record	23,550.012	11.48%
INVESTOR WWWW*	Sun Life MFS International Growth Fund	F	Beneficially and of record	30,872.069	11.35%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS International Growth Fund	F5	Beneficially and of record	677.465	100.00%
INVESTOR XXXX*	Sun Life MFS International Growth Fund	F8	Beneficially and of record	5,829.215	89.50%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS International Growth Fund	F8	Beneficially and of record	684.065	10.50%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS International Growth Fund	I	Beneficially and of record	14,622,259.091	40.37%
SUN LIFE GRANITE BALANCED PORTFOLIO	Sun Life MFS International Growth Fund	I	Beneficially and of record	8,231,370.729	22.72%
SUN LIFE GRANITE BALANCED GROWTH PORTFOLIO	Sun Life MFS International Growth Fund	I	Beneficially and of record	4,269,725.370	11.79%
INVESTOR ZZZZ*	Sun Life MFS International Growth Fund	O	Beneficially and of record	13,171.264	10.75%
INVESTOR AAAAA*	Sun Life MFS International Growth Fund	O	Beneficially and of record	12,471.189	10.18%
INVESTOR BBBB*	Sun Life MFS International Growth Fund	T5	Beneficially and of record	2,550.942	32.78%
INVESTOR CCCC*	Sun Life MFS International Growth Fund	T5	Beneficially and of record	1,982.631	25.48%

INVESTOR DDDDD*	Sun Life MFS International Growth Fund	T5	Beneficially and of record	1,359.222	17.47%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS International Growth Fund	T5	Beneficially and of record	960.530	12.34%
INVESTOR EEEEE*	Sun Life MFS International Growth Fund	T8	Beneficially and of record	5,357.079	16.64%
INVESTOR FFFFF*	Sun Life MFS International Growth Fund	T8	Beneficially and of record	4,860.698	15.10%
INVESTOR GGGGG*	Sun Life MFS International Growth Fund	T8	Beneficially and of record	4,103.629	12.75%
INVESTOR HHHHH*	Sun Life MFS International Value Fund	F8	Beneficially and of record	6,586.900	51.03%
INVESTOR IIII*	Sun Life MFS International Value Fund	F8	Beneficially and of record	5,635.645	43.66%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS International Value Fund	I	Beneficially and of record	18,539,298.574	45.74%
SUN LIFE GRANITE BALANCED PORTFOLIO	Sun Life MFS International Value Fund	I	Beneficially and of record	8,110,413.762	20.01%
SUN LIFE GRANITE BALANCED GROWTH PORTFOLIO	Sun Life MFS International Value Fund	I	Beneficially and of record	4,184,572.734	10.32%
INVESTOR JJJJ*	Sun Life MFS Monthly Income Fund	F	Beneficially and of record	31,967.486	69.27%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS Monthly Income Fund	F5	Beneficially and of record	677.854	100.00%

SUN MFS MONTHLY INCOME	Sun Life MFS Monthly Income Fund	I	Beneficially and of record	395,104.147	66.55%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS Monthly Income Fund	I	Beneficially and of record	198,554.388	33.45%
INVESTOR KKKKK*	Sun Life MFS Monthly Income Fund	O	Beneficially and of record	18,863.802	10.51%
INVESTOR LLLLL*	Sun Life MFS Monthly Income Fund	T5	Beneficially and of record	3,922.044	17.26%
BURNS PROPERTIES INC.	Sun Life MFS Monthly Income Fund	T5	Beneficially and of record	3,289.946	14.48%
INVESTOR MMMMM*	Sun Life MFS Monthly Income Fund	T5	Beneficially and of record	2,904.482	12.78%
INVESTOR NNNNN*	Sun Life MFS Monthly Income Fund	T5	Beneficially and of record	2,627.301	11.56%
INVESTOR OOOOO*	Sun Life MFS Monthly Income Fund	T5	Beneficially and of record	2,573.695	11.32%
INVSTOR PPPPP*	Sun Life MFS U.S. Growth Class	FT5	Beneficially and of record	821.657	54.51%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Growth Class	FT5	Beneficially and of record	685.714	45.49%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Growth Class	FT8	Beneficially and of record	692.211	100.00%
INVESTOR QQQQQ*	Sun Life MFS U.S. Growth Class	T5	Beneficially and of record	4,010.868	26.67%
INVESTOR RRRRR*	Sun Life MFS U.S. Growth Class	T5	Beneficially and of record	2,383.738	15.85%

INVESTOR SSSSS*	Sun Life MFS U.S. Growth Class	T5	Beneficially and of record	1,906.849	12.68%
INVESTOR TTTTT*	Sun Life MFS U.S. Growth Class	T5	Beneficially and of record	1,696.310	11.28%
INVESTOR UUUUU*	Sun Life MFS U.S. Growth Class	T8	Beneficially and of record	6,259.075	19.63%
NEURAL BUCKET SOLUTIONS INC.	Sun Life MFS U.S. Growth Class	T8	Beneficially and of record	5,856.728	18.36%
INVESTOR VVVVV*	Sun Life MFS U.S. Growth Class	T8	Beneficially and of record	3,529.334	11.07%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Growth Fund	AH	Beneficially and of record	15,013.808	26.96%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Growth Fund	F5	Beneficially and of record	677.042	100.00%
INVESTOR WWWWW*	Sun Life MFS U.S. Growth Fund	F8	Beneficially and of record	1,567.615	69.64%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Growth Fund	F8	Beneficially and of record	683.377	30.36%
PLACEMENTS CMESSIAEN INC.	Sun Life MFS U.S. Growth Fund	FH	Beneficially and of record	12,379.223	16.80%
INVESTOR XXXXX*	Sun Life MFS U.S. Growth Fund	FH	Beneficially and of record	9,262.068	12.57%
INVESTOR YYYYY*	Sun Life MFS U.S. Growth Fund	FH	Beneficially and of record	8,627.419	11.71%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS U.S. Growth Fund	I	Beneficially and of record	11,858,063.530	40.89%
SUN LIFE GRANITE BALANCED PORTFOLIO	Sun Life MFS U.S. Growth Fund	I	Beneficially and of record	6,147,857.687	21.20%
SUN LIFE GRANITE BALANCED	Sun Life MFS U.S. Growth Fund	I	Beneficially and of record	3,117,446.945	10.75%

GROWTH PORTFOLIO					
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS U.S. Growth Fund	IH	Beneficially and of record	13,483.896	92.93%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Growth Fund	OH	Beneficially and of record	1,009.072	100.00%
INVESTOR ZZZZZ*	Sun Life MFS U.S. Growth Fund	T5	Beneficially and of record	4,030.508	35.82%
INVESTOR AAAAA*	Sun Life MFS U.S. Growth Fund	T5	Beneficially and of record	1,348.945	11.99%
INVESTOR BBBBB*	Sun Life MFS U.S. Growth Fund	T5	Beneficially and of record	1,181.586	10.50%
INVESTOR CCCCC*	Sun Life MFS U.S. Growth Fund	T8	Beneficially and of record	2,933.138	11.81%
INVESTOR DDDDD*	Sun Life MFS U.S. Growth Fund	T8	Beneficially and of record	2,529.867	10.18%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Value Fund	AH	Beneficially and of record	15,168.290	28.73%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Value Fund	F5	Beneficially and of record	677.739	100.00%
INVESTOR EEEEE*	Sun Life MFS U.S. Value Fund	F8	Beneficially and of record	11,323.216	94.30%
INVESTOR FFFFF*	Sun Life MFS U.S. Value Fund	FH	Beneficially and of record	2,690.634	34.16%
INVESTOR GGGGG*	Sun Life MFS U.S. Value Fund	FH	Beneficially and of record	2,391.620	30.37%
INVESTOR HHHHH*	Sun Life MFS U.S. Value Fund	FH	Beneficially and of record	1,520.176	19.30%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Value Fund	FH	Beneficially and of record	1,025.300	13.02%

SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS U.S. Value Fund	I	Beneficially and of record	6,364,863.009	44.81%
SUN LIFE GRANITE BALANCED PORTFOLIO	Sun Life MFS U.S. Value Fund	I	Beneficially and of record	2,596,462.451	18.28%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS U.S. Value Fund	IH	Beneficially and of record	13,860.582	93.07%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life MFS U.S. Value Fund	OH	Beneficially and of record	1,015.106	53.11%
INVESTOR IIIIII*	Sun Life MFS U.S. Value Fund	OH	Beneficially and of record	896.272	46.89%
INVESTOR JJJJJJ*	Sun Life MFS U.S. Value Fund	T5	Beneficially and of record	1,628.891	35.20%
INVESTOR KKKKKK*	Sun Life MFS U.S. Value Fund	T5	Beneficially and of record	1,176.572	25.43%
VERNON MANAGEMENT LTD.	Sun Life MFS U.S. Value Fund	T5	Beneficially and of record	1,018.517	22.01%
INVESTOR LLLLLL*	Sun Life MFS U.S. Value Fund	T5	Beneficially and of record	601.620	13.00%
INVESTOR MMMMMM*	Sun Life MFS U.S. Value Fund	T8	Beneficially and of record	3,140.722	31.28%
INVESTOR NNNNNN*	Sun Life MFS U.S. Value Fund	T8	Beneficially and of record	1,287.628	12.82%
9186-6269 QC INC.	Sun Life Milestone 2030 Fund	A	Beneficially and of record	698,434.850	12.40%
INVESTOR OOOOOO*	Sun Life Money Market Class	A	Beneficially and of record	103,878.998	20.02%
INVESTOR PPPPPP*	Sun Life Money Market Class	A	Beneficially and of record	90,111.933	17.37%

INVESTOR QQQQQ*	Sun Life Money Market Class	A	Beneficially and of record	83,964.437	16.18%
9179-3372 QC INC.	Sun Life Money Market Class	F	Beneficially and of record	49,083.091	22.89%
E.C. GROSS LOGGING LTD.	Sun Life Money Market Class	F	Beneficially and of record	48,950.629	22.82%
ANNAND AGRO SERVICES LTD.	Sun Life Money Market Class	F	Beneficially and of record	26,683.781	12.44%
INVESTOR RRRRR*	Sun Life Money Market Class	O	Beneficially and of record	12,533.271	12.45%
INVESTOR SSSSS*	Sun Life Money Market Class	O	Beneficially and of record	12,104.803	12.03%
INVESTOR TTTTT*	Sun Life Money Market Class	O	Beneficially and of record	11,011.179	10.94%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life Money Market Fund	I	Beneficially and of record	280,385,104.819	97.73%
DIRTY SHORTS MUSIC INC.	Sun Life Multi- Strategy Bond Fund	F	Beneficially and of record	25,893.114	54.80%
INVESTOR UUUUU*	Sun Life Multi- Strategy Bond Fund	F	Beneficially and of record	7,746.205	16.39%
INVESTOR VVVVV*	Sun Life Multi- Strategy Bond Fund	F	Beneficially and of record	7,746.205	16.39%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life Multi- Strategy Bond Fund	I	Beneficially and of record	35,937,691.410	97.93%
INVESTOR WWWWW*	Sun Life Multi- Strategy Bond Fund	O	Beneficially and of record	7,632.855	21.61%
INVESTOR XXXXX*	Sun Life Multi- Strategy Bond Fund	O	Beneficially and of record	4,316.641	12.22%



INVESTOR YYYYYY*	Sun Life Multi- Strategy Bond Fund	O	Beneficially and of record	4,021.837	11.39%
INVESTOR ZZZZZZ*	Sun Life Multi- Strategy Bond Fund	O	Beneficially and of record	3,748.021	10.61%
INVESTOR AAAAAAA*	Sun Life Multi- Strategy Bond Fund	O	Beneficially and of record	3,630.497	10.28%
GESTION SYLVIANE CLOUTIER INC.	Sun Life Sentry Value Class	F	Beneficially and of record	33,053.449	36.06%
INVESTOR BBBBBBB*	Sun Life Sentry Value Class	F	Beneficially and of record	11,269.663	12.29%
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	Sun Life Sentry Value Class	FT5	Beneficially and of record	712.613	100.00%
SUN SENTRY VALUE	Sun Life Sentry Value Class	I	Beneficially and of record	1,421,622.348	85.74%
SUN SENTRY VALUE BUNDLE	Sun Life Sentry Value Class	I	Beneficially and of record	235,304.197	14.26%
INVESTOR CCCCCCC*	Sun Life Sentry Value Class	T5	Beneficially and of record	2,589.198	19.77%
INVESTOR DDDDDDD*	Sun Life Sentry Value Class	T5	Beneficially and of record	1,913.962	14.62%
9164, 1456 QUEBEC INC.	Sun Life Sentry Value Class	T5	Beneficially and of record	1,597.968	12.20%
INVESTOR EEEEEEE*	Sun Life Sentry Value Class	T5	Beneficially and of record	1,446.689	11.05%
INVESTOR FFFFFFF*	Sun Life Sentry Value Class	T5	Beneficially and of record	1,362.017	10.40%
INVESTOR GGGGGGG*	Sun Life Sentry Value Class	T5	Beneficially and of record	1,340.478	10.24%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life Excel Emerging Markets Fund	I	Beneficially and of record	18,273,481.325	40.01%

SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS Global Growth Fund	I	Beneficially and of record	3,096,713.659	64.56%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS Global Value Fund	I	Beneficially and of record	4,881,157.285	70.36%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS International Growth Fund	I	Beneficially and of record	14,622,259.091	40.37%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS International Value Fund	I	Beneficially and of record	18,539,298.574	45.74%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS Monthly Income Fund	I	Beneficially and of record	198,554.388	33.45%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS U.S. Growth Fund	I	Beneficially and of record	11,858,063.530	40.89%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS U.S. Growth Fund	IH	Beneficially and of record	13,483.896	92.93%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS U.S. Value Fund	I	Beneficially and of record	6,364,863.009	44.81%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life MFS U.S. Value Fund	IH	Beneficially and of record	13,860.582	93.07%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life Money Market Fund	I	Beneficially and of record	280,385,104.819	97.73%
SUNLIFE ASSURANCE COMPANY OF CANADA	Sun Life Multi-Strategy Bond Fund	I	Beneficially and of record	35,937,691.410	97.93%

\*To protect the privacy of this investor who is an individual, the Manager has omitted the name of this securityholder. This information is available on request by contacting the Manager at the telephone number on the back of this Annual Information Form.

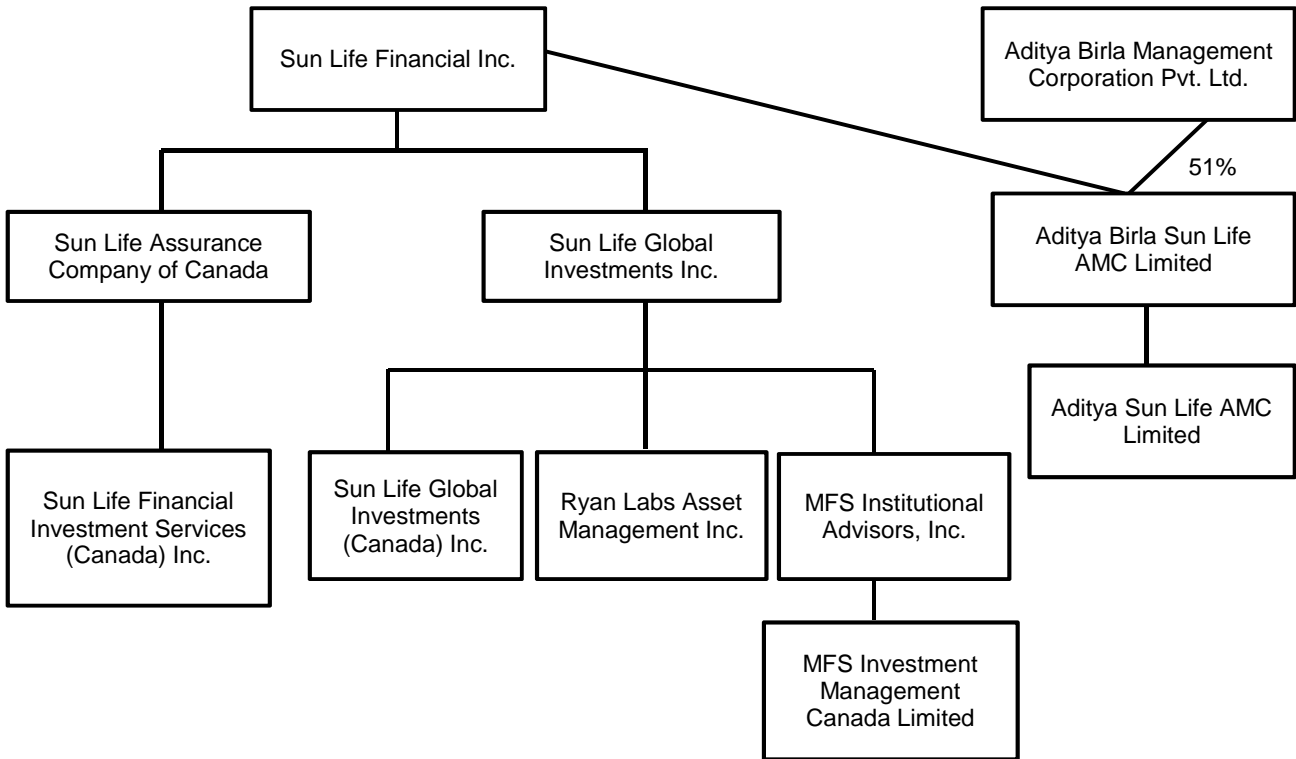
As at June 15, 2018, none of the directors and senior officers of the Manager owned, in the aggregate, more than 10% of a series of a Fund.

As at June 15, 2018, none of the members of the IRC owned any securities of the Funds.

**Affiliated Entities**

The following diagram shows the relationship between the Manager and affiliated entities that provide services to the Funds and/or to the Manager. All entities below are wholly-owned by Sun Life Financial Inc., directly or indirectly, unless otherwise indicated:

49%



The amount of fees received from a Fund by an affiliated entity for services provided to the Fund are disclosed in the financial statements of the Fund.

The following individuals are a director and/or officer of the Manager and also a director and/or officer of one or more of the affiliated entities that provide services to the Funds or to the Manager in respect of the Funds:

<b>Name and Position with the Manager</b>	<b>Position with Affiliated Entities that Provide Services to the Funds or to the Manager</b>
Jacques Goulet Director and Chairman of the Board	<ul style="list-style-type: none"> <li>● President, Sun Life Financial Canada, Sun Life Financial Inc.</li> </ul>
Rick C. Headrick President and Director	<ul style="list-style-type: none"> <li>● Vice-President, Sun Life Global Investments Inc.;</li> <li>● President, Sun Life Global Investments, Canada, Sun Life Assurance Company of Canada</li> </ul>
Lori Landry Chief Marketing Officer	<ul style="list-style-type: none"> <li>● Vice-President, Marketing and Institutional Business, Sun Life Global Investments Canada, Sun Life Assurance Company of Canada</li> </ul>
Patricia Callon Director	<ul style="list-style-type: none"> <li>● Senior Vice-President and General Counsel, Sun Life Financial Canada, Sun Life Assurance Company of Canada</li> </ul>
Leo Grepin Director	<ul style="list-style-type: none"> <li>● Senior Vice-President, Individual Insurance and Wealth, Sun Life Assurance Company of Canada</li> </ul>
Brennan Kennedy Director	<ul style="list-style-type: none"> <li>● Vice-President, Chief Actuary and Chief Risk Officer, Sun Life Assurance Company of Canada</li> </ul>

## **FUND GOVERNANCE**

### **General**

Sun Life Global Investments Canada, as manager of the Funds and trustee of the Trust Funds, is responsible for fund governance matters relating to the Funds. The Board of Directors of the Mutual Fund Corporation is responsible for the administration and operation of the Corporate Classes and has delegated the day-to-day administration and operations of the Corporate Classes to the Manager. Senior officers of the Manager are responsible for developing, implementing and monitoring day-to-day fund governance practices. The board of directors of the Manager reviews these fund governance practices at regular intervals and is ultimately responsible for overall fund governance matters. Members of the Manager's board of directors are listed above under "Management of the Funds".

The Board of Directors of the Mutual Fund Corporation meets quarterly to receive a report from the Manager and to discuss and review the business and operations of the Corporate Classes. The Board of Directors of the Mutual Fund Corporation also has an audit committee. The audit committee of the Mutual Fund Corporation generally meets quarterly to discuss financial matters applicable to the Corporate Classes.

### **Policies**

In managing the day to day operations of the Funds, the Manager has adopted certain policies as standard practice to comply with applicable legislation and regulations, including NI 81-102 and National Instrument 81-105 – *Mutual Fund Sales Practices*, relating to permitted compensation and trailing commissions, internal dealer incentive practices, marketing and education practices, sales disclosure and portfolio transactions.

In addition, the Manager has developed and adopted a formal compliance manual that governs all the Manager's employees. The compliance manual includes policies on insider trading, conflicts of interest, client confidentiality, acceptable outside activities, private and personal investments and practices on

dealing with brokerage firms when allocating trades and soft dollar compensation. The compliance manual also includes provisions and/or policies and guidelines regarding recordkeeping, risk management, potential conflicts of interest relating to the Funds and general compliance with regulatory and corporate responsibilities.

### **Independent Review Committee**

In accordance with NI 81-107, the Manager has established an IRC for all the Sun Life Global Investments Mutual Funds. The IRC is composed of three individuals, each of whom is independent of the Sun Life Global Investments Mutual Funds, the Manager and its affiliates. The current members of the IRC are Nancy Church (Chair), Andrew Smith and Pierre-Yves Châtillon.

In accordance with NI 81-107, the mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Sun Life Global Investments Mutual Funds. The Manager is required under NI 81-107 to identify conflicts of interest inherent in its management of the Sun Life Global Investments Mutual Funds, and request input from the IRC on how it manages those conflicts of interest, as well as on its written policies and procedures outlining its management of those conflicts of interest. The Manager must refer its proposed course of action in respect of any such conflict of interest matters to the IRC for its review. Certain matters require the IRC's prior approval, but in most cases, the IRC will provide a recommendation to the Manager as to whether or not, in the opinion of the IRC, the Manager's proposed action will provide a fair and reasonable result for the Sun Life Global Investments Mutual Funds. For recurring conflict of interest matters, the IRC can provide the Manager with standing instructions.

Each IRC member is entitled to receive compensation for the duties he or she performs as an IRC member, consisting of an annual retainer of \$25,000 (\$29,000 for the Chair) and a quarterly meeting fee (\$1,000 for the Chair, \$500 for individual members) for attending regularly scheduled quarterly meetings. In the event that additional or special meetings are held, each IRC member is entitled to a special meeting fee of \$1,000. For the financial year ended December 31, 2017, the IRC members received, in the aggregate, approximately \$94,500 as annual fees from the then-existing Sun Life Global Investments Mutual Funds and approximately \$3,611 as reimbursements from the Manager (other than the Former Excel Funds). These amounts were allocated among the then-existing Sun Life Global Investments Mutual Funds by the Manager in a manner that the Manager considered as fair and reasonable. No compensation or reimbursements made to an IRC member have been allocated to Sun Life JPMorgan International Equity Fund because this Fund is new.

For the financial year ended December 31, 2017 the individual IRC members of the Former Excel Funds received total compensation from the Funds (other than the Former Excel Funds) and reimbursement of expenses from the Manager as follows:

<b>IRC Member</b>	<b>Total individual compensation, including expense reimbursement</b>
Nancy Church (Chair) <sup>1,2</sup>	\$18,491
Andrew Smith	\$29,500
Pierre-Yves Châtillon <sup>1</sup>	\$35,057
Louise Tymocko <sup>2</sup>	\$15,063

<sup>1</sup>Pierre-Yves Châtillon stepped down as Chair of the IRC and Nancy Church was elected Chair, effective June 8, 2017.

<sup>2</sup>Louise Tymocko resigned from the IRC and Nancy Church was appointed, effective June 8, 2017.

For the financial year ended September 30, 2017, the individual IRC members received total compensation and reimbursement of expenses from the Former Excel Funds as follows:

<b>IRC Member</b>	<b>Total individual compensation, including expense reimbursement</b>
Karen J. Fisher (Chair)	\$25,858
James Simmonds	\$19,267
Michael G. Yanai.	\$19,223

Each of the members of the IRC of the Former Excel Funds ceased acting as a member of the IRC effective January 2, 2018, upon the acquisition of EFMI by Sun Life Global Investments (Canada) Inc. Sun Life Global Investments (Canada) Inc. appointed each of the individuals who are members of the IRC for the Sun Life Global Investments Mutual Funds to act as IRC members for the Former Excel Funds. The IRC will report annually to securityholders of the then-existing Funds on its activities, as required by NI 81-107. The reports of the IRC will be available free of charge from the Manager on request by contacting the Manager at [info@sunlifeglobalinvestments.com](mailto:info@sunlifeglobalinvestments.com) and will be posted on the Manager's website at [www.sunlifeglobalinvestments.com](http://www.sunlifeglobalinvestments.com). The annual report of the IRC for the Funds (other than the Former Excel Funds) will be available on or about March 31 in each year and the annual report of the IRC for the Former Excel Funds will be available on or about December 31 in each year.

### **Use of Derivatives**

Some of the Funds may use derivatives from time to time as described in the Simplified Prospectus. The Manager (or the sub-advisor under the oversight of the Manager) effects derivatives trading on behalf of the Funds. Each of the Manager and the sub-advisor has its own written policies and procedures relating to the use of derivatives for the Funds or portions thereof for which it has been appointed portfolio manager and/or sub-advisor. The Manager reviews the policies and procedures of each sub-advisor to ensure that they meet the Manager's standards.

The Chief Compliance Officer of the Manager is responsible for establishing and maintaining policies and procedures in connection with the use of derivatives, oversight of all derivative strategies used by the Funds, and the monitoring and assessing compliance with all applicable legislation. The Chief Compliance Officer is required to report to the Ultimate Designated Person of the Manager on any instances of non-compliance and reports to the board of directors of the Manager on his or her compliance assessments. The board of directors of the Manager reviews and approves the Manager's policies and procedures in connection with the use of derivatives on an annual basis and has the ultimate responsibility of ensuring that proper policies and procedures relating to the use of derivatives are in place.

As part of its ongoing review of fund activity, compliance personnel employed by each sub-advisor and the Manager review the use of derivatives as part of their ongoing review of fund activity. Compliance personnel are not members of the investment and trading group and report to a different functional area.

Limits and controls on the use of derivatives are part of the Manager's fund compliance regime and include reviews by analysts who ensure that the derivative positions of the Funds are within applicable policies. Risk measurements or simulations are not used to test the portfolio under stress conditions.

### **Securities Lending, Repurchase or Reverse Repurchase Transactions**

Some of the Funds may engage in securities lending, repurchase and reverse repurchase transactions. Where a Fund engages in these types of investments, it will:

- hold collateral equal to a minimum of 102% of the market value of the securities loaned (for securities lending transactions), sold (for repurchase transactions) or purchased (for reverse repurchase transactions) as the case may be;
- adjust the amount of collateral each business day to ensure the collateral's value relative to the market value of the securities loaned, sold or purchased remains within the 102% limit; and
- limit the aggregate value of all securities loaned or sold through securities lending and repurchase transactions to under 50% of the total assets (without including the collateral) of the Fund.

The Manager will appoint an agent under the terms of a written agreement in order to administer any securities lending, repurchase and reverse repurchase transactions for the Funds. Under the provisions of this agreement, the agent will:

- assess the creditworthiness of potential counterparties to these transactions (typically, registered brokers and/or dealers);
- negotiate the actual securities lending, repurchase and reverse repurchase agreements with such counterparties;
- collect lending and repurchase fees and provide such fees to the Manager;
- monitor (daily) the market value of the securities sold, loaned or purchased and the collateral and ensure that each Fund holds collateral equal to at least 102% of the market value of the securities sold, loaned or purchased; and
- ensure that each Fund does not loan or sell more than 50% of the total market value of its assets (not including the collateral held by the Fund) through lending and repurchase transactions.

Currently, none of the Funds engage in securities lending, repurchase, reverse repurchase transactions. Before a Fund engages in such transactions, the Manager will have policies and procedures in place to monitor compliance with the restrictions in NI 81-102 with respect to these transactions and types of investments. The compliance team of the Manager would be responsible for establishing and maintaining these policies and procedures. The Chief Compliance Officer would be required to report to the Ultimate Designated Person of the Manager on any instances of non-compliance with the policies and procedures and report to the board of directors of the Manager on his or her compliance assessments. The board of directors of the Manager would review and approve the Manager's proposed policies and procedures in connection with these types of transactions and would have the ultimate responsibility of ensuring that proper policies and procedures relating to these types of transactions are in place. Any agreements, policies and procedures that are applicable to securities lending, repurchase and reverse repurchase transactions would be reviewed by the compliance team of the Manager at least annually. There are no limits or controls restricting these transactions other than those in NI 81-102 and risk measurements or simulations are not

used to test the portfolio under stress conditions. The Manager is responsible for reviewing these matters on an as-needed basis and will be independent to the agent.

### **Short Selling**

Sun Life Dynamic Energy Fund, may engage in short selling consistent with its investment objectives and as permitted by the Canadian securities regulators. A short sale by a Fund involves borrowing securities from a lender which are then sold in the open market (or “sold short”). At a later date, the same number of securities are repurchased by the Fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the Fund pays interest to the lender. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities, the Fund makes a profit for the difference (less any interest the Fund is required to pay to the lender). In this way, the Fund has more opportunities for gains when markets are generally volatile or declining.

This Fund engages in short selling only within certain controls and limitations. Securities are sold short only for cash. As well, at the time securities of a particular issuer are sold short by a Fund, the aggregate market value of all securities of that issuer sold short will not exceed 5% of the net asset value of the Fund. The aggregate market value of all securities sold short by a Fund will not exceed 20% of the net asset value of the Fund. The Fund may deposit assets with lenders in accordance with industry practice in relation to its obligations arising under short sale transactions. The Fund also will hold cash cover (as defined in NI 81-102) in an amount, including the Fund’s assets deposited with lenders, that is at least 150% of the aggregate market value of all securities it sold short on a daily marked-to-market basis. No proceeds from short sales will be used by a Fund to purchase long positions other than cash cover. These Funds will also abide by all other NI 81-102 restrictions relating to short selling.

The Manager has delegated the responsibility with respect to short selling for this Fund to the Fund’s sub-advisor. 1832 LP effects short selling on behalf of Sun Life Dynamic Energy Fund. To the extent that Sun Life Dynamic Energy Fund engages in short selling, the Manager reviews the short selling policies and procedures of 1832 LP on at least an annual basis.

### **Short Selling Policies and Procedures at 1832 LP**

#### ***Sun Life Dynamic Energy Fund***

1832 LP has developed written policies and procedures relating to short selling (including objectives, goals and risk management procedures). Agreements, policies and procedures that are applicable to the Funds relating to short selling (including trading limits and controls) are reviewed by senior management of 1832 LP. The board of directors of the General Partner of 1832 LP will also be kept apprised of any short selling policies. The decision to effect any particular short sale is made by senior portfolio managers of 1832 LP and reviewed and monitored as part of 1832 LP’s ongoing compliance procedures and risk control measures. Risk measurement procedures or simulations are not used to test the 1832 LP Sub-Advised Funds’ portfolios under stress conditions.

### **Short-Term or Excessive Trading**

The Funds are generally designed as long term investments. Frequent trading or switching securities of the Funds by certain investors can harm a Fund’s performance, affecting all the investors in a Fund, by forcing the Fund to keep more cash that would otherwise be required or sell investments during unfavourable market conditions to meet redemptions.



Some investors may seek to trade or switch frequently to try to take advantage of the difference between the Fund's NAV and the value of the Fund's portfolio holdings. This activity is sometimes referred to as "market timing".

The Manager uses a combination of measures to detect and deter market timing activity, including but not limited to:

- monitoring trading activity in client accounts and, through this monitoring, declining certain trades;
- imposing short term trading fees; and
- applying fair value pricing to foreign portfolio holdings in determining the prices of our Funds.

While we actively take steps to monitor, detect and deter short-term or excessive trading, we cannot ensure that such trading activity will be completely eliminated. We may reassess what is inappropriate short-term or excessive trading in the Funds at any time and may charge short-term or excessive trading fees or exempt transactions from such fees in our discretion. The short-term or excessive trading fees are paid to the Fund and not to us.

### **Short-Term or Excessive Trading Fees**

If an investor redeems or switches securities of a Fund within 30 days of purchase, the Manager may charge a short-term or excessive trading fee on the proceeds of the redemption or switch. The fee payable will be paid to the applicable fund. This is in addition to any redemption or switch fees that the investor may pay. Each additional switch counts as a new purchase for this purpose. Short-term or excessive trading fees will not be charged (i) for a redemption of securities when an investor fails to meet the minimum investment amount for the Funds; (ii) for a redemption of securities acquired through automatic reinvestment of all distributions of net income or capital gains by a Fund; (iii) for a redemption of securities in connection with a failed settlement of a purchase of securities; (iv) for a switch or redemption from Sun Life Money Market Fund or Sun Life Money Market Class; (v) for a switch under the Systematic Transfer Plan, as described in the Simplified Prospectus of the Funds; (vi) for a switch as a result of a rebalancing transaction under the Account Rebalancing Service; (vii) for a change of securities from one series to another of the same fund; (viii) for a redemption of securities by another investment fund or investment product approved by us; (ix) for a transfer of securities from the deferred sales charge or low load sales charge options to the front end sales charge option; or (x) in the absolute discretion of the Manager.

In addition we also waive the short-term or excessive trading fee in certain extenuating circumstances including severe financial hardship or the death of an investor.

### **Proxy Voting Policies and Procedures**

The Manager has policies and procedures in place to ensure that proxies relating to securities held by a Fund are voted in a timely manner, in accordance with the instructions of the Fund and in the best interests of the Fund. All the Funds have authorized the Manager to make decisions with respect to proxy voting on behalf of the Funds. For Funds that do not have a sub-advisor, the Manager votes the Funds' proxies on behalf of the Funds. The Manager's compliance team reviews the proxies voted on behalf of the Funds throughout the year and performs an annual review of the proxies voted on behalf of the Funds to ensure that proxies have been voted in accordance with the Manager's proxy voting guidelines. For Funds that have a sub-advisor, the Manager has delegated the responsibility with respect to proxy voting to that Fund's sub-advisor. To ensure that voting rights are exercised in accordance with the instructions of the Funds and in the best interests of the Funds, the agreement with each sub-advisor requires the sub-advisor to provide to the Manager the sub-advisor's proxy voting guidelines and any amendments thereto, and proxy voting

reports on how the sub-advisor has exercised specific votes. The Manager reviews the proxy voting policies and procedures and proxy voting reports of each sub-advisor throughout the year and performs an annual review of the proxy voting reports of each sub-advisor to ensure voting rights are exercised in accordance with the Funds' instructions and in the best interests of the Funds. The Manager reserves the right to revoke proxy voting privileges of a sub-advisor in respect of any Fund in the event it is deemed appropriate.

Summaries of the proxy voting policies and procedures of the Manager and each sub-advisor are set out below. Copies of the complete proxy voting policies and procedures for the Funds are available to investors on request, free of charge, by calling the Manager toll free at 1-877-344-1434, by sending an email to [info@sunlifeglobalinvestments.com](mailto:info@sunlifeglobalinvestments.com) or by mailing Sun Life Global Investments (Canada) Inc. at One York Street, Suite 3300, Toronto, Ontario M5J 0B6.

Each Fund's proxy voting record for the most recent period ended June 30 of each year will be available free of charge to any securityholder of the Fund upon request at any time after August 31 of that year by calling 1-877-344-1434. The proxy voting record is also available on the Funds' website at [www.sunlifeglobalinvestments.com](http://www.sunlifeglobalinvestments.com).

## **Proxy Voting at China AMC**

### ***Sun Life Excel China Fund***

China AMC has formulated its proxy voting measures in accordance with several provisions on Strengthening Protection of Rights and Interests of Public Shareholders of China Securities Regulatory Commission ("CSRC"), other related laws and regulations. China AMC has been asked to vote for proxies on behalf of the Sun Life Excel China Fund. In the event where an issuer's outstanding securities is held by multiple funds and/or accounts managed by China AMC, portfolio managers and analysts must reach a consensus voting decision prior to casting a vote as required by China AMC's proxy voting procedures outlined in the "*Proxy Voting Procedures and Guidelines for Onshore/Offshore Dual-Listed Companies*".

China AMC adopts a four-step proxy voting process:

1. Portfolio managers and analysts are responsible for making a decision to vote for, against, or abstain when proxy requests arise for the fund. The Manager assesses each proxy and votes such proxies in the best interests of the Funds.
2. Depending on the size of the company's holdings in the fund(s) held, or China AMC's total holding as a percentage of the issuer's total floated shares outstanding, the CIO, or the Chairman of the Investment Committee, or the Investment Committee will review and approve the voting decision(s).
3. For onsite voting, China AMC's authorized representatives will make the vote, for online voting, the trading team will cast the vote as directed by the consensus decision of the portfolio manager and analysts.
4. The voting results and kept on file by the Trading Department of China AMC.

## **Proxy Voting at CC&L**

### ***Sun Life Multi-Strategy Bond Fund***

In general, there will be no proxies for the portion of the Sun Life Multi-Strategy Bond Fund managed by CC&L to vote because CC&L will primarily invest in fixed-income securities, which are typically non-voting.

## **Proxy Voting at MFS and MFS IMC**

### ***MFS Funds and MFS IMC Funds***

As a subsidiary of MFS, MFS IMC has adopted and adheres to the proxy voting policies and procedures of MFS, as described below. A reference in this section to MFS should therefore be read to include MFS IMC. However, although the proxy voting procedures and policies are interconnected at those firms and the MFS Proxy Voting Committee and Legal, Investment and Global Investment Support Departments are shared services, MFS IMC is responsible for making the proxy voting decisions on behalf of the MFS IMC Funds.

The administration of MFS' proxy voting policies and procedures is overseen by the MFS Proxy Voting Committee, which includes senior personnel from the MFS Legal, Investment and Global Investment Support Departments. The MFS Proxy Voting Committee does not include individuals whose primary duties relate to client relationship management, marketing or sales. MFS' policy is that proxy voting decisions are made in accordance with what MFS believes to be the best long-term economic interests of MFS' clients, and not in the interests of any other party or in MFS' corporate interests. MFS' proxy voting policies and procedures are intended to address any potential material conflicts of interest on the part of MFS or its subsidiaries that are likely to arise in connection with the voting of proxies on behalf of MFS' clients. If such potential material conflicts of interest do arise, MFS will analyze, document and report on such potential material conflicts of interest, and will ultimately vote the relevant proxies in what MFS believes to be the best long-term economic interests of its clients. The MFS Proxy Voting Committee is responsible for monitoring and reporting with respect to such potential material conflicts of interest.

In developing its proxy voting guidelines, MFS reviews corporate governance issues and proxy voting matters that are presented for shareholder vote by either management or shareholders of public companies. Based on the overall principle that all votes cast by MFS on behalf of its clients must be in what MFS believes to be the best long-term economic interests of such clients, MFS has adopted proxy voting guidelines that govern how MFS generally will vote on specific matters presented for shareholder vote. In general these policies are based on the following principles:

- MFS will not support a nominee to the board of a U.S. issuer (or issuer listed on a U.S. exchange) if, as a result of such nominee being elected to the board, the board would be comprised of a simple majority of members who are not "independent" or, alternatively, the compensation, nominating (including instances in which the full board serves as the compensation or nominating committee) or audit committees would include members who are not "independent".
- MFS generally votes for reasonably crafted proposals calling for directors to be elected with an affirmative majority of votes cast and/or the elimination of the plurality standard for electing directors (including binding resolutions requesting that the board amend the company's bylaws), provided the proposal includes a carve-out for a plurality voting standard when there are more director nominees than board seats (e.g., contested elections).

- MFS generally opposes proposals to classify a board (e.g. a board in which only one-third of board members is elected each year) for issuers (other than for certain closed-end investment companies). MFS generally supports proposals to declassify a board for issuers (other than for certain closed-end investment companies).
- MFS votes against stock option programs for officers, employees or non-employee directors that do not require an investment by the optionee, that give free rides on the stock price, or that permit grants of stock options with an exercise price below fair market value on the date the options are granted.
- MFS also opposes stock option programs that allow the board or the compensation committee, without shareholder approval, to re-price underwater options or to automatically replenish shares (i.e. evergreen plans).
- MFS supports shareholder proposals to expense stock options because it believes that the expensing of options presents a more accurate picture of the company's financial results to investors.
- MFS supports reasonably crafted shareholder proposals to include an advisory shareholder vote on an issuer's executive compensation practices in the issuer's proxy statement.
- MFS supports the use of a broad-based employee stock purchase plans to increase company stock ownership by employees, provided that shares purchased under the plan are acquired for no less than 85% of their market value and do not result in excessive dilution.
- From time to time, shareholders of companies have submitted proxy proposals that would require shareholder approval of severance packages for executive officers that exceed certain predetermined thresholds. MFS generally votes in favour of such shareholder proposals when they would require shareholder approval of any severance package for an executive officer that exceeds a certain multiple of such officer's annual compensation that is not, in MFS' judgment, to be excessive.
- In general, MFS votes against any measure that inhibits capital appreciation in a stock, including proposals that protect management from action by shareholders. These types of proposals take many forms, ranging from poison pills and shark repellents to super-majority requirements.
- When presented with a proposal to reincorporate a company under the laws of a different state, or to effect some other type of corporate reorganization, MFS considers the underlying purpose and ultimate effect of such a proposal in determining whether or not to support such a measure. MFS generally votes with management in regards to these types of proposals, however, if MFS believes the proposal is in the best long-term economic interests of its clients, then MFS may vote against management (e.g. the intent or effect would be to create additional inappropriate impediments to possible acquisitions or takeovers).
- MFS generally votes against plans that would substantially dilute the existing equity of shareholders (e.g. by approximately 10-15%).
- MFS generally supports proposals to institute share repurchase plans in which all shareholders have the opportunity to participate on an equal basis.
- MFS generally votes in favour of proposals to ensure that shareholder voting results are kept confidential.

- MFS generally opposes proposals that seek to introduce cumulative voting and is in favour of proposals that seek to eliminate cumulative voting.

## **Proxy Voting at Sun Life Assurance Company of Canada**

### *Milestone Funds*

In general, there will be no proxies for the Milestone Funds to vote as they hold units of Sun Life Milestone Global Equity Fund. Each Milestone Fund would be prohibited from voting the units of Sun Life Milestone Global Equity Fund held by it. The Manager may, in its discretion, choose to flow-through any voting rights regarding Sun Life Milestone Global Equity Fund to investors in the Milestone Funds. The other securities that the Milestone Funds will invest in are fixed-income securities, which are typically non-voting.

## **Proxy Voting at Schroders**

### *Sun Life Excel Emerging Markets Fund*

This summary outlines the approach taken by Schroder Investment Management North America Inc. and other asset management entities within the Schroders Group to corporate governance, ownership, engagement and the responsible use of voting rights. This summary may be part of a wider policy accommodating additional statements, where necessary, for regulatory purposes or for the benefit of clients in different locations. Schroders expects the companies, in whose securities Schroders invest funds on behalf of clients, to achieve returns justifying a company's use of the capital invested. It follows that the boards of companies in which Schroders clients' funds are invested must consider and review the strategy, the operating performance, the quality of leadership and management and the internal controls of the companies they direct, in order to produce the returns required by Schroders clients. Schroders concentrates on each company's ability to create sustainable value and may question or challenge companies about governance issues that Schroders perceives may affect the value of those companies. Engagement and proxy voting are therefore an integral part of Schroders investment process.

### *Corporate Governance and the Role and Objectives of Schroders as an Investment Manager*

**Schroders as an Investor:** The asset management operations within the Schroders group invest in equity securities in order to earn returns for clients over the long term. The sale of shares of a successful company by Schroders is not necessarily a reflection of their view of the quality of the management of a company but may be because of Schroders belief that other companies will offer greater share price growth relative to their current valuation. The purchase and sale of shares will also be affected by the flow of client funds under Schroders control and asset allocation decisions.

**Schroders as a Shareholder:** Share interests carry ownership rights, including voting rights. Exercising those rights is an integral part of Schroders' investment process. Schroders' proxy voting policies and procedures reflect Schroders' philosophy and the principles that Schroders will adhere to when Schroders votes proxies on behalf of its clients. Generally, Schroders considers each proxy on a case-by-case basis and makes a determination of whether to vote for or against a proposal, or abstain from voting, based on the following principles:

- The overriding principle is that the objective for the exercise of shareholder rights and responsibilities, including all engagement, activism, voting of proxies and corporate responsibility activity is to enhance returns for Schroders' clients. In seeking to maximize value for clients, Schroders must act in the best interests of clients and consistent with client mandates.

- Schroders will consider and seek to enhance the long term value of equity holdings of its clients. In determining long term value, Schroders must consider the risk attaching to investments compared with an opportunity to sell a holding, particularly in the event of a takeover.
- Companies should act in the best interests of their owners, the shareholders. Schroders encourages companies to have due regard for other stakeholders – no company can function, for example, without a good workforce, without providing quality services or goods to customers, without treating suppliers with respect and without maintaining credibility with lenders. However, it is the interests of the owners of the business which should be paramount.
- Schroders accepts that no one model of governance can apply to all companies and will consider the circumstances of each company. It is in the best interests of clients for Schroders to be pragmatic in the way it exercises voting rights, particularly in the case of smaller companies.

For any vote that involves a conflict of interest between the Fund, on the one hand, and the Manager, Schroders or any of their affiliates, on the other hand, Schroders' policies require Schroders to follow a procedure whereby the recommendations of a third party will be followed, unless (exceptionally) clients are specifically consulted or Schroders' Head of Equities gives specific approval to override the third party recommendation and the issue is documented in writing. Schroders must vote such proxy in what Schroder determines to be in the best interest of the Fund. An internal proxy voting committee monitors and keeps records of the proxies voted by Schroders on behalf of its clients.

**Engagement:** Engagement with companies is part of Schroders investment process. In all engagement and intervention, Schroders purpose is to seek additional understanding or, where necessary, seek change that will protect and/or enhance the value of the investments for which they are responsible. Engagement has the added advantage of enhancing communication and understanding between companies and investors. It is Schroders intention to meet appropriate standards on engagement.

### **Proxy Voting at 1832 LP**

#### *Sun Life Dynamic Energy Fund*

In the event that there are proxies for Sun Life Dynamic Energy Fund to vote, 1832 LP will vote such proxies in accordance with its Proxy Voting Policy and Guidelines. Any proxy decision will be made uninfluenced by considerations other than to protect and promote the economic value of the securities held in the Fund.

In many cases, the issuer's management provides a voting recommendation for each proxy proposal. 1832 LP has retained the services of an independent firm to provide further analysis and recommendation on the proxies it receives as portfolio sub-advisor to Sun Life Dynamic Energy Fund. The Manager assesses each proxy including the recommendations of the independent proxy provider and votes such proxies in the best interests of the Funds. On occasion, 1832 LP may abstain from voting a proxy or a specific proxy item when it is concluded that the potential benefit of voting the proxy of that issuer is outweighed by the cost of voting the proxy. In addition, 1832 LP will not vote proxies received for issuers of portfolio securities which are no longer held in the Fund's account.

Where proxy voting could give rise to a conflict of interest or perceived conflict of interest, in order to balance the interest of the Fund in voting proxies with the desire to avoid the perception of a conflict of interest, 1832 LP has instituted procedures to help ensure that the Fund's proxy is voted in accordance with the business judgment of the person exercising the voting rights on behalf of the Fund, uninfluenced by considerations other than the best interests of the Fund.

1832 LP has also adopted conflict of interest procedures in the event it receives a voting proxy from a related party such as The Bank of Nova Scotia.

### **Proxy Voting at JPMAMC**

#### ***Sun Life JPMorgan International Equity Fund***

JPMAMC manages the voting rights of the shares entrusted to it as it would manage any other asset. It is the policy of JPMAMC to vote shares held in its clients' portfolios in a prudent and diligent manner, based exclusively on its reasonable judgment of what will best serve the financial interests of the beneficial owners of the security. So far as is practicable JPMAMC will vote at all of the meetings called by companies in which the Fund is invested.

It should be noted that JPMAMC treats every proxy on a case-by-case basis, voting for or against each resolution, or actively withholding our vote as appropriate. JPMAMC's primary concern at all times is the best economic interests of its clients. These guidelines are therefore an indication only of JPMAMC's normal voting policy. The investment analyst or portfolio manager always has discretion to override the policy should individual circumstances dictate.

### **FEE DISTRIBUTIONS**

The Manager encourages large investments in the Funds and tries to achieve competitive management fees, administration fees and other operating expenses. From time to time, the Manager may agree to arrange for the fees and expenses (including the management fee and/or the administration fee) of a Fund to be effectively reduced in respect of a particular investor's investment in the Fund. Generally, the reduction will be paid by a Trust Fund to the particular investor in the form of a "fee distribution", where the Trust Fund makes a special distribution to the investor of income, capital gains and/or capital of the Fund equal to the amount of the reduction, and for a Corporate Class, the fee reduction will be paid by the Manager as a rebate directly to the particular investor. Fee distributions and rebates will generally be reinvested in additional securities of the applicable Fund; however, certain institutional investors may be eligible to elect to receive their fee distributions or rebates in cash. In the case of Series O and Series OH securities where an investor is eligible for a reduction of fees paid directly by the investor, the fees are reduced before they are paid. Fee distributions and rebates, if any, on each series of the Funds that are not eligible for the Private Client Program are calculated and credited daily. Fee reductions, if any, on all securities that are not eligible securities for the Private Client Program are paid at such times as may be determined by the Manager. Where accounts participating in the Private Client Program are eligible for a management fee reduction, such management fee reduction is calculated daily and applied monthly. If you switch your securities to a series that is not eligible for the Private Client Program or redeem your securities, the management fee reduction will be applied to the securities that you held as of the end of the most recently completed month.

For accounts participating in the Private Client Program, management fee reductions are discretionary. For more information on the Private Client Program, please see the Simplified Prospectus. For Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series F, Series FH, Series F5, Series F8, Series FT5 and Series FT8 securities that do not qualify for the Private Client Program and for Series D, Series I and Series IH securities, the reduction of fees and expenses are negotiated on a case by case basis by the investor or the investor's dealer with the Manager and are based primarily on the size of the investment in the Funds. Generally, these arrangements would not be considered for investments less than \$250,000, and the Manager will confirm in writing to an investor or the investor's dealer the details of any arrangement.

For all series, any reduction of fees or expenses is in the sole and absolute discretion of the Manager. At all times, the Manager is entitled to charge the Fund or the investor, as applicable, the maximum rate of fees, as set out in the Simplified Prospectus or, in the case of the management fee of Series I securities, as negotiated with the investor. Management fee reductions may not be applied in the event that the Manager chooses to waive part or all of the management fees on a security of the Fund. The Manager may reduce the rate of any fee reductions or cancel any fee reduction at any time.

The Manager will provide investors participating in the Private Client Program with at least 90 days' written notice before the Manager reduces the rate of management fee reductions on eligible securities held in the Private Client Program or cancels the management fee reduction program.

## DISTRIBUTIONS

For each taxation year, each Trust Fund distributes a sufficient amount of its net income and net realized capital gains to investors so that the Trust Fund is not liable for ordinary income taxes after taking into account any available capital gains refund. If necessary, a Trust Fund will typically distribute income and/or capital gains on one of the business days in the final three weeks of a calendar year to investors of record at the close of business on the business day immediately preceding the payment date of the distribution (a "**record date**"). Each Trust Fund may distribute its income, capital gains and/or capital at any other time or times as the Fund, in its sole discretion, determines. These other distributions may include *pro rata* distributions to the investors of a series of securities, fee distributions and/or capital gains distributions to an investor who redeems securities. **Any distribution could include a return of capital. Returns of capital will result in an encroachment upon an investor's original investment and may result in the return to the investor of the entire amount of the investor's original investment.**

The Board of Directors of the Mutual Fund Corporation may decide, in its sole discretion, to make distributions payable on the securities of any series of any Corporate Class. These distributions may be paid as ordinary dividends, capital gains dividends or capital. Each year, the Mutual Fund Corporation is expected to pay ordinary dividends in the last month of its taxation year if necessary in order to obtain a refund of any Part IV tax otherwise payable and is expected to pay capital gains dividends within 60 days after its taxation year end if necessary in order to obtain a refund of taxes otherwise payable on capital gains. Generally, ordinary dividends will be declared payable on the securities of a Corporate Class that earned Canadian source dividends. Generally, the amount of capital gains dividends declared payable on the securities of any particular Corporate Class will be determined with reference to the relationship that the Corporate Class' net realized capital gains bears to the total net realized capital gains of the Mutual Fund Corporation as a whole and the refundable tax on capital gains payable by the Mutual Fund Corporation as a whole. The declaration of dividends and the securities on which those dividends are declared is determined in the sole discretion of the Board of Directors.

Each Fund's distribution policy is more specifically set out in the Simplified Prospectus for the Fund.

For a Fund that is not a Milestone Fund, the Manager automatically reinvests any distributions made by the Fund on its securities (other than certain distributions paid at the time securities of a Trust Fund are redeemed) unless an investor holds securities of the Fund outside a Registered Plan and requests that distributions from that Fund or Funds be paid in cash by cheque or direct deposit to a bank account. Distributions from the Milestone Funds (other than certain distributions paid at the time securities are redeemed) will not be paid in cash.

Any reinvestment of distributions will occur at the applicable series NAV thereof without payment of sales charges. For a Fund that is not a Milestone Fund, no redemption fee is payable on the redemption of securities of the Fund issued on reinvestment. However, these securities are the last to be redeemed.



Following each distribution by a Milestone Fund (other than a fee distribution or distribution on redemption), the units of the Fund will be immediately consolidated so that the NAV per unit after the distribution is the same as the NAV per unit before the distribution.

The Manager provides each investor of a Fund with an annual statement and, in the case of taxable investors, tax slips showing income distributions, capital gains distributions, ordinary dividends, capital gains dividends and, if applicable, capital distributed to such investor. These annual statements, together with the confirmation that the investor received on a purchase of or reinvestment of distributions of securities of a Fund, should be retained by the investor, so that the investor may accurately compute, for tax purposes, any gain or loss on a redemption of securities, or report distributions received. The investor may also use this information to calculate the adjusted cost base (“ACB”) of the securities.

### INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act, as at the date hereof, for the Funds and for individuals (other than trusts) who are prospective purchasers of securities of the Funds (either directly or in their Registered Plans) and who, for the purposes of the Tax Act, are resident in Canada, deal at arm’s length with the Funds and hold their securities as capital property. This summary is based on the current provisions of the Tax Act in force on the date hereof, the regulations enacted thereunder (the “Regulations”), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and our understanding of the current published administrative practices and assessing policies of the Canada Revenue Agency. This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, government or judicial decision or action or changes in the administrative practices of the Canada Revenue Agency, nor does it take into account or consider any provincial, territorial or foreign income tax considerations.

**This summary is of a general nature only, is not exhaustive of all possible income tax considerations, and is not intended to be legal or tax advice. Accordingly, prospective investors should consult their own tax advisors about their particular circumstances.**

Each Trust Fund is expected to qualify as a mutual fund trust under the Tax Act at all material times. The Mutual Fund Corporation qualifies as a mutual fund corporation under the Tax Act and is expected to continue to so qualify. This summary is based on the assumption that each Trust Fund and the Mutual Fund Corporation will so qualify.

#### Taxation of the Funds

Each Fund calculates its net income, including net taxable capital gains, in Canadian dollars, for each taxation year according to the rules in the Tax Act. In the case of a Corporate Class, the calculation is made as though the Fund is a taxable entity. Generally, in the calculation of a Fund’s income, interest is included as it accrues, dividends when they are received and capital gains and losses when they are realized. Trust income that is paid or payable to a Fund during a calendar year is generally included in the calculation of the Fund’s income for the taxation year of the Fund that ends in that calendar year. Each year, in the calculation of the Fund’s income for the taxation year, an amount is included as notional interest accrued on strip bonds, zero-coupon bonds and certain other prescribed debt obligations held by the Fund even though the Fund is not entitled to receive interest on the bond. Foreign source income received by a Fund (whether directly or indirectly from an underlying trust) will generally be net of any taxes withheld in the foreign jurisdiction. The foreign taxes so withheld will be included in the calculation of the Fund’s income. Gains and losses from cash-settled options, futures and other derivatives are generally treated as income and losses rather than capital gains and capital losses, though in certain situations, gains and losses on

derivatives used as a hedge to limit gains and losses on a specific capital asset or group of capital assets held by the Fund may be a capital gain or capital loss. Gains and losses from the disposition of commodities, such as gold, silver and other metals, are treated as income and losses rather than capital gains and capital losses.

A Fund that invests in foreign denominated securities must calculate its ACB and proceeds of disposition in Canadian dollars based on the conversion rate on the date the securities were purchased and sold, as applicable. When a Fund disposes of those securities, it may realize capital gains and losses due to changes in the value of foreign currency relative to the Canadian dollar. Capital gains realized during a taxation year are reduced by capital losses realized during the year, subject to the application of loss restriction rules. For example, a capital loss will be suspended, if, during the period that begins 30 days before and ends 30 days after the date on which the capital loss was realized, the Fund (or a person affiliated with the Fund for the purposes of the Tax Act) acquires a property that is, or is identical to, the particular property on which the loss was realized and the substituted property continues to be held at the end of the relevant period.

The character for tax purposes of any amounts received by a Milestone Fund from Sun Life pursuant to the Milestone Sub-Advisory Agreement in order to cover a shortfall is uncertain.

In calculating each Fund's income, all of a Fund's deductible expenses, including expenses common to all series of the Fund and management fee and other expenses specific to a particular series of the Fund, will be taken into account for the Fund as a whole.

### **Taxation of the Trust Funds**

Each Trust Fund will distribute a sufficient amount of its net income and net realized capital gains to investors for each taxation year so that the Trust Fund will not be liable for ordinary income tax under Part I of the Tax Act (after taking into account any available capital gains refund).

A Trust Fund will generally be subject to a "loss restriction event" each time a person or partnership becomes a "majority-interest beneficiary" (as defined in the Tax Act) of the Fund if, at that time, the Fund does not qualify as an "investment fund" (as defined in the Tax Act for the purposes of these rules) by satisfying investment diversification and other conditions. If the loss restriction event rules apply, the taxation year of the Fund will be deemed to end, and investors may automatically receive an unscheduled distribution of income and capital gains from the Fund. The Fund will be deemed to realize its capital losses and may elect to realize capital gains. Unused capital losses will expire and the ability of the Fund to carry forward non-capital losses will be restricted.

### **Taxation of the Company**

For the purposes of this summary, it has been assumed that the Company: (i) will not be resident in Canada for purposes of the Tax Act; (ii) will not carry on business in Canada; (iii) will not be subject to any material Mauritius or India income tax; (iv) will hold all portfolio securities on capital account; and (v) will not be regulated under the laws of Mauritius as a foreign bank, a trust company, a credit union, an insurance corporation or a trader or dealer in securities or commodities. The Manager expects that these assumptions are accurate.

Provided that the Company is not resident in Canada and does not carry on business in Canada, it should not be subject to income tax in Canada. If the Company was found to be resident in Canada, then it would be subject to tax in Canada on its worldwide income. Alternatively, if the Company was found to carry on business in Canada, it would be subject to tax in Canada on its income in respect of its business carried on in Canada.

### *Foreign Accrual Property Income of the Company*

In computing its income for a particular taxation year, each Fund must include its share of the foreign accrual property income (“**FAPI**”) earned by a “controlled foreign affiliate” (as defined in the Tax Act) (“**CFA**”) of the Fund for each taxation year of the CFA that ends in the particular taxation year of the Fund. This is the case regardless of whether any such income is actually received by the Fund from the CFA. The Company is a CFA of each of Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund. See “Taxation the Company – Computation of FAPI” for information about how the FAPI of the Company is determined and allocated among the shareholders in the Company.

In general terms, the adjusted cost base to a Fund of its shares in the Company will be increased by the amount of the FAPI included in the income of the Fund. Subject to detailed provisions of the Tax Act in this regard, if a Fund receives a dividend from the Company in a particular taxation year, the portion of such dividend that is attributable to amounts included in income as FAPI for the particular taxation year or a previous taxation year will generally be deductible to the Fund in the year that the dividend is received, but there will be a corresponding reduction in the adjusted cost base to the Fund of its shares of the Company.

In general terms, a Fund will also be entitled to claim a grossed-up deduction in computing its income in respect of the foreign income tax (including withholding tax) paid by the Company that is applicable to the FAPI included in the Fund’s income for a particular taxation year or in any of its five following taxation years, subject to the detailed provisions of the Tax Act. In general terms, the amount of this deduction: (i) cannot exceed the amount of FAPI included in the Fund’s income for the particular year, and (ii) will reduce the adjusted cost base to the Fund of its shares of the Company. However, the Company is not expected to be subject to a material amount of income or withholding tax.

Dividends received by a Fund on its shares of the Company will be included in the income of the Fund for the taxation year in which such dividends were received. As noted above, in a taxation year in which it receives a dividend from the Company, a Fund will generally be entitled to deduct from its income the portion of a dividend that relates to FAPI that was included in the income of the Fund for the current or a preceding taxation year, subject to the detailed rules in the Tax Act in this regard. While a Fund is also generally entitled to claim a Canadian foreign tax credit or deduction in respect of foreign withholding tax paid by it for dividends received by it from foreign corporations, dividends paid by the Company to the Fund are not currently subject to Mauritius withholding tax.

### *Computation of FAPI*

In computing its FAPI for a particular taxation year, the Company will generally be required to compute its income in Canadian currency and in accordance with the provisions of the Tax Act as if it was resident in Canada. Therefore, the amount of income, gains and losses realized by the Company may be affected by fluctuations in the value of foreign currencies relative to the Canadian dollar.

The Company is expected to earn FAPI in respect of certain interest, dividends and taxable capital gains received from investments in portfolio securities. In computing FAPI, the Company will be required to include in its income for each taxation year all dividends received (or deemed to be received) by it in such year. The Company will generally be required to include in computing FAPI for each taxation year with respect to debt obligations held by it, all interest that accrues to it or is deemed to accrue to it to the end of the year, or becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. Upon the actual or deemed disposition of indebtedness, the Company will be required to include in computing FAPI for the year of disposition all interest that accrued on such indebtedness from the last interest payment date to the date of

disposition except to the extent such interest was included in computing the Company's income for that or a preceding taxation year and such interest will not be included in the proceeds of disposition for purposes of computing any capital gain or loss. Taxable capital gains realized by the Company on the disposition of portfolio securities in a particular taxation year will generally be included in the computation of its FAPI for the taxation year in which the disposition occurs. Allowable capital losses realized by the Company on the disposition of portfolio securities in a particular taxation year will generally be deductible against taxable capital gains (thereby reducing FAPI) realized by the Company in the particular taxation year. To the extent that the allowable capital losses realized by the Company in a particular taxation year exceed taxable capital gains realized by the Company for the particular taxation year, such excess will not be deductible in computing FAPI for the particular taxation year but may be available to reduce the FAPI of the Company derived from a capital gain in any of the three previous years or twenty following years, subject to the detailed rules in the Tax Act.

In computing FAPI, the Company is subject to the suspended loss rules contained in the Tax Act. A loss realized on a disposition of capital property is considered to be a suspended loss when the Company or a person affiliated with the Company acquires a substituted property within 30 days before and 30 days after the disposition, and the Company or a person affiliated with the Company owns the substituted property 30 days after the original disposition. If a loss is suspended, the Company cannot deduct the loss from the Company's capital gains until the substituted property is sold to an unaffiliated person and is not reacquired within 30 days before and after the sale.

The Company may deduct reasonable administrative and other expenses incurred to earn income in accordance with the detailed rules in the Tax Act. To the extent that the expenses exceed its FAPI, the Company may have foreign accrual property losses that can be carried forward up to twenty years or back three years to be applied against FAPI in such taxation years in accordance with the detailed rules in the Tax Act.

The Company is a single legal entity for tax purposes, and consequently FAPI is not calculated on a class by class basis of its shares. All income, deductible expenses, capital gains and capital losses of the Company relevant to the calculation of FAPI for a particular taxation year will be taken into account to determine the FAPI of the Company as a whole. In particular, capital losses realized by the Company during a taxation year must generally be applied against all capital gains realized by the Company during that year, irrespective of the particular investment portfolio that had generated such gains or losses within the Company. Accordingly, capital losses in the portfolio attributable to one class of shares of the Company in which a Fund invests, may be used to offset capital gains in the portfolio of the other class of shares of the Company in which the other Fund invests, and would not carry forward for the benefit of the first Fund in the future. Once the FAPI for the Company has been determined, then that amount will be allocated by the Company to each Fund based on that Fund's "participating percentage" (as defined in the Tax Act) as determined at the end of the Company's taxation year. For this purpose, the participating percentage should equal the relative percentage, compared to the percentages held by all other shareholders of the Company, of the distributions paid by the Company during the taxation year on its shares together with any additional distributions that would have been made had the Company distributed all of its realized income. Therefore, each Fund must generally include in its income its percentage share of FAPI earned by the Company for the taxation year whether or not the Fund had actually received a dividend from the Company during that year.

*Foreign Accrual Property Income of the Mauritius Sub-fund and the India Sub-fund*

Generally, each of the Mauritius Sub-fund and the India Sub-fund will be deemed to be controlled foreign affiliates under the Tax Act of Sun Life Excel India Fund. Accordingly, Sun Life Excel India Fund must

include in its income the FAPI earned by each of the Mauritius Sub-fund and the India Sub-fund computed in a manner similar to that for the Company, described above.

### **Taxation of the Corporate Classes**

The Corporate Classes are not themselves taxable entities. Rather each Corporate Class is part of the Mutual Fund Corporation, a single corporation that is required to calculate its net income (including net taxable capital gains) as a single entity even though the assets and liabilities attributable to each Corporate Class are tracked separately. Therefore, deductible expenses, net losses, tax credits and tax refunds attributable to a particular Corporate Class may be applied to reduce the income, net taxable capital gains or taxes attributable to other Corporate Classes.

The Mutual Fund Corporation is subject to tax under Part I of the Tax Act on its net income (including net taxable capital gains but generally excluding taxable dividends from Canadian corporations and after deducting available loss carry-forwards) at full corporate rates without the general rate reduction. However, the Mutual Fund Corporation is entitled to a refund of taxes (“**capital gains refund**”) payable on its net taxable capital gains. The capital gains refund is determined by formula based on several factors including the redemption of securities of the Corporate Classes during the year and capital gains dividends paid on securities of the Corporate Classes within 60 days after the year. Taxable dividends received or deemed to be received from taxable Canadian corporations will generally be subject to a 38 1/3% tax under Part IV of the Tax Act, which is refundable at a rate of \$1 for every \$2.61 of taxable dividends paid to securityholders. It is expected that a sufficient amount of ordinary dividends will be paid to securityholders each taxation year and capital gains dividends will be paid to securityholders within 60 days after each taxation year so that the Mutual Fund Corporation, as a whole, is not liable for Part IV tax on its Canadian source dividends or Part I tax on its net realized capital gains. The Mutual Fund Corporation may pay dividends on the securities of any Corporate Class so that it can receive a refund of taxes.

### **Taxation of the Investors**

Generally, an investor who does not hold securities in a Registered Plan will be required to include in computing his or her income for a year the amount (computed in Canadian dollars) of any net income and the taxable portion of any net realized capital gains that is paid or payable to him or her by a Trust Fund in the year (including by way of fee distribution or redemption distribution) and the taxable portion of any dividends received on securities of a Corporate Class, whether or not the amount is reinvested in additional securities. Distributions of capital by a Fund will not be taxable to the investor but will reduce the ACB of the investor’s securities. To the extent that the ACB of an investor’s securities would otherwise be reduced to less than zero, the investor will be deemed to realize a capital gain and subsequently the ACB will be increased to nil.

To the extent permitted by the Tax Act, each Trust Fund will designate the portion of the income distributed to investors as may reasonably be considered to consist of taxable dividends received by the Trust Fund from taxable Canadian corporations and net taxable capital gains. The designated amounts will effectively retain their character for tax purposes and will be treated, respectively, as ordinary taxable dividends and taxable capital gains of the investors. Similarly, a Trust Fund may make a designation of its foreign source income so that investors are able to claim a foreign tax credit for foreign taxes paid (but not deducted) by the Trust Fund.

Ordinary taxable dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends payable by taxable Canadian corporations. An enhanced gross-up and dividend tax credit is available for eligible dividends. A capital gain dividend received on securities of a Corporate Class will be

deemed to be a capital gain of the investor and will be subject to the general rules relating to the taxation of capital gains.

An investor must include in income the taxable portion of any distributions or dividend paid to them by a Fund even though the Fund may have earned the income or realized the capital gains that gave rise to the distribution or dividend before the investor owned the securities. If an investor invests in a Fund late in the year, the investor may have to pay tax on its earnings for the whole year.

Sales charges paid by an investor on the purchase of securities are not deductible in computing income, but are added to the ACB of the investor's securities. Generally, investors are required to include in their income any payment received from the Manager as a fee reduction in respect of their investment in a Corporate Class. However, in certain circumstances, a securityholder may be able to instead elect to have the amount of the fee reduction reduce the cost of the related securities. Management fees paid on Series I and Series O securities by an investor are generally not deductible by the investor.

Upon the actual or deemed disposition of a security of a Fund, whether by redemption, switch or otherwise, an investor will realize a capital gain (or a capital loss) to the extent that the proceeds of disposition for the security, net of any expenses of disposition, exceed (or are exceeded by) the investor's ACB of the security as determined for the purposes of the Tax Act. The redesignation of a security of one series of a Trust Fund for securities of another series of the same Trust Fund (which does not include a switch into or out of Series AH, FH, IH or OH) should not be recognized as a disposition and the cost of the new securities should be equal to the ACB of the switched securities. The conversion of a security of a Corporate Class for securities of the same Corporate Class is not a disposition and the cost of the new securities is equal to the ACB of the switched securities.

One-half of a capital gain realized by an investor will be included in the investor's income as a taxable capital gain and generally, one-half of a capital loss realized by an investor may be deducted from taxable capital gains. In certain circumstances, loss restriction rules will limit or eliminate the amount of a capital loss that an investor may deduct. For example, a capital loss realized on a redemption or other disposition of securities will be deemed to be nil if, during the period that begins 30 days before and ends 30 days after the day of that disposition, the investor acquired identical securities (including on the reinvestment of distributions or dividends) and continues to own the identical securities at the end of that period. The amount of this denied capital loss is added to the ACB of the investor's securities.

Individuals may be subject to alternative minimum tax under the Tax Act in respect of Canadian dividends and realized capital gains.

### **International Tax Reporting**

Generally, investors will be required to provide their advisor or dealer with information related to their citizenship, tax residence and, if applicable, their foreign tax identification number. If an investor is identified as a U.S. citizen (including a U.S. citizen living in Canada) or a foreign tax resident, details of the investor's investment in a Fund will generally be reported to the Canada Revenue Agency unless securities are held in a Registered Plan. The Canada Revenue Agency is expected to provide the information to the relevant tax authority if the relevant foreign country has signed an exchange of financial account information agreement with Canada.

Pursuant to the *Intergovernmental Agreement for the Exchange of Information under the Mauritius – US Tax Convention* entered into between Mauritius and the U.S. on 27 December 2013 (the “**Mauritius IGA**”), and related Mauritius legislation, the Company and the Mauritius Sub-fund are required to report certain information with respect to unitholders who are U.S. residents and U.S. citizens, and certain other “U.S.

Persons” as defined under the Mauritius IGA, to the Mauritius Revenue Authority (“**MRA**”). It is expected that the MRA will then exchange the information with the U.S. Internal Revenue Service. In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (the “**CRS**”), the Company and the Mauritius Sub-fund are required under Mauritius legislation to identify and report to the MRA certain information, including certain financial information, relating to unitholders in the Company and the Mauritius Sub-fund who are resident in a country outside of Mauritius and the U.S. that has adopted the CRS. The CRA is expected to provide that information to the tax authorities of the relevant jurisdiction that has adopted the CRS.

Pursuant to the *Intergovernmental Agreement for the Exchange of Information under the India – US Tax Convention* entered into between India and the U.S. on 9 July 2015 (the “**Indian IGA**”), and related Indian legislation, the India Sub-fund is required to report certain information with respect to unitholders who are U.S. residents and U.S. citizens, and certain other “U.S. Persons” as defined under the Indian IGA, to the Indian Revenue Authority (“**IRA**”). It is expected that the IRA will then exchange the information with the U.S. Internal Revenue Service. In addition, to meet the objectives of the CRS, the India Sub-fund is required under Indian legislation to identify and report to the IRA certain information, including certain financial information, relating to unitholders of the India Sub-fund who are resident in a country outside of India and the U.S. The IRA is expected to provide that information to the tax authorities of the relevant jurisdiction that has adopted the CRS.

### **Registered Plan Investors**

A Registered Plan that holds securities of a Fund and the planholder, annuitant or subscriber of that Registered Plan, as the case may be, will generally not be subject to tax on the value of the securities, or on distributions or dividends paid by the Fund on the securities, or on a gain realized on the disposition of the securities provided the securities are a “qualified investment” under the Tax Act and in the case of a Registered Plan (other than a deferred profit sharing plan) not a “prohibited investment” for the Registered Plan. See “Investment Restrictions of the Funds – Eligibility” under the Tax Act for further information about the Funds’ status under the Tax Act.

**Investors should consult their own tax advisor for advice regarding the implications of acquiring, holding or disposing of any securities of a Fund in their Registered Plan, including whether or not securities of a Fund would be a “prohibited investment” under the Tax Act for their Registered Plans.**

### **Foreign Tax Considerations**

#### Mauritius Income Tax Considerations

##### *Mauritius Sub-fund*

In the opinion of Mr. Sanjeev Kalachand, Barrister of 506, St. James Court, St. Denis Street, Port - Louis, Mauritius, counsel to the Mauritius Sub-fund, India Excel (Mauritius) Fund, is a trust registered in Mauritius and having as trustee SANNE Trustees (Mauritius), whose registered address is at Twenty Eight Bank Street, Cybercity, Ebene 72201, Mauritius and is resident in Mauritius for the purposes of Mauritius income tax under the *Income Tax Act, 1995* (Mauritius) and pursuant to Article 4(1) of the treaty between Mauritius and India for the avoidance of double taxation (the “**Indo-Mauritius DTAA**”). The Mauritius Sub-fund, which holds a Category 1 Global Business Licence, is subject to income tax as from assessment year starting July 1, 2003 at 15% per annum. However, the Mauritius Sub-fund will be entitled to a tax credit up to its maximum tax liability equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritius tax on its foreign source income resulting in an effective maximum tax rate of 3%. Certain changes have been announced in the Mauritian budget for 2018-2019 presented in the Mauritian Parliament

on June 14, 2018, relating to the taxation regime of companies holding a Category 1 Global Business Licence, such as the Mauritius Sub-Fund. The deemed tax credit regime (of 80%) is proposed to be replaced by a partial exemption regime whereby 80% of specified income will be exempt from income tax under Mauritian laws. The budgetary measures will be implemented through the passing of a bill in Parliament and the statutory text should bring more clarity on how this measure will be implemented.

Non-resident beneficiaries are exempt from Mauritius income tax in respect of their income from the Fund.

No tax on capital gains will be payable in Mauritius on disposals by the Mauritius Sub-fund of its investments in India.

A Tax Residence Certificate has been obtained from the Director General, Mauritius Revenue Authority in respect of the Mauritius Sub-fund. This certificate is required to be renewed annually by the Director General, Mauritius Revenue Authority (subject to the following assumptions: that the Mauritius Sub-fund being in good standing and appropriate undertakings being given, that the central management and control of the Mauritius Sub-fund is exercised within Mauritius, that the Mauritius Sub-fund is administered in Mauritius). On this basis, the Mauritius Sub-fund will qualify as a resident of Mauritius for the purposes of the Indo-Mauritius DTAA and, therefore, will be entitled to certain relief from Indian tax.

Investors in the Mauritius Sub-fund will not be subject to any withholding tax in Mauritius in respect of dividends from the Mauritius Sub-fund and in respect of proceeds from disposals (including redemptions) of shares in the Mauritius Sub-fund.

#### *The Company*

The Company currently holds a Category 1 Global Business Licence issued by the Mauritius Financial Services Commission. The Company will be subject to tax in Mauritius at the rate of 15% on its net income. The Company will, however, be entitled to a foreign tax credit equivalent to the higher of the actual foreign tax paid or 80% of the Mauritian tax on its foreign source income resulting in a maximum effective tax rate on net income of 3%. Please see “Mauritius Income Tax Considerations – Mauritius Sub-fund” above as to changes to the tax regime currently contemplated in Mauritius. Further, the Company will be exempt from income tax in Mauritius on profits or gains arising from the sale of securities. There is no withholding tax payable in the Republic of Mauritius in respect of payments of dividends to investors or in respect of the redemption or exchange of shares of the Company. Investors will not be liable for tax in Mauritius on dividends and capital distributions made by the Company. There is also no capital gains tax, wealth, inheritance, estate tax or gift tax applicable to investors.

The Company has obtained a tax residence certificate from the Mauritius Revenue Authority. The certificate is renewable annually subject to the directors and the secretary of the Company each providing a prescribed undertaking to the tax authorities to demonstrate that the Company is centrally managed and controlled in Mauritius. The Company would, on that basis, qualify as a resident of Mauritius for the purposes of the Indo-Mauritius DTAA. The Company would consequently be entitled to certain relief from Indian capital gains tax on Indian investments, subject to the continuance of the current terms of the Indo-Mauritius DTAA.

#### Exchange Control in Mauritius

There are currently no exchange control regulations in Mauritius.



### Indian Income Tax Considerations

In the opinion of Dave & Girish & Co., 1<sup>st</sup> Floor, Sethna Building, 55, Maharshi Karve Road, Marine Lanes, Mumbai – 400 002, Sun Life Excel India Fund’s Indian advisers, the India Sub-fund, the Mauritius Sub-fund, and the Company which makes investments in India will be taxed in India to the extent mentioned below.

As per the provisions of section 90(2) of the *Income Tax Act, 1961*, where the Mauritius Sub-fund and the Company each qualify as a tax resident of Mauritius eligible to claim the benefits of the Indo-Mauritius DTAA, the provisions of the *Income Tax Act, 1961* shall apply only to the extent more beneficial.

On the basis that the Mauritius Sub-fund and the Company are *bona fide* resident of Mauritius, and have been recognized as such under the *Income Tax Act, 1995* (Mauritius), the Mauritius Sub-fund and the Company will not be liable to pay any income tax on capital gains made by it on the sale, transfer or redemption of securities, including units of the India Sub-fund and shares acquired before April 1, 2017.

The Mauritius Sub-fund and the Company will also not be liable to pay any tax in India on income distributions received by it on the units from the India Sub-fund or any other mutual fund or on dividends received by it on the shares of the Company. The India Sub-fund is not liable to pay any tax on dividends received or short-term or long-term capital gains made by it on sale, transfer or redemption of any securities in which it would have invested, under Section 10(23D) of the *Income Tax Act, 1961*.

This tax opinion is based on the assumption that the Mauritius Sub-fund and the Company are not tax residents of India but are instead tax residents of Mauritius and have obtained a Tax Residence Certificate in Mauritius from the Director General, Mauritius Revenue Authority, that this Tax Residence Certificate will be renewed annually by the Director General, Mauritius Revenue Authority (subject to: (i) the Mauritius Sub-fund and the Company being in good standing; (ii) appropriate undertakings being given; (iii) that the Mauritius Sub-fund and the Company complies with the provisions of the prevailing legislation governing global business (including regulations and rules made thereunder), in particular the statutory provisions set out in section 71(4) of the *Financial Services Act, 2007*; (iv) that each of the Mauritius Sub-fund and the Company does not have a permanent establishment outside Mauritius; (v) that each of the Mauritius Sub-fund and the Company has not been set up solely for the purpose of availing of the benefits under the Indo-Mauritius DTAA and is not controlled from outside Mauritius). The Manager has confirmed that these assumptions are true. If, however, the assumptions are determined to be incorrect, Indian tax (including withholding tax) may be imposed on capital gains realized by the Mauritius Sub-fund and the Company which could negatively impact its return. The India Sub-fund and the Mauritius Sub-fund will also be liable to pay the Securities Transaction Tax (“STT”) in respect of purchase or sale transactions of any equity share in a company in India, or a derivative or a unit of an equity-oriented mutual fund, entered into on a recognized stock exchange.

The Indo- Mauritius DTAA has been amended by way of a protocol dated May 10, 2016 between India and Mauritius (the “**Protocol**”) with respect to whether capital gains on the sale of shares of Indian companies are taxable in India. Prior to the Protocol, a tax resident in Mauritius under the Indo-Mauritius DTAA, which had no branch or permanent establishment in India, was not subject to capital gains tax in India on the sale of securities. However, this position has undergone a change pursuant to the Protocol. As per the Protocol, India will obtain taxation rights on capital gains arising from alienation of shares of Indian companies acquired on or after April 1, 2017 in a company that is resident in India.

The Protocol provides for grandfathering of investments into shares of an Indian company acquired before April 1, 2017, i.e. all investments into shares of an Indian company made prior to April 1, 2017 and any

exits/share transfers from such shares will not be subject to capital gains tax in India subject to the Mauritius Sub-fund and the Company not having a permanent establishment in India.

The Protocol provides for a relaxation in respect of capital gains arising to Mauritius tax residents from alienation of shares between April 1, 2017 and March 31, 2019 (“**Transition Period**”) from investments made after April 1, 2017. The tax rate on any such gains shall not exceed 50% of the domestic tax rate in India under the *Income Tax Act, 1961*. However, this benefit has been made subject to a limitation of benefits provision which has also been introduced in the Protocol. The benefit of this reduced rate of tax will not be available if:

- (a) it is found that the affairs of the Company were arranged with the primary purpose to take advantage of the benefits of reduced rate of tax; or
- (b) it is found that the Company is a shell/conduit company, i.e., a legal entity falling within the definition of resident with negligible or nil business operations or with no real and continuous business activities carried out in Mauritius. Further, the Company will be deemed not to be a shell/conduit company if its expenditure on operations in Mauritius is equal to or more than Mauritian Rupees 1,500,000, in the immediately preceding period of 12 months from the date the gains arise, or if the Company is listed on a recognized stock exchange in Mauritius.

For shares acquired on or after April 1, 2017, the taxation of capital gains in India arising on sale of shares at the full domestic tax rate stated above will commence from financial year 2019-2020.

#### Taxation under the domestic tax laws of India

The period of holding of a capital asset is generally determined as follows:

Type of instrument	Period of holding immediately preceding the date of transfer	Nature of capital asset
Listed Security and units of equity oriented mutual fund	More than 12 months	Long-term capital asset
	12 months or less	Short-term capital asset
Unlisted Shares	More than 24 months	Long-term capital asset
	24 months or less	Short-term capital asset
Unlisted Security other than (i) shares and (ii) units of equity oriented mutual fund	More than 36 months	Long-term capital asset
	36 months or less	Short-term capital asset

The *Finance Act, 2018* has introduced a new tax regime for long-term capital gains wherein tax at the rate of 10% (plus applicable surcharge and cess), without indexation benefit, shall be levied on long-term capital gains exceeding Rs 1,00,000 on sale of equity shares of a listed Indian company or sale of units of an equity oriented fund on which STT is chargeable (on sale as well as purchase, where the purchase was made on or after 1 October 2004). In addition, a draft notification has been issued specifying the cases which shall be eligible for exemption even where STT is not paid on acquisition of equity shares.

Further, with the objective of grandfathering the gains accrued up to January 31, 2018, the cost of acquisition of a long-term capital asset acquired before February 1, 2018, shall be deemed to be the higher of:

- actual cost of acquisition of asset; and
- lower of (a) fair market value of asset as on January 31, 2018; and (b) sale consideration.

The Company is liable to pay, in addition to STT, income-tax on short-term capital gains made by it on sale or transfer of any shares acquired after April 1, 2017, within 12 months of its acquisition (“short-term capital gain”) at 15% (7.5% during the transition period) plus applicable surcharge and cess.

The applicable surcharge on income-tax for a non-resident company is 2% if total (taxable) income is exceeding ten million rupees but not exceeding one hundred million rupees and 5%, if total (taxable) income exceeding one hundred million rupees plus additional surcharge by way of cess at the rate of 4% of the aggregate amount of income-tax and surcharge. The applicable surcharge on income-tax for a non-resident trust is 10% if total (taxable) income is exceeding five million rupees but not exceeding ten million rupees and 15%, if total (taxable) income exceeding ten million rupees plus additional surcharge by way of cess at the rate of 4% of the aggregate amount of income-tax and surcharge.

#### Set-off of losses

In general, losses arising from the transfer of a capital asset in India can only be set off against capital gains and not against any other income. To the extent that the losses are not absorbed in the year of transfer, they may be carried forward for a period of eight assessment years immediately succeeding the assessment year in which the loss was incurred and may be set off against the capital gains in subsequent years. However, a long-term loss can be offset only against a long-term gain whereas a short-term loss may be offset against both long-term and short-term capital gains.

#### Dividend/Income Distribution Tax

The *Finance Act, 2018* has now introduced a tax on income distributed by equity-oriented mutual funds at the rate of 10% with effect from April 1, 2018, grossed up of the amount of income distributed by it to any person, as increased by applicable surcharges and cess.

The Indian companies in which the Company invests will be liable to pay income tax called “dividend distribution tax” at the rate of 15% grossed up of the amount of income distributed by it to the Company, as increased by the applicable surcharges and cess.

Indian mutual funds, other than equity-oriented mutual funds, will be liable to pay income-tax called as “income distribution tax” at the rate of 30%, grossed up by the amount of income distributed by such funds to any person (other than individual and hindu undivided family for whom rate is 25%), as increased by applicable surcharges and cess.

The capital gains on transfer or redemption of units held by any alienator who is resident of Mauritius should not be subject to income-tax in India because paragraph 4 of Article 13 of the Indo-Mauritius DTAA provides that, gains from the alienation of any property other than that referred to in paragraphs 1, 2, 3 and 3A of Article 13 shall be taxable only in the Contracting States of which the alienator is a resident. However, such capital gain may be taxable in Mauritius. Units in an Indian mutual fund are not “shares” and therefore the units of an Indian mutual fund do not fall under term “shares” pursuant to paragraphs 1, 2, 3 and 3A of Article 13, but are “other property” and any capital gains on transfer or redemption of the units should not

be subject to income-tax in India, subject to the General Anti-Avoidance Rule (“GAAR”) under the *Income Tax Act, 1961* not being attracted.

The India Sub-fund is liable to pay STT on the sale and purchase of equity shares by it. The Mauritius Sub-fund and the Company are also liable to pay STT on the purchase and sale of equity shares and on the sale or redemption of units held by the Mauritius Sub-fund or any other mutual fund in the India Sub-fund. The rates and the circumstances in which STT is payable are as mentioned hereinafter.

*Securities Transaction Tax*

The India Sub-fund, the Mauritius Sub-fund and the Company will be liable to pay STT in the following circumstances and rates:

Taxable securities transaction	Rate	Payable by
<p>(1) Purchase of an equity share in a company or a unit of a business trust, where</p> <p>(a) the transaction of such purchase is entered into on a Recognized Stock Exchange; and</p> <p>(b) the contract for the purchase of such share or unit is settled by the actual delivery or transfer of such share or unit.</p>	0.1%	Purchaser
<p>(2) Sale of an equity share in a company or a unit of a business trust, where</p> <p>(a) the transaction of such sale is entered into on Recognized Stock Exchange; and</p> <p>(b) the contract for the sale of such share or unit is settled by the actual delivery or transfer of such share or unit.</p>	0.1%	Seller
<p>(2A) Sale of a unit of an equity oriented fund, where</p> <p>(a) the transaction of such sale is entered into on a Recognized Stock Exchange; and</p> <p>(b) the contract for the sale of such unit is settled by the actual delivery or transfer of such unit.</p>	0.001%	Seller

Taxable securities transaction	Rate	Payable by
(3) Sale of an equity share in a company or a unit of an equity oriented fund or unit of a business trust, where  (a) the transaction of such sale is entered into on a Recognized Stock Exchange; and  (b) the contract for the sale of such share or unit is settled otherwise than by the actual delivery or transfer of such share or unit.	0.025%	Seller
(4) (a) Sale of an option in securities  (b) Sale of an option in securities where option is exercised;  (c) Sale of a futures in securities.	0.05%  0.125%  0.01%	Seller  Purchaser  Seller
(5) Sale of a unit of an equity oriented fund to a mutual fund.	0.001%	Seller
(6) Sale of unlisted equity shares under an offer for sale referred to in sub-clause (aa) of clause (13) of section 97	0.2%	Seller
(7) Sale of unlisted units of a business trust under an offer for sale referred to in sub-clause (ab) of clause 13 of section 97	0.2%	Seller

### *Indian GAAR*

Under the *Income-tax Act, 1961*, GAAR would be applicable where the main purpose of an arrangement is to obtain a tax benefit. GAAR provisions empower the Indian tax authorities to investigate any such arrangement as an “impermissible avoidance arrangement” (an “**IAA**”) and, among other things, disregard entities in a structure, reallocate income and expenditure between parties to the arrangement, alter the tax residence of such entities and the legal status of assets involved and treat debt as equity and vice versa. The tax authorities may also deny tax benefits otherwise conferred under a tax treaty.

An IAA is an arrangement entered into with the main purpose of obtaining a tax benefit and satisfying one or more of the following: (a) creates rights or obligations which are not ordinarily created between persons dealing at arm’s length; (b) misuse or abuse of the provisions of the domestic income tax provisions; (c) lack of commercial substance or is deemed to lack commercial substance; or (d) arrangement which are not ordinarily employed for bona fide purposes.

Factors such as the period for which the arrangement had existed, the payment of taxes and the exit route provided by the arrangement would be relevant but not sufficient to determine whether the arrangement lacks commercial substance. Further, an arrangement shall also be deemed to be lacking commercial substance if the substance or effect of the arrangement as a whole, is inconsistent with, or differs significantly from, the form of its individual steps or a part or it involves or includes round trip financing or it involves the location of an asset or of a transaction or of the place of residence of any party which is without any substantial commercial purpose other than obtaining a tax benefit for a party or it does not have a significant effect upon the business risks or net cash flows of any party to the arrangement apart from any effect attributable to the tax benefit that would be obtained.

Therefore, if the Indian tax authorities deem the Mauritius Sub-fund's or the Company's structure, investment, divestments or other transactions to be an IAA, then the Mauritius Sub-fund or the Company may be denied benefits under the Indo-Mauritius DTAA. Any inability of the Mauritius Sub-fund or the Company to avail tax benefits under the Indo-Mauritius DTAA could have an adverse impact on the tax liabilities of the Mauritius Sub-fund or the Company and would likely have an adverse impact on the return to investors.

GAAR is effective in India for taxpayers with financial years beginning on April 1, 2017. The GAAR rules provide for the grandfathering of investment transactions entered into on or prior to March 31, 2017.

It is possible that the Indian tax authorities may seek to take the position that the Company or the Mauritius Sub-fund is not entitled to the benefit of the Indo-Mauritius DTAA, which could materially adversely affect the Company and the Mauritius Sub-fund, as applicable.

#### *The OECD Multilateral Instrument*

In June 2017, both India and Mauritius signed the Multilateral Instrument (“MLI”) promoted by the OECD. While India has included Mauritius as a “covered country” under the MLI, Mauritius has not listed India under the instrument. The two countries may enter into bilateral negotiations to come to a mutual agreement regarding compliance with the MLI. Depending on the outcome of the negotiations, there may be possible tax implications on the investments of the Mauritius Sub-fund and the Company in India.

#### Income Arising from Indirect Transfer

The *Income Tax Act, 1961* also levies capital gains tax on income arising from the transfer of shares/ interest in a company/ entity organized outside India which derives, directly or indirectly, its value substantially from the assets located in India (“**Indirect Transfer Provisions**” or “**ITP**”).

The *Finance Act, 2015* introduced the criteria to determine when the share or interest of a foreign company or entity shall be deemed to derive its value ‘substantially’ from the assets (whether tangible or intangible) located in India. The *Finance Act, 2015* provides that the substantial value threshold would be met if on the ‘specified date’, the value of such Indian assets (i) exceeds INR 100 million; and (ii) represents at least 50% of the value of all the assets owned by the company or entity in which the shares/ interest is being transferred. The value of assets is to be taken as the fair value of such assets, without reduction liabilities, if any, in respect of the asset.

Such indirect transfer provisions are not applicable to investors in Category II FPI. Since the Company is a category II FPI under the *SEBI (FPI) regulations 2014*, the indirect transfer provisions should not apply to investors in the Company.

However, direct and indirect investors in units of the Mauritius Sub-fund may become taxable in India unless the unitholder of the Mauritius Sub-fund is a resident of a country with which India has a favourable tax treaty which exempts the unitholder from Indian capital gains tax or it meets the exemption, as mentioned above.

### **LEGAL AND ADMINISTRATIVE PROCEEDINGS**

The Manager is not aware of any material litigation outstanding, threatened or pending by or against the Funds, the Manager or Sun Life Global Investments Canada, as the trustee of the Funds.

### **MATERIAL CONTRACTS**

The material contracts that have been entered into by the Funds are as follows:

- Master Declaration of Trust dated as of September 10, 2010, as amended and restated on January 10, 2011, as amended and consolidated as of June 1, 2012, as amended and restated as of January 1, 2015, and as amended and consolidated on July 13, 2018, together with an amended and restated Schedule A as it may be amended from time to time, by the Manager, in its capacity as trustee, in respect of all of the Trust Funds other than the Milestone Funds;
- Master Declaration of Trust dated as of September 10, 2010, as amended and consolidated as of August 28, 2014, together with Schedule A, by the Manager, in its capacity as trustee, in respect of the Milestone Funds;
- Amended and Restated Master Management Agreement dated as of January 1, 2015, amending and restating the Amended and Restated Master Management Agreement dated as of August 29, 2013, amending and restating the Amended and Restated Master Management Agreement dated as of June 1, 2012, amending and restating the Amended and Restated Master Management Agreement dated as of January 10, 2011, amending and restating the Master Management Agreement dated as of September 10, 2010, as it may be amended from time to time, together with an amended and restated Schedule A thereto as it may be amended from time to time, between the Manager and each of the Trust Funds, as described under “Management of the Funds”;
- Sub-Advisory Agreement dated as of May 2, 2016 between the Manager and Connor, Clark & Lunn Investment Management Ltd., as described under “Management of the Funds”;
- Sub-Advisory Agreement dated as of September 10, 2010 between the Manager and MFS McLean Budden Limited (now MFS Investment Management Canada Limited), as it may be amended from time to time, as described under “Management of the Funds”;
- Sub-Advisory Agreement dated as of September 10, 2010 among the Manager, MFS Institutional Advisors, Inc. and the MFS Funds, as it may be amended from time to time, as described under “Management of the Funds”;
- Amended and Restated Sub-Advisory Agreement dated as of January 3, 2012 among the Manager, Sun Life Assurance Company of Canada, the Milestone Funds and Sun Life Milestone Global Equity Fund, as described under “Management of the Funds”;
- Sub-Advisory Agreement dated August 20, 2013, with an effective date of August 29, 2013, between the Manager and Schroder Investment Management North America Inc., as it may be amended from time to time, as described under “Management of the Funds”;

- Sub-Advisory Agreement dated as of November 9, 2012 between the Manager and GCIC Ltd., as amended effective November 12, 2012 and as assigned by GCIC Ltd. to 1832 LP with the prior written consent of the Manager on November 1, 2013, and as it may be further amended from time to time, as described under “Management of the Funds”;
- Sub-Advisory Agreement dated as of May 4, 2018 between the Manager and JPMorgan Asset Management (Canada) Inc., as described under “Management of the Funds”;
- Investment Sub-Management Agreement dated as of December 31, 2013, as amended, between EFM, EIC and China AMC, as assigned by EFM and EIC to the Manager with prior written consent on July 13, 2018 as described under “Management of the Funds”;
- Investment Sub-Advisory and Portfolio Management Agreement dated as of November 20, 2014, as amended and rectified, between EFM, EIC, Amundi (formerly, Amundi S.A.) and Amundi Canada Inc., as assigned by EFM and EIC to the Manager with prior written consent on July 13, 2018 as described under “Management of the Funds”;
- Articles of Incorporation of the Mutual Fund Corporation, as described under “Name and Formation of the Funds”;
- Master Management Agreement dated as of July 29, 2013, with effect as of June 7, 2013, as amended from time to time, together with Schedule A as may be amended from time to time, between the Manager and the Mutual Fund Corporation, as described under “Management of the Funds”;
- Amended and Restated Custodian Agreement dated as of July 20, 2016, and effective as of October 1, 2016, between the Manager as manager of the Sun Life Global Investments Mutual Funds and RBC Investor Services Trust, amending and restating the Custodian Agreement dated July 30, 2010, as it may be amended from time to time, together with Schedule “A” as it may be amended in the future, as described under “Management of the Funds”;
- Trust Deed dated as of November 28, 1997, as amended by the First Supplemental Trust Deed dated as of March 2, 1998 in respect of the Mauritius Sub-fund, the underlying fund of Sun Life Excel India Fund, as assigned by EFM to the Manager upon prior written consent on July 13, 2018;
- Investment Management Agreement dated November 13, 1997, as amended, between Birla Sun Life Trustee Company Private Ltd (formerly, Birla Capital International Trustee Company Limited), Birla Sun Life Asset Management Company Ltd. (formerly, Birla Capital International AMC Limited), SANNE Mauritius (formerly, International Financial Services Limited), SANNE Trustees (formerly, IFS Trustees) and EFM, as assigned by EFM to the Manager upon prior written consent on July 13, 2018 in respect of the India Sub-fund, the underlying fund of the Mauritius Sub-fund;
- Trust Deed dated as of December 16, 1994, as amended by the Supplemental Deed of Trust dated as of November 28, 1997, in respect of the India Sub-fund, the underlying fund of the Mauritius Sub-fund;
- Unit Purchase Agreement dated as of November 28, 1997, as amended, in respect of the India Sub-fund, the underlying fund of the Mauritius Sub-fund; and



- Custodian Agreement dated as of November 28, 1997, as amended, in respect of the India Sub-fund, the underlying fund of the Mauritius Sub-fund.

Copies of the foregoing may be inspected during ordinary business hours on any business day at the head office of the Funds.

**CERTIFICATE OF THE TRUST FUNDS AND THE MANAGER AND THE PROMOTER OF  
THE TRUST FUNDS**

Sun Life MFS Global Growth Fund  
Sun Life MFS Global Value Fund  
Sun Life MFS U.S. Growth Fund  
Sun Life MFS U.S. Value Fund  
Sun Life MFS International Growth Fund  
Sun Life MFS International Value Fund  
Sun Life Excel Emerging Markets Fund (*formerly, Sun Life Schroder Emerging Markets Fund*)  
Sun Life MFS Global Total Return Fund  
Sun Life JPMorgan International Equity Fund  
Sun Life Milestone 2020 Fund  
Sun Life Milestone 2025 Fund  
Sun Life Milestone 2030 Fund  
Sun Life Milestone 2035 Fund  
Sun Life Multi-Strategy Bond Fund  
Sun Life MFS Monthly Income Fund  
Sun Life Money Market Fund  
Sun Life Dynamic Energy Fund  
Sun Life Excel China Fund (*formerly, Excel China Fund*)  
Sun Life Excel Emerging Markets Balanced Fund (*formerly, Excel Emerging Markets Balanced Fund*)  
Sun Life Excel High Income Fund (*formerly, Excel High Income Fund*)  
Sun Life Excel India Balanced Fund (*formerly, Excel India Balanced Fund*)  
Sun Life Excel India Fund (*formerly, Excel India Fund*)  
Sun Life Excel New India Leaders Fund (*formerly, Excel New India Leaders Fund*)

**(collectively, the “Trust Funds”)**

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each province and territory of Canada and do not contain any misrepresentations.

DATED the 13<sup>th</sup> day of July, 2018.

*(signed) “Rick C. Headrick”*

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Rick C. Headrick  
President, signing in the capacity of chief  
executive officer  
Sun Life Global Investments (Canada) Inc.

*(signed) “Kari Holdsworth”*

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Kari Holdsworth  
Chief Financial Officer  
Sun Life Global Investments (Canada) Inc.

On behalf of the Board of Directors of Sun Life Global Investments (Canada) Inc.,  
as Trustee and Manager of the Trust Funds

(signed) "Brennan Kennedy"

Brennan Kennedy  
Director

(signed) "Patricia Callon"

Patricia Callon  
Director

SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.  
as Promoter of the Trust Funds

(signed) "Rick C. Headrick"

Rick C. Headrick  
President

**CERTIFICATE OF SUN LIFE GLOBAL INVESTMENTS CORPORATE CLASS INC. AND  
THE MANAGER AND PROMOTER OF THE CORPORATE CLASSES**

Sun Life BlackRock Canadian Balanced Class  
Sun Life BlackRock Canadian Composite Equity Class  
Sun Life BlackRock Canadian Equity Class  
Sun Life Money Market Class  
Sun Life Dynamic Equity Income Class  
Sun Life Dynamic Strategic Yield Class  
Sun Life MFS Dividend Income Class  
Sun Life Granite Conservative Class  
Sun Life Granite Moderate Class  
Sun Life Granite Balanced Class  
Sun Life Granite Balanced Growth Class  
Sun Life Granite Growth Class  
Sun Life MFS Canadian Equity Growth Class (*formerly Sun Life MFS Canadian Equity Class*)  
Sun Life Sentry Value Class  
Sun Life MFS U.S. Growth Class  
Sun Life MFS Global Growth Class  
Sun Life MFS International Growth Class

**(collectively, the “Corporate Classes” and each, a class of Sun Life Global Investments Corporate Class Inc.)**

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each province and territory of Canada and do not contain any misrepresentations.

DATED the 13<sup>th</sup> day of July, 2018.

(signed) “Rick C. Headrick”  
Rick C. Headrick  
President, signing in the capacity of  
chief executive officer  
Sun Life Global Investments Corporate  
Class Inc.

(signed) “Kari Holdsworth”  
Kari Holdsworth  
Chief Financial Officer  
Sun Life Global Investments Corporate  
Class Inc.

On behalf of the Board of Directors of Sun Life Global Investments Corporate Class Inc.

(signed) “Andrew Smith”  
Andrew Smith  
Director

(signed) “Sadiq S. Adatia”  
Sadiq S. Adatia  
Director

SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.,  
as Manager of the Corporate Classes

(signed) "Rick C. Headrick"

Rick C. Headrick  
President, signing in the capacity of chief  
executive officer  
Sun Life Global Investments (Canada) Inc.

(signed) "Kari Holdsworth"

Kari Holdsworth  
Chief Financial Officer  
Sun Life Global Investments (Canada) Inc.

On behalf of the Board of Directors of Sun Life Global Investments (Canada) Inc.,  
as Manager of the Corporate Classes

(signed) "Patricia Callon"

Patricia Callon  
Director

(signed) "Brennan Kennedy"

Brennan Kennedy  
Director

SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.  
as Promoter of the Corporate Classes

(signed) "Rick C. Headrick"

Rick C. Headrick  
President

## ANNUAL INFORMATION FORM

Offering Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities of the following Funds as indicated below:

**Sun Life MFS Global Growth Fund** (Series A, D, T5, T8, F, F5, F8, I, O securities)

**Sun Life MFS Global Value Fund** (Series A, T5, T8, F, F5, F8, I, O securities)

**Sun Life MFS U.S. Growth Fund** (Series A, AH, T5, T8, F, FH, F5, F8, I, IH, O, OH securities)

**Sun Life MFS U.S. Value Fund** (Series A, AH, T5, T8, F, FH, F5, F8, I, IH, O, OH securities)

**Sun Life MFS International Growth Fund** (Series A, D, T5, T8, F, F5, F8, I, O securities)

**Sun Life MFS International Value Fund** (Series A, T5, T8, F, F5, F8, I, O securities)

**Sun Life Excel Emerging Markets Fund** (*formerly, Sun Life Schroder Emerging Markets Fund*)  
(Series A, DB, F, I, O securities)

**Sun Life MFS Global Total Return Fund** (Series A, T5, F, F5, I, O securities)

**Sun Life JPMorgan International Equity Fund** (Series A, T5, T8, F, F5, F8, I, O securities)

**Sun Life Milestone 2020 Fund** (Series A securities)

**Sun Life Milestone 2025 Fund** (Series A securities)

**Sun Life Milestone 2030 Fund** (Series A securities)

**Sun Life Milestone 2035 Fund** (Series A securities)

**Sun Life Multi-Strategy Bond Fund** (Series A, F, I, O securities)

**Sun Life MFS Monthly Income Fund** (Series A, T5, F, F5, I, O securities)

**Sun Life Money Market Fund** (Series A, D, F, I, O securities)

**Sun Life Dynamic Energy Fund** (Series A, T5, T8, F, F5, F8, I, O securities)

**Sun Life Excel China Fund** (*formerly, Excel China Fund*) (Series A, F, I securities)

**Sun Life Excel Emerging Markets Balanced Fund** (*formerly, Excel Emerging Markets Balanced Fund*)  
(Series A, DB, F securities)

**Sun Life Excel High Income Fund** (*formerly, Excel High Income Fund*) (Series A, DB, F, I securities)

**Sun Life Excel India Balanced Fund** (*formerly, Excel India Balanced Fund*) (Series A, F securities)

**Sun Life Excel India Fund** (*formerly, Excel India Fund*) (Series A, DB, F, I securities)

**Sun Life Excel New India Leaders Fund** (*formerly, Excel New India Leaders Fund*) (Series A, F securities)

**Sun Life BlackRock Canadian Balanced Class\*** (Series A, AT5, F, FT5, O securities)

**Sun Life BlackRock Canadian Composite Equity Class\*** (Series A, AT5, F, FT5, I, O securities)

**Sun Life BlackRock Canadian Equity Class\*** (Series A, AT5, AT8, F, FT5, FT8, I, O securities)

**Sun Life Money Market Class\*** (Series A, F, O securities)

**Sun Life Dynamic Equity Income Class\*** (Series A, AT5, F, FT5, I, O securities)

**Sun Life Dynamic Strategic Yield Class\*** (Series A, AT5, F, FT5, I, O securities)

**Sun Life MFS Dividend Income Class\*** (Series A, AT5, F, FT5, I, O securities)

**Sun Life Granite Conservative Class\*** (Series A, AT5, F, FT5, O securities)

**Sun Life Granite Moderate Class\*** (Series A, AT5, F, FT5, O securities)

**Sun Life Granite Balanced Class\*** (Series A, AT5, F, FT5, O securities)

**Sun Life Granite Balanced Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)

**Sun Life Granite Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)

**Sun Life MFS Canadian Equity Growth Class\*** (*formerly, Sun Life MFS Canadian Equity Class*)  
(Series A, AT5, F, FT5, O securities)

**Sun Life Sentry Value Class\*** (Series A, AT5, F, FT5, I, O securities)

**Sun Life MFS U.S. Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)

**Sun Life MFS Global Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)

**Sun Life MFS International Growth Class\*** (Series A, AT5, AT8, F, FT5, FT8, O securities)

\*each a class of shares of Sun Life Global Investments Corporate Class Inc., a mutual fund corporation.

You can find more information about each Fund in the Fund's Simplified Prospectus, fund facts, management report of fund performance and financial statements.

For a free copy of these documents, call us toll free at 1 877 344-1434 or ask your advisor. You may find these documents and other information about the Funds, such as information circulars and material contracts, at [www.sunlifeglobalinvestments.com](http://www.sunlifeglobalinvestments.com) or at [www.sedar.com](http://www.sedar.com).



Sun Life Global Investments (Canada) Inc.  
One York Street, Suite 3300, Toronto, Ontario M5J 0B6  
Telephone: 1 877 344 1434  
Facsimile: 416 979 2859

TOR01: 7358414: v29