

SPECIAL MEETINGS OF INVESTORS OF

Sun Life BlackRock Canadian Balanced Class*
Sun Life BlackRock Canadian Composite Equity Class*
Sun Life BlackRock Canadian Equity Class*
Sun Life Dynamic Equity Income Class*
Sun Life Dynamic Strategic Yield Class *
Sun Life Franklin Bissett Canadian Equity Class*
Sun Life Invesco Canadian Class*
Sun Life MFS Canadian Equity Growth Class*
Sun Life Sentry Value Class*
Sun Life MFS Dividend Income Class*

(each, a “Merging Corporate Fund” and collectively, the “Merging Corporate Funds”)

and

Sun Life BlackRock Canadian Balanced Fund
Sun Life Dynamic American Fund
Sun Life Dynamic Energy Fund
Sun Life Excel China Fund
Sun Life Excel Emerging Markets Balanced Fund
Sun Life Sentry Value Fund
Sun Life MFS Monthly Income Fund
Sun Life Templeton Global Bond Fund

(each, a “Merging Trust Fund” and collectively, the “Merging Trust Funds”, and together with the Merging Corporate Funds, the “Merging Funds”)

and

Sun Life Excel India Fund
Sun Life Excel India Balanced Fund
Sun Life Excel New India Leaders Fund

(each, an “IO Change Fund” and collectively, the “IO Change Funds”, and together with the Merging Funds, the “Funds”)

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

to be held virtually on
May 21, 2020 commencing at 3:00 p.m. (Toronto time)

April 15, 2020

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MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

The information contained in this Management Information Circular (the “**Information Circular**”) is provided by the board of directors of Sun Life Global Investments (Canada) Inc., in its capacity as trustee of the Merging Trust Funds and the IO Change Funds and as manager of the Funds (the “**Manager**”), and the board of directors of Sun Life Global Investments Corporate Class Inc. (the “**Corporation**”), the mutual fund corporation of which each Merging Corporate Fund is a class of shares, **in connection with the solicitation of proxies on behalf of management of the Manager** to be used at the special meetings of the investors of the Funds.

These special meetings are to be held **virtually on May 21, 2020 at 3:00 p.m.** (Toronto time) (each individually, a “**Meeting**” and collectively, the “**Meetings**”) for the purposes outlined in the Notice of Meeting. Securityholders can join the Meetings by accessing <https://sunlife.zoom.us/j/354399019> or dialing by phone using the coordinates below:

Canada: +1 587 328 1099 or 855 703 8985 (Toll Free)
 United States: +1 971 247 1195 or 888 475 4499 (Toll Free)
 Additional local and international numbers available: <https://sunlife.zoom.us/j/354399019>
 Access ID: 354 399 019

Securityholders will be able to listen to the Meetings and to submit questions in real time while the Meetings are being held, and to submit their votes by 5:00 p.m. (Toronto time) on the date of the Meetings. **Securityholders are strongly encouraged to submit their votes or proxy forms ahead of the Meetings.** If a Meeting in respect of any Fund is adjourned for any reason other than a lack of quorum, the adjourned meeting will resume **virtually on May 22, 2020 at 10:30 a.m.** (Toronto time).

In light of the COVID-19 global pandemic and the current restrictions on public gatherings, securityholders will not be able to attend the Meetings physically. Securityholders and duly appointed proxyholders will have an equal opportunity to participate at the Meetings virtually as they would at a physical meeting, provided they remain connected to the internet or phone at all times during the Meetings. It is securityholders’ responsibility to ensure connectivity for the duration of the Meetings. For any questions regarding securityholders’ ability to participate or vote at the Meetings, please contact Broadridge Financial Solutions at proxy.request@broadridge.com.

The Manager anticipates that the solicitation of proxies will principally be done by mail. The cost of the solicitation will be borne by the Manager.

Quorum for each Meeting of a Fund will be two securityholders, represented by internet, phone or by proxy. If a Meeting in respect of any Fund is adjourned due to a lack of quorum, the adjourned meeting will be held **virtually on May 28, 2020 at 3:00 p.m.** (Toronto time). Quorum for each adjourned Meeting of a Fund will be the number of securityholders present by internet, phone or by proxy at the adjourned meeting.

PURPOSE OF THE MEETINGS

The Meetings are being called to consider the following special business:

1. for **Sun Life BlackRock Canadian Balanced Class** only, the merger of that Fund into Sun Life Tactical Balanced ETF Portfolio, and the matters related thereto described in the resolution attached to this Information Circular;
2. for **Sun Life BlackRock Canadian Balanced Fund** only, the merger of that Fund into Sun Life Tactical Balanced ETF Portfolio, and the matters related thereto described in the resolution attached to this Information Circular;
3. for **Sun Life BlackRock Canadian Composite Equity Class** only, the merger of that Fund into Sun Life BlackRock Canadian Equity Fund, and the matters related thereto described in the resolution attached to this Information Circular;
4. for **Sun Life BlackRock Canadian Equity Class** only, the merger of that Fund into Sun Life BlackRock Canadian Equity Fund, and the matters related thereto described in the resolution attached to this Information Circular;
5. for **Sun Life Dynamic American Fund** only, the merger of that Fund into Sun Life MFS U.S. Growth Fund, and the matters related thereto described in the resolution attached to this Information Circular;
6. for **Sun Life Dynamic Energy Fund** only, the merger of that Fund into Sun Life Dynamic Equity Income Fund, and the matters related thereto described in the resolution attached to this Information Circular;
7. for **Sun Life Dynamic Equity Income Class** only, the merger of that Fund into Sun Life Dynamic Equity Income Fund, and the matters related thereto described in the resolution attached to this Information Circular;
8. for **Sun Life Dynamic Strategic Yield Class** only, the merger of that Fund into Sun Life Dynamic Strategic Yield Fund, and the matters related thereto described in the resolution attached to this Information Circular;
9. for **Sun Life Excel China Fund** only, the merger of that Fund into Sun Life Excel Emerging Markets Fund, and the matters related thereto described in the resolution attached to this Information Circular;
10. for **Sun Life Excel Emerging Markets Balanced Fund** only, the merger of that Fund into Sun Life MFS Global Total Return Fund, and the matters related thereto described in the resolution attached to this Information Circular;
11. for **Sun Life Franklin Bissett Canadian Equity Class** only, the merger of that Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), and the matters related thereto described in the resolution attached to this Information Circular;
12. for **Sun Life Invesco Canadian Class** only, the merger of that Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), and the matters related thereto described in the resolution attached to this Information Circular;
13. for **Sun Life MFS Canadian Equity Growth Class** only, the merger of that Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), and the matters related thereto described in the resolution attached to this Information Circular;

14. for **Sun Life Sentry Value Class** only, the merger of that Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), and the matters related thereto described in the resolution attached to this Information Circular;
15. for **Sun Life Sentry Value Fund** only, the merger of that Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), and the matters related thereto described in the resolution attached to this Information Circular;
16. for **Sun Life MFS Dividend Income Class** only, the merger of that Fund into Sun Life MFS Dividend Income Fund, and the matters related thereto described in the resolution attached to this Information Circular;
17. for **Sun Life MFS Monthly Income Fund** only, the merger of that Fund into Sun Life Granite Income Portfolio, and the matters related thereto described in the resolution attached to this Information Circular;
18. for **Sun Life Templeton Global Bond Fund** only, the merger of that Fund into Sun Life Tactical Fixed Income ETF Portfolio, and the matters related thereto described in the resolution attached to this Information Circular;
19. for **Sun Life Excel India Fund** only, a change of investment objective, and the matters related thereto described in the resolution attached to this Information Circular;
20. for **Sun Life Excel India Balanced Fund** only, a change of investment objective, and the matters related thereto described in the resolution attached to this Information Circular;
21. for **Sun Life Excel New India Leaders Fund** only, a change of investment objective, and the matters related thereto described in the resolution attached to this Information Circular; and
22. for each Fund, to transact such other business as may properly come before the Meeting.

The texts of the resolutions authorizing the matters referred to in paragraphs 1 to 21 above are set out in Schedule “A” to this Information Circular.

Each of Sun Life Tactical Balanced ETF Portfolio, Sun Life BlackRock Canadian Equity Fund, Sun Life MFS U.S. Growth Fund, Sun Life Dynamic Equity Income Fund, Sun Life Dynamic Strategic Yield Fund, Sun Life Excel Emerging Markets Fund, Sun Life MFS Global Total Return Fund, Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), Sun Life MFS Dividend Income Fund, Sun Life Granite Income Portfolio and Sun Life Tactical Fixed Income ETF Portfolio is sometimes referred to as a “**Continuing Fund**” and collectively, the “**Continuing Funds**”.

THE PROPOSED CHANGES

The Manager has reviewed its existing mutual fund line-up and has concluded that it would be desirable to merge each Merging Fund into each Continuing Fund as detailed in the table below. It is proposed that each Merging Fund will merge into the applicable Continuing Fund such that the securityholders of each Merging Fund will become securityholders of the applicable Continuing Fund.

In addition to the securityholder approvals described herein, the mergers are also subject to regulatory approval.

Each of the following mergers, if approved, will be effective after the close of business on or about June 5, 2020 (the “**Merger Date**”), as set out in the table below:

Merging Fund	Continuing Fund
Sun Life BlackRock Canadian Balanced Class	Sun Life Tactical Balanced ETF Portfolio
Sun Life BlackRock Canadian Balanced Fund	Sun Life Tactical Balanced ETF Portfolio
Sun Life BlackRock Canadian Composite Equity Class	Sun Life BlackRock Canadian Equity Fund
Sun Life BlackRock Canadian Equity Class	Sun Life BlackRock Canadian Equity Fund
Sun Life Dynamic American Fund	Sun Life MFS U.S. Growth Fund
Sun Life Dynamic Energy Fund	Sun Life Dynamic Equity Income Fund
Sun Life Dynamic Equity Income Class	Sun Life Dynamic Equity Income Fund
Sun Life Dynamic Strategic Yield Class	Sun Life Dynamic Strategic Yield Fund
Sun Life Excel China Fund	Sun Life Excel Emerging Markets Fund
Sun Life Excel Emerging Markets Balanced Fund	Sun Life MFS Global Total Return Fund
Sun Life Franklin Bissett Canadian Equity Class	Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)
Sun Life Invesco Canadian Class	Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)
Sun Life MFS Canadian Equity Growth Class	Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)
Sun Life Sentry Value Class	Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)
Sun Life Sentry Value Fund	Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)
Sun Life MFS Dividend Income Class	Sun Life MFS Dividend Income Fund
Sun Life MFS Monthly Income Fund	Sun Life Granite Income Portfolio
Sun Life Templeton Global Bond Fund	Sun Life Tactical Fixed Income ETF Portfolio

Each of the mergers of Sun Life BlackRock Canadian Equity Class into Sun Life BlackRock Canadian Equity Fund, Sun Life Dynamic Equity Income Class into Sun Life Dynamic Equity Income Fund, Sun Life Dynamic Strategic Yield Class into Sun Life Dynamic Strategic Yield Fund, Sun Life MFS Canadian Equity Growth Class into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), and Sun Life MFS Dividend Income Class into Sun Life MFS Dividend Income Fund is referred to as a “**Fund of Fund Merger.**”

After the mergers of the Merging Corporate Funds, securityholders of each Merging Corporate Fund will hold units of a mutual fund trust and not shares of the Corporation. While both mutual fund trusts and mutual fund corporations allow investors to pool money with other investors, there are some key differences:

- A mutual fund trust has its own investment objectives. A multi-class mutual fund corporation will have more than one class of shares and each class (or corporate fund) has its own investment objectives.
- Mutual fund trusts are governed by their declarations of trust and by a trustee. Investors in a mutual fund trust do not have the rights provided under corporate laws applicable to mutual fund corporations, but have similar rights provided under the applicable declaration of trust. Mutual fund corporations are governed under corporate laws and their articles of incorporation and by-laws, which require that the mutual fund corporation have a board of directors.
- An investment in a mutual fund trust and an investment in a mutual fund corporation are taxed differently. In general, a mutual fund trust will distribute a sufficient amount of its net income and net realized capital gains to its investors each year so that the mutual fund trust will not be subject to tax. For tax purposes, these distributions to unitholders of a mutual fund trust generally retain the same character as the income that is received by the mutual fund trust. A mutual fund corporation, in general, is not expected to be liable on taxable dividends received from taxable Canadian corporations or on its net realized capital gains provided it distributes a sufficient amount of ordinary dividends and capital gains dividends to its investors. A mutual fund corporation could be liable to pay tax on income from other sources, such as interest, certain derivative income and foreign source income. If a mutual fund corporation has taxable net income, this could be disadvantageous for two types of investors: (a) investors who invest through registered plans; and (b) investors with a lower marginal tax rate than the mutual fund corporation.

If a merger is not approved, other than the mergers of (1) Sun Life BlackRock Canadian Balanced Fund into Sun Life Tactical Balanced ETF Portfolio, (2) Sun Life Excel China Fund into Sun Life Excel Emerging Markets Fund and (3) Sun Life Sentry Value Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), the Manager hereby provides notice that the applicable Merging Fund will be terminated. If securityholders of Sun Life BlackRock Canadian Balanced Fund, Sun Life Excel China Fund and Sun Life Sentry Value Fund do not approve the applicable mergers, these Merging Funds will be kept open. Each merger can proceed without the other mergers and no merger is contingent upon receiving approval for another merger.

The historical rates of return for each Merging Fund and its applicable Continuing Fund are available in the management report of fund performance for the applicable Fund. For securityholders' convenience, a brief performance comparison for Series A securities of the Merging Fund and Continuing Fund is provided for each of the past five years.

No sales charges, redemption fees or other fees or commissions will be payable by securityholders of the Merging Funds in connection with the mergers. If securityholders of a Merging Fund approve the merger, the Manager will waive any applicable redemption charges for those securityholders who wish to submit a redemption request to redeem securities of the Merging Fund originally purchased under the deferred sales charge option or the low load sales charge option between the day following the Meeting and the effective date of the merger. All costs and expenses associated with the mergers will be borne by the Manager.

The Manager has reviewed the investment objectives of each of the IO Change Funds and has concluded that it would be desirable to change the investment objective of each IO Change Fund to remove references to the underlying fund(s) in which the IO Change Fund invests in order to provide the IO Change Funds with greater investment flexibility.

The investment objective changes, if approved, will be effective on or about June 5, 2020. If the investment objective change for any IO Change Fund is not approved, each IO Change Fund will continue under its current investment objective. The investment objective change for each IO Change Fund is independent and is not conditional upon receiving approval for the investment objective change for any other IO Change Fund.

Benefits of the Mergers

The Manager believes the mergers will be beneficial to the securityholders of the Merging Funds for the following reasons:

- securityholders of each Merging Fund will receive securities of the applicable Continuing Fund that have a management fee that is the same as, or lower than, that charged in respect of the series of securities of the Merging Fund that they currently hold;
- the greater size and scale of most Continuing Funds will allow securityholders to benefit from the Continuing Fund's ability to provide more effective portfolio implementation, while also generating a larger profile in the marketplace by potentially attracting more investors and enabling it to maintain a "critical mass";
- most Continuing Funds provide increased portfolio diversification opportunities compared to their corresponding Merging Funds; and
- the mergers will result in a more streamlined and simplified product line-up that is easier for investors to understand, as well as reducing the administrative and regulatory costs of operating the Merging Funds and Continuing Funds as separate funds.

Benefits specific to each merger are further detailed below in the section "The Mergers" beginning on page 17.

The Manager believes that each of the proposed mergers is in the best interests of the Merging Fund and its securityholders and that each of the proposed investment objective changes is in the best interests of the IO Change Fund and its securityholders and recommends that securityholders of the Funds vote FOR the mergers and the investment objective changes.

The independent review committee ("IRC") of each of the Merging Funds has reviewed each of the proposed mergers and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed mergers, if implemented, would achieve a fair and reasonable result for each of the Merging Funds.

Procedure for the Mergers

Each proposed merger of a Merging Trust Fund into its applicable Continuing Fund (the "**Taxable Trust Fund Mergers**") will be structured as follows:

- Prior to effecting a merger, each Merging Trust Fund will sell some or all securities in its portfolio. As a result, the Merging Trust Funds will temporarily hold cash or cash equivalents and will not be fully invested in accordance with their investment objectives for a brief period of time prior to the merger.

- The value of each Merging Trust Fund's portfolio and other assets will be determined at the close of business on the Merger Date in accordance with its declaration of trust.
- Each Merging Trust Fund will declare, pay and automatically reinvest a distribution to its unitholders of a sufficient amount of its net income and net realized capital gains, if any, to ensure that the Merging Trust Fund will not be subject to tax for its current taxation year that includes the Merger Date.
- Each relevant Continuing Fund will acquire the assets of the applicable Merging Trust Fund in exchange for units of the Continuing Fund.
- Each relevant Continuing Fund will not assume any liabilities of the Merging Trust Fund and the Merging Trust Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the Merger Date.
- The units of each relevant Continuing Fund received by the applicable Merging Trust Fund will have a total net asset value equal to the value of the assets acquired by the relevant Continuing Fund from the Merging Trust Fund, and the units of the relevant Continuing Fund will be issued at the applicable series net asset value per unit as of the close of business on the Merger Date.
- On the Merger Date, the units of each Continuing Fund received by the applicable Merging Trust Fund will be distributed to unitholders of the Merging Trust Fund on a dollar-for-dollar basis in exchange for their units in the Merging Trust Fund, with unitholders of each series of the Merging Trust Fund receiving the corresponding series of units of the Continuing Fund in the manner described further below.
- As soon as reasonably possible following the mergers, each Merging Trust Fund will be wound up and the applicable Continuing Fund will continue as a publicly offered open end mutual fund.

Each proposed merger of a Merging Corporate Fund into its applicable Continuing Fund (the "**Taxable Corporate Fund Mergers**"), other than the Fund of Fund Mergers, will be structured as follows:

- Prior to effecting a merger, each of Sun Life BlackRock Canadian Balanced Class, Sun Life BlackRock Canadian Composite Equity Class, Sun Life Franklin Bissett Canadian Equity Class, Sun Life Invesco Canadian Class and Sun Life Sentry Value Class will sell all securities in its portfolio. As a result, these Merging Corporate Funds will temporarily hold cash or cash equivalents and will not be fully invested in accordance with their investment objectives for a brief period of time prior to the merger.
- The value of each such Merging Corporate Fund's portfolio and other assets will be determined at the close of business on the Merger Date in accordance with the articles of the Corporation.
- The Corporation may declare, pay and automatically reinvest ordinary dividends or capital gains dividends to securityholders of these Merging Corporate Funds, as determined by the Manager at the time of the merger.
- Each relevant Continuing Fund will acquire the assets (being the cash and cash equivalents) of the applicable Merging Corporate Fund in exchange for units of the Continuing Fund.

- Each relevant Continuing Fund will not assume any liabilities of the applicable Merging Corporate Fund and the Merging Corporate Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the Merger Date.
- The units of each relevant Continuing Fund received by the applicable Merging Corporate Fund will have a total net asset value equal to the value of the assets acquired by the relevant Continuing Fund from the Merging Corporate Fund, and the units of the relevant Continuing Fund will be issued at the applicable series net asset value per unit as of the close of business on the Merger Date.
- On the Merger Date, the units of each relevant Continuing Fund received by the applicable Merging Corporate Fund will be distributed to securityholders of the Merging Corporate Fund on a dollar-for-dollar basis in exchange for their securities in the Merging Corporate Fund, with securityholders of each Merging Corporate Fund receiving the corresponding series of units of the Continuing Fund in the manner described further below.
- As soon as reasonably possible following the Mergers, each Merging Corporate Fund will be terminated and the applicable Continuing Fund will continue as a publicly offered open end mutual fund.
- The articles of the Corporation will be amended to reflect the termination of each applicable Merging Corporate Fund.

Each proposed merger of a Fund of Fund Merger will be structured as follows:

- The Corporation may declare, pay and automatically reinvest ordinary dividends or capital gains dividends to securityholders of Sun Life BlackRock Canadian Equity Class, Sun Life Dynamic Equity Income Class, Sun Life Dynamic Strategic Yield Class, Sun Life MFS Canadian Equity Growth Class, and Sun Life MFS Dividend Income Class as determined by the Manager at the time of the Fund of Fund Merger.
- The value of each such Merging Corporate Fund's portfolio and other assets will be determined at the close of business on the Merger Date in accordance with the articles of the Corporation.
- On the Merger Date, each series of securities held by these Merging Corporate Funds in the Continuing Funds will be redeemed by the Manager and the value of those securities receivable by the Merging Corporate Funds will form part of the cash equivalents of the Merging Corporate Funds.
- Each relevant Continuing Fund will acquire the assets (being the cash and cash equivalents) of the applicable Merging Corporate Fund in exchange for units of the Continuing Fund.
- Each relevant Continuing Fund will not assume any liabilities of the applicable Merging Corporate Fund and the Merging Corporate Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the Merger Date.
- The units of each relevant Continuing Fund received by the applicable Merging Corporate Fund will have a total net asset value equal to the value of the assets acquired by the relevant Continuing Fund from the Merging Corporate Fund, and the units of the relevant Continuing Fund will be issued at the applicable series net asset value per unit as of the close of business on the Merger Date.

- Immediately thereafter, the units of each relevant Continuing Fund held by the applicable Merging Corporate Fund will be distributed to securityholders of the Merging Corporate Fund in exchange for their securities of the Merging Corporate Fund on a dollar-for-dollar basis, with securityholders of each Merging Corporate Fund receiving the corresponding series of units of the relevant Continuing Fund in the manner described further below.
- As soon as reasonably possible following the Fund of Fund Mergers, each Merging Corporate Fund will be terminated and the applicable Continuing Fund will continue as a publicly offered open end mutual fund.
- The articles of the Corporation will be amended to reflect the termination of each applicable Merging Corporate Fund.

Suspending Redemptions and Purchases of Securities of the Merging Funds

If the proposed mergers are approved, the right to redeem or switch securities of the Merging Funds will end as of the close of business on the Merger Date.

After the mergers, the former securityholders of the Merging Funds will be able to redeem or switch the securities of the Continuing Fund that they received on the Merger Date.

Effective 4:01 p.m. on February 26, 2020, securities of each Merging Fund were no longer be available for purchase by new investors, but continue to be available to existing investors with accounts that hold securities of the applicable Merging Fund, including investors purchasing under pre-authorized purchase plans existing before February 26, 2020.

Other than for Series A securityholders of Sun Life MFS Monthly Income Fund, Series A securityholders of Sun Life BlackRock Canadian Composite Equity Class, Series O securityholders of Sun Life Templeton Global Bond Fund, Series A, Series F and Series O securityholders of Sun Life BlackRock Canadian Balanced Class, and Series A, Series F and Series O securityholders of Sun Life BlackRock Canadian Balanced Fund, if securityholders of a Merging Fund approve the merger, then such pre-authorized purchase plans will be suspended at the close of business on or about the business day immediately preceding the Merger Date and will be re-established to purchase the same series of the Continuing Fund following the completion of the merger. Series A securityholders of Sun Life MFS Monthly Income Fund, Series A securityholders of Sun Life BlackRock Canadian Composite Equity Class, Series O securityholders of Sun Life Templeton Global Bond Fund, Series A, Series F and Series O securityholders of Sun Life BlackRock Canadian Balanced Class, and Series A, Series F and Series O securityholders of Sun Life BlackRock Canadian Balanced Fund will be merging into series of securities in Continuing Funds that are closed to new purchases and such pre-authorized purchase plans will be terminated at the close of business on or about the business day immediately preceding the Merger Date.

Other than for Sun Life BlackRock Canadian Balanced Fund, Sun Life Excel China Fund and Sun Life Sentry Value Fund, if securityholders of a Merging Fund do not approve the merger, then such pre-authorized purchase plans will be suspended immediately following the securityholder meeting and the Merging Fund will be terminated effective on or about June 5, 2020. For Sun Life BlackRock Canadian Balanced Fund, Sun Life Excel China Fund and Sun Life Sentry Value Fund, if securityholders of a Merging Fund do not approve the merger, then such pre-authorized purchase plans will be reinstated and securities of the Fund will be reopened for purchase on the next business day after the Meetings. If securityholders of a Merging Fund approve the applicable Merger, the Manager will waive any applicable redemption charges for those securityholders who wish to submit a redemption request to redeem securities

of the Merging Fund originally purchased under the deferred sales charge option or the low load sales charge option between the business day following the Meeting and the effective date of the Merger.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

This is a general summary of the principal Canadian federal income tax considerations of the mergers described above relevant to a securityholder of a Merging Fund who is an individual (other than a trust) and who, at all relevant times, for the purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”), is resident in Canada, deals at arm’s length and is not affiliated with the Merging Fund and applicable Continuing Fund, and holds their securities of the Merging Fund directly as capital property or in a Registered Plan (as defined below).

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and an understanding of the current published administrative policies and practices of the Canada Revenue Agency (the “**CRA**”). The summary does not take into account the tax laws of any province or territory of Canada or of any foreign jurisdiction. Except for the Tax Proposals, the summary does not take into account or anticipate any changes in law whether by legislative, governmental or judicial action or any changes in the administrative practices of the CRA. This summary is based on the assumption that the Corporation will qualify as a “mutual fund corporation”, and each of the Merging Trust Funds and Continuing Funds will qualify as a “mutual fund trust” (each as defined for purposes of the Tax Act) at all material times.

This summary is general in nature only and is not intended to be, nor should it be treated as, legal or tax advice. It is not exhaustive of all possible tax considerations. Securityholders are advised to consult their own tax advisors about their specific circumstances.

Redemptions and Switches before the Mergers

If you redeem securities of a Merging Fund before the Merger Date, you will realize a capital gain (or capital loss) to the extent that your proceeds of redemption exceed (or are exceeded by) the total of your adjusted cost base of the securities and any costs of redemption. Unless you hold your securities in a Registered Plan, one-half of any such capital gain must be included in computing your income and one-half of any such capital loss may be deducted against taxable capital gains, subject to, and in accordance with, the detailed provisions of the Tax Act. If your securities are held in a Registered Plan, withdrawals from the Registered Plan, other than withdrawals from a tax-free savings account (“**TFSA**”) and certain permitted withdrawals from a registered education savings plan (“**RESP**”) or a registered disability savings plan (“**RDSP**”), are generally fully taxable.

If you switch your securities of a Merging Fund into another mutual fund managed by the Manager, the switch will be a redemption and will trigger a capital gain (or loss).

Taxable Trust Fund Mergers

This part of the summary applies to securityholders of Merging Trust Funds who hold their securities outside of a Registered Plan.

As discussed above under “Procedure for the Mergers”, prior to effecting a merger, each of the Merging Trust Funds will sell some or all of the securities in its portfolio. As a result, the Merging Trust Funds may realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition received for a particular asset exceed (or are exceeded by) the adjusted cost base of that asset and any

reasonable costs of disposition. To ensure that the Merging Trust Fund will not be subject to tax for its current taxation year that includes the Merger Date, prior to the transfer of assets to the Continuing Fund, the Merging Trust Fund will distribute a sufficient amount of its net income and net realized capital gains, if any, to unitholders. The determination of net realized capital gains will include any capital gains or capital losses realized on the sale of assets, described above, and the application of loss carry-forwards available within the Merging Trust Fund. These distributions, if any, will be automatically reinvested in additional securities of the Merging Trust Fund and may not be paid in cash.

Securityholders of the Merging Trust Fund will be subject to the same tax consequences on distributions made in connection with the merger as on regular distributions made by the Merging Trust Fund. Unless securities are held in a Registered Plan, securityholders will receive a statement for income tax purposes identifying the amounts required to be included in their income for the 2020 taxation year.

On the Merger Date, the applicable Merging Trust Fund will transfer all remaining assets and cash to the Continuing Fund in exchange for units of the Continuing Fund. As a result, the Merging Trust Fund may realize a capital gain (or capital loss), determined on the same basis as the liquidation described above.

The cost to the Merging Trust Fund of the securities of the Continuing Fund received in the course of the merger will be equal to the fair market value of the Merging Trust Fund's assets transferred to the Continuing Fund. The distribution by the Merging Trust Fund of securities of the Continuing Fund to securityholders in exchange for securities of the Merging Trust Fund will not result in a capital gain or loss to the Merging Trust Fund, provided that such distribution occurs immediately after the transfer of the assets to the Continuing Fund. Any remaining loss carryforwards of the Merging Trust Fund will expire unused upon the merger.

Upon the distribution by the Merging Trust Fund of securities of the Continuing Fund in exchange for securities of the Merging Trust Fund, securityholders of the Merging Trust Fund will have a disposition of their securities of the Merging Trust Fund and will receive proceeds of disposition equal to the fair market value of the securities of the Continuing Fund. As a result, securityholders will realize a capital gain (or capital loss) equal to the amount by which such proceeds of disposition exceed (or are exceeded by) the adjusted cost base of the securityholder's units of the Merging Trust Fund and any reasonable costs of disposition. One-half of any such capital gain must be included in computing a securityholder's income and one-half of any such capital loss may be deducted against taxable capital gains subject to, and in accordance with, the detailed provisions of the Tax Act. A securityholder will acquire securities of the Continuing Fund received as a result of the mergers at a cost equal to the fair market value of such securities at the time of the mergers. This cost will likely be different from the adjusted cost base of the securities of the Merging Trust Fund which were exchanged. The cost of the new securities of the Continuing Fund will be averaged with the adjusted cost base of any other securities of the same series of the Continuing Fund already held by the securityholder.

Taxable Corporate Fund Mergers

This part of the summary applies to securityholders of a Merging Corporate Fund who hold their securities outside a Registered Plan.

Each of the Merging Corporate Funds is a separate class of shares issued by the Corporation, a mutual fund corporation for purposes of the Tax Act. As discussed above under "Procedure for the Mergers", prior to effecting a Merger, each of the Merging Corporate Funds will sell all of the securities in its portfolio. As a result, the Corporation may declare ordinary dividends and/or capital gains dividends to securityholders of each Merging Corporate Fund, as determined by the Manager, to eliminate tax that would otherwise be payable by the Corporation. The actual amount of dividends paid by the Corporation in respect

of the Merging Corporate Funds, if any, may be different from the current expectation due to changes in the value of securities held by the Merging Corporate Funds between the date of this Information Circular and the Merger Date. The taxation of any ordinary dividends and/or capital gains dividends paid to a securityholder by the Corporation will be the same as described in the simplified prospectus and the annual information form for the Merging Corporate Fund. Securityholders will receive a statement for income tax purposes identifying the amounts required to be included in their income for the 2020 taxation year.

Upon the distribution by the Merging Corporate Fund of securities of the Continuing Fund in exchange for securities of the Merging Corporate Fund, securityholders of the Merging Corporate Fund will have a disposition of their securities of the Merging Corporate Fund and will receive proceeds of disposition equal to the fair market value of the securities of the Continuing Fund. As a result, securityholders will realize a capital gain (or capital loss) equal to the amount by which such proceeds of disposition exceed (or are exceeded by) the adjusted cost base of the securityholder's units of the Merging Corporate Fund and any reasonable costs of disposition. One-half of any such capital gain must be included in computing a securityholder's income and one-half of any such capital loss may be deducted against taxable capital gains subject to, and in accordance with, the detailed provisions of the Tax Act. A securityholder will acquire securities of the Continuing Fund received as a result of the mergers at a cost equal to the fair market value of such securities at the time of the mergers. This cost will likely be different from the adjusted cost base of the securities of the Merging Corporate Fund which were exchanged. The cost of the new securities of the Continuing Fund will be averaged with the adjusted cost base of any other securities of the same series of the Continuing Fund already held by the securityholder.

Tax Consequences of Investing in a Continuing Fund

Please refer to the simplified prospectus relating to the applicable Continuing Fund, which is available from the Manager at no charge upon request, for a description of the income tax consequences of acquiring, holding and disposing of securities of a Continuing Fund.

Registered Plans and Qualification for Investment

If securities of the Merging Funds are held in a registered retirement savings plan (“**RRSP**”), registered retirement income fund (“**RRIF**”), deferred profit sharing plan, RESP, RDSP or TFSA (collectively “**Registered Plans**”), capital gains realized on the redemption of securities will generally be exempt from tax until withdrawn from the Registered Plan. Withdrawals from Registered Plans (other than a withdrawal from a TFSA and certain permitted withdrawals from a RESP or RDSP) are generally taxable. Provided that the Continuing Fund qualifies at all relevant times as a “mutual fund trust” within the meaning of the Tax Act, securities of the Continuing Fund will be qualified investments under the Tax Act for Registered Plans.

Provided that the annuitant, holder or subscriber of a RRSP, RRIF, RESP, RDSP or TFSA deals at arm's length with a Continuing Fund and does not hold a “significant interest” (as defined in the Tax Act) in the Continuing Fund, the securities of the Continuing Fund will not be a prohibited investment under the Tax Act for the Registered Plan.

Securityholders should consult their own tax advisor for advice on whether or not securities of a Continuing Fund would be a prohibited investment for their RRSP, RRIF, TFSA, RDSP or RESP.

REQUIRED APPROVALS

Each merger of a Merging Fund into the applicable Continuing Fund will not take place unless approved by a majority of the votes (*i.e.*, more than 50%) of the outstanding securities of such Merging Fund cast at the Meeting. Each investment objective change for an IO Change Fund will not take place unless approved by a majority of the votes (*i.e.*, more than 50%) of the outstanding securities of such IO Change Fund cast at the Meeting.

The mergers of each Merging Fund into the applicable Continuing Fund are also subject to receipt of regulatory approval.

Securityholders of each Fund are entitled to one vote for each whole security held and are not entitled to vote fractional securities. Holders of securities of record of a Fund at the close of business on March 25, 2020 will be entitled to vote at the Meeting in respect of the Fund, except to the extent that such securities are redeemed before the Meeting or that a transferee of securities after that date complies with the required procedures in order to qualify to vote the transferred securities. If your securities were transferred to you from another holder after March 25, 2020 (this would occur only in unusual circumstances, such as death of a holder), you should contact the Manager to determine the documentation necessary to transfer the securities on the Manager's records. You will only be able to vote the transferred securities after the transfer has been recorded on the Manager's records.

Quorum for each Meeting of a Fund will be two securityholders, represented by internet, phone or by proxy. In order for each Meeting to be duly constituted, the required quorum must be present at the Meeting.

ADDITIONAL INFORMATION

Additional information regarding the Funds and the Continuing Funds is contained in the simplified prospectuses, annual information forms, the most recently filed fund facts documents (the "**Fund Facts**"), interim and annual management reports of fund performances, and interim unaudited and annual audited financial statements for the Funds and the Continuing Funds. Copies of the Fund Facts relating to the Continuing Funds will be mailed to securityholders of the Merging Funds. Securityholders should review the Fund Facts carefully.

You may obtain a copy of the simplified prospectus, annual information form, Fund Facts, the most recent interim and annual financial statements and the most recent interim and annual management reports of fund performance by accessing the System for Electronic Document Analysis and Retrieval (**SEDAR**) website at www.sedar.com. You may also obtain these documents by accessing the Manager's website at www.sunlifeglobalinvestments.com, by calling the toll-free telephone number at 1-877-344-1434 or by emailing a request to info@sunlifeglobalinvestments.com.

THE MERGERS

Merger of Sun Life BlackRock Canadian Balanced Class into Sun Life Tactical Balanced ETF Portfolio

(applicable to securityholders of Sun Life BlackRock Canadian Balanced Class)

General

The Manager is seeking approval from securityholders of Sun Life BlackRock Canadian Balanced Class (the Merging Fund) for the merger of this Fund into Sun Life Tactical Balanced ETF Portfolio (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased portfolio diversification opportunities given the global nature of the Continuing Fund, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

<i>Investment Objectives</i>	<p><i>Sun Life BlackRock Canadian Balanced Class (Merging Fund)</i></p> <p>The Fund's investment objective is to seek a combination of income and growth through exposure to primarily Canadian equity securities and Canadian debt instruments by investing primarily in units of Sun Life BlackRock Canadian Balanced Fund or its successor fund (the "underlying Trust Fund").</p>	<p><i>Sun Life Tactical Balanced ETF (Continuing Fund)</i></p> <p>The Fund's investment objective is to seek capital appreciation and income, with a small bias towards capital appreciation, by investing primarily in a mix of equity and fixed income exchange traded funds and other mutual funds.</p>
	<p>Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.</p>	
<i>Investment Strategies</i>	<p>The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by Sun Life Global Investments (Canada) Inc. and sub-advised by BlackRock Asset Management Canada Limited (the "sub-advisor"). The underlying Trust Fund's investment objective is to seek a combination of income and growth by investing primarily in Canadian equity securities and Canadian debt instruments directly or indirectly through mutual funds and exchange-traded funds that invest in such securities.</p> <p>In pursuing the underlying Trust Fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • uses a strategic asset allocation strategy to determine the balance between the portion of the underlying Trust Fund's portfolio exposed to equity securities and the portion exposed to debt instruments; • typically invests between 50% and 80% of the underlying Trust Fund's assets in securities that have exposure to equities and between 20% and 50% 	<p>In pursuing the Fund's investment objective, the portfolio manager:</p> <ul style="list-style-type: none"> • invests primarily in a mix of equity and fixed income exchange traded funds and other mutual funds; • typically selects equity exchange traded funds and other mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities; • typically selects fixed income exchange traded funds and other mutual funds with exposure to Canadian debt instruments and global debt instruments; • may also invest directly in equity and/or fixed income securities; • may invest up to 100% of the Fund's assets in foreign securities; • typically invests between 50% and 70% of the Fund's assets in equity exchange traded funds, other equity mutual funds and equity securities, and between 30% and 50% of the Fund's assets in fixed income exchange traded funds, other

in securities that have exposure to debt instruments;

- for the equity portion of the portfolio:

- typically invests between 55% and 80% of the underlying Trust Fund's equity portfolio in securities that have exposure to Canadian equities;
- typically invests between 20% and 45% of the underlying Trust Fund's equity portfolio in securities that have exposure to foreign equities;
- may invest up to 100% of the underlying Trust Fund's equity portfolio in other mutual funds which may be managed by the Manager and/or exchange-traded funds which are managed by third parties, including the sub-advisor;
- typically seeks Canadian equity exposure by investing in units of Sun Life BlackRock Canadian Composite Equity Fund, which attempts to replicate the performance of a broad and recognized Canadian equity market index;

- seeks foreign equity exposure by investing in exchange-traded funds which have exposure to equity sectors that are under-represented on the Canadian index that Sun Life BlackRock Canadian Composite Equity Fund attempts to replicate;

- for the fixed income portion of the portfolio:

- typically invests between 55% and 80% of the underlying Trust Fund's fixed income portfolio in

fixed income mutual funds and fixed income securities;

- uses an asset allocation strategy to determine the balance between the portion of the Fund exposed to equities and the portion of the Fund exposed to fixed income;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- invests up to 100% of the Fund's assets in securities of exchange traded funds and/or other investment funds which may be managed by the Manager, its affiliates and/or other investment fund managers;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objectives; and
- may, in its sole discretion, change the Fund's allocation to each asset class and change the underlying funds in which the Fund invests from time to time in order to meet the investment objectives of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

securities that have exposure to Canadian debt instruments;

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

- typically invests between 20% and 45% of the underlying Trust Fund's fixed income portfolio in securities that have exposure to foreign debt instruments;
- may invest up to 100% of the underlying Trust Fund's fixed income portfolio in other mutual funds which may be managed by the Manager and/or exchange-traded funds which are managed by third parties, including the sub-advisor;
- seeks to achieve the underlying Trust Fund's Canadian debt instrument exposure by investing in units of Sun Life BlackRock Canadian Universe Bond Fund, which attempts to replicate the performance of a broad and recognized Canadian bond market index;
- seeks to achieve the underlying Trust Fund's foreign debt instrument exposure by investing in exchange-traded funds;
- monitors and periodically rebalances the underlying Trust Fund's portfolio according to strategic target allocations; and
- may change the strategic allocation of the underlying Trust Fund in order to meet the investment objective of the underlying Trust Fund.

The Fund and the underlying Trust Fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

If the underlying Trust Fund invests in exchange-traded funds which are not currency hedged, the underlying Trust Fund and, as a result, the Fund will have exposure to foreign currency fluctuations. The Fund and the underlying Trust Fund may or may not hedge some or all of this foreign currency exposure. To the extent the Fund or the underlying Trust Fund do seek to do so, the portfolio manager of the Fund and the portfolio manager of the underlying Trust Fund will be responsible for this portion of the investment strategy of the Fund and of the underlying Trust Fund, as the case may be.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund and the underlying Trust Fund may use derivatives to provide protection for the Fund's and the underlying Trust Fund's portfolio. The Fund and the underlying Trust Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities. The sub-advisor of the underlying Trust Fund does not currently intend to use derivatives.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

While both the Merging Fund and the Continuing Fund seek income and growth, the Continuing Fund has a small bias towards capital appreciation. In addition, while both the Merging Fund and Continuing Fund are exposed to equities and fixed income securities, the Merging Fund focuses on Canadian equity securities and Canadian debt instruments by investing in units of Sun Life BlackRock Canadian Balanced Fund (which is also merging into the Continuing Fund). The Continuing Fund has the ability to invest more globally. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund to be less than substantially similar to the fundamental investment objectives of the Continuing Fund.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)			MER of Series A
		A ⁽¹⁾	F ⁽²⁾	O	
Sun Life BlackRock Canadian Balanced Class	\$1,868	1.50% (0.10%)	0.50% (0.05%)	0.50% (0.05%)	1.92%
		C	FC	O	
Sun Life Tactical Balanced ETF Portfolio	\$61,106	1.50% (0.10%)	0.50% (0.05%)	0.50% (0.05%)	N/A ⁽³⁾

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ MER of new Series C of the Continuing Fund is not yet available as the Series will begin investing on June 5, 2020 and it has a lower fixed administration fee than the existing Series A of the Continuing Fund.

As a result of the merger, Series A, Series F, and Series O securities of the Merging Fund will merge into new Series C, Series FC, and Series O securities of the Continuing Fund, respectively. Series C, Series FC and Series O securities of the Continuing Fund will maintain Merging Fund securityholders' current management fees, fixed administration fees, and eligibility for the Private Client Program (as defined in the Merging Fund's simplified prospectus) of the respective Merging Fund series. Series C, Series FC and Series O securities of the Continuing Fund will be closed to new purchases.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund modestly underperformed the Merging Fund in 2019 while outperforming the Merging Fund in 2018.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life BlackRock Canadian Balanced Class	14.96	(5.65)	7.36	8.03	(2.34)
Sun Life Tactical Balanced ETF Portfolio	12.58	(2.00)	--	--	--

**Merger of Sun Life BlackRock Canadian Balanced Fund into
Sun Life Tactical Balanced ETF Portfolio**

(applicable to securityholders of Sun Life BlackRock Canadian Balanced Fund)

General

The Manager is seeking approval from securityholders of Sun Life BlackRock Canadian Balanced Fund (the Merging Fund) for the merger of this Fund into Sun Life Tactical Balanced ETF Portfolio (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Merging Fund will continue as is with the same investment objectives and strategies.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased portfolio diversification opportunities given the global nature of the Continuing Fund, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. With respect to the Merging Fund as at January 31, 2020, the number of taxable investors in a gain position is quite small relative to the number of tax-exempt investors of the Merging Fund, and the Manager has determined that the median gain for taxable investors in the Merging Fund is not significant when considered in connection with the median market value of a taxable investor’s account. The taxable status of investments in the Merging Fund as at January 31, 2020 is as follows:

Merging Fund	Tax-exempt Investors	Taxable Investors in loss position	Taxable Investors in a gain position
Sun Life BlackRock Canadian Balanced Fund	1,033	1	51

By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life BlackRock Canadian Balanced Fund (Merging Fund)</i>	<i>Sun Life Tactical Balanced ETF Portfolio (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund's investment objective is to seek a combination of income and growth by investing primarily in Canadian equity securities and Canadian debt instruments directly or indirectly through mutual funds and exchange-traded funds that invest in such securities.	The Fund's investment objective is to seek capital appreciation and income, with a small bias towards capital appreciation, by investing primarily in a mix of equity and fixed income exchange traded funds and other mutual funds.
<i>Investment Strategies</i>	<p>In pursuing the Fund's investment objective, the sub-advisor:</p> <ul style="list-style-type: none"> • uses a strategic asset allocation strategy to determine the balance between the portion of the Fund's portfolio exposed to equity securities and the portion exposed to debt instruments; • typically invests between 50% and 80% of the Fund's assets in securities that have exposure to equities and between 20% and 50% in securities that have exposure to debt instruments; • for the equity portion of the portfolio: <ul style="list-style-type: none"> • typically invests between 55% and 80% of the Fund's equity portfolio in securities that have exposure to Canadian equities; • typically invests between 20% and 45% of the Fund's equity portfolio in securities that have exposure to foreign equities; • may invest up to 100% of the Fund's equity portfolio in underlying mutual funds which may be managed by the Manager and/or exchange-traded funds which are managed by third 	<p>In pursuing the Fund's investment objective, the portfolio manager:</p> <ul style="list-style-type: none"> • invests primarily in a mix of equity and fixed income exchange traded funds and other mutual funds; • typically selects equity exchange traded funds and other mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities; • typically selects fixed income exchange traded funds and other mutual funds with exposure to Canadian debt instruments and global debt instruments; • may also invest directly in equity and/or fixed income securities; • may invest up to 100% of the Fund's assets in foreign securities; • typically invests between 50% and 70% of the Fund's assets in equity exchange traded funds, other equity mutual funds and equity securities, and between 30% and 50% of the Fund's assets in fixed income exchange traded funds, other fixed income mutual funds and fixed income securities;

- parties, including the sub-advisor;
- typically seeks Canadian equity exposure by investing in units of Sun Life BlackRock Canadian Composite Equity Fund, which attempts to replicate the performance of a broad and recognized Canadian equity market index;
- seeks foreign equity exposure by investing in exchange-traded funds which have exposure to equity sectors that are under-represented on the Canadian index that Sun Life BlackRock Canadian Composite Equity Fund attempts to replicate;
- for the fixed income portion of the portfolio:
 - typically invests between 55% and 80% of the Fund's fixed income portfolio in securities that have exposure to Canadian debt instruments;
 - typically invests between 20% and 45% of the Fund's fixed income portfolio in securities that have exposure to foreign debt instruments;
 - may invest up to 100% of the Fund's fixed income portfolio in underlying mutual funds which may be managed by the Manager and/or exchange traded funds which are managed by third parties, including the sub-advisor;
 - seeks to achieve the Fund's Canadian debt instrument exposure by investing in units of Sun Life BlackRock Canadian Universe Bond Fund, which
 - uses an asset allocation strategy to determine the balance between the portion of the Fund exposed to equities and the portion of the Fund exposed to fixed income;
 - may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
 - invests up to 100% of the Fund's assets in securities of exchange traded funds and/or other investment funds which may be managed by the Manager, its affiliates and/or other investment fund managers;
 - monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objectives; and
 - may, in its sole discretion, change the Fund's allocation to each asset class and change the underlying funds in which the Fund invests from time to time in order to meet the investment objectives of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

attempts to replicate the performance of a broad and recognized Canadian bond market index;

- seeks to achieve the Fund's foreign debt instrument exposure by investing in exchange-traded funds;
- monitors and periodically rebalances the Fund's portfolio according to strategic target allocations; and
- may change the strategic allocation of the Fund in order to meet the investment objective of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

If the Fund invests in exchange-traded funds which are not currency hedged, the Fund will have exposure to foreign currency fluctuations. The Fund may or may not hedge some or all of this foreign currency exposure. To the extent it does seek to do so, the portfolio manager will be responsible for this portion of the Fund's investment strategy.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund may use derivatives to hedge against potential loss. The Fund may also use derivatives for other hedging and non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, to generate income, or to provide protection for the Fund's portfolio. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities. The sub-advisor does not currently intend to use derivatives.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a Fund's portfolio turnover rate is in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

While both the Merging Fund and the Continuing Fund seek income and growth, the Continuing Fund has a small bias towards capital appreciation. In addition, while both the Merging Fund and Continuing Fund are exposed to equities and fixed income securities, the Merging Fund focuses on Canadian equity securities and Canadian debt instruments. The Continuing Fund has the ability to invest more globally. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund to be less than substantially similar to the fundamental investment objectives of the Continuing Fund.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I ⁽³⁾	O	
Sun Life BlackRock Canadian Balanced Fund	\$46,009	1.50% (0.10%)	0.50% (0.05%)	≤1.50% ⁽³⁾ (0.05%)	0.50% (0.05%)	1.91%
		C	FC	I	O	
Sun Life Tactical Balanced ETF Portfolio	\$61,106	1.50% (0.10%)	0.50% (0.05%)	≤1.50% ⁽³⁾ (0.03%)	0.50% (0.05%)	N/A ⁽⁴⁾

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

⁽⁴⁾ MER of new Series C of the Continuing Fund is not yet available as the Series will begin investing on June 5, 2020 and it has a lower fixed administration fee than the existing Series A of the Continuing Fund.

As a result of the merger, Series I securities of the Merging Fund will merge into Series I securities of the Continuing Fund and will benefit from lower administration fees. Series A, Series F, and Series O securities of the Merging Fund will merge into new Series C, Series FC, and Series O securities of the Continuing Fund, respectively. Series C, Series FC and Series O securities of the Continuing Fund will maintain Merging Fund securityholders' current management fees, fixed administration fees, and eligibility for the Private Client Program of the respective Merging Fund series. Series C, Series FC and Series O securities of the Continuing Fund will be closed to new purchases.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund modestly underperformed the Merging Fund in 2019 while outperforming the Merging Fund in 2018.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life BlackRock Canadian Balanced Fund	15.00	(5.66)	7.39	8.02	(2.38)
Sun Life Tactical Balanced ETF Portfolio	12.58	(2.00)	--	--	--

**Merger of Sun Life BlackRock Canadian Composite Equity Class into
Sun Life BlackRock Canadian Equity Fund**

(applicable to securityholders of Sun Life BlackRock Canadian Composite Equity Class)

General

The Manager is seeking approval from securityholders of Sun Life BlackRock Canadian Composite Equity Class (the Merging Fund) for the merger of this Fund into Sun Life BlackRock Canadian Equity Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased portfolio diversification opportunities given the more flexible and global investment mandate of the Continuing Fund, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life BlackRock Canadian Composite Equity Class (Merging Fund)</i>	<i>Sun Life BlackRock Canadian Equity Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund’s investment objective is to seek long-term capital appreciation through exposure to primarily equity	The Fund’s investment objective is to seek capital appreciation by investing primarily in Canadian equity securities directly or

securities included in a broad and recognized Canadian equity market index that includes primarily large and mid-market capitalization companies the securities of which are considered to be the most liquid in Canadian equity markets by investing primarily in units of Sun Life BlackRock Canadian Composite Equity Fund or its successor fund (the “**underlying Trust Fund**”).

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

Investment Strategies

The portfolio manager currently intends to achieve the Fund’s investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by Sun Life Global Investments (Canada) Inc. and sub-advised by BlackRock Asset Management Canada Limited (the “**sub-advisor**”). The underlying Trust Fund’s investment objective is to seek long-term capital appreciation by replicating, to the extent possible, the performance, net of fees, of a broad and recognized Canadian equity market index (the “**Index**”). The underlying Trust Fund seeks to achieve these investment objectives by investing directly in equity securities included in the Index and/or may achieve exposure to some or all of the Index by investing in exchange-traded funds, mutual funds or derivatives that are correlated to the performance of the Index.

In pursuing the underlying Trust Fund’s investment objectives, the sub-advisor:

- seeks to invest in securities whose performance will replicate, to the extent possible, the performance of the Index (which is currently the

indirectly through mutual funds and exchange-traded funds that invest in such securities.

In pursuing the Fund’s investment objective, the sub-advisor:

- typically invests between 55% and 80% of the Fund’s assets in securities that have exposure to Canadian equities;
- typically invests between 20% and 45% of the Fund’s assets in securities that have exposure to foreign equities;
- uses a strategic asset allocation strategy to determine the balance between the portion of the Fund’s portfolio exposed to Canadian equities and the portion exposed to foreign equities;
- may invest up to 100% of the Fund’s assets in underlying mutual funds which may be managed by the Manager and/or exchange traded funds which are managed by third parties, including the sub-advisor;
- typically seeks Canadian equity exposure by investing in units of Sun Life BlackRock Canadian Composite Equity Fund, which attempts to replicate the performance of a broad and recognized Canadian equity market index;

S&P/TSX Capped Composite Index), net of fees;

- follows a passive investment strategy by investing directly in securities that comprise the Index in the same proportions as the Index, where possible;
- in the alternative, may invest in derivatives in order to gain exposure to the performance of the Index and/or may invest in exchange-traded funds that are index participation units (or are otherwise permitted investments for the underlying Trust Fund) that track the performance of some or all of the Index;
- may invest up to 100% of the underlying Trust Fund's assets in exchange-traded funds that are selected on the basis of their ability to track the performance of the Index; and
- rebalances the underlying Trust Fund on a quarterly basis based on changes to the underlying Index, or more frequently if warranted by market conditions.

The underlying Trust Fund will restrict its investment in securities of any one issuer to no more than 10% of the net asset value of the underlying Trust Fund, other than government securities and securities of exchange-traded funds that track the performance of the Index. In addition, the underlying Trust Fund will not invest more than 10% of its net asset value in mutual fund securities, other than those that are "index participation units" under applicable securities legislation.

The Fund and the underlying Trust Fund may hold a portion of its assets in cash and/or money market instruments in order to meet subscription or redemption requests.

- seeks foreign equity exposure by investing in exchange-traded funds which have exposure to equity sectors that are under-represented on the Canadian index that Sun Life BlackRock Canadian Composite Equity Fund attempts to replicate;
- monitors and periodically rebalances the Fund's portfolio according to strategic target allocations; and
- may change the strategic allocation of the Fund in order to meet the investment objective of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

If the Fund invests in exchange-traded funds which are not currency hedged, the Fund will have exposure to foreign currency fluctuations. The Fund may or may not hedge some or all of this foreign currency exposure.

To the extent it does seek to do so, the portfolio manager will be responsible for this portion of the Fund's investment strategy.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund may use derivatives to hedge against potential loss.

The Fund may also use derivatives for other hedging and non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, to generate income, or to provide protection for the Fund's portfolio. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities. The sub-advisor does not currently intend to use derivatives.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund and the underlying Trust Fund may use derivatives for non-hedging purposes, such as to gain exposure to the Index or to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

Both Funds seek to achieve capital appreciation. However, the Merging Fund is primarily exposed to the constituent securities of a broad and recognized Canadian equity market index that includes securities of large and mid-market capitalization companies. The Merging Fund does so by investing primarily in units of Sun Life BlackRock Canadian Composite Equity Fund. While the Continuing Fund also invests primarily in Canadian equity securities directly or indirectly, it has the ability to invest in a broader range of Canadian equity securities as well as, to a lesser extent, global exchange-traded funds. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund to be less than substantially similar to the fundamental investment objectives of the Continuing Fund.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I ⁽³⁾	O	
Sun Life BlackRock Canadian Composite Equity Class	\$16,034	1.00% (0.10%)	0.50% (0.05%)	≤1.00% ⁽³⁾ (0.05%)	0.50% (0.05%)	1.22%
		C	F	I	O	
Sun Life BlackRock Canadian Equity Fund	\$179,017	1.00% (0.10%)	0.50% (0.05%)	≤1.50% ⁽³⁾ (0.05%)	0.50% (0.05%)	N/A ⁽⁴⁾

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund. Merging Fund securityholders in Series I securities will be grandfathered at a management fee of 1.00%.

⁽⁴⁾ MER of new Series C of the Continuing Fund is not yet available as the Series will begin investing on June 5, 2020 and it has a lower management fee than the existing Series A of the Continuing Fund.

As a result of the merger, Series F, Series I and Series O securities of the Merging Fund will merge into Series F, Series I and Series O securities of the Continuing Fund, respectively. Series F, Series I and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees, including the capped management fee of 1.00% for Series I securities, which will be grandfathered for Merging Fund securityholders in Series I securities of the Continuing Fund. Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

Series A securities of the Merging Fund will merge into the new Series C securities of the Continuing Fund. Series C securities of the Continuing Fund will maintain Merging Fund securityholders' current management fees, fixed administration fees, and eligibility for the Private Client Program of the respective Merging Fund series. Series C securities of the Continuing Fund will be closed to new purchases.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund outperformed the Merging Fund in all periods with the exception of 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life BlackRock Canadian Composite Equity Class	21.14	(9.95)	7.64	19.69	(9.49)
Sun Life BlackRock Canadian Equity Fund	21.66	(8.09)	10.35	13.17	(3.55)

**Merger of Sun Life BlackRock Canadian Equity Class into
Sun Life BlackRock Canadian Equity Fund**

(applicable to securityholders of Sun Life BlackRock Canadian Equity Class)

General

The Manager is seeking approval from securityholders of Sun Life BlackRock Canadian Equity Class (the Merging Fund) for the merger of this Fund into Sun Life BlackRock Canadian Equity Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that each series of securities held by these Merging Corporate Fund in the Continuing Fund will be redeemed by the Manager and the value of those securities receivable by the Merging Corporate Fund will form part of the cash equivalents of the Merging Corporate Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life BlackRock Canadian Equity Class (Merging Fund)</i>	<i>Sun Life BlackRock Canadian Equity Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund’s investment objective is to seek capital appreciation through exposure to	The Fund’s investment objective is to seek capital appreciation by investing primarily in

primarily Canadian equity securities by investing primarily in units of Sun Life BlackRock Canadian Equity Fund or its successor fund (the “**underlying Trust Fund**”).

Canadian equity securities directly or indirectly through mutual funds and exchange-traded funds that invest in such securities.

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

Investment Strategies

The portfolio manager currently intends to achieve the Fund’s investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by Sun Life Global Investments (Canada) Inc. and sub-advised by BlackRock Asset Management Canada Limited (the “**sub-advisor**”). The underlying Trust Fund’s investment objective is to seek capital appreciation by investing primarily in Canadian equity securities directly or indirectly through mutual funds and exchange-traded funds that invest in such securities.

In pursuing the underlying Trust Fund’s investment objectives, the sub-advisor:

- typically invests between 55% and 80% of the underlying Trust Fund’s assets in securities that have exposure to Canadian equities;
- typically invests between 20% and 45% of the underlying Trust Fund’s assets in securities that have exposure to foreign equities;
- uses a strategic asset allocation strategy to determine the balance between the portion of the underlying Trust Fund’s portfolio exposed to Canadian equities and the portion exposed to foreign equities;

In pursuing the Fund’s investment objective, the sub-advisor:

- typically invests between 55% and 80% of the Fund’s assets in securities that have exposure to Canadian equities;
- typically invests between 20% and 45% of the Fund’s assets in securities that have exposure to foreign equities;
- uses a strategic asset allocation strategy to determine the balance between the portion of the Fund’s portfolio exposed to Canadian equities and the portion exposed to foreign equities;
- may invest up to 100% of the Fund’s assets in underlying mutual funds which may be managed by the Manager and/or exchange traded funds which are managed by third parties, including the sub-advisor;
- typically seeks Canadian equity exposure by investing in units of Sun Life BlackRock Canadian Composite Equity Fund, which attempts to replicate the performance of a broad and recognized Canadian equity market index;
- seeks foreign equity exposure by investing in exchange-traded funds which have exposure to equity sectors that are under-represented on the

- may invest up to 100% of the underlying Trust Fund's assets in other mutual funds which may be managed by the Manager and/or exchange-traded funds which are managed by third parties, including the sub-advisor;
- typically seeks Canadian equity exposure by investing in units of Sun Life BlackRock Canadian Composite Equity Fund, which attempts to replicate the performance of a broad and recognized Canadian equity market index;
- seeks foreign equity exposure by investing in exchange-traded funds which have exposure to equity sectors that are under-represented on the Canadian index that Sun Life BlackRock Canadian Composite Equity Fund attempts to replicate;
- monitors and periodically rebalances the underlying Trust Fund's portfolio according to strategic target allocations; and
- may change the strategic allocation of the underlying Trust Fund in order to meet the investment objective of the Fund.

The Fund and the underlying Trust Fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

If the underlying Trust Fund invests in exchange-traded funds which are not currency hedged, the underlying Trust Fund and, as a result, the Fund will have exposure to foreign currency fluctuations. The Fund and the underlying Trust Fund may or may not hedge some or all of this foreign currency exposure. To the extent the Fund or the underlying Trust Fund do seek to do so, the portfolio manager of the

Canadian index that Sun Life BlackRock Canadian Composite Equity Fund attempts to replicate;

- monitors and periodically rebalances the Fund's portfolio according to strategic target allocations; and
- may change the strategic allocation of the Fund in order to meet the investment objective of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

If the Fund invests in exchange-traded funds which are not currency hedged, the Fund will have exposure to foreign currency fluctuations. The Fund may or may not hedge some or all of this foreign currency exposure. To the extent it does seek to do so, the portfolio manager will be responsible for this portion of the Fund's investment strategy.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund may use derivatives to hedge against potential loss. The Fund may also use derivatives for other hedging and non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, to generate income, or to provide protection for the Fund's portfolio. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities. The sub-advisor does not currently intend to use derivatives.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

Fund and the portfolio manager of the underlying Trust Fund will be responsible for this portion of the investment strategy of the Fund and of the underlying Trust Fund, as the case may be.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund and the underlying Trust Fund may use derivatives to provide protection for the Fund's and the underlying Trust Fund's portfolio. The Fund and the underlying Trust Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities. The sub-advisor of the underlying Trust Fund does not currently intend to use derivatives.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

Both Funds seek capital appreciation through exposure to primarily Canadian equity securities. The Merging Fund does so by investing primarily in units of the Continuing Fund. Hence, investors from the Merging Fund will be exposed to the same type of Canadian equity securities when they become investors in the Continuing Fund, but in a more direct way. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Manage- ment (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)								MER of Series A
		A	AT5 / T5	AT8 / T8	F	FT5 / F5	FT8 / F8	I	O	
Sun Life BlackRock Canadian Equity Class	8,207	1.50% (0.10%)	AT5 ⁽¹⁾ : 1.50% (0.10%)	AT8 ⁽¹⁾ : 1.50% (0.10%)	0.50% (0.05%)	FT5 ⁽¹⁾ : 0.50% (0.05%)	FT8 ⁽¹⁾ : 0.50% (0.05%)	≤1.50% ⁽²⁾ (0.05%)	0.50% (0.05%)	1.97%
Sun Life BlackRock Canadian Equity Fund	\$179,017	1.50% (0.10%)	T5 ⁽¹⁾ : 1.50% (0.10%)	T8 ⁽¹⁾ : 1.50% (0.10%)	0.50% (0.05%)	F5 ⁽¹⁾ : 0.50% (0.05%)	F8 ⁽¹⁾ : 0.50% (0.05%)	≤1.50% ⁽²⁾ (0.05%)	0.50% (0.05%)	1.94%

⁽¹⁾ To appropriately reflect the intended series mergers for Sun Life BlackRock Canadian Equity Class into Sun Life BlackRock Canadian Equity Fund, fees disclosed in the columns for Series T5, Series T8, Series F5 and Series F8 are for Series AT5, Series AT8, Series FT5 and Series FT8, respectively.

⁽²⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series AT5, Series AT8, Series F, Series FT5, Series FT8, Series I, and Series O securities of the Merging Fund will merge into Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I, and Series O securities of the Continuing Fund, respectively. Securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series T5, Series T8, Series F, Series F5, Series F8, and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund and Merging Fund performance is relatively analogous given the Merging Fund invests directly into the Continuing Fund.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life BlackRock Canadian Equity Class	21.40	(8.16)	10.18	13.08	(3.59)
Sun Life BlackRock Canadian Equity Fund	21.66	(8.09)	10.35	13.17	(3.55)

Merger of Sun Life Dynamic American Fund into Sun Life MFS U.S. Growth Fund

(applicable to securityholders of Sun Life Dynamic American Fund)

General

The Manager is seeking approval from securityholders of Sun Life Dynamic American Fund (the Merging Fund) for the merger of this Fund into Sun Life MFS U.S. Growth Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including lower fees, increased portfolio diversification opportunities, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. With respect to the Merging Fund as at January 31, 2020, the number of taxable investors in a gain position is quite small relative to the number of tax-exempt investors of the Merging Fund, and the Manager has determined that the median gain for taxable investors in the Merging Fund is not significant when considered in connection with the median market value of a taxable investor’s account. The taxable status of investments in the Merging Fund as at January 31, 2020 is as follows:

Merging Fund	Tax-exempt Investors	Taxable Investors in loss position	Taxable Investors in a gain position
Sun Life Dynamic American Fund	365	9	13

By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Dynamic American Fund (Merging Fund)</i>	<i>Sun Life MFS U.S. Growth Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund's investment objective is to seek to achieve long-term capital appreciation primarily by investing directly in equity securities of United States-based businesses deemed to be undervalued relative to their perceived worth or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.	The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers located in the United States that are considered to have above average earnings growth potential compared to other companies.
<i>Investment Strategies</i>	<p>The sub-advisor currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in units of the Dynamic American Fund (the "underlying fund"), a mutual fund that is managed and advised by the sub-advisor.</p> <p>In pursuing the underlying fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • primarily invests in United States-based companies and may from time to time and to a lesser extent, invest in companies in other countries in the Americas; • using a value investment approach, invests in companies that represent good value-based on current stock price relative to the company's intrinsic value; • uses a bottom-up investment approach which emphasizes careful company-specific analysis; • uses techniques such as fundamental analysis to assess growth and value potential. This involves the evaluation of the financial condition and management of each company, its industry and the overall economy. As part of this analysis, the sub-advisor 	<p>In pursuing the Fund's investment objective, the sub-advisor:</p> <ul style="list-style-type: none"> • may invest in companies of any size; • may invest up to 20% of the Fund's assets in non-U.S. foreign securities; • uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and • may also consider quantitative models that systematically evaluate these and other factors. <p>The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.</p> <p>The Fund uses derivatives, such as forward contracts, to hedge its foreign currency exposure on the Fund's foreign dollar denominated portfolio investments allocated to Series AH, Series FH, Series IH and Series OH. While this strategy may not achieve a</p>

may conduct management interviews with companies, where possible, to determine the corporate strategy and business plan, as well as to evaluate management capability;

- may invest up to 100% of the underlying fund's assets in foreign securities; and
- may use warrants and derivatives such as options, forward contracts, futures contracts and swaps.

The portfolio manager will determine whether to invest the Fund's assets in the underlying fund or to invest the Fund's assets directly in securities similar to those held by the underlying fund based upon its view of which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund. Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

The Fund and the underlying fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The underlying fund may invest up to 10% of its net asset value in securities of other mutual funds (including mutual funds managed by the sub-advisor or an affiliate or associate of the sub-advisor) ("**investee funds**"). The proportions and types of investee funds held by the underlying fund will be selected with consideration for the investee funds' investment objectives and strategies, past performance and volatility, among other factors.

perfect hedge of the foreign currency exposure for Series AH, Series FH, Series IH and Series OH units, Series AH, Series FH, Series IH and Series OH units will generally have a rate of return that is based on the performance of the Fund's portfolio investments excluding the performance attributable to foreign currency fluctuations relative to the Canadian dollar. As a result of this strategy, the portfolio turnover rate of the Fund is expected to be higher. The increased trading costs are allocated to Series AH, Series FH, Series IH and Series OH and therefore may lower its returns.

The Fund may or may not hedge some or all of its foreign currency exposure on the foreign dollar denominated investments allocated to the other series of the Fund. The return on these series of units of the Fund will generally be based on both the performance of the Fund's portfolio investments and any performance attributable to foreign currency fluctuations relative to the Canadian dollar. The extent to which returns will be based on foreign currency fluctuations will depend on how much of the foreign currency exposure is hedged.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund may use derivatives to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund and the underlying fund may invest in precious metals when deemed appropriate by the portfolio sub-advisor. The Fund may invest in gold and silver when deemed appropriate by the sub-advisor. The Fund obtained exemptive relief from the Canadian securities regulatory authorities to permit it to invest in silver or permitted silver certificates. The Fund is permitted to invest up to 10% of its net asset value in gold (including Gold ETFs), permitted gold certificates, silver, permitted silver certificates and specified derivatives of which the underlying interest is gold or silver. In addition, the underlying fund is permitted to invest up to 5% of its net assets, taken at the market value thereof at the time of investment, in each of silver and platinum (or the equivalent in permitted silver certificates or permitted platinum certificates and specified derivatives of which the underlying interest is silver or platinum).

Each of the Fund and the underlying fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. Each of the Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund and the underlying fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to

purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund and the underlying fund will engage in short selling as a complement to the Fund's, or the underlying funds, as applicable, current primary discipline of buying securities with the expectation that they will appreciate in market value.

Both Funds seek capital appreciation by investing primarily in equity securities of issuers located in the United States. Though the Merging Fund has a focus on long-term growth, both the Merging Fund and the Continuing Fund seek to invest in United States-based businesses that are deemed to be undervalued and considered to have growth potential. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)								MER of Series A
		A	T5	T8	F	F5	F8	I	O	
Sun Life Dynamic American Fund	\$14,334	2.00% (0.20%)	2.00% (0.20%)	2.00% (0.20%)	1.00% (0.20%)	1.00% (0.20%)	1.00% (0.20%)	≤1.50% ⁽¹⁾ (0.05%)	1.00% (0.20%)	2.48%
Sun Life MFS U.S. Growth Fund	\$1,349,737	1.85% (0.20%)	1.85% (0.20%)	1.85% (0.20%)	0.85% (0.15%)	0.85% (0.15%)	0.85% (0.15%)	≤1.50% ⁽¹⁾ (0.05%)	0.85% (0.15%)	2.28%

⁽¹⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I, and Series O securities of the Merging Fund will merge into Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I, and Series O of the Continuing Fund, respectively. Series I securities of the Continuing Fund maintain the Merging Fund securityholders' current management fees and fixed administration fees. All other Merging Fund securityholders will benefit from reduced management fees for these series in the Continuing Fund, while maintaining eligibility for the Private Client Program of the

respective Merging Fund series. Series F, Series F5, Series F8 and Series O securityholders will further benefit from reduced fixed administration fees for these series in the Continuing Fund.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund outperformed the Merging Fund in all periods with the exception of 2018 and 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Dynamic American Fund	20.92	13.37	11.30	4.57	11.73
Sun Life MFS U.S. Growth Fund	28.62	9.41	20.02	(2.89)	25.11

Merger of Sun Life Dynamic Energy Fund into Sun Life Dynamic Equity Income Fund

(applicable to securityholders of Sun Life Dynamic Energy Fund)

General

The Manager is seeking approval from securityholders of Sun Life Dynamic Energy Fund (the Merging Fund) for the merger of this Fund into Sun Life Dynamic Equity Income Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including lower fees, increased portfolio diversification opportunities, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. All investors who hold their securities of Sun Life Dynamic Energy Fund are in a loss position. Triggering a loss can be beneficial to such investors because they can use the losses to offset any capital gains realized in the same year or any of the previous three years, and thus immediately reduce their tax liability. Under a tax-deferred merger, the realization of an investor’s capital losses would be deferred. The Manager is of the view that this deferral is detrimental to those investors because the loss would not be immediately available to the investor to offset current or prior capital gains. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Dynamic Energy Fund (Merging Fund)</i>	<i>Sun Life Dynamic Equity Income Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund's investment objective is to seek to achieve long-term capital appreciation by investing primarily in equity securities of North American companies involved in broadly defined energy-based or alternative energy activities across multiple components of the energy sector, including oil and gas, or by investing in mutual funds (including exchange-traded funds) that invest in such securities.	The Fund's investment objective is to seek to achieve income and long-term capital growth primarily by investing directly in equity securities that pay a dividend or distribution, or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.
<i>Investment Strategies</i>	<p>In pursuing the Fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • primarily invests in equity securities of North American companies involved in broadly defined energy-based or alternative energy activities and may invest in fixed income securities of North American companies involved in broadly defined energy-based activities; • typically invests in energy-based corporations and master limited partnerships (that may or may not pay a dividend or distribution) that focus their efforts on the exploration, development, production and/or sale of commodities such as fossil fuels including crude oil, natural gas and natural gas liquids (NGLs), basic chemicals, metals, minerals, alternative energy and their by-products as well as refining, energy utilities, midstream and pipelines and companies that provide field services to the energy industry; • may invest in the renewable and alternative energy sector; • uses techniques such as fundamental analysis to assess growth and value potential. This involves the evaluation of the financial condition and management of each company, its industry and the overall economy. As part of this analysis, the sub- 	<p>The sub-advisor currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in units of Dynamic Equity Income Fund (the "underlying fund"), a mutual fund that is managed and advised by the sub-advisor.</p> <p>In pursuing the underlying fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • seeks to invest primarily in a wide range of equity securities such as dividend or distribution paying equity securities and real estate investment trusts on a global basis, as well as in other types of equity and/or debt securities; • may invest up to 49% of the underlying fund's assets in foreign securities; • may use warrants and derivatives such as options, forward contracts, futures contracts and swaps; • generally follows an investment approach emphasizing a suitably diversified portfolio of different businesses that meet the underlying fund's objectives; and • may, in its sole discretion, eliminate investments when original attributes, including valuation parameters, are no longer attractive.

advisor may conduct management interviews with companies where possible, to determine the corporate strategy and business plan, as well as to evaluate management capability;

- may invest up to 100% of the Fund's assets in foreign securities;
- may use warrants and derivatives such as options, forward contracts, futures contracts and swaps;
- may, in its sole discretion, eliminate investments when original attributes, including valuation parameters, are no longer attractive; and
- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager, sub-advisor and/or an affiliate or associate of the Manager and/or sub-advisor and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest up to 80% of its net asset value at the time of purchase in standardized futures contracts with underlying interests in sweet crude oil or natural gas ("**Oil and Gas Contracts**") for hedging purposes and to invest in Oil and Gas Contracts for non-hedging purposes, provided the Fund's underlying market exposure to all physical commodities (including gold) do not exceed or represent more than 10% of the

The portfolio manager will determine whether to invest the Fund's assets in the underlying fund or to invest the Fund's assets directly in securities similar to those held by the underlying fund based upon its view of which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund. Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

The Fund and the underlying fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The underlying fund may invest up to 10% of its net asset value in securities of other mutual funds (including mutual funds managed by the sub-advisor or an affiliate or associate of the sub-advisor) ("**investee funds**"). The proportions and types of investee funds held by the underlying fund will be selected with consideration for the investee funds' investment objectives and strategies, past performance and volatility, among other factors.

The underlying fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest up to 25% of its net asset value in standardized futures contracts with underlying interests in sweet crude oil or natural gas ("**Oil and Gas Contracts**") in order to hedge the risks associated with its portfolio investments, in oil and gas securities, subject to certain conditions.

The Fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest up to 20% of its net

net asset value of the Fund at the time of purchase.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund may engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value.

The Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a Fund's portfolio turnover rate is in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

asset value in Oil and Gas Contracts in order to hedge the risks associated with its portfolio investments in oil and gas securities, subject to certain conditions. These conditions are described in detail in the Fund's Annual Information Form.

Because the Fund's exemptive relief permits only 20% of its net asset value to be invested in Oil and Gas Contracts compared to the underlying fund's limit of 25%, the Manager will monitor the Fund and (for as long as the Fund invests primarily in units of the underlying fund) the underlying fund and will work with the sub-advisor to ensure that the Fund adheres to the lower 20% limit where the Fund invests directly in such securities.

Each of the Fund and the underlying fund may invest in gold and silver when deemed appropriate by the sub-advisor. Each of the Fund and the underlying fund obtained exemptive relief from the Canadian securities regulatory authorities to permit it to invest in silver or permitted silver certificates. Each of the Fund and the underlying fund is permitted to invest up to 10% of its net asset value in gold (including Gold ETFs), permitted gold certificates, silver, permitted silver certificates and specified derivatives of which the underlying interest is gold or silver.

Each of the Fund and the underlying fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. Each of the Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying fund may enter into securities lending, repurchase and

reverse repurchase transactions to earn additional returns.

The Fund and the underlying fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. Each of the Fund and the underlying fund will engage in short selling as a complement to its current primary discipline of buying securities with the expectation that they will appreciate in market value.

While both the Merging Fund and the Continuing Fund seek to achieve capital appreciation by investing primarily in equity securities, the Merging Fund focuses on equity securities of North American companies in the energy sector, including oil, gas and alternative energy. The Continuing Fund does not specifically invest in energy-based securities, but concentrates on equity securities that pay a dividend or distribution. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund to be less than substantially similar to the fundamental investment objectives of the Continuing Fund.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I	O	
Sun Life Dynamic Energy Fund	\$2,919	1.85% (0.20%)	0.85% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.85% (0.15%)	2.25%
Sun Life Dynamic Equity Income Fund	\$133,954	1.75% (0.15%)	0.75% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.75% (0.15%)	2.15%

⁽¹⁾ Series T5 and Series T8 of the Merging Fund were redesignated as Series A on January 31, 2020.

⁽²⁾ Series F5 and Series F8 of the Merging Fund were redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, Series I, and Series O securities of the Merging Fund will merge into Series A, Series F, Series I, and Series O securities of the Continuing Fund, respectively. Series I securities of the Continuing Fund maintain the Merging Fund securityholders' current management fees and fixed administration fees. All other Merging Fund securityholders will benefit from reduced management fees, and Series A securityholders will benefit from reduced fixed administration fees for these series in the Continuing Fund. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund outperformed the Merging Fund in all periods with the exception of 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Dynamic Energy Fund	2.85	(20.13)	(14.68)	29.75	(12.75)
Sun Life Dynamic Equity Income Fund	20.61	(4.94)	11.40	13.85	1.44

Merger of Sun Life Dynamic Equity Income Class into Sun Life Dynamic Equity Income Fund

(applicable to securityholders of Sun Life Dynamic Equity Income Class)

General

The Manager is seeking approval from securityholders of Sun Life Dynamic Equity Income Class (the Merging Fund) for the merger of this Fund into Sun Life Dynamic Equity Income Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that each series of securities held by the Merging Corporate Fund in the Continuing Fund will be redeemed by the Manager and the value of those securities receivable by the Merging Corporate Fund will form part of the cash equivalents of the Merging Corporate Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Dynamic Equity Income Class (Merging Fund)</i>	<i>Sun Life Dynamic Equity Income Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund’s investment objective is to seek to achieve income and long-term capital growth through exposure to primarily equity securities that pay a dividend or	The Fund’s investment objective is to seek to achieve income and long-term capital growth primarily by investing directly in equity securities that pay a dividend or

distribution by investing primarily in units of Sun Life Dynamic Equity Income Fund or its successor fund (the “**underlying Trust Fund**”).

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

Investment Strategies

The portfolio manager currently intends to achieve the Fund’s investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by Sun Life Global Investments (Canada) Inc. and sub-advised by 1832 Asset Management L.P. (manager of the Dynamic Funds) (the “**sub-advisor**”). The underlying Trust Fund’s investment objective is to seek to achieve income and long-term capital growth primarily by investing directly in equity securities that pay a dividend or distribution, or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The sub-advisor of the underlying Trust Fund currently intends to achieve the underlying Trust Fund’s investment objectives by investing all, or substantially all, of the assets of the underlying Trust Fund in Dynamic Equity Income Fund (the “**underlying fund**”), a mutual fund that is managed and advised by 1832 Asset Management L.P. The underlying fund’s investment objective is to seek to achieve high income and long-term growth of capital by investing primarily in equity securities that pay a dividend or distribution.

In pursuing the underlying fund’s investment objectives, the sub-advisor of the underlying fund:

distribution, or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The sub-advisor currently intends to achieve the Fund’s investment objectives by investing all, or substantially all, of the assets of the Fund in units of Dynamic Equity Income Fund (the “**underlying fund**”), a mutual fund that is managed and advised by the sub-advisor.

In pursuing the underlying fund’s investment objectives, the sub-advisor:

- seeks to invest primarily in a wide range of equity securities such as dividend or distribution paying equity securities and real estate investment trusts on a global basis, as well as in other types of equity and/or debt securities;
- may invest up to 49% of the underlying fund’s assets in foreign securities;
- may use warrants and derivatives such as options, forward contracts, futures contracts and swaps;
- generally follows an investment approach emphasizing a suitably diversified portfolio of different businesses that meet the underlying fund’s objectives; and
- may, in its sole discretion, eliminate investments when original attributes, including valuation parameters, are no longer attractive.

- seeks to invest primarily in a wide range of equity securities such as dividend or distribution paying equity securities and real estate investment trusts on a global basis, as well as in other types of equity and/or debt securities;
- may invest up to 49% of the underlying fund's assets in foreign securities;
- generally follows an investment approach emphasizing a suitably diversified portfolio of different businesses that meet the underlying fund's objectives;
- may use warrants and derivatives such as options, forward contracts, futures contracts and swaps; and
- may, in its sole discretion, eliminate investments when original attributes, including valuation parameters, are no longer attractive.

The underlying fund may invest up to 10% of its net asset value in securities of other mutual funds (including mutual funds managed by the sub-advisor or an affiliate or associate of the sub-advisor). The proportions and types of such other mutual funds held by the underlying fund will be selected with consideration for such other mutual funds' investment objectives and strategies, past performance and volatility, among other factors.

The underlying fund obtained exemptive relief from the Canadian securities regulatory authorities to invest up to 25% of its net asset value in standardized futures contracts with underlying interests in sweet crude oil or natural gas in order to hedge the risks associated with its portfolio investments, in oil and gas securities, subject to certain conditions.

The underlying fund may invest in gold and silver when deemed appropriate by the sub-advisor. The underlying fund

The portfolio manager will determine whether to invest the Fund's assets in the underlying fund or to invest the Fund's assets directly in securities similar to those held by the underlying fund based upon its view of which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund. Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

The Fund and the underlying fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The underlying fund may invest up to 10% of its net asset value in securities of other mutual funds (including mutual funds managed by the sub-advisor or an affiliate or associate of the sub-advisor) ("**investee funds**"). The proportions and types of investee funds held by the underlying fund will be selected with consideration for the investee funds' investment objectives and strategies, past performance and volatility, among other factors.

The underlying fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest up to 25% of its net asset value in standardized futures contracts with underlying interests in sweet crude oil or natural gas ("**Oil and Gas Contracts**") in order to hedge the risks associated with its portfolio investments, in oil and gas securities, subject to certain conditions.

The Fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest up to 20% of its net

obtained exemptive relief from the Canadian securities regulatory authorities to permit it to invest in silver or permitted silver certificates. The underlying 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.

The underlying fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The underlying fund will engage in short selling as a complement to its current primary discipline of buying securities with the expectation that they will appreciate in market value.

The Fund, the underlying Trust Fund and the underlying fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

Each of the Fund, the underlying Trust Fund and the underlying fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's, the underlying Trust Fund's and the underlying fund's portfolio. Each of the Fund, the underlying Trust Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or

asset value in Oil and Gas Contracts in order to hedge the risks associated with its portfolio investments in oil and gas securities, subject to certain conditions. These conditions are described in detail in the Fund's Annual Information Form. Because the Fund's exemptive relief permits only 20% of its net asset value to be invested in Oil and Gas Contracts compared to the underlying fund's limit of 25%, the Manager will monitor the Fund and (for as long as the Fund invests primarily in units of the underlying fund) the underlying fund and will work with the sub-advisor to ensure that the Fund adheres to the lower 20% limit where the Fund invests directly in such securities.

Each of the Fund and the underlying fund may invest in gold and silver when deemed appropriate by the sub-advisor. Each of the Fund and the underlying fund obtained exemptive relief from the Canadian securities regulatory authorities to permit it to invest in silver or permitted silver certificates. Each of the Fund and the underlying fund is permitted to invest up to 10% of its net asset value in gold (including Gold ETFs), permitted gold certificates, silver, permitted silver certificates and specified derivatives of which the underlying interest is gold or silver.

Each of the Fund and the underlying fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. Each of the Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns..

asset classes, or to generate income. The Fund, the underlying Trust Fund and the underlying fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund, the underlying Trust Fund and the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund and the underlying fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. Each of the Fund and the underlying fund will engage in short selling as a complement to its current primary discipline of buying securities with the expectation that they will appreciate in market value.

Both Funds seek to achieve income and long-term capital growth primarily through exposure to equity securities that pay a dividend or distribution. The Merging Fund does so by investing primarily in units of the Continuing Fund. Hence, investors from the Merging Fund will be exposed to the same type of equity securities when they become investors in the Continuing Fund, but in a more direct way. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I	O	
Sun Life Dynamic Equity Income Class	\$46,896	1.75% (0.15%)	0.75% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.75% (0.15%)	2.22%
Sun Life Dynamic Equity Income Fund	\$133,954	1.75% (0.15%)	0.75% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.75% (0.15%)	2.15%

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, Series I, and Series O securities of the Merging Fund will merge into Series A, Series F, Series I, and Series O securities of the Continuing Fund, respectively. Securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund and Merging Fund performance is relatively analogous given the Merging Fund invests directly into the Continuing Fund.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Dynamic Equity Income Class	20.47	(4.95)	10.76	13.87	1.39
Sun Life Dynamic Equity Income Fund	20.61	(4.94)	11.40	13.85	1.44

Merger of Sun Life Dynamic Strategic Yield Class into Sun Life Dynamic Strategic Yield Fund

(applicable to securityholders of Sun Life Dynamic Strategic Yield Class)

General

The Manager is seeking approval from securityholders of Sun Life Dynamic Strategic Yield Class (the Merging Fund) for the merger of this Fund into Sun Life Dynamic Strategic Yield Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that each series of securities held by the Merging Corporate Fund in the Continuing Fund will be redeemed by the Manager and the value of those securities receivable by the Merging Corporate Fund will form part of the cash equivalents of the Merging Corporate Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Dynamic Strategic Yield Class (Merging Fund)</i>	<i>Sun Life Dynamic Strategic Yield Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund’s investment objective is to seek to achieve income and long-term capital growth through exposure to primarily a diversified portfolio of fixed income and	The Fund’s investment objective is to seek to achieve income and long-term capital growth primarily by investing directly in a diversified portfolio of fixed income and income-

income-oriented equity securities by investing primarily in units of Sun Life Dynamic Strategic Yield Fund or its successor fund (the “**underlying Trust Fund**”).

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

Investment Strategies

The portfolio manager currently intends to achieve the Fund’s investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by Sun Life Global Investments (Canada) Inc. and sub-advised by 1832 Asset Management L.P. (manager of the Dynamic Funds) (the “**sub-advisor**”). The underlying Trust Fund’s investment objective is to seek to achieve income and long-term capital growth primarily by investing directly in a diversified portfolio of fixed income and income-oriented equity securities, or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The sub-advisor of the underlying Trust Fund seeks to achieve the underlying Trust Fund’s investment objectives by investing all, or substantially all, of the assets of the underlying Trust Fund directly in a diversified portfolio of fixed income and income-oriented equity securities.

In pursuing the underlying Trust Fund’s investment objectives, the sub-advisor:

- seeks to take a flexible approach to investing primarily in debt and income-oriented equity securities with no restrictions on market

oriented equity securities, or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

In pursuing the Fund’s investment objectives, the sub-advisor:

- seeks to take a flexible approach to investing primarily in debt and income-oriented equity securities with no restrictions on market capitalization, industry sector or geographic mix. The sub-advisor can invest in these securities either directly or indirectly through investment in underlying funds;
- allocates portfolio assets depending on economic and market conditions;
- in respect of fixed income securities:
 - will invest in investment grade debt instruments but may also invest in non-investment grade or unrated debt instruments;
 - may invest in convertible bonds, high-yield debt and government bonds;
 - may invest in mortgage-backed securities; and
 - assesses the condition of credit markets, the yield curve, as well as the outlook on monetary conditions;
- in respect of equity securities:
 - will invest in dividend or income paying securities including preferred

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| <p>capitalization, industry sector or geographic mix;</p> <ul style="list-style-type: none"> • allocates portfolio assets depending on economic and market conditions; • in respect of debt instruments: <ul style="list-style-type: none"> • will primarily invest in investment grade debt instruments but may also invest in noninvestment grade or unrated debt instruments; • may invest in convertible bonds, high-yield debt and government bonds; • may invest in mortgage-backed securities; • assesses the condition of credit markets, the yield curve, as well as the outlook on monetary conditions; • in respect of equity securities: <ul style="list-style-type: none"> • will primarily invest in dividend or income paying securities including preferred shares and convertible preferred shares, investment trust units and other equity securities with free cash flow, and real estate investment trusts on a global basis; • may invest in closed-end funds trading at a discount to their net asset values; • analyzes the financial and managerial prospects for a particular company and its relevant sector; • conducts management interviews with companies to determine the corporate strategy and business | <p>shares and convertible preferred shares, investment trust units and other equity securities with free cash flow, and real estate investment trusts on a global basis;</p> <ul style="list-style-type: none"> • may invest in closed-end funds trading at a discount to their net asset values; • analyzes the financial and managerial prospects for a particular company and its relevant sector; and • conducts management interviews with companies to determine the corporate strategy and business plan, as well as to evaluate management capabilities; • may invest up to 100% of the Fund's assets in foreign securities; • may use derivatives to hedge against interest rate risk, credit risk and currency fluctuations; • may generate additional income through covered call writing and other derivative strategies; • may invest in private placements in equity and/or debt securities of public or private companies; and • may invest up to 100% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager or sub-advisor and/or an affiliate of the Manager or sub-advisor and, in selecting these underlying funds, uses the same criteria as it uses for selecting the individual securities as described above. <p>The portfolio manager will determine whether to invest the Fund's assets in the underlying fund or to invest the Fund's assets directly in securities similar to those held by the underlying fund based upon its view of</p> |
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plan, as well as to evaluate management capabilities;

- may invest up to 100% of the underlying Trust Fund's assets in foreign securities;
- may use derivatives to hedge against interest rate risk, credit risk and currency fluctuations;
- may generate additional income through covered call writing and other derivative strategies;
- may invest in private placements in equity and/or debt securities of public or private companies; and
- may invest up to 100% of the underlying Trust Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager or sub-advisor and/or an affiliate of the Manager or sub-advisor.

The underlying Trust Fund may invest in gold and silver when deemed appropriate by the sub-advisor. The underlying Trust 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.

The underlying Trust Fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The

which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund. Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may invest in gold and silver when deemed appropriate by the sub-advisor. The Fund obtained exemptive relief from the Canadian securities regulatory authorities to permit it to invest in silver or permitted silver certificates. The Fund is permitted to invest up to 10% of its net asset value in gold (including Gold ETFs), permitted gold certificates, silver, permitted silver certificates and specified derivatives of which the underlying interest is gold or silver.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described

underlying Trust Fund will engage in short selling as a complement to its current primary discipline of buying securities with the expectation that they will appreciate in market value.

The Fund and the underlying Trust Fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

Each of the Fund and the underlying Trust Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's, the underlying Trust Fund's and the underlying fund's portfolio. Each of the Fund, the underlying Trust Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund, the underlying Trust Fund and the underlying fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund will engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value.

The Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a Fund's portfolio turnover rate is in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

Both Funds seek to achieve income and long-term capital growth through exposure to primarily a diversified portfolio of fixed income and income-oriented equity securities. The Merging Fund does so by investing primarily in units of the Continuing Fund. Hence, investors from the Merging Fund will be exposed to the same type of fixed income and equity securities when they become investors in the Continuing Fund, but in a more direct way. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I	O	
Sun Life Dynamic Strategic Yield Class	\$29,936	1.85% (0.20%)	0.85% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.85% (0.15%)	2.33%
Sun Life Dynamic Strategic Yield Fund	\$170,954	1.85% (0.20%)	0.85% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.85% (0.15%)	2.330%

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, Series I, and Series O securities of the Merging Fund will merge into Series A, Series F, Series I, and Series O securities of the Continuing Fund, respectively. Securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund and Merging Fund performance is relatively analogous given the Merging Fund invests directly into the Continuing Fund.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Dynamic Strategic Yield Class	11.08	(3.20)	6.01	1.39	4.72
Sun Life Dynamic Strategic Yield Fund	11.53	(2.82)	6.11	1.52	4.79

Merger of Sun Life Excel China Fund into Sun Life Excel Emerging Markets Fund
(applicable to securityholders of Sun Life Excel China Fund)

General

The Manager is seeking approval from securityholders of Sun Life Excel China Fund (the Merging Fund) for the merger of this Fund into Sun Life Excel Emerging Markets Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Merging Fund will continue as is with the same investment objectives and strategies.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including lower fees, increased portfolio diversification opportunities, given a more flexible mandate and broader investment universe of the Continuing Fund, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that some or all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. As at March 31, 2020, Sun Life Excel Emerging Markets Fund had capital loss carryforwards of \$3,262,765.70 that would be lost if the Merger was completed on a tax-deferred basis under the Tax Act. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Excel China Fund (Merging Fund)</i>	<i>Sun Life Excel Emerging Markets Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund’s investment objective is to seek long-term superior growth of capital by investing in equity securities of companies located in China, Hong Kong,	The Fund’s investment objective is to seek capital appreciation by investing primarily in equity securities of companies with a connection to emerging markets.

Taiwan and other Far East countries. The Fund may also invest in Canadian equity securities which focus on companies doing business in the China region, debt securities of Canadian issuers, derivatives (futures, options and forward contracts) and cash or cash equivalents.

As an alternative to direct investments, the Fund may invest in index futures in order to gain exposure to equity securities based in these countries. The Fund may also invest in companies in other parts of the world that are currently participating or intending to participate in the economic development and opportunities in China.

Investment Strategies

In pursuing the Fund's investment objective, the sub-advisor:

- invests a majority of the Fund's assets in equity securities of companies in China, Hong Kong and Taiwan, and, from time to time, other parts of Asia. The Fund may invest in other companies outside this region that are engaged in the economic development and opportunities in China;
- may invest in Canadian equity securities which focus on companies doing business in the China region;
- looks for companies that it believes have one or more of the following factors: excellent management, sustainable competitive advantages, high profit margins, positive cash flows, and high return on equity;
- may employ a wide range of fundamental analysis including growth factors, risk factors, value factors and market factors to seek to identify what it believes are superior companies;
- may invest in American or global depository receipts, euro bonds, euro

In pursuing the Fund's investment objective, the sub-advisor:

- generally invests in equity securities of companies with a connection to countries other than those classified as "Developed" by MSCI Inc.;
- may invest in issuers of any size;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest in companies that are not domiciled in emerging markets but derive a significant portion of their revenues or profits from, or hold a significant portion of their assets in, an emerging market country;
- may invest up to 10% of the net asset value of the Fund in Schroder International Selection Fund Frontier Markets Equity, which is managed by Schroder Investment Management (Luxembourg) S.A. (an affiliate of the sub-advisor) and organized under the laws of Luxembourg as a Société d'Investissement à Capital Variable, an open-end investment company, in order

convertible bonds or other securities issued by China issuers in the international capital markets and debt securities of foreign issuers; and

- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager, sub-advisor and/or an affiliate or associate of the Manager and/or sub-advisor and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

to obtain exposure to equity securities in certain frontier markets, which are countries included in the MSCI Frontier Markets Index or any other recognized Frontier Markets financial index;

- uses a combination of quantitative and fundamental models, seeking to add value from country decisions and stock selection;
- may invest in fixed income securities of governments and companies in emerging markets;
- may invest in depository receipts of companies domiciled in emerging markets or which derive a significant portion of their revenues or profits from, or hold a significant portion of their assets in, emerging markets and in equity-linked derivatives the underlying interest of which is tied to one or more of such companies; and
- may invest up to 20% of the Fund's portfolio in other investment funds, including exchange-traded funds, to opportunistically gain exposure to markets or segments of the market which are related to emerging markets.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

Both Funds seek capital appreciation, but the Merging Fund focuses on long-term superior growth. While both the Merging Fund and the Continuing Fund invest in equity securities, the Merging Fund invests in companies located in China, Hong Kong, Taiwan and other Far East countries, as well as Canadian companies doing business in the China region. The Continuing Fund, on the other hand, invests primarily in equity securities of companies with a connection to emerging markets, not specifically the China or Far East region. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund to be less than substantially similar to the fundamental investment objectives of the Continuing Fund.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)			MER of Series A
		A	F	I	
Sun Life Excel China Fund	\$21,271	2.50% (0.25%)	1.50% (0.20%)	≤1.50% ⁽¹⁾ (0.05%)	3.05%
Sun Life Excel Emerging Markets Fund	\$774,097	2.15% (0.25%)	1.15% (0.20%)	≤1.50% ⁽¹⁾ (0.05%)	2.56%

⁽¹⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, and Series I securities of the Merging Fund will merge into Series A, Series F, and Series I securities of the Continuing Fund, respectively. Series A and Series F Merging Fund securityholders will benefit from lowered management fees for these series in the Continuing Fund. Series I securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A and Series F securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund has outperformed the Merging Fund in all periods with the exception of 2017 and 2015.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Excel China Fund	8.92	(12.41)	35.14	0.31	12.24
Sun Life Excel Emerging Markets Fund	14.02	(9.07)	29.24	4.58	2.13

**Merger of Sun Life Excel Emerging Markets Balanced Fund
into Sun Life MFS Global Total Return Fund**

(applicable to securityholders of Sun Life Excel Emerging Markets Balanced Fund)

General

The Manager is seeking approval from securityholders of Sun Life Excel Emerging Markets Balanced Fund (the Merging Fund) for the merger of this Fund into Sun Life MFS Global Total Return Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including lower fees, increased portfolio diversification opportunities, exposure to both developed and developing markets, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. With respect to the Merging Fund as at January 31, 2020, the number of taxable investors in a gain position is quite small relative to the number of tax-exempt investors of the Merging Fund, and the Manager has determined that the median gain for taxable investors in the Merging Fund is not significant when considered in connection with the median market value of a taxable investor’s account. The taxable status of investments in the Merging Fund as at January 31, 2020 is as follows:

Merging Fund	Tax-exempt Investors	Taxable Investors in loss position	Taxable Investors in a gain position
Sun Life Excel Emerging Markets Balanced Fund	1,051	113	115

By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Excel Emerging Markets Balanced Fund (Merging Fund)</i>	<i>Sun Life MFS Global Total Return Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund's investment objective is to provide current income and long-term capital appreciation by investing primarily in a diversified mix of equity and income mutual funds which are predominantly emerging markets in nature.	The Fund's investment objective is to seek total return by investing primarily in a mix of equity securities and debt instruments of issuers located anywhere in the world.
<i>Investment Strategies</i>	<p>In pursuing the Fund's investment objective, the portfolio manager:</p> <ul style="list-style-type: none"> • may invest up to 100% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager, and/or an affiliate or associate of the Manager, which collectively provide exposure to a mix of equity and income securities; • in respect of the Fund's equity exposure: <ul style="list-style-type: none"> • will invest primarily in one or more mutual funds which provide exposure to global companies that are well established, are financially sound and can provide reliable growth – these global companies derive the bulk of their revenue from emerging markets; • may invest in one or more mutual funds which invest directly or indirectly in securities of companies located in 	<p>In pursuing the Fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • normally invests in a combination of equity securities and debt instruments; • normally invests between 40% and 75% of the Fund's assets in equity securities and at least 25% of the Fund's assets in debt instruments; • focuses the Fund's equity portfolio on equity securities of companies that it believes are undervalued compared to their perceived worth; • may invest in companies of any size, but will seek to place a focus on companies with large capitalizations; • may invest in securities of issuers located anywhere in the world, including those in emerging markets; • may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;

emerging markets throughout the world;

- in respect of the Fund's fixed income exposure:
 - will invest in one or more mutual funds which provide exposure primarily to debt securities issued by governmental issuers located in emerging markets and which are primarily investment-grade securities (BBB or above) although a portion of such funds may be in securities of any grade, including speculative-grade or securities that have not been rated by any internationally-recognized rating agency;
- may invest directly in equity and/or debt securities of a company located anywhere in the world and which has business or investment connections to an emerging market; and
- may invest in American Depositary Receipts, Global Depositary Receipts or exchange-traded funds listed on stock exchanges in developed markets.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

- focuses the Fund's debt portfolio on debt instruments rated investment grade but may also invest in non-investment grade securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and/or instruments and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions;
- considers factors for equity securities such as earnings, cash flows, competitive position and management ability of issuers;
- considers factors for debt securities such as an instrument's credit quality, collateral characteristics, and indenture provisions and the issuer's management ability, capital structure, leverage, and ability to meet its current obligations; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives to hedge against foreign currency fluctuations or potential loss. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities without investing directly in such securities or to provide protection for the Fund's portfolio. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund may engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities.

The Merging Fund seeks to provide current income and long-term capital appreciation while the Continuing Fund seeks total return. Although both the Merging Fund and the Continuing Fund invest primarily in equity securities of issuers located outside of Canada, the Merging Fund focuses on emerging markets equities and income mutual funds. The Continuing Fund, on the other hand, is not limited to emerging markets and invests in a mix of global equities and debt instruments. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund to be less than substantially similar to the fundamental investment objectives of the Continuing Fund.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)			MER of Series A
		A	DB	F	
Sun Life Excel Emerging Markets Balanced Fund	\$13,230	1.90% (0.20%)	1.15% (0.20%)	0.90% (0.15%)	2.38%
Sun Life MFS Global Total Return Fund	\$713,992	1.80% (0.20%)	1.15% (0.20%)	0.80% (0.15%)	2.24%

As a result of the merger, Series A and Series F securities of the Merging Fund will merge into Series A and Series F securities of the Continuing Fund, respectively. Merging Fund securityholders for these series will benefit from lowered management fees for these series in the Continuing Fund. Series A and Series F securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series. Series DB securities of the Merging Fund will merge into new series DB securities of the Continuing Fund. The new series DB securities of the Continuing Fund will replicate the management fees, fixed administration fees, and eligibility for the Private Client Program of the Merging Fund Series DB securities. Only existing Series DB securityholders may make additional investments into the new Series DB securities of the Continuing Fund. Upon

completion of the Merger, only Series DB securityholders of the Merging Fund that receive Series DB securities of the Continuing Fund may continue to purchase Series DB securities following the effective date of the Merger.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund has outperformed the Merging Fund in all periods with the exception of 2017 and 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Excel Emerging Markets Balanced Fund	9.69	(4.92)	11.26	2.33	7.05
Sun Life MFS Global Total Return Fund	13.49	(3.14)	6.84	2.06	9.61

**Merger of Sun Life Franklin Bissett Canadian Equity Class
into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth
Fund)**

(applicable to securityholders of Sun Life Franklin Bissett Canadian Equity Class)

General

The Manager is seeking approval from securityholders of Sun Life Franklin Bissett Canadian Equity Class (the Merging Fund) for the merger of this Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including lower fees, increased portfolio diversification opportunities, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

*Sun Life Franklin Bissett Canadian
Equity Class (Merging Fund)*

*Investment
Objectives*

The Fund's investment objective is to seek to achieve long-term capital appreciation primarily by investing directly in a diversified portfolio of mid to large capitalization Canadian equities or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

*Investment
Strategies*

The sub-advisor currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in units of Franklin Bissett Canadian Equity Fund (the "**underlying fund**"), a mutual fund that is managed and advised by the sub-advisor.

In pursuing the underlying fund's investment objectives, the sub-advisor:

- uses a bottom-up investment approach that favours businesses with experienced management, effective capital allocation, financial strength and durable business models;
- primarily invests in Canadian equity securities of high quality growth oriented entities; and
- may invest up to 30% of the underlying fund's assets in foreign securities.

The portfolio manager will determine whether to invest the Fund's assets in the underlying fund or to invest the Fund's assets directly in securities similar to those held by the underlying fund based upon its view of which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund.

*Sun Life MFS Canadian Equity Fund
(formerly, Sun Life MFS Canadian Equity
Growth Fund) (Continuing Fund)*

The Fund aims for long-term capital growth primarily by investing in Canadian growth equity securities. The Fund may invest in global equity securities or other mutual funds.

In pursuing the Fund's investment objective, the sub-advisor:

- seeks to invest in equity securities of companies it believes to have above-average earnings growth potential compared to other companies;
- may invest in companies of any size;
- seeks to invest primarily in securities of issuers located in Canada;
- may invest in equities around the world, including those in emerging markets;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest up to 40% of the Fund's assets in non-Canadian securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers;

Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The underlying fund may invest up to 10% of its net asset value in securities of other mutual funds (including mutual funds managed by the sub-advisor or an affiliate or associate of the sub-advisor) (“**investee funds**”). The proportions and types of investee funds held by the underlying fund will be selected with consideration for the investee funds’ investment objectives and strategies, past performance and volatility, among other factors.

Each of the Fund and the underlying fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. Each of the Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund and the underlying fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that

- may also consider quantitative models that systematically evaluate these and other factors; and
- may invest up to 50% of the Fund’s assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund’s portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund and the underlying fund will engage in short selling as a complement to the Fund's, or the underlying funds, as applicable, current primary discipline of buying securities with the expectation that they will appreciate in market value.

Both Funds seek long-term capital appreciation. While the Merging Fund focuses on mid to large capitalization Canadian equities, the Continuing Fund has the flexibility to invest in a wider range of Canadian equities that have growth potential as well as global equities. Despite this slight difference, both Funds invest primarily in Canadian equity securities either directly or indirectly. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I	O	
Sun Life Franklin Bissett Canadian Equity Class	\$11,211	2.00% (0.20%)	1.00% (0.20%)	≤1.50% ⁽³⁾ (0.05%)	1.00% (0.20%)	2.48%
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	\$460,881	1.80% (0.20%)	0.80% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.80% (0.15%)	2.23%

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, Series I, and Series O securities of the Merging Fund will merge into Series A, Series F, Series I, and Series O securities of the Continuing Fund, respectively.

Series A, Series F and Series O Merging Fund securityholders will benefit from lowered management fees for these series in the Continuing Fund. Series F and Series O Merging Fund securityholders will benefit from lowered administration fees for these series in the Continuing Fund. Series I securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund has outperformed the Merging Fund in all periods with the exception of 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Franklin Bissett Canadian Equity Class	18.61	(11.10)	4.91	20.41	(9.79)
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	20.20	(5.48)	10.56	8.41	1.46

Merger of Sun Life Invesco Canadian Class into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)

(applicable to securityholders of Sun Life Invesco Canadian Class)

General

The Manager is seeking approval from securityholders of Sun Life Invesco Canadian Class (the Merging Fund) for the merger of this Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including lower fees, increased portfolio diversification opportunities, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Invesco Canadian Class (Merging Fund)</i>	<i>Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund’s investment objective is to seek to achieve consistent long-term capital	The Fund aims for long-term capital growth primarily by investing in Canadian growth

appreciation primarily by investing directly in common securities of Canadian companies or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

Investment Strategies

The sub-advisor currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in units of Invesco Canadian Fund (the “**underlying fund**”), a mutual fund that is managed and advised by the sub-advisor.

In pursuing the underlying fund's investment objectives, the sub-advisor:

- seeks to employ a rigorous, bottom-up fundamental investment approach, analyzing the quality and value of individual companies;
- seeks companies whose management have strong entrepreneurial skills or the ability to recognize and exploit opportunities for business expansion;
- seeks companies that have a competitive advantage in their respective industries that is expected to provide opportunities for long-term growth;
- invests in companies that are believed to be undervalued in relation to their intrinsic value based on an assessment of the company's financial information, competitive positioning, future prospects, management interviews and general industry and economic trends; and
- may invest up to 49% of the underlying fund's non-cash assets in foreign securities.

The portfolio manager will determine whether to invest the Fund's assets in the underlying fund or to invest the Fund's assets directly in securities similar to those

equity securities. The Fund may invest in global equity securities or other mutual funds.

In pursuing the Fund's investment objective, the sub-advisor:

- seeks to invest in equity securities of companies it believes to have above-average earnings growth potential compared to other companies;
- may invest in companies of any size;
- seeks to invest primarily in securities of issuers located in Canada;
- may invest in equities around the world, including those in emerging markets;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest up to 40% of the Fund's assets in non-Canadian securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers;
- may also consider quantitative models that systematically evaluate these and other factors; and
- may invest up to 50% of the Fund's assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an

held by the underlying fund based upon its view of which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund. Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

Each of the Fund and underlying fund are managed to comply with the investment restrictions set out in Schedule III of the Regulations to the *Pension Benefits Standards Act*, 1985 (Canada) applying the provisions as if each of the Fund and the underlying fund were a pension plan. The underlying fund's cash position will be managed by the sub-advisor responsible for the cash portion of the underlying fund (Invesco Advisers, Inc.) and may, in its discretion, invest some or all of the cash assets directly in money market instruments or other short-term debt securities to meet subscription or redemption requests, or for defensive or other purposes. The underlying fund may invest the cash portion of its assets in securities of money market funds that are managed by the sub-advisor or an affiliate or associate of the sub-advisor.

Other than money market funds, the underlying fund may invest up to 10% of its net asset value in securities of other mutual funds (including mutual funds managed by the sub-advisor or an affiliate or associate of the sub-advisor) ("**investee funds**"). The proportions and types of investee funds held by the underlying fund will be selected with consideration for the investee funds' investment objectives and strategies, past performance and volatility, among other factors.

affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

Each of the Fund and the underlying fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. Each of the Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

Both Funds seek long-term capital appreciation. Although the Continuing Fund has the ability to invest in global equity securities, both Funds invest primarily in Canadian equity securities either directly or indirectly. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I	O	
Sun Life Invesco Canadian Class	\$668	2.00% (0.20%)	1.00% (0.20%)	≤1.50% ⁽³⁾ (0.05%)	1.00% (0.20%)	2.45%
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity)	\$460,881	1.80% (0.20%)	0.80% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.80% (0.15%)	2.23%

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I	O	
Growth Fund)						

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, Series I, and Series O securities of the Merging Fund will merge into Series A, Series F, Series I, and Series O securities of the Continuing Fund, respectively. Series A, Series F and Series O Merging Fund securityholders will benefit from lowered management fees for these series in the Continuing Fund. Series F and Series O Merging Fund securityholders will benefit from lowered administration fees for these series in the Continuing Fund. Series I securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund has outperformed the Merging Fund in all periods with the exception of 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Invesco Canadian Class	17.45	(12.64)	9.32	14.97	(20.76)
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	20.20	(5.48)	10.56	8.41	1.46

**Merger of Sun Life MFS Canadian Equity Growth Class
into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth
Fund)**

(applicable to securityholders of Sun Life MFS Canadian Equity Growth Class)

General

The Manager is seeking approval from securityholders of Sun Life MFS Canadian Equity Growth Class (the Merging Fund) for the merger of this Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that each series of securities held by the Merging Corporate Fund in the Continuing Fund will be redeemed by the Manager and the value of those securities receivable by the Merging Corporate Fund will form part of the cash equivalents of the Merging Corporate Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

*Sun Life MFS Canadian Equity Growth
Class (Merging Fund)*

*Sun Life MFS Canadian Equity Fund
(formerly, Sun Life MFS Canadian Equity
Growth Fund) (Continuing Fund)*

<i>Investment Objectives</i>	<p>The Fund's investment objective is to seek long-term capital growth through exposure to primarily a diversified portfolio of Canadian equities by investing primarily in units of Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) or its successor fund (the "underlying Trust Fund").</p> <p>Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.</p>	<p>The Fund aims for long-term capital growth primarily by investing in Canadian growth equity securities. The Fund may invest in global equity securities or other mutual funds.</p>
<i>Investment Strategies</i>	<p>The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by Sun Life Global Investments (Canada) Inc. and sub-advised by MFS Investment Management Canada Limited (the "sub-advisor"). The underlying Trust Fund's investment objective is to aim for long-term capital growth primarily by investing in Canadian growth equity securities. The underlying Trust Fund may invest in global equity securities or other mutual funds.</p> <p>In pursuing the underlying Trust Fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • seeks to invest in equity securities of companies it believes to have above-average earnings growth potential compared to other companies; • may invest in companies of any size; • seeks to invest primarily in securities of issuers located in Canada; • may invest in equities around the world, including those in emerging markets; 	<p>In pursuing the Fund's investment objective, the sub-advisor:</p> <ul style="list-style-type: none"> • seeks to invest in equity securities of companies it believes to have above-average earnings growth potential compared to other companies; • may invest in companies of any size; • seeks to invest primarily in securities of issuers located in Canada; • may invest in equities around the world, including those in emerging markets; • may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region; • may invest up to 40% of the Fund's assets in non-Canadian securities; • uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows,

- may invest a relatively large percentage of the underlying Trust Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
 - may invest up to 40% of the underlying Trust Fund's assets in non-Canadian securities;
 - uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers;
 - may also consider quantitative models that systematically evaluate these and other factors; and
 - may invest up to 50% of the underlying Trust Fund's assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.
- competitive position and management ability of issuers;
- may also consider quantitative models that systematically evaluate these and other factors; and
 - may invest up to 50% of the Fund's assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund and the underlying Trust Fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund and the underlying Trust Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the underlying Trust Fund's portfolio. In

addition, the Fund and the underlying Trust Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

Both Funds seek long-term capital growth through exposure to primarily Canadian equity securities. The Merging Fund does so by investing primarily in units of the Continuing Fund. Hence, investors from the Merging Fund will be exposed to the same type of Canadian equity securities when they become investors in the Continuing Fund, but in a more direct way. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)			MER of Series A
		A ⁽¹⁾	F ⁽²⁾	O	
Sun Life MFS Canadian Equity Growth Class	\$1,184	1.80% (0.20%)	0.80% (0.15%)	0.80% (0.15%)	2.21%
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	\$460,881	1.80% (0.20%)	0.80% (0.15%)	0.80% (0.15%)	2.23%

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

As a result of the merger, Series A, Series F, and Series O securities of the Merging Fund will merge into Series A, Series F, and Series O securities of the Continuing Fund, respectively. Securities of

the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund and Merging Fund performance is relatively analogous for the 2019 period given the Merging Fund invests directly into the Continuing Fund. Prior to 2019, the Merging Fund had invested in an alternate underlying strategy which had led to the performance differences displayed below from 2015 – 2018.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life MFS Canadian Equity Growth Class	20.02	(8.40)	6.09	13.17	(6.18)
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	20.20	(5.48)	10.56	8.41	1.46

Merger of Sun Life Sentry Value Class into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)

(applicable to securityholders of Sun Life Sentry Value Class)

General

The Manager is seeking approval from securityholders of Sun Life Sentry Value Class (the Merging Fund) for the merger of this Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased portfolio diversification opportunities, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Sentry Value Class (Merging Fund)</i>	<i>Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund’s investment objective is to seek to achieve long-term capital appreciation through exposure to primarily equity	The Fund aims for long-term capital growth primarily by investing in Canadian growth

securities of Canadian and U.S. companies by investing primarily in units of Sun Life Sentry Value Fund or its successor fund (the “**underlying Trust Fund**”).

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

Investment Strategies

The portfolio manager currently intends to achieve the Fund’s investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by Sun Life Global Investments (Canada) Inc. and sub-advised by Sentry Investments Inc. (the “**sub-advisor**”). The underlying Trust Fund’s investment objective is to seek to achieve long-term capital appreciation by investing primarily in the equity securities of Canadian and U.S. companies.

In pursuing the underlying Trust Fund’s investment objectives, the sub-advisor:

- invests primarily in the equity securities of Canadian and U.S. companies that are considered to be undervalued compared to their perceived worth;
- may invest in debt or other fixed income instruments;
- may invest in U.S. and other foreign securities in an amount not exceeding 49% of the assets of the underlying Trust Fund;
- may invest no more than 10% of the underlying Trust Fund’s NAV in the securities of other mutual funds, which may be managed by the Manager or the sub-advisor, their

equity securities. The Fund may invest in global equity securities or other mutual funds.

In pursuing the Fund’s investment objective, the sub-advisor:

- seeks to invest in equity securities of companies it believes to have above-average earnings growth potential compared to other companies;
- may invest in companies of any size;
- seeks to invest primarily in securities of issuers located in Canada;
- may invest in equities around the world, including those in emerging markets;
- may invest a relatively large percentage of the Fund’s assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest up to 40% of the Fund’s assets in non-Canadian securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers;

affiliates and/or other investment fund managers;

- may invest, in aggregate, up to 10% of the underlying Trust Fund's NAV in the following types of exchange-traded funds:
 - those that seek to provide daily results that replicate the daily performance of a specified widely-quoted market index (the "**Underlying Index**") by a multiple of 200%, by an inverse multiple of 200% or an inverse multiple of 100% ("**Inverse or Leveraged ETFs**");
 - those 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**");
 - those 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**")

(Inverse or Leveraged ETFs, Gold ETFs, Silver ETFs, Leveraged Gold ETFs and Leveraged Silver ETFs are collectively referred to as the "**Underlying ETFs**"); and

- may also consider quantitative models that systematically evaluate these and other factors; and
- may invest up to 50% of the Fund's assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

- may invest in private placements or other illiquid equity or debt securities of public or private companies as permitted by Canadian securities regulatory authorities.

The Fund and the underlying Trust Fund may hold a portion of its assets in cash or short term money market securities to meet subscription or redemption requests, or for defensive or other purposes.

The underlying Trust Fund obtained exemptive relief from Canadian securities regulatory authorities to invest in securities of the Underlying ETFs, subject to certain conditions, including that the underlying Trust Fund may not invest more than 10% of its NAV in securities of Underlying ETFs, no more than 20% of the NAV of the underlying Trust Fund would consist of securities sold short by the underlying Trust Fund and securities of Underlying ETFs that track the inverse of its Underlying Index and, to the extent that the underlying Trust Fund invests in Gold ETFs, Silver ETFs, Leveraged Gold ETFs and/or Leveraged Silver ETFs (together with gold and silver, “**Gold and Silver Products**”), the underlying Trust Fund may not invest more than 10% of its NAV in Gold and Silver Products and the underlying Trust Fund’s market value exposure to gold and silver through the Gold and Silver Products may not exceed 10% of its NAV.

The Fund and the underlying Trust Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund’s and the underlying Trust Fund’s portfolio. In addition, the Fund and the underlying Trust Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate

income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The underlying Trust Fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The underlying Trust Fund will engage in short selling as a complement to its current primary discipline of buying securities with the expectation that they will appreciate in market value.

Both Funds seek to achieve long-term capital growth. The Merging Fund is primarily exposed to Canadian and U.S. equity securities through investing in units of Sun Life Sentry Value Fund (which is also merging into the Continuing Fund). Though the Continuing Fund has the ability to invest more globally, both Funds invest primarily in Canadian equity securities either directly or indirectly. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I	O	
Sun Life Sentry Value Class	\$25,918	1.80% (0.20%)	0.80% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.80% (0.15%)	2.24%
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	\$460,881	1.80% (0.20%)	0.80% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.80% (0.15%)	2.23%

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, Series I, and Series O securities of the Merging Fund will merge into Series A, Series F, Series I, and Series O securities of the Continuing Fund, respectively. Securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund has outperformed the Merging Fund in all periods with the exception of 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Sentry Value Class	13.24	(7.95)	8.02	10.99	0.10

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	20.20	(5.48)	10.56	8.41	1.46

Merger of Sun Life Sentry Value Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)

(applicable to securityholders of Sun Life Sentry Value Fund)

General

The Manager is seeking approval from securityholders of Sun Life Sentry Value Fund (the Merging Fund) for the merger of this Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Merging Fund will continue as is with the same investment objectives and strategies.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased portfolio diversification opportunities, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that some or all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. With respect to the Merging Fund as at January 31, 2020, the number of taxable investors in a gain position is quite small relative to the number of tax-exempt investors of the Merging Fund, and the Manager has determined that the median gain for taxable investors in the Merging Fund is not significant when considered in connection with the median market value of a taxable investor’s account. The taxable status of investments in the Merging Fund as at January 31, 2020 is as follows:

Merging Fund	Tax-exempt Investors	Taxable Investors in loss position	Taxable Investors in a gain position
Sun Life Sentry Value Fund	3,747	5	122

By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Sentry Value Fund (Merging Fund)</i>	<i>Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund's investment objective is to seek to achieve long-term capital appreciation by investing primarily in the equity securities of Canadian and U.S. companies. The Fund may invest in securities of other mutual funds (including exchange-traded funds).	The Fund aims for long-term capital growth primarily by investing in Canadian growth equity securities. The Fund may invest in global equity securities or other mutual funds.
<i>Investment Strategies</i>	<p>In pursuing the Fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • invests primarily in the equity securities of Canadian and U.S. companies that are considered to be undervalued compared to their perceived worth; • may invest in debt or other fixed income instruments; • may invest in U.S. and other foreign securities in an amount not exceeding 49% of the assets of the Fund; • may invest, in aggregate, up to 10% of the Fund's net asset value in the following types of exchange-traded funds: <ul style="list-style-type: none"> • those that seek to provide daily results that replicate the daily performance of a specified widely-quoted market index (the "Underlying Index") by a multiple of 200%, by an inverse multiple of 200% or an inverse 	<p>In pursuing the Fund's investment objective, the sub-advisor:</p> <ul style="list-style-type: none"> • seeks to invest in equity securities of companies it believes to have above-average earnings growth potential compared to other companies; • may invest in companies of any size; • seeks to invest primarily in securities of issuers located in Canada; • may invest in equities around the world, including those in emerging markets; • may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region; • may invest up to 40% of the Fund's assets in non-Canadian securities; • uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current

multiple of 100% (“**Inverse or Leveraged ETFs**”);

- those that seek to provide daily results that replicate the daily performance of their Underlying Index, provided that the securities of which are “index participation units” as defined in applicable securities legislation;
- those 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**”);
- those 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**”)

(Inverse or Leveraged ETFs, Gold ETFs, Silver ETFs, Leveraged Gold ETFs and Leveraged Silver ETFs are collectively referred to as the “**Underlying ETFs**”);

- may invest in private placements or other illiquid equity or debt securities of public or private companies as permitted by Canadian securities regulatory authorities; and

financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers;

- may also consider quantitative models that systematically evaluate these and other factors; and
- may invest up to 50% of the Fund’s assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund’s portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold a portion of its assets in cash or short term money market securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund obtained exemptive relief from Canadian securities regulatory authorities to invest in securities of the Underlying ETFs, subject to certain conditions, including that the Fund may not invest more than 10% of its net asset value in securities of Underlying ETFs, no more than 20% of the net asset value of the Fund would consist of securities sold short by the Fund and securities of Underlying ETFs that track the inverse of its Underlying Index and, to the extent that the Fund invests in Gold ETFs, Silver ETFs, Leveraged Gold ETFs and/or Leveraged Silver ETFs (together with gold and silver, "**Gold and Silver Products**"), the Fund may not invest more than 10% of its net asset value in Gold and Silver Products and the Fund's market value exposure to gold and silver through the Gold and Silver Products may not exceed 10% of its net asset value.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as

permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund will engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value.

The Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a Fund's portfolio turnover rate is in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

Both Funds seek to achieve long-term capital growth. Though the Continuing Fund has the ability to invest more globally, both Funds invest primarily in Canadian equity securities either directly or indirectly. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A	F	I	O	
Sun Life Sentry Value Fund	\$86,230	1.80% (0.20%)	0.80% (0.15%)	≤1.50% ⁽¹⁾ (0.05%)	0.80% (0.15%)	2.23%
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	\$460,881	1.80% (0.20%)	0.80% (0.15%)	≤1.50% ⁽¹⁾ (0.05%)	0.80% (0.15%)	2.23%

⁽¹⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, Series I, and Series O securities of the Merging Fund will merge into Series A, Series F, Series I, and Series O securities of the Continuing Fund, respectively. Securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund has outperformed the Merging Fund in all periods with the exception of 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Sentry Value Fund	13.30	(7.92)	8.02	10.96	0.48
Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)	20.20	(5.48)	10.56	8.41	1.46

Merger of Sun Life MFS Dividend Income Class into Sun Life MFS Dividend Income Fund

(applicable to securityholders of Sun Life MFS Dividend Income Class)

General

The Manager is seeking approval from securityholders of Sun Life MFS Dividend Income Class (the Merging Fund) for the merger of this Fund into Sun Life MFS Dividend Income Fund (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that each series of securities held by the Merging Corporate Fund in the Continuing Fund will be redeemed by the Manager and the value of those securities receivable by the Merging Corporate Fund will form part of the cash equivalents of the Merging Corporate Fund.

This merger will be effected on a taxable basis. Mergers involving the Merging Corporate Funds cannot be effected on a tax-deferred basis under the Tax Act without dissolving the entire Corporation. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life MFS Dividend Income Class (Merging Fund)</i>	<i>Sun Life MFS Dividend Income Fund (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund’s investment objective is to seek income generation and capital appreciation through exposure to primarily dividend or income paying	The Fund aims for income generation and capital appreciation by investing primarily in dividend or income paying securities, including royalty trust securities, real estate

securities, including royalty trust units, real estate investment trust units and limited partnership units and other exchange-listed participating securities, by investing primarily in units of Sun Life MFS Dividend Income Fund or its successor fund (the “**underlying Trust Fund**”).

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

Investment Strategies

The portfolio manager currently intends to achieve the Fund’s investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by Sun Life Global Investments (Canada) Inc. and sub-advised by MFS Investment Management Canada Limited (the “**sub-advisor**”). The underlying Trust Fund’s investment objective is to aim for income generation and capital appreciation by investing primarily in dividend or income paying securities, including royalty trust units, real estate investment trust units and limited partnership units and other exchange-listed participating securities. The *underlying Trust Fund* may also invest in securities of other mutual funds.

In pursuing the underlying Trust Fund’s investment objectives, the sub-advisor:

- normally invests in equity and fixed income securities that generate some form of income;
- may invest in dividend or income paying securities including preferred shares, securities convertible into stocks, real estate investment trust units, royalty trust units, limited partnership units and other exchange-listed participating

investment trust securities and limited partnership securities and other exchange-listed participating securities. The Fund may also invest in securities of other mutual funds.

In pursuing the Fund’s investment objective, the sub-advisor:

- normally invests in equity and fixed income securities that generate some form of income;
- may invest in dividend or income paying securities including preferred shares, securities convertible into stocks, real estate investment trust securities, royalty trust securities, limited partnership securities and other exchange-listed participating securities, or warrants on dividend and income paying securities;
- may invest in companies of any size; but may tend to place a focus on companies with large and medium capitalizations;
- seeks to invest primarily in securities of issuers located in Canada;
- may invest in equities around the world, including those in emerging markets;
- may invest up to 100% of the Fund’s assets in foreign equities and other foreign securities;
- may invest a relatively large percentage of the Fund’s assets in securities of issuers in a single country, a small

securities, or warrants on dividend and income paying securities;

- may invest in companies of any size; but may tend to place a focus on companies with large and medium capitalizations;
- seeks to invest primarily in securities of issuers located in Canada;
- may invest in equities around the world, including those in emerging markets;
- may invest a relatively large percentage of the underlying Trust Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- uses a bottom-up approach to buying and selling investments for the underlying Trust Fund – investments are selected based on fundamental and quantitative analysis of individual issuers and their potential in light of their current financial condition, market, economic, political and regulatory conditions and considers factors such as analysis of an issuer's earnings, cash flows, competitive position and management ability;
- uses quantitative models that systematically evaluate an issuer's valuation, price and earnings, momentum, earnings quality, and other factors; and
- may invest up to 10% of the underlying Trust Fund's assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for

number of countries, or a particular geographic region;

- uses a bottom-up approach to buying and selling investments for the Fund - investments are selected based on fundamental and quantitative analysis of individual issuers and their potential in light of their current financial condition, market, economic, political and regulatory conditions and considers factors such as analysis of an issuer's earnings, cash flows, competitive position and management ability;
- uses quantitative models that systematically evaluate an issuer's valuation, price and earnings, momentum, earnings quality, and other factors; and
- may invest up to 10% of the Fund's assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse

selecting individual securities as described above.

repurchase transactions to earn additional returns.

The Fund and the underlying Trust Fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund and the underlying Trust Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the underlying Trust Fund's portfolio. In addition, the Fund and the underlying Trust Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

Both Funds seek income generation and capital appreciation through exposure to primarily dividend or income paying securities, including royalty trust securities, real estate investment trust securities and limited partnership securities and other exchange-listed participating securities. The Merging Fund does so by investing primarily in units of the Continuing Fund. Hence, investors from the Merging Fund will be exposed to the same type of securities when they become investors in the Continuing Fund, but in a more direct way. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A ⁽¹⁾	F ⁽²⁾	I	O	
Sun Life MFS Dividend Income Class	\$30,122	1.70% (0.20%)	0.70% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.70% (0.15%)	2.11%
Sun Life MFS Dividend Income Fund	\$53,077	1.70% (0.20%)	0.70% (0.15%)	≤1.50% ⁽³⁾ (0.05%)	0.70% (0.15%)	2.12%

⁽¹⁾ Series AT5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Series FT5 of the Merging Fund was redesignated as Series F on January 31, 2020.

⁽³⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, Series I, and Series O securities of the Merging Fund will merge into Series A, Series F, Series I, and Series O securities of the Continuing Fund, respectively. Securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees. Series A, Series F and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund and Merging Fund performance is relatively analogous given the Merging Fund invests directly into the Continuing Fund.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life MFS Dividend Income Class	18.95	(7.97)	6.45	16.10	(8.97)

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life MFS Dividend Income Fund	19.00	(7.99)	6.48	16.23	(8.74)

Merger of Sun Life MFS Monthly Income Fund into Sun Life Granite Income Portfolio
(applicable to securityholders of Sun Life MFS Monthly Income Fund)

General

The Manager is seeking approval from securityholders of Sun Life MFS Monthly Income Fund (the Merging Fund) for the merger of this Fund into Sun Life Granite Income Portfolio (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including increased portfolio diversification opportunities, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. With respect to the Merging Fund as at January 31, 2020, the number of taxable investors in a gain position is quite small relative to the number of tax-exempt investors of the Merging Fund, and the Manager has determined that the median gain for taxable investors in the Merging Fund is not significant when considered in connection with the median market value of a taxable investor’s account. The taxable status of investments in the Merging Fund as at January 31, 2020 is as follows:

Merging Fund	Tax-exempt Investors	Taxable Investors in loss position	Taxable Investors in a gain position
Sun Life MFS Monthly Income Fund	991	2	77

By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life MFS Monthly Income Fund (Merging Fund)</i>	<i>Sun Life Granite Income Portfolio (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund's investment objective is to seek to provide a consistent level of regular income with capital appreciation as a secondary objective over the long term, by investing primarily in income producing equity and debt securities.	The Fund's investment objective is to seek to generate a consistent level of income by investing primarily in a mix of income-focused fixed income and equity mutual funds (including exchange-traded funds).
<i>Investment Strategies</i>	<p>In pursuing the Fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • normally invests in equity and fixed income securities that generate some form of income; • invests no more than 70% of the Fund's portfolio in Canadian securities and at least 30% of the Fund's portfolio in non-Canadian securities to provide diversification; • may invest in issuers of any size but primarily focuses on large and medium sized issuers with an emphasis on dividend or income paying securities; • in respect of equity securities: <ul style="list-style-type: none"> • may invest in dividend or income paying securities including preferred shares, securities convertible into stocks, real estate investment trust units, royalty trust units, limited partnership units and other exchange-listed participating securities, or warrants on dividend or income paying securities; • may invest primarily in securities of issuers located in Canada; • may invest in equity securities of issuers from around the world, 	<p>The Fund seeks to achieve its investment objective through exposure to income generating securities, including dividend paying equity securities of issuers located around the world, real estate investment trusts, and Canadian and global debt instruments. Such debt instruments may include high yield debt, investment grade corporate debt, government debt and emerging market debt. The Fund will primarily invest in underlying funds (either domestic or foreign) that invest in such securities and will invest the remainder of its net assets directly in such securities. The Manager will determine the portion of the Fund's net assets that is invested indirectly in such securities through underlying funds and the portion that is invested directly in such securities.</p> <p>The Manager, together with the sub-advisor, will actively manage the portfolio to seek to add value. The Manager may invest the Fund's assets in underlying funds and the sub-advisor may invest the Fund's assets directly in securities.</p> <p>The Fund seeks to generate a consistent level of income through strategic asset allocation, tactical management and the selection of underlying funds and securities. The Manager and sub-advisor select securities in, or that give exposure to, both domestic and global markets.</p>

- including those in emerging markets;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- uses a bottom-up approach to buying and selling investments for the Fund - investments are selected based on fundamental and quantitative analysis of individual issuers and their potential in light of their current financial condition, market, economic, political and regulatory conditions and considers factors such as analysis of an issuer's earnings, cash flows, competitive position and management ability;
- uses quantitative models that systematically evaluate an issuer's valuation, price and earnings, momentum, earnings quality, and other factors; and
- in respect of debt instruments:
 - will primarily invest in debt instruments rated investment grade but may also invest in non-investment grade debt instruments;
 - may invest in asset-backed securities or mortgage-backed securities;
 - uses a combination of bottom up credit research and top down macro analysis in constructing a diversified fixed income portfolio;
- may invest up to 10% of the Fund's portfolio in exchange-traded funds

The Fund uses an asset allocation strategy to determine the weighting within the Fund's portfolio of fixed income investments versus equity investments. The Manager may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of the securities.

The Manager monitors and periodically rebalances the Fund's assets based on the Manager's assessment of market conditions in light of the Fund's investment objective and may, in its sole discretion, change the Fund's asset allocation in order to meet the investment objective of the Fund, which may entail changing the underlying mutual funds and securities in which the Fund invests from time to time.

The Fund may invest up to 100% of the Fund's assets in underlying mutual funds (including exchange-traded funds or other investment funds) which may be managed by the Manager, its affiliates and/or other investment fund managers.

The Fund may invest up to 100% of the Fund's assets in foreign securities, either indirectly by investing in underlying funds or by investing directly in such securities.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

that invest in high yield debt securities and/or emerging market debt securities and, in selecting these exchange-traded funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

Both Funds seek to provide a consistent level of income. Though the Merging Fund seeks capital appreciation as a secondary objective over the long term, both Funds invest primarily in income-producing equity and debt securities either directly or indirectly. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund and the Continuing Fund to be substantially similar.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)					MER of Series A
		A ⁽¹⁾	F	F5	I	O	
Sun Life MFS Monthly Income Fund	\$27,231	1.25% (0.20%)	0.75% (0.15%)	0.75% (0.15%)	≤1.25% ⁽²⁾ (0.05%)	0.75% (0.15%)	1.62%
		C	F	F5	I	O	
Sun Life Granite Income Portfolio	\$196,393	1.25% (0.20%)	0.75% (0.15%)	0.75% (0.15%)	≤1.50% ⁽²⁾ (0.03%)	0.75% (0.15%)	N/A ⁽³⁾

⁽¹⁾ Series T5 of the Merging Fund was redesignated as Series A on January 31, 2020.

⁽²⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund. Merging Fund securityholders in Series I securities will be grandfathered at a management fee of 1.25%.

⁽³⁾ MER of new Series C of the Continuing Fund is not yet available as the Series will begin investing on June 5, 2020 and it has a lower management fee than the existing Series A of the Continuing Fund.

As a result of the merger, Series F, Series F5, Series I, and Series O securities of the Merging Fund will merge into Series F, Series F5, Series I, and Series O securities of the Continuing Fund, respectively. Series F, Series F5, Series I and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current management fees and fixed administration fees, including the capped management fee of 1.25% for Series I securities, which will be grandfathered for Merging Fund securityholders in Series I securities of the Continuing Fund. Series F, Series F5 and Series O securities of the Continuing Fund maintain Merging Fund securityholders' current eligibility for the Private Client Program of the respective Merging Fund series.

Series A securities of the Merging Fund will merge into new series C securities of the Continuing Fund. Series C securities of the Continuing Fund will replicate the management fees, fixed administration fees, and eligibility for the Private Client Program of Series A securities of the Merging Fund. Series C securities of the Continuing Fund will be closed to new purchases.

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund has outperformed the Merging Fund in all periods with the exception of 2019 and 2016.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life MFS Monthly Income Fund	13.62	(4.85)	5.13	10.12	(4.01)
Sun Life Granite Income Portfolio	11.93	(3.96)	5.69	3.78	0.85

**Merger of Sun Life Templeton Global Bond Fund into
Sun Life Tactical Fixed Income ETF Portfolio**

(applicable to securityholders of Sun Life Templeton Global Bond Fund)

General

The Manager is seeking approval from securityholders of Sun Life Templeton Global Bond Fund (the Merging Fund) for the merger of this Fund into Sun Life Tactical Fixed Income ETF Portfolio (the Continuing Fund). If approved, this merger will become effective on or about the close of business on June 5, 2020. Following the merger, the Merging Fund will be wound up. This proposed merger is also subject to regulatory approval. If the merger is not approved, the Manager hereby provides notice that the Merging Fund will be terminated and wound up.

As discussed in greater detail below, investors of the Merging Fund will receive securities of the Continuing Fund that have the same management fee and administration fee as their securities of the Merging Fund. As discussed above under “Benefits of the Mergers” on page 9, there are a number of benefits to securityholders of the Merging Fund and the Continuing Fund, including lower fees, increased portfolio diversification opportunities, increased economies of scale, more effective portfolio implementation and increased ability to attract investors as a result of the Continuing Fund’s size and scale. It is expected that all securities of the Merging Fund will be liquidated in order to effect the merger with the Continuing Fund.

This merger will be effected on a taxable basis. The majority of investors who hold their securities of Sun Life Templeton Global Bond Fund outside a Registered Plan are in a loss position. Triggering a loss can be beneficial to such investors because they can use the losses to offset any capital gains realized in the same year or any of the previous three years, and thus immediately reduce their tax liability. Under a tax-deferred merger, the realization of an investor’s capital losses would be deferred. The Manager is of the view that this deferral is detrimental to those investors because the loss would not be immediately available to the investor to offset current or prior capital gains. By approving this merger, securityholders of the Merging Fund also accept the investment objective of the Continuing Fund and the tax consequences of the merger. See “Canadian Federal Income Tax Considerations” on page 13 for further details regarding the tax consequences of the merger for Canadian resident individuals and “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Merging Fund and Continuing Fund.

Recommendation

The Manager believes that the proposed merger is in the best interests of the Merging Fund and its securityholders and recommends that securityholders of the Merging Fund vote FOR the merger.

The IRC of the Merging Fund has reviewed the proposed merger and has advised the Manager that, in its opinion, after reasonable inquiry, the proposed merger, if implemented, would achieve a fair and reasonable result for the Merging Fund.

Investment Objectives and Strategies

The investment objectives and investment strategies of the Merging Fund and Continuing Fund are as follows:

	<i>Sun Life Templeton Global Bond Fund (Merging Fund)</i>	<i>Sun Life Tactical Fixed Income ETF Portfolio (Continuing Fund)</i>
<i>Investment Objectives</i>	The Fund's investment objective is to seek to achieve high current income and capital appreciation primarily by investing directly in fixed-income securities and preferred shares issued around the world or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.	The Fund's investment objective is to seek income, by investing primarily in fixed income exchange traded funds and other fixed income mutual funds.
<i>Investment Strategies</i>	<p>The sub-advisor currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in units of Templeton Global Bond Fund (the "underlying fund"), a mutual fund that is managed and advised by the sub-advisor.</p> <p>In pursuing the underlying fund's investment objectives, the sub-advisor:</p> <ul style="list-style-type: none"> • uses a fundamental research driven investment approach that focuses on identifying potential sources of high current income worldwide; • may invest up to 25% of the total value of the underlying fund's assets (excluding cash) within a particular industry; • may invest up to 100% of the underlying fund's assets in foreign securities; • may engage in currency management strategies to hedge the risk of changes in currency exchange rates: <ul style="list-style-type: none"> • these currency management strategies may include investing in currency forward contracts and the use of proxy hedges where the underlying fund 	<p>In pursuing the Fund's investment objective, the portfolio manager:</p> <ul style="list-style-type: none"> • invests primarily in fixed income exchange traded funds and/or other fixed income mutual funds; • typically selects fixed income underlying funds with exposure to Canadian debt instruments and international debt instruments; • may also invest directly in fixed income securities; • may invest a portion of the Fund's assets in equity exchange traded funds and/or other equity investment funds, and/or directly in equity securities; • may invest up to 100% of the Fund's assets in foreign securities; • invests up to 100% of the Fund's assets in securities of exchange traded funds and/or other investment funds which may be managed by the Manager, its affiliates and/or other investment fund managers; • monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of

attempts to hold a net long position of a particular currency versus a second currency that is expected to perform similarly to the first currency (by selling forward contracts) even if the underlying fund does not hold securities denominated in the second currency;

- may invest in interest rate swaps and credit default swaps and, if the transaction is for hedging purposes, currency swaps and forwards that, in each case, have a remaining term to maturity of greater than 3 years; and
- may invest in debt securities that are rated below investment grade, commonly referred to as “high yield securities”.

The portfolio manager will determine whether to invest the Fund’s assets in the underlying fund or to invest the Fund’s assets directly in securities similar to those held by the underlying fund based upon its view of which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund. Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

The Fund and the underlying fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund intends to apply for, and the underlying fund has obtained, exemptive relief from the Canadian securities

market conditions in light of the Fund’s investment objectives; and

- may, in its sole discretion, change the Fund’s asset allocation among domestic and international fixed income funds and change the underlying funds in which the Fund invests from time to time in order to meet the investment objectives of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund’s portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

regulatory authorities to invest more than 10% of its assets in securities issued or guaranteed by various governments or permitted international agencies that are traded on mature and liquid markets and provided that the acquisition of these securities is consistent with the Fund's investment objective.

The underlying fund may invest up to 10% of its net asset value in securities of other mutual funds (including mutual funds managed by the sub-advisor or an affiliate or associate of the sub-advisor) ("investee funds"). The proportions and types of investee funds held by the underlying fund will be selected with consideration for the investee funds' investment objectives and strategies, past performance and volatility, among other factors.

The Fund intends to apply for, and the underlying fund has obtained, exemptive relief from the Canadian securities regulatory authorities for an exemption from certain of the derivatives restrictions set out in applicable Canadian securities legislation. If approved, this exemption will permit the Fund to:

- enter into interest rate swaps, credit default swaps or, if the transaction is for hedging purposes, currency swaps and forwards that, in each case, have a remaining term to maturity of greater than three years;
- use as cover for derivatives transactions (i) bonds, debentures, notes or other evidences of indebtedness that are liquid, provided that they have a remaining term to maturity of 365 days or less and have an approved credit rating; (ii) floating rate evidences of indebtedness that meet certain specified requirements; or (iii) securities of any money market fund managed by us; and

- use as cover, when the Fund holds a long position in a debt-like security that has a component that is a long position in a forward contract or in a standardized future or forward contract or when the Fund is entitled to receive fixed payments under a swap, a right or obligation to sell an equivalent quantity of the underlying interest of the standardized future, forward or swap.

For more details on this exemption, please refer to the annual information form for this Fund available on www.sedar.com.

The underlying fund may use derivatives for currency hedging purposes, as described above. In addition, each of the Fund and the underlying fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. Each of the Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Fund and the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Fund and the underlying fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's

view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund and the underlying fund may engage in short selling as a complement to the Fund's, or the underlying funds, as applicable, current primary discipline of buying securities with the expectation that they will appreciate in market value.

The Merging Fund seeks to achieve high current income and capital appreciation while the Continuing Fund seeks income. The Merging Fund primarily invests directly or indirectly in fixed income securities and preferred shares issued around the world. The Continuing Fund primarily invests indirectly in fixed income securities. As a result, it is the Manager's opinion that a reasonable person may consider the fundamental investment objectives of the Merging Fund to be less than substantially similar to the fundamental investment objectives of the Continuing Fund.

Comparison of Fund Size and Management Fees

The following table sets out the combined assets under management, management and administration fees for each series and the MER for Series A of the Merging Fund and the Continuing Fund. Holders of securities of each series of the Merging Fund will receive securities of an equivalent series of the Continuing Fund, determined on a dollar-for-dollar basis:

Fund (Continuing Fund is shaded)	Assets under Management (\$ Thousands) as at December 31, 2019	Management Fee (and Administration Fee) per Annum (Administration Fee in brackets)				MER of Series A
		A	F	I	O	
Sun Life Templeton Global Bond Fund	\$14,419	1.25% (0.20%)	0.75% (0.20%)	≤1.25% ⁽¹⁾ (0.05%)	0.75% (0.20%)	1.62%
Sun Life Tactical Fixed Income ETF Portfolio	\$40,364	0.95% (0.20%)	0.45% (0.15%)	≤0.95% ⁽¹⁾ (0.03%)	0.45% (0.15%)	1.23%

⁽¹⁾ Negotiated and paid directly by investors, but the management fee will not exceed 1.50% or the Series A management fee of the same fund.

As a result of the merger, Series A, Series F, and Series I securities of the Merging Fund will merge into Series A, Series F, and Series I securities of the Continuing Fund, respectively. Series O securities of the Merging Fund will merge into new Series O securities of the Continuing Fund. All Merging Fund securityholders will benefit from lowered management fees for these series in the Continuing Fund.

The lowered management fees in the Continuing Fund provide a greater reduction in management fees to Merging Fund securityholders than the largest management fee reduction currently received by a Merging Fund securityholder that is currently available under the Private Client Program. It is anticipated that securityholders of the Merging Fund will remain eligible for aggregation purposes to determine eligibility for the Private Client Program (despite no longer being eligible for reduced management fees effective on or about the June 5, 2020). Series F, Series I and Series O securityholders will benefit from

lowered fixed administration fees. Series O securities of the Continuing Fund will be closed to new purchases.

Merging Fund securityholders who purchased securities of the Merging Fund under the low load purchase option or the deferred sales charge option will benefit by receiving units of the Continuing Fund that are not subject to a deferred sales charge

In addition to the payment of the management fee and the administration fee, the Merging Fund and the Continuing Fund are both responsible for the payment of their fund costs, including: (a) borrowing costs incurred by the mutual fund from time to time; (b) fees and expenses payable to or in connection with the mutual fund's IRC; (c) taxes payable by the mutual fund; and (d) the costs of complying with any new regulatory or legal requirement imposed on the mutual fund. Each of the Merging Fund and the Continuing Fund also pays costs in connection with brokerage commissions and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the mutual fund, but are not included in the MER of a series of the mutual fund.

Annual Returns

The table below shows the total annual returns for Series A units of both the Merging Fund and Continuing Fund for the periods shown ending December 31. Understanding that past performance is not indicative of future performance, the Continuing Fund has outperformed the Merging Fund in 2019 and underperformed the Merging Fund in 2018.

Fund (Continuing Fund is shaded)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Sun Life Templeton Global Bond Fund	(5.59)	4.66	0.77	(1.51)	0.14
Sun Life Tactical Fixed Income ETF Portfolio	6.67	0.62	--	--	--

THE INVESTMENT OBJECTIVE CHANGES

Proposed Investment Objective Change for Sun Life Excel India Fund and Reasons for and Benefits of the Proposed Changes

General

The Manager is seeking the approval of securityholders of Sun Life Excel India Fund to change its investment objective.

Provided securityholder approval is obtained and the Manager determines to proceed with the investment objective change, it is expected that the changes described below will become effective on or about June 5, 2020. The Manager believes that the proposed change to the investment objective benefits Sun Life Excel India Fund and its securityholders as it provides plain language improvements which simplify and clarify the investment objectives of Sun Life Excel India Fund. The Manager also believes that the investment objective change enhances Sun Life Excel India Fund's flexibility to utilize the most tax- and cost-efficient structure for securityholders. Further, the Manager believes that the investment objective change allows for greater regulatory risk management, as the investment objective change removes the current requirement to invest in a "fund-of-fund" arrangement through the Republic of Mauritius. At its plenary held February 19 to 21, 2020, the Financial Action Task Force ("FATF"), the global intergovernmental organization with a mandate to combat money laundering and terrorist financing, added Mauritius as a jurisdiction subject to increased monitoring. Jurisdictions under increased monitoring are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. As a result, the Manager believes that removing the investment objective requirement to invest in a "fund-of-fund" arrangement through Mauritius benefits Sun Life Excel India Fund and its securityholders.

Recommendation

The Manager believes that the proposed investment objective change is in the best interests of Sun Life Excel India Fund and its securityholders and recommends that securityholders of Sun Life Excel India Fund vote FOR the resolution.

Investment Objectives and Strategies

If approved, the investment objectives and investment strategies of Sun Life Excel India Fund will change as follows:

Sun Life Excel India Fund		
	<i>Current Investment Objectives and Strategies</i>	<i>Proposed Investment Objectives and Strategies</i>
<i>Investment Objectives</i>	<p>The Fund's investment objective is to seek long term superior growth of capital.</p> <p>The Fund will invest its assets primarily in equity securities of companies located in India through a "fund-of-fund" arrangement with India Excel (Mauritius) Fund (the "Mauritius Sub-fund"). The Mauritius Sub-fund is an open-end</p>	<p>The Fund's investment objective is to seek long term superior growth of capital by investing directly in equity securities of companies located in India or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.</p>

investment trust organized under the laws of Mauritius. The Mauritius Sub-fund will, in turn, invest most of its assets in India Excel (Offshore) Fund (the “**India Sub-fund**”), an open-end investment trust organized under the laws of India.

The balance of the Fund’s assets will be invested in Canadian equity securities with a focus on companies doing business in India, debt securities of Canadian issuers, derivatives (futures, options and forward contracts), cash or cash equivalents, securities of other mutual funds (including the Funds managed by the Manager) and/or American Depositary Receipts to facilitate the investment objectives of the Fund.

Investment Strategies

In pursuing the Fund’s investment objective, the portfolio manager of the Fund:

- invests up to 100% of the Fund’s net assets in units of the Mauritius Sub-fund; and
- invests in Canadian equity securities with a focus on companies doing business in India, debt securities of Canadian issuers, American Depositary Receipts, Global Depositary Receipts or exchange-traded funds listed on stock exchanges in developed markets and euro convertible bonds issued by Indian corporations and other securities.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Mauritius Sub-fund and India Sub-fund were created to facilitate the investment in equity securities of companies located in India by the Fund and have the same investment objectives, strategies and guidelines as the Fund.

The Fund will invest its assets primarily in equity securities of companies located in India through a “fund-of-fund” arrangement with India Excel (Mauritius) Fund (the “**Mauritius Sub-fund**”). The Mauritius Sub-fund is an open-end investment trust organized under the laws of Mauritius. The Mauritius Sub-fund will, in turn, invest most of its assets in India Excel (Offshore) Fund (the “**India Sub-fund**”), an open-end investment trust organized under the laws of India.

The Fund may:

- invest up to 100% of the Fund’s net assets in units of the Mauritius Sub-fund; and
- invest in Canadian equity securities with a focus on companies doing business in India, debt securities of Canadian issuers, American Depositary Receipts, Global Depositary Receipts or exchange-traded funds listed on stock exchanges in developed markets and euro convertible bonds issued by Indian corporations and other securities.

Except as necessary to implement this three-tiered fund-of-fund structure, the Mauritius Sub-fund and India Sub-fund have adopted and comply with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*. Any changes in the provisions of the material contracts of the Mauritius Sub-fund and the India Sub-fund which would delete or amend the foregoing will require the prior approval of the Manager and the securities regulatory authorities. The Fund will redeem its investment in the Mauritius Sub-fund and the Mauritius Sub-fund will redeem its position in the India Sub-fund in the event that such contractual provisions are breached.

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in, and hold more than 10% of, the Mauritius Sub-fund and indirectly the India Sub-fund.

In pursuing its investment objective, the Mauritius Sub-fund:

- invests in units of the India-Sub fund; and
- invests in American or global depository receipts, eurobonds, euro convertible bonds and other securities issued by Indian issuers in the international capital markets, debt securities of foreign issuers and cash and cash equivalents.

To achieve its investment objective, the portfolio manager of the India Sub-fund:

- employs a fundamental research-based approach for stock selection. During periods when it is considered prudent to do so, equity allocations may be reduced for a limited period in favour of debt instruments,

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Mauritius Sub-fund and India Sub-fund were created to facilitate the investment in equity securities of companies located in India by the Fund and have the same investment objectives, strategies and guidelines as the Fund. Except as necessary to implement this three-tiered fund-of-fund structure, the Mauritius Sub-fund and India Sub-fund have adopted and comply with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*. Any changes in the provisions of the material contracts of the Mauritius Sub-fund and the India Sub-fund which would delete or amend the foregoing will require the prior approval of the Manager and the securities regulatory authorities. The Fund will redeem its investment in the Mauritius Sub-fund and the Mauritius Sub-fund will redeem its position in the India Sub-fund in the event that such contractual provisions are breached.

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in, and hold more than 10% of, the Mauritius Sub-fund and indirectly the India Sub-fund.

In pursuing its investment objective, the Mauritius Sub-fund:

- invests in units of the India-Sub fund; and
- invests in American or global depository receipts, eurobonds, euro convertible bonds and other securities issued by Indian issuers in the international capital markets, debt securities of foreign issuers and cash and cash equivalents.

money market instruments, cash and cash equivalents; and

- invests in equity and debt securities of companies located in India, American or global depository receipts, eurobonds, euro convertible bonds or other securities issued by Indian issuers in the international capital markets, debt securities of foreign issuers, and cash and cash equivalents.

The India Sub-fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. The India Sub-fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The India Sub-fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The India Sub-Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The India Sub-fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a fund's portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

To achieve its investment objective, the portfolio manager of the India Sub-fund:

- employs a fundamental research-based approach for stock selection. During periods when it is considered prudent to do so, equity allocations may be reduced for a limited period in favour of debt instruments, money market instruments, cash and cash equivalents; and
- invests in equity and debt securities of companies located in India, American or global depository receipts, eurobonds, euro convertible bonds or other securities issued by Indian issuers in the international capital markets, debt securities of foreign issuers, and cash and cash equivalents.

The India Sub-fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. The India Sub-fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The India Sub-fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The India Sub-Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The India Sub-fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a fund's portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a

relationship between a high turnover rate and the Fund's performance.

Sun Life Excel India Fund will not be subject to any additional risk factors as a result of the change of investment objective.

Proposed Investment Objective Change for Sun Life Excel India Balanced Fund and Reasons for and Benefits of the Proposed Changes

General

The Manager is seeking the approval of securityholders of Sun Life Excel India Balanced Fund to change its investment objective.

Provided securityholder approval is obtained and the Manager determines to proceed with the investment objective change, it is expected that the changes described below will become effective on or about June 5, 2020. The Manager believes that the proposed change to the investment objective benefits Sun Life Excel India Balanced Fund and its securityholders as it provides plain language improvements which simplify and clarify the investment objectives of Sun Life Excel India Balanced Fund. The Manager also believes that the investment objective change enhances Sun Life Excel India Balanced Fund's flexibility to utilize the most tax- and cost-efficient structure for securityholders. Further, the Manager believes that the investment objective change allows for greater regulatory risk management, as the investment objective change removes the current requirement to invest in a "fund-of-fund" arrangement through the Republic of Mauritius. At its plenary held February 19 to 21, 2020, the Financial Action Task Force ("FATF"), the global intergovernmental organization with a mandate to combat money laundering and terrorist financing, added Mauritius as a jurisdiction subject to increased monitoring. Jurisdictions under increased monitoring are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. As a result, the Manager believes that removing the investment objective requirement to invest in a "fund-of-fund" arrangement through Mauritius benefits Sun Life Excel India Balanced Fund and its securityholders.

Recommendation

The Manager believes that the proposed investment objective change is in the best interests of Sun Life Excel India Balanced Fund and its securityholders and recommends that securityholders of Sun Life Excel India Balanced Fund vote FOR the resolution.

Investment Objectives and Strategies

If approved, the investment objectives and investment strategies of Sun Life Excel India Balanced Fund will change as follows:

<u>Sun Life Excel India Balanced Fund</u>		
	<i>Current Investment Objectives and Strategies</i>	<i>Proposed Investment Objectives and Strategies</i>
<i>Investment Objectives</i>	The Fund's investment objective is to provide monthly cash distributions and long-term capital appreciation by obtaining exposure to an actively-managed, diversified portfolio comprised primarily of publicly-listed equity securities and investment grade fixed income securities, in each case, issued by entities located in India.	The Fund's investment objective is to provide monthly cash distributions and long-term capital appreciation by investing directly in an actively-managed, diversified portfolio of publicly-listed equity securities and investment grade fixed income securities issued by entities located in India or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The Fund will invest in these securities through a “fund-of-fund” arrangement by investing in the Growth & Income Class (the “**Balanced Underlying Fund**”) of Excel Funds Mauritius Company Ltd. (the “**Company**”). The Balanced Underlying Fund is a class of shares of the Company, a multi-class collective investment scheme organized under the laws of Mauritius. The Balanced Underlying Fund represents a distinct portfolio in the Company having its own assets and liabilities and its NAV being calculated separately. The assets and liabilities of the Balanced Underlying Fund are segregated from other classes of the Company except for the purpose of determining solvency or in case the Company is required to meet any liabilities arising under the law.

Investment Strategies

In pursuing the Fund’s investment objective, the portfolio manager will invest up to 100% of the Fund’s net assets in securities of the Balanced Underlying Fund. The Balanced Underlying Fund is a class of shares of Excel Funds Mauritius Company Ltd.

The Balanced Underlying Fund was created to facilitate the investment by the Fund in securities of companies located in India and has the same investment objectives, strategies and guidelines as the Fund. Except as necessary to implement this fund-of-fund structure, the Balanced Underlying Fund has adopted and complies with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*.

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in, and hold more than 10% of, the Balanced Underlying Fund.

In pursuing its investment objective, the Balanced Underlying Fund:

- targets an allocation of 50% to 75% for Indian Equities (defined

The Fund will invest in these securities through a “fund-of-fund” arrangement by investing in the Balanced Underlying Fund. The Balanced Underlying Fund is a class of shares of Excel Funds Mauritius Company Ltd. (the “**Company**”), a multi-class collective investment scheme organized under the laws of Mauritius. The Balanced Underlying Fund represents a distinct portfolio in the Company having its own assets and liabilities and its NAV being calculated separately. The assets and liabilities of the Balanced Underlying Fund are segregated from other classes of the Company except for the purpose of determining solvency or in case the Company is required to meet any liabilities arising under the law.

The Balanced Underlying Fund was created to facilitate the investment by the Fund in securities of companies located in India and has the same investment objectives, strategies and guidelines as the Fund. Except as necessary to implement this fund-of-fund structure, the Balanced Underlying Fund has adopted and complies with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*.

below) and 25% to 50% for Indian Bonds (defined below);

- uses a combination of macro analysis and bottom-up fundamental and technical analysis of the local Indian market to determine the asset mix;
- in respect of equity securities:
 - employs a Growth at a Reasonable Price (“**GARP**”) approach; GARP is an equity investment strategy that combines growth and value investing focusing on identifying companies with consistent above-average earnings growth (the growth component) while excluding growth stocks that have very high valuations (the value component);
 - will invest in publicly-listed equity securities of businesses located in India (“**Indian Equities**”) that the portfolio manager expects will benefit from India’s new reform-oriented, business-friendly government and its favourable demographics which are expected to drive gross domestic product (“**GDP**”) growth expansion;
 - focuses the Indian Equity investments on the following areas of the Indian economy that it believes will benefit the most from GDP growth expansion: (i) infrastructure; (ii) consumption; and (iii) exports;

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in, and hold more than 10% of, the Balanced Underlying Fund.

In pursuing its investment objective, the Balanced Underlying Fund:

- targets an allocation of 50% to 75% for Indian Equities (defined below) and 25% to 50% for Indian Bonds (defined below);
- uses a combination of macro analysis and bottom-up fundamental and technical analysis of the local Indian market to determine the asset mix;
- in respect of equity securities:
 - employs a Growth at a Reasonable Price (“**GARP**”) approach; GARP is an equity investment strategy that combines growth and value investing focusing on identifying companies with consistent above-average earnings growth (the growth component) while excluding growth stocks that have very high valuations (the value component);
 - will invest in publicly-listed equity securities of businesses located in India (“**Indian Equities**”) that the portfolio manager expects will benefit from India’s new reform-oriented, business-friendly government and its favourable demographics which are expected to drive gross domestic product (“**GDP**”) growth expansion;

- in respect of debt instruments:
 - - seeks to generate consistent income through superior yields on investments at moderate levels of risk utilizing a laddered bond approach;
 - will invest in fixed income securities, primarily of investment grade, of corporate issuers located in India and, if permitted by applicable regulations, sovereign debt securities issued by the Government of India (collectively, “**Indian Bonds**”);
 - may invest in exchange-traded funds listed on stock exchanges in India or developed markets and may invest in other areas of the Indian economy to diversify its portfolio; and
 - may also invest in publicly-listed equity securities or investment grade fixed income securities of non-Indian domiciled businesses that have customers, suppliers or operations primarily conducted in, or dependent on, India.
- focuses the Indian Equity investments on the following areas of the Indian economy that it believes will benefit the most from GDP growth expansion: (i) infrastructure; (ii) consumption; and (iii) exports;
 - in respect of debt instruments:
 - - seeks to generate consistent income through superior yields on investments at moderate levels of risk utilizing a laddered bond approach;
 - will invest in fixed income securities, primarily of investment grade, of corporate issuers located in India and, if permitted by applicable regulations, sovereign debt securities issued by the Government of India (collectively, “**Indian Bonds**”);
 - may invest in exchange-traded funds listed on stock exchanges in India or developed markets and may invest in other areas of the Indian economy to diversify its portfolio; and
 - may also invest in publicly-listed equity securities or investment grade fixed income securities of non-Indian domiciled businesses that have customers, suppliers or operations primarily conducted in, or dependent on, India.

The Balanced Underlying Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

It is expected that the securities in the Balanced Underlying Fund’s portfolio will primarily be denominated in the Indian Rupee (“**INR**”), but may also include other currencies such as the U.S. dollar and the Euro. The Balanced Underlying Fund may enter into currency hedging arrangements to reduce the

The Balanced Underlying Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

It is expected that the securities in the Balanced Underlying Fund’s portfolio will primarily be denominated in the Indian Rupee (“**INR**”), but may also include other

effects of changes in the value of the INR or such other currencies relative to the Canadian dollar. From time to time, between 0% and 100% of the value of the Balanced Underlying Fund's foreign currency exposure may be hedged back to the Canadian dollar. The Balanced Underlying Fund does not currently intend to hedge the value of the portfolio of the Balanced Underlying Fund to any currency.

The Balanced Underlying Fund may use derivatives to hedge against foreign currency fluctuations, potential loss or to manage the effective maturity or duration of fixed-income securities in the Balanced Underlying Fund's portfolio. The Balanced Underlying Fund may also use derivatives for non-hedging purposes, such as to gain exposure to individual stocks, foreign exchanges or stock market indices or to seek to enhance returns. The Balanced Underlying Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Balanced Underlying Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Balanced Underlying Fund may take short positions in securities or exchange-traded funds to protect its portfolio during times of heightened volatility and down markets. The Balanced Underlying Fund may engage in short selling in a manner which is consistent with its investment objective and as permitted by Canadian securities regulatory authorities.

The Balanced Underlying Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a fund's portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a relationship

currencies such as the U.S. dollar and the Euro. The Balanced Underlying Fund may enter into currency hedging arrangements to reduce the effects of changes in the value of the INR or such other currencies relative to the Canadian dollar. From time to time, between 0% and 100% of the value of the Balanced Underlying Fund's foreign currency exposure may be hedged back to the Canadian dollar. The Balanced Underlying Fund does not currently intend to hedge the value of the portfolio of the Balanced Underlying Fund to any currency.

The Balanced Underlying Fund may use derivatives to hedge against foreign currency fluctuations, potential loss or to manage the effective maturity or duration of fixed-income securities in the Balanced Underlying Fund's portfolio. The Balanced Underlying Fund may also use derivatives for non-hedging purposes, such as to gain exposure to individual stocks, foreign exchanges or stock market indices or to seek to enhance returns. The Balanced Underlying Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The Balanced Underlying Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The Balanced Underlying Fund may take short positions in securities or exchange-traded funds to protect its portfolio during times of heightened volatility and down markets. The Balanced Underlying Fund may engage in short selling in a manner which is consistent with its investment objective and as permitted by Canadian securities regulatory authorities.

The Balanced Underlying Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a fund's portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a

between a high turnover rate and the Fund's performance.

relationship between a high turnover rate and the Fund's performance.

Sun Life Excel India Balanced Fund will not be subject to any additional risk factors as a result of the change of investment objective.

Proposed Investment Objective Change for Sun Life Excel New India Leaders Fund and Reasons for and Benefits of the Proposed Changes

General

The Manager is seeking the approval of securityholders of Sun Life Excel New India Leaders Fund to change its investment objective.

Provided securityholder approval is obtained and the Manager determines to proceed with the investment objective change, it is expected that the changes described below will become effective on or about June 5, 2020. The Manager believes that the proposed change to the investment objective benefits Sun Life Excel New India Leaders Fund and its securityholders as it provides plain language improvements which simplify and clarify the investment objectives of Sun Life Excel New India Leaders Fund. The Manager also believes that the investment objective enhances Sun Life Excel New India Leaders Fund's flexibility to utilize the most tax- and cost-efficient structure for securityholders. Further, the Manager believes that the investment objective change allows for greater regulatory risk management, as the investment objective change removes the current requirement to invest in a "fund-of-fund" arrangement through the Republic of Mauritius. At its plenary held February 19 to 21, 2020, the Financial Action Task Force ("FATF"), the global intergovernmental organization with a mandate to combat money laundering and terrorist financing, added Mauritius as a jurisdiction subject to increased monitoring. Jurisdictions under increased monitoring are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. As a result, the Manager believes that removing the investment objective requirement to invest in a "fund-of-fund" arrangement through Mauritius benefits Sun Life Excel New India Leaders Fund and its securityholders.

Recommendation

The Manager believes that the proposed investment objective change is in the best interests of Sun Life Excel New India Leaders Fund and its securityholders and recommends that securityholders of Sun Life Excel New India Leaders Fund vote FOR the resolution.

Investment Objectives and Strategies

If approved, the investment objectives and investment strategies of Sun Life Excel New India Leaders Fund will change as follows:

<u>Sun Life Excel New India Leaders Fund</u>		
	<i>Current Investment Objectives and Strategies</i>	<i>Proposed Investment Objectives and Strategies</i>
<i>Investment Objectives</i>	<p>The Fund's investment objective is to seek long-term growth of capital through investment in an actively managed portfolio comprised primarily of equity securities of companies located in India that are considered to be emerging industry leaders.</p> <p>The Fund will invest in these securities through a "fund-of-fund" arrangement by investing in the New Leaders Class of the Excel Funds Mauritius Company Ltd. (the</p>	<p>The Fund's investment objective is to seek long-term growth of capital by investing directly in an actively managed portfolio comprised primarily of equity securities of companies located in India that are considered to be emerging industry leaders or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.</p>

“Company”) (the **“New Leaders Underlying Fund”**). The New Leaders Underlying Fund is a class of shares of the Company, a multi-class collective investment scheme organized under the laws of Mauritius. The New Leaders Underlying Fund represents a distinct portfolio in the Company, having its own assets and liabilities and its net asset value being calculated separately. The assets and liabilities of the New Leaders Underlying Fund are segregated from other classes of the Company except for the purpose of determining solvency or in case the Company is required to meet any liabilities arising under the law.

Investment Strategies

In pursuing the Fund’s investment objective, the portfolio manager will invest up to 100% of the Fund’s net assets in securities of the New Leaders Underlying Fund. The New Leaders Underlying Fund is a class of shares of Excel Funds Mauritius Company Ltd.

The New Leaders Underlying Fund was created to facilitate the investment in securities of companies located in India by the Fund and has the same investment objectives, strategies and guidelines as the Fund. Except as necessary to implement this fund-of-fund structure, the New Leaders Underlying Fund has adopted and complies with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*.

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in, and hold more than 10% of, the New Leaders Underlying Fund.

In pursuing its investment objective, the New Leaders Underlying Fund:

- will invest primarily in publicly-listed equity securities of companies located in India and may also invest in Canadian equity securities with a focus on

The Fund will invest in these securities through a “fund-of-fund” arrangement by investing in the New Leaders Class of the Company (the **“New Leaders Underlying Fund”**). The New Leaders Underlying Fund is a class of shares of the Company, a multi-class collective investment scheme organized under the laws of Mauritius. The New Leaders Underlying Fund represents a distinct portfolio in the Company, having its own assets and liabilities and its NAV being calculated separately. The assets and liabilities of the New Leaders Underlying Fund are segregated from other classes of the Company except for the purpose of determining solvency or in case the Company is required to meet any liabilities arising under the law.

The New Leaders Underlying Fund was created to facilitate the investment in securities of companies located in India by the Fund and has the same investment objectives, strategies and guidelines as the Fund. Except as necessary to implement this fund-of-fund structure, the New Leaders Underlying Fund has adopted and complies with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*.

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in,

companies doing business in India, debt securities of Canadian issuers and/or securities of other mutual funds (including the Funds managed by the Manager);

- may invest in equity and debt securities of companies located in India, American or global depository receipts, exchange-traded funds listed on stock exchanges in India or developed markets, eurobonds, euro convertible bonds or other securities issued by Indian issuers in the international capital markets, debt securities of foreign issuers, and cash and cash equivalents;
- will seek to invest in a concentrated portfolio of high-quality businesses with consistent growth profile;
- will employ a fundamental research-based approach for stock selection; and
- will permit equity allocations to be reduced for a limited period in favour of debt instruments, money market instruments, cash and cash equivalents.

It is expected that the portfolio securities of the New Leaders Underlying Fund will primarily be denominated in the Indian Rupee (“INR”) but may also include other currencies such as the U.S. dollar and the Euro. The New Leaders Underlying Fund may enter into currency hedging arrangements to reduce the effects of changes in the value of the INR or such other currencies relative to the Canadian dollar. From time to time, between 0% and 100% of the value of the New Leaders Underlying Fund’s foreign currency exposure may be hedged back to the

and hold more than 10% of, the New Leaders Underlying Fund.

In pursuing its investment objective, the New Leaders Underlying Fund:

- will invest primarily in publicly-listed equity securities of companies located in India and may also invest in Canadian equity securities with a focus on companies doing business in India, debt securities of Canadian issuers and/or securities of other mutual funds (including the Funds managed by the Manager);
- may invest in equity and debt securities of companies located in India, American or global depository receipts, exchange-traded funds listed on stock exchanges in India or developed markets, eurobonds, euro convertible bonds or other securities issued by Indian issuers in the international capital markets, debt securities of foreign issuers, and cash and cash equivalents;
- will seek to invest in a concentrated portfolio of high-quality businesses with consistent growth profile;
- will employ a fundamental research-based approach for stock selection; and
- will permit equity allocations to be reduced for a limited period in favour of debt instruments, money market instruments, cash and cash equivalents.

It is expected that the portfolio securities of the New Leaders Underlying Fund will primarily be denominated in the Indian Rupee (“INR”) but may also include other currencies such as the U.S. dollar and the Euro. The New Leaders Underlying Fund may enter into currency hedging

Canadian dollar. The portfolio manager does not currently intend to hedge the value of the New Leaders Underlying Fund's portfolio to any currency.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The New Leaders Underlying Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. The New Leaders Underlying Fund may also use derivatives for non-hedging purposes, such as to gain exposure to individual stocks, foreign exchanges or stock market indices or to seek to enhance returns. The New Leaders Underlying Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The New Leaders Underlying Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The New Leaders Underlying Fund may take short positions in securities or exchange-traded funds to protect its portfolio during times of heightened volatility and down markets. The New Leaders Underlying Fund may also engage in short selling in a manner which is consistent with the investment objective of the fund and as permitted by Canadian securities regulatory authorities.

The New Leaders Underlying Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a fund's portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

arrangements to reduce the effects of changes in the value of the INR or such other currencies relative to the Canadian dollar. From time to time, between 0% and 100% of the value of the New Leaders Underlying Fund's foreign currency exposure may be hedged back to the Canadian dollar. The portfolio manager does not currently intend to hedge the value of the New Leaders Underlying Fund's portfolio to any currency.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The New Leaders Underlying Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. The New Leaders Underlying Fund may also use derivatives for non-hedging purposes, such as to gain exposure to individual stocks, foreign exchanges or stock market indices or to seek to enhance returns. The New Leaders Underlying Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

The New Leaders Underlying Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns.

The New Leaders Underlying Fund may take short positions in securities or exchange-traded funds to protect its portfolio during times of heightened volatility and down markets. The New Leaders Underlying Fund may also engage in short selling in a manner which is consistent with the investment objective of the fund and as permitted by Canadian securities regulatory authorities.

The New Leaders Underlying Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a fund's portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital

gains in the year. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

Sun Life Excel New India Leaders Fund will not be subject to any additional risk factors as a result of the change of investment objective.

MANAGEMENT OF THE FUNDS

Management of the day-to-day affairs of the Funds and the Continuing Funds is the responsibility of the Manager pursuant to a master management agreement.

Pursuant to sub-advisory agreements between the Manager and each of MFS Investment Management Canada Limited, BlackRock Asset Management Canada Limited, 1832 Asset Management L.P., China Asset Management Company Limited, Invesco Canada Ltd., Sentry Investment Management (a division of CI Investments Inc.), KBI Global Investors (North America) Ltd. and Franklin Templeton Investments Corp., (collectively, the “**Sub-Advisors**”), each of the Sub-Advisors provides investment advisory services in respect of certain Merging Funds and certain Continuing Funds. Each Fund pays management fees to the Manager for the services provided and the Manager pays a portion of these fees to the relevant Sub-Advisor.

During the period from January 1, 2019 to March 31, 2020, total management fees (inclusive of goods and services tax) paid by each Fund in respect of all series of securities, as applicable (other than Series O securities or Series I securities of the Funds, in respect of which no management fees are paid by the Funds) were as follows:

Name of Fund	Management Fees Paid During the Financial Year Ended December 31, 2019	Management Fees Paid During the Period from January 1, 2020 to March 31, 2020
Sun Life BlackRock Canadian Balanced Class	\$18,765	\$20,107
Sun Life BlackRock Canadian Balanced Fund	\$224,092	\$51,611
Sun Life BlackRock Canadian Composite Equity Class	\$11,443	\$2,916
Sun Life BlackRock Canadian Equity Class	\$13,350	\$3,090
Sun Life Dynamic American Fund	\$72,245	\$21,050
Sun Life Dynamic Energy Fund	\$55,403	\$10,497
Sun Life Dynamic Equity Income Class	\$130,176	\$40,044
Sun Life Dynamic Strategic Yield Class	\$147,527	\$37,985
Sun Life Excel China Fund	\$751,961	\$135,581
Sun Life Excel Emerging Markets Balanced Fund	\$379,801	\$54,773
Sun Life Franklin Bissett Canadian Equity Class	\$19,650	\$4,643
Sun Life Invesco Canadian Class	\$7,075	\$1,758
Sun Life MFS Canadian Equity Growth Class	\$16,031	\$17,722
Sun Life Sentry Value Class	\$97,052	\$20,780
Sun Life Sentry Value Fund	\$747,913	\$165,747
Sun Life MFS Dividend Income Class	\$34,032	\$8,468

Sun Life MFS Monthly Income Fund	\$171,371	\$46,534
Sun Life Templeton Global Bond Fund	\$34,836	\$8,011
Sun Life Excel India Fund	\$5,000,765	\$900,701
Sun Life Excel India Balanced Fund	\$548,592	\$93,480
Sun Life Excel New India Leaders Fund	\$277,638	\$48,237

The names and municipalities of residence of the insiders of only the Merging Corporate Funds, who are the independent directors of the Corporation, are: Andrew Smith, Toronto, Ontario and Nancy Church, Brantford, Ontario (collectively, the “**Independent Directors**”).

The names and municipalities of residence of the insiders of each Fund, who include certain directors and the executive officers of the Manager and the Corporation, are: Sadiq S. Adatia, Mississauga, Ontario; Jordy Chilcott, Toronto, Ontario; Kari Holdsworth, Tavistock, Ontario; S. Patricia Callon, Toronto, Ontario; Marcy Einarsson, Toronto, Ontario; Jacques Goulet, Toronto, Ontario; Lori Landry, Mississauga, Ontario; Michael Schofield, Waterloo, Ontario; and Thomas Reid, Newmarket, Ontario.

In addition to the directors and executive officers named above, the securityholders set out below are considered to be insiders of the relevant Fund because as of the close of business on March 31, 2020, each of them owned more than 10% of the securities of the applicable Fund.

Name of Fund	Holder of Securities	Province of Residence
Sun Life BlackRock Canadian Balanced Class	Sun Life Global Investments (Canada) Inc.	Ontario
Sun Life BlackRock Canadian Balanced Fund	Sun Life Assurance Company of Canada	Ontario
Sun Life BlackRock Canadian Balanced Fund	Sun Life BlackRock Canadian Balanced Class	Ontario
Sun Life BlackRock Canadian Balanced Fund	Sun BlackRock Canadian Balanced	Ontario
Sun Life BlackRock Canadian Composite Equity Class	Sun BlackRock Canadian Composite Equity	Ontario
Sun Life BlackRock Canadian Composite Equity Class	Sun BlackRock Canadian Composite Equity Bundle	Ontario
Sun Life BlackRock Canadian Equity Class	Sun BlackRock Canadian Equity	Ontario
Sun Life Dynamic American Fund	Sun Dynamic American Value	Ontario
Sun Life Dynamic Energy Fund	Sun Life Global Investments (Canada) Inc.	Ontario
Sun Life Dynamic Equity Income Class	Sun Dynamic Equity Income	Ontario
Sun Life Dynamic Strategic Yield Class	Sun Dynamic Strategic Yield	Ontario
Sun Life Dynamic Strategic Yield Class	Investor A*	Ontario
Sun Life Franklin Bissett Canadian Equity Class	Sun Franklin Bissett Canadian Equity	Ontario

Sun Life Invesco Canadian Class	Sun Life Global Investments (Canada) Inc.	Ontario
Sun Life MFS Canadian Equity Growth Class	Sun Life Global Investments (Canada) Inc.	Ontario
Sun Life MFS Dividend Income Class	Sun MFS Dividend Income	Ontario
Sun Life MFS Monthly Income Fund	Sun MFS Monthly Income	Ontario
Sun Life Sentry Value Class	Sun Sentry Value	Ontario
Sun Life Sentry Value Class	Sun Sentry Value Bundle	Ontario
Sun Life Sentry Value Fund	Sun Life Sentry Value Class	Ontario
Sun Life Sentry Value Fund	Sun Life Assurance Company of Canada	Ontario
Sun Life Templeton Global Bond Fund	Sun Templeton Global Bond	Ontario

*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 1-877-344-1434.

The Manager is compensated by the Funds as described earlier in this section. The Independent Directors are compensated by the Merging Corporate Funds for their services. Other than this compensation to the Manager and Independent Directors, or the purchase, sale and ownership of securities of the Funds, none of the insiders received any form of compensation from the Funds and none of them was indebted to or had any transaction or arrangement with the Funds during 2019. The Manager is an indirect wholly-owned subsidiary of Sun Life Financial Inc. Sun Life Financial Inc. is a public company listed on the Toronto Stock Exchange, the New York Stock Exchange and the Philippine Stock Exchange, and its corporate office address is One York Street, Toronto, Ontario M5J 0B6.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and/or officers of the Manager. **You have the right to appoint some other person (who need not be a securityholder of the Fund) to attend or act on your behalf at the Meeting by striking out the printed names and inserting the name of such other person in the blank space provided in the form of proxy, or by completing another proxy in the proper form. To be valid, proxies must be delivered or mailed to Data Processing Centre, P.O. Box 3700, Stn Industrial Park, Markham, Ontario L3R 9Z9 and must be received at Data Processing Centre at least 24 hours (excluding Saturdays, Sundays and holidays) before the start of the Meeting, or of any adjourned, postponed or continued meeting. You may also deposit your proxy with the Chair of the meeting by the start of the meeting at the latest. You may also vote online at www.proxyvote.com and you must do so in advance of the meeting.**

If you submit a proxy, you may revoke it in relation to any matter, provided a vote has not already been taken on that matter. You can revoke your proxy by:

- completing and signing a proxy bearing a later date and depositing it as described above;
- depositing a written revocation executed by you, or by your attorney who you have authorized in writing to act on your behalf, at the above address at any time up to and including the last business day preceding the day of the Meeting, or any postponement(s), adjournment(s) or continuance(s), at which the proxy is to be used, or with the Chair of the Meeting before the beginning of the Meeting on the day of the Meeting or any postponements(s), adjournment(s) or continuance(s); or

- any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The management representatives designated in the enclosed form of proxy will vote the securities for which they are appointed proxy in accordance with your instructions as indicated on the form of proxy.

In the absence of such direction, such securities will be voted by the management representatives in favour of the resolutions set out in Schedule “A” to this Information Circular.

The enclosed form of proxy confers discretionary authority on the designated management representatives relating to amendments to or variations of matters identified in the Notice of Meeting and relating to other matters which may properly come before the Meeting. At the date of this Information Circular, the Manager does not know of any such amendments, variations or other matters.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The capital of each Merging Trust Fund and IO Change Fund may be divided into an unlimited number of classes and series. Each Merging Corporate Fund is a class of the Corporation and may be divided into an unlimited number of series. An unlimited number of securities of each series of each Fund may be issued. As at the end of business on March 25, 2020, each series of a Fund involved in the mergers had the following numbers of issued and outstanding securities:

	Number of Securities Issued and Outstanding
Sun Life BlackRock Canadian Balanced Class	
Series A	402,551.773
Series F	9,282.389
Series O	43,207.361
Sun Life BlackRock Canadian Balanced Fund	
Series A	914,463.831
Series F	64,819.491
Series I	2,499,795.229
Series O	166,764.861
Sun Life BlackRock Canadian Composite Equity Class	
Series A	77,934.654
Series F	29,733.547
Series I	1,296,521.153
Series O	11,866.282

	Number of Securities Issued and Outstanding
Sun Life BlackRock Canadian Equity Class	
Series A	46,774.319
Series AT5	2,589.851
Series AT8	3,751.807
Series F	6,597.023
Series FT5	799.179
Series FT8	849.909
Series I	617,572.959
Series O	37,213.291
Sun Life Dynamic American Fund	
Series A	267,105.332
Series T5	1,017.239
Series T8	1,794.176
Series F	41,324.454
Series F5	864.584
Series F8	888.211
Series I	785,030.786
Series O	38,350.793
Sun Life Dynamic Energy Fund	
Series A	284,331.149
Series F	28,284.673
Series I	118,672.819
Series O	39,459.174
Sun Life Dynamic Equity Income Class	
Series A	569,584.651
Series F	223,591.711
Series I	3,148,889.692
Series O	110,155.195
Sun Life Dynamic Strategic Yield Class	
Series A	536,303.624
Series F	224,766.634
Series I	1,053,636.230
Series O	790,617.542
Sun Life Excel China Fund	
Series A	4,340,149.565
Series F	94,139.320
Series I	238.233
Sun Life Excel Emerging Markets Balanced Fund	
Series A	1,679,722.213
Series DB	347.522
Series F	448,339.620

	Number of Securities Issued and Outstanding
Sun Life Franklin Bissett Canadian Equity Class	
Series A	68,848.366
Series F	20,342.369
Series I	874,715.259
Series O	25,844.748
 Sun Life Invesco Canadian Class	
Series A	36,852.965
Series F	1,170.431
Series I	130,830.514
Series O	1,107.859
 Sun Life MFS Canadian Equity Growth Class	
Series A	328,118.807
Series F	17,910.329
Series O	13,957.197
 Sun Life Sentry Value Class	
Series A	328,783.219
Series F	62,318.586
Series I	1,707,426.649
Series O	269,202.405
 Sun Life Sentry Value Fund	
Series A	2,304,936.024
Series F	271,567.378
Series I	2,942,073.619
Series O	379,717.743
 Sun Life MFS Dividend Income Class	
Series A	142,090.649
Series F	39,428.946
Series I	2,396,202.300
Series O	89,166.429
 Sun Life MFS Monthly Income Fund	
Series A	1,140,026.261
Series F	66,530.850
Series F5	741.208
Series I	927,342.526
Series O	130,531.069
 Sun Life Templeton Global Bond Fund	
Series A	228,243.628
Series F	22,632.809
Series I	526,537.276
Series O	42,897.763

	Number of Securities Issued and Outstanding
Sun Life Excel India Fund	
Series A	4,298,710.133
Series DB	248,449.490
Series F	5,827,061.647
Series I	283.571
Series IS	2,262,140.861
Series O	4,002.081
Sun Life Excel India Balanced Fund	
Series A	2,062,325.783
Series F	3,055,038.900
Series X	2,381,377.896
Sun Life Excel New India Leaders Fund	
Series A	1,300,141.529
Series F	878,637.016

Each whole security of a Fund entitles the holder to one vote on all matters relating to such Fund.

The board of directors of the Manager and, in the case of the Merging Corporate Funds, the board of directors of the Corporation, have fixed March 25, 2020 to be the date for determining which securityholders of a Fund are entitled to receive notice of, and to vote at, a Meeting.

The quorum requirement for each Fund is set out above under the subheading “Required Approvals”.

To the knowledge of the directors and senior officers of the Manager, as of the close of business on March 31, 2020, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the voting rights attached to the securities of any series of a Fund entitled to be voted at the Meetings except as follows:

Fund	Series	Holder Of Securities	Number of Securities Held	Percentage of the Series Issued and Outstanding
Sun Life BlackRock Canadian Balanced Class	A	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	327,612.697	81.38%
Sun Life BlackRock Canadian Balanced Class	F	SPRING CREEK INVESTMENTS INC.	6,788.686	73.14%
Sun Life BlackRock Canadian Balanced Class	F	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	2,058.592	22.18%
Sun Life BlackRock Canadian Balanced Class	O	INVESTOR A*	21,283.688	49.26%
Sun Life BlackRock Canadian Balanced Class	O	INVESTOR B*	7,474.911	17.30%
Sun Life BlackRock Canadian Balanced Fund	F	INVESTOR C*	7,468.671	11.53%
Sun Life BlackRock Canadian Balanced Fund	I	SUN BLACKROCK CANADIAN BALANCED	1,451,449.428	58.25%
Sun Life BlackRock Canadian Balanced Fund	I	SUN LIFE ASSURANCE COMPANY OF CANADA	554,769.182	22.26%

Fund	Series	Holder Of Securities	Number of Securities Held	Percentage of the Series Issued and Outstanding
Sun Life BlackRock Canadian Balanced Fund	I	SUN LIFE BLACKROCK CANADIAN BALANCED CLASS	406,468.110	16.31%
Sun Life BlackRock Canadian Balanced Fund	O	INVESTOR D*	30,770.642	18.45%
Sun Life BlackRock Canadian Balanced Fund	O	INVESTOR E*	29,924.311	17.94%
Sun Life BlackRock Canadian Balanced Fund	O	INVESTOR F*	53,799.040	32.26%
Sun Life BlackRock Canadian Composite Equity Class	A	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	17,908.857	22.98%
Sun Life BlackRock Canadian Composite Equity Class	A	INVESTOR G*	17,470.007	22.41%
Sun Life BlackRock Canadian Composite Equity Class	F	INVESTOR H*	7,983.621	26.86%
Sun Life BlackRock Canadian Composite Equity Class	F	INVESTOR I*	5,835.923	19.64%
Sun Life BlackRock Canadian Composite Equity Class	F	INVESTOR C*	4,183.480	14.08%
Sun Life BlackRock Canadian Composite Equity Class	I	SUN BLACKROCK CANADIAN COMPOSITE EQUITY	675,045.743	52.28%
Sun Life BlackRock Canadian Composite Equity Class	I	SUN BLACKROCK CANADIAN COMPOSITE EQUITY BUNDLE	615,813.795	47.69%
Sun Life BlackRock Canadian Composite Equity Class	O	INVESTOR J*	3,699.809	31.18%
Sun Life BlackRock Canadian Composite Equity Class	O	INVESTOR K*	3,418.499	28.81%
Sun Life BlackRock Canadian Composite Equity Class	O	INVESTOR L*	2,347.257	19.78%
Sun Life BlackRock Canadian Composite Equity Class	O	INVESTOR M*	2,267.033	19.10%
Sun Life BlackRock Canadian Equity Class	A	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	16,083.619	34.39%
Sun Life BlackRock Canadian Equity Class	F	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	2,232.242	33.84%
Sun Life BlackRock Canadian Equity Class	F	INVESTOR N*	1,803.886	27.34%
Sun Life BlackRock Canadian Equity Class	F	INVESTOR O*	2,561.703	38.83%
Sun Life BlackRock Canadian Equity Class	FT5	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	803.619	100.00%
Sun Life BlackRock Canadian Equity Class	FT8	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	857.325	100.00%
Sun Life BlackRock Canadian Equity Class	I	SUN BLACKROCK CANADIAN EQUITY	609,812.320	100.00%
Sun Life BlackRock Canadian Equity Class	O	1599760 ONTARIO INC.	10,300.117	27.68%
Sun Life BlackRock Canadian Equity Class	O	SPRINGLE MEDICINE PROFESSIONAL CORPORATION	8,105.651	21.78%
Sun Life BlackRock Canadian Equity Class	O	1147909 ONTARIO LIMITED	7,676.380	20.63%
Sun Life BlackRock Canadian Equity Class	O	INVESTOR P*	5,103.356	13.71%
Sun Life BlackRock Canadian Equity Class	T5	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	1,159.027	44.75%
Sun Life BlackRock Canadian Equity Class	T5	INVESTOR Q*	914.135	35.30%

Fund	Series	Holder Of Securities	Number of Securities Held	Percentage of the Series Issued and Outstanding
Sun Life BlackRock Canadian Equity Class	T5	INVESTOR R*	527.824	20.38%
Sun Life BlackRock Canadian Equity Class	T8	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	1,424.015	37.96%
Sun Life BlackRock Canadian Equity Class	T8	INVESTOR S*	1,745.818	46.53%
Sun Life BlackRock Canadian Equity Class	T8	INVESTOR T*	388.505	10.36%
Sun Life Dynamic American Fund	F	INVESOR U*	10,280.018	25.14%
Sun Life Dynamic American Fund	F	INVESTOR V*	7,086.969	17.33%
Sun Life Dynamic American Fund	F5	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	868.896	100.00%
Sun Life Dynamic American Fund	F8	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	895.150	100.00%
Sun Life Dynamic American Fund	I	SUN DYNAMIC AMERICAN VALUE	718,031.922	91.49%
Sun Life Dynamic American Fund	O	INVESTOR W*	6,757.443	17.62%
Sun Life Dynamic American Fund	O	INVESTOR X*	5,648.755	14.73%
Sun Life Dynamic American Fund	O	INVESTOR Y*	4,062.043	10.59%
Sun Life Dynamic American Fund	T5	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	1,022.325	100.00%
Sun Life Dynamic American Fund	T8	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	1,122.987	63.21%
Sun Life Dynamic American Fund	T8	INVESTOR Z*	231.853	13.05%
Sun Life Dynamic American Fund	T8	INVESTOR AA*	203.237	11.44%
Sun Life Dynamic Energy Fund	F	INVESTOR BB*	3,288.346	11.62%
Sun Life Dynamic Energy Fund	I	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	118,672.819	100.00%
Sun Life Dynamic Energy Fund	O	INVESTOR CC*	20,458.910	51.85%
Sun Life Dynamic Energy Fund	O	GFJB HOLDINGS LTD	9,834.505	24.92%
Sun Life Dynamic Equity Income Class	A	INVESTOR DD*	60,873.730	10.66%
Sun Life Dynamic Equity Income Class	I	SUN DYNAMIC EQUITY INCOME	3,148,133.975	99.83%
Sun Life Dynamic Equity Income Class	O	TREVOR DAVIES HOLDINGS LTD.	16,694.667	17.51%
Sun Life Dynamic Equity Income Class	O	9149-0029 QUEBEC INC.	10,358.119	10.86%
Sun Life Dynamic Equity Income Class	O	GESTION PELLETIER AND FILS INC.	9,746.534	10.22%
Sun Life Dynamic Strategic Yield Class	F	INVESTOR EE*	52,551.564	23.38%
Sun Life Dynamic Strategic Yield Class	F	URBAN ECOSYSTEMS LIMITED	31,100.353	13.84%
Sun Life Dynamic Strategic Yield Class	I	SUN DYNAMIC STRATEGIC YIELD	1,047,729.568	99.60%
Sun Life Dynamic Strategic Yield Class	O	INVESTOR FF*	301,965.996	38.20%
Sun Life Excel China Fund	I	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	238.233	100.00%
Sun Life Excel Emerging Markets Balanced Fund	DB	INVESTOR GG*	349.253	100.00%
Sun Life Excel India Fund	DB	INVESTOR HH*	30,857.040	12.42%
Sun Life Excel India Fund	I	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	283.571	100.00%
Sun Life Excel India Fund	IS	FONDS ACHBEE INC.	328,363.251	16.16%

Fund	Series	Holder Of Securities	Number of Securities Held	Percentage of the Series Issued and Outstanding
Sun Life Excel India Fund	O	1900369 ONTARIO INC.	1,987.618	49.66%
Sun Life Excel India Fund	O	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	1,068.239	26.69%
Sun Life Franklin Bissett Canadian Equity Class	F	INVESTOR II*	11,001.711	54.08%
Sun Life Franklin Bissett Canadian Equity Class	F	9295-6002 QUEBEC INC.	3,491.471	17.16%
Sun Life Franklin Bissett Canadian Equity Class	F	INVESTOR JJ*	2,363.010	11.62%
Sun Life Franklin Bissett Canadian Equity Class	I	SUN FRANKLIN BISSETT CANADIAN EQUITY	776,721.841	89.19%
Sun Life Franklin Bissett Canadian Equity Class	O	INVESTOR KK*	8,054.369	31.35%
Sun Life Franklin Bissett Canadian Equity Class	O	INVESTOR LL*	7,506.426	29.21%
Sun Life Franklin Bissett Canadian Equity Class	O	PORTES ET FENETRES SIGMA INC	5,814.731	22.63%
Sun Life Invesco Canadian Class	A	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	12,880.116	34.94%
Sun Life Invesco Canadian Class	A	INVESTOR MM*	4,456.655	12.09%
Sun Life Invesco Canadian Class	F	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	1,170.889	100.00%
Sun Life Invesco Canadian Class	I	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	130,830.514	100.00%
Sun Life Invesco Canadian Class	O	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	1,107.121	99.93%
Sun Life MFS Canadian Equity Growth Class	A	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	277,925.255	84.69%
Sun Life MFS Canadian Equity Growth Class	F	INVESTOR NN*	8,968.288	50.07%
Sun Life MFS Canadian Equity Growth Class	F	INVESTOR OO*	3,292.443	18.38%
Sun Life MFS Canadian Equity Growth Class	O	INVESTOR PP*	2,664.924	30.32%
Sun Life MFS Canadian Equity Growth Class	O	INVESTOR QQ*	1,996.461	22.71%
Sun Life MFS Canadian Equity Growth Class	O	INVESTOR RR*	1,880.994	21.40%
Sun Life MFS Canadian Equity Growth Class	O	INVESTOR SS*	892.449	10.15%
Sun Life MFS Canadian Equity Growth Class	O	INVESTOR TT*	890.757	10.13%
Sun Life MFS Dividend Income Class	F	E. & G. ROGERS MUSSEL FARMS LTD.	11,928.711	30.23%
Sun Life MFS Dividend Income Class	F	INVESTOR UU*	8,738.764	22.15%
Sun Life MFS Dividend Income Class	F	INVESTOR VV*	6,062.967	15.37%
Sun Life MFS Dividend Income Class	I	SUN MFS DIVIDEND INCOME	2,391,390.548	99.69%
Sun Life MFS Dividend Income Class	O	INVESTOR WW*	20,897.515	23.44%
Sun Life MFS Dividend Income Class	O	1828532 ONTARIO INC.	20,288.931	22.75%
Sun Life MFS Dividend Income Class	O	INVESTOR X*	9,830.022	11.02%
Sun Life MFS Monthly Income Fund	F	INVESTOR XX*	11,469.798	17.24%
Sun Life MFS Monthly Income Fund	F	INVESTOR YY*	7,940.433	11.93%

Fund	Series	Holder Of Securities	Number of Securities Held	Percentage of the Series Issued and Outstanding
Sun Life MFS Monthly Income Fund	F5	SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.	744,913	100.00%
Sun Life MFS Monthly Income Fund	I	SUN MFS MONTHLY INCOME	714,789.319	77.28%
Sun Life MFS Monthly Income Fund	I	SUN LIFE ASSURANCE COMPANY OF CANADA	209,419.176	22.72%
Sun Life MFS Monthly Income Fund	O	INVESTOR ZZ*	18,565.466	14.23%
Sun Life MFS Monthly Income Fund	O	INVESTOR AAA*	17,901.627	13.72%
Sun Life MFS Monthly Income Fund	O	INVESTOR BBB*	15,437.980	11.83%
Sun Life Sentry Value Class	F	INVESTOR CCC*	12,144.075	19.49%
Sun Life Sentry Value Class	F	INVESTOR DDD*	11,628.249	18.66%
Sun Life Sentry Value Class	F	INVESTOR EEE*	8,074.483	12.96%
Sun Life Sentry Value Class	I	SUN SENTRY VALUE	1,332,484.809	78.23%
Sun Life Sentry Value Class	I	SUN SENTRY VALUE BUNDLE	276,325.165	16.22%
Sun Life Sentry Value Class	O	TAILLEFER FAMILY OF COMPANIES INC.	42,033.501	15.61%
Sun Life Sentry Value Class	O	2494978 ONTARIO INC.	34,260.370	12.73%
Sun Life Sentry Value Class	O	INVESTOR FFF*	28,774.300	10.69%
Sun Life Sentry Value Fund	I	SUN LIFE SENTRY VALUE CLASS	1,777,821.479	60.56%
Sun Life Sentry Value Fund	I	SUN LIFE ASSURANCE COMPANY OF CANADA	1,156,756.007	39.40%
Sun Life Templeton Global Bond Fund	F	INVESTOR GGG*	8,144.552	35.99%
Sun Life Templeton Global Bond Fund	F	INVESTOR HHH*	10,089.353	44.59%
Sun Life Templeton Global Bond Fund	I	INVESTOR III*	481,320.936	91.48%
Sun Life Templeton Global Bond Fund	O	INVESTOR JJJ*	8,293.134	19.33%
Sun Life Templeton Global Bond Fund	O	INVESTOR KKK*	5,256.126	12.25%

*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 1-877-344-1434.

As of March 31, 2020, none of the directors or executive officers of the Manager owned more than 10% of the issued and outstanding securities of any series of a Fund.

Securities of the Funds that are held by other mutual funds managed by the Manager will not be voted at the Meetings. **The Manager intends to vote any securities of the Funds that it owns at the Meetings in favour of the proposed resolutions and the Manager understands that certain companies affiliated with it, including Sun Life Assurance Company of Canada, may vote the securities of the Fund held by them at the Meetings in favour of the proposed resolutions. These affiliates hold these securities in connection with their obligations towards their respective clients, the nature of which is determined by reference to each Fund.**

GENERAL

The contents of this Information Circular and the sending of it to securityholders of the Funds have been approved by the board of directors of the Manager and, in the case of the Merging Corporate Funds, by the board of directors of the Corporation.

By Order of the Board of Directors of Sun Life Global Investments (Canada) Inc., as trustee of the Merging Trust Funds and the IO Change Funds and as manager of the Funds

(signed) "Jordy Chilcott"

Name: Jordy Chilcott

Title: President

By Order of the Board of Directors of Sun Life Global Investments Corporate Class Inc. in respect of the Merging Corporate Funds

(signed) "Jordy Chilcott"

Name: Jordy Chilcott

Title: President

April 15, 2020

SCHEDULE “A” – RESOLUTIONS

Resolution of

Sun Life BlackRock Canadian Balanced Class
Sun Life BlackRock Canadian Composite Equity Class
Sun Life BlackRock Canadian Equity Class
Sun Life Dynamic Equity Income Class
Sun Life Dynamic Strategic Yield Class
Sun Life Franklin Bissett Canadian Equity Class
Sun Life Invesco Canadian Class
Sun Life MFS Canadian Equity Growth Class
Sun Life Sentry Value Class
Sun Life MFS Dividend Income Class
(each, a “Merging Fund”)

For Sun Life BlackRock Canadian Balanced Class only - to merge Sun Life BlackRock Canadian Balanced Class into Sun Life Tactical Balanced ETF Portfolio

For Sun Life BlackRock Canadian Composite Equity Class only - to merge Sun Life BlackRock Canadian Composite Equity Class into Sun Life BlackRock Canadian Equity Fund

For Sun Life BlackRock Canadian Equity Class only - to merge Sun Life BlackRock Canadian Equity Class into Sun Life BlackRock Canadian Equity Fund

For Sun Life Dynamic Equity Income Class only - to merge Sun Life Dynamic Equity Income Class into Sun Life Dynamic Equity Income Fund

For Sun Life Dynamic Strategic Yield Class only - to merge Sun Life Dynamic Strategic Yield Class into Sun Life Dynamic Strategic Yield Fund

For Sun Life Franklin Bissett Canadian Equity Class only - to merge Sun Life Franklin Bissett Canadian Equity Class into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)

For Sun Life Invesco Canadian Class only - to merge Sun Life Invesco Canadian Class into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)

For Sun Life MFS Canadian Equity Growth Class only - to merge Sun Life MFS Canadian Equity Growth Class into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)

For Sun Life Sentry Value Class only - to merge Sun Life Sentry Value Class into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)

For Sun Life MFS Dividend Income Class only - to merge Sun Life MFS Dividend Income Class into Sun Life MFS Dividend Income Fund

(each of Sun Life Tactical Balanced ETF Portfolio, Sun Life BlackRock Canadian Equity Fund, Sun Life Dynamic Equity Income Fund, Sun Life Dynamic Strategic Yield Fund, Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund) and Sun Life MFS Dividend Income Fund a “**Continuing Fund**”)

WHEREAS it is in the best interests of the Merging Fund and its securityholders to merge the Merging Fund into the Continuing Fund as hereinafter provided;

BE IT RESOLVED THAT:

1. the merger of the Merging Fund into the Continuing Fund as described in the management information circular dated April 15, 2020 be and the same is hereby authorized and approved;

2. Sun Life Global Investments (Canada) Inc. (the “**Manager**”), as manager of the Merging Fund and trustee and manager of the Continuing Fund, be and is hereby authorized to:
 - (a) on, or shortly before, the date of the merger, cause the Merging Fund to distribute its net income and net realized capital gains for its current tax year, if any, to the extent necessary to eliminate the Merging Fund’s liability for tax;
 - (b) sell the net assets of the Merging Fund to the Continuing Fund in exchange for securities of the applicable series of the Continuing Fund;
 - (c) distribute the securities of the Continuing Fund received by the Merging Fund to securityholders of the Merging Fund in exchange for all of these securityholders’ existing securities of the Merging Fund on a dollar-for-dollar and series-by-series basis; and
 - (d) wind up the Merging Fund as soon as reasonably possible following the merger;
3. Sun Life Global Investments Corporate Class Inc. (the “**Corporation**”) be and is hereby authorized to amend its articles to the extent necessary to give effect to the merger;
4. all amendments to any agreements to which the Corporation or the Manager is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
5. any one officer or director of the Manager be and is hereby authorized and directed, on behalf of the Merging Fund, to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;
6. any one officer or director of the Corporation be and is hereby authorized and directed, on behalf of the Merging Fund, to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;
7. the Manager be and is hereby authorized to delay the implementation of the merger until a date that is no later than December 31, 2020 without further approval of the investors of the Merging Fund; and
8. the Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the investors of the Merging Fund, at any time prior to the implementation of the changes described above if it is considered to be in the best interests of the Merging Fund or the Continuing Fund and their securityholders not to proceed.

Resolution of

**Sun Life BlackRock Canadian Balanced Fund
Sun Life Dynamic American Fund
Sun Life Dynamic Energy Fund
Sun Life Excel China Fund
Sun Life Excel Emerging Markets Balanced Fund
Sun Life Sentry Value Fund
Sun Life MFS Monthly Income Fund
Sun Life Templeton Global Bond Fund
(each, a “Merging Fund”)**

For Sun Life BlackRock Canadian Balanced Fund only - to merge Sun Life BlackRock Canadian Balanced Fund into Sun Life Tactical Balanced ETF Portfolio

For Sun Life Dynamic American Fund only - to merge Sun Life Dynamic American Fund into Sun Life MFS U.S. Growth Fund

For Sun Life Dynamic Energy Fund only - to merge Sun Life Dynamic Energy Fund into Sun Life Dynamic Equity Income Fund

For Sun Life Excel China Fund only - to merge Sun Life Excel China Fund into Sun Life Excel Emerging Markets Fund

For Sun Life Excel Emerging Markets Balanced Fund only - to merge Sun Life Excel Emerging Markets Balanced Fund into Sun Life MFS Global Total Return Fund

For Sun Life Sentry Value Fund only - to merge Sun Life Sentry Value Fund into Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)

For Sun Life MFS Monthly Income Fund only - to merge Sun Life MFS Monthly Income Fund into Sun Life Granite Income Portfolio

For Sun Life Templeton Global Bond Fund only - to merge Sun Life Templeton Global Bond Fund into Sun Life Tactical Fixed Income ETF Portfolio

(each of Sun Life Tactical Balanced ETF Portfolio, Sun Life MFS U.S. Growth Fund, Sun Life Dynamic Equity Income Fund, Sun Life MFS Global Total Return Fund, Sun Life Excel Emerging Markets Fund, Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund), Sun Life Granite Income Portfolio and Sun Life Tactical Fixed Income ETF Portfolio a “**Continuing Fund**”)

WHEREAS it is in the best interests of the Merging Fund and its securityholders to merge the Merging Fund into the Continuing Fund as hereinafter provided;

BE IT RESOLVED THAT:

1. the merger of the Merging Fund into the Continuing Fund as described in the management information circular dated April 15, 2020 be and the same is hereby authorized and approved;
2. Sun Life Global Investments (Canada) Inc. (the “**Manager**”), as trustee and manager of the Merging Fund and the Continuing Fund, be and is hereby authorized to:

- a. on, or shortly before, the date of the merger, cause the Merging Fund to distribute its net income and net realized capital gains for its current tax year, if any, to the extent necessary to eliminate the Merging Fund's liability for tax;
 - b. sell the net assets of the Merging Fund to the Continuing Fund in exchange for securities of the applicable series of the Continuing Fund;
 - c. distribute the securities of the Continuing Fund received by the Merging Fund to securityholders of the Merging Fund in exchange for all of these securityholders' existing securities of the Merging Fund on a dollar-for-dollar and series-by-series basis;
 - d. wind up the Merging Fund as soon as reasonably possible following the merger; and
 - e. amend the declaration of trust of the Merging Fund to the extent necessary to give effect to the foregoing.
3. all amendments to any agreements to which the Manager is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
4. any one officer or director of the Manager be and is hereby authorized and directed, on behalf of the Merging Fund, to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;
5. the Manager be and is hereby authorized to delay the implementation of the merger until a date that is no later than December 31, 2020 without further approval of the investors of the Merging Fund; and
6. the Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the investors of the Merging Fund, at any time prior to the implementation of the changes described above if it is considered to be in the best interests of the Merging Fund or the Continuing Fund and their securityholders not to proceed.

Resolution of Sun Life Excel India Fund
(the “**Fund**”)
(for Sun Life Excel India Fund only)

WHEREAS it is in the best interests of the Fund and its securityholders to change the investment objective of the Fund as described in the management information circular dated April 15, 2020 and as hereinafter provided;

BE IT RESOLVED THAT:

1. the investment objective of the Fund is hereby changed to the following:

The Fund’s investment objective is to seek long term superior growth of capital by investing directly in equity securities of companies located in India or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.
2. all related changes to the investment strategies of the Fund and any new agreement or any amendment to any existing agreements to which the Fund or the Manager on behalf of the Fund is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
3. any one officer or director of Sun Life Global Investments (Canada) Inc., as trustee and manager of the Fund (the “**Manager**”), is hereby authorized and directed to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;
4. the Manager be and is hereby authorized to delay the implementation of the investment objective change until a date that is no later than December 31, 2020 without further approval of the investors of the Fund; and
5. the Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the investors of the Fund, at any time prior to the implementation of the changes described above for any reason if it is considered to be in the best interests of the Fund and its securityholders not to proceed.

Resolution of Sun Life Excel India Balanced Fund
(the “**Fund**”)
(for Sun Life Excel India Balanced Fund only)

WHEREAS it is in the best interests of the Fund and its securityholders to change the investment objective of the Fund as described in the management information circular dated April 15, 2020 and as hereinafter provided;

BE IT RESOLVED THAT:

1. the investment objective of the Fund is hereby changed to the following:

The Fund’s investment objective is to provide monthly cash distributions and long-term capital appreciation by investing directly in an actively-managed, diversified portfolio of publicly-listed equity securities and investment grade fixed income securities, issued by entities located in India or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.
2. all related changes to the investment strategies of the Fund and any new agreement or any amendment to any existing agreements to which the Fund or the Manager on behalf of the Fund is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
3. any one officer or director of Sun Life Global Investments (Canada) Inc., as trustee and manager of the Fund (the “**Manager**”), is hereby authorized and directed to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;
4. the Manager be and is hereby authorized to delay the implementation of the investment objective change until a date that is no later than December 31, 2020 without further approval of the investors of the Fund; and
5. the Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the investors of the Fund, at any time prior to the implementation of the changes described above for any reason if it is considered to be in the best interests of the Fund and its securityholders not to proceed.

Resolution of Sun Life Excel New India Leaders Fund
(the “**Fund**”)
(for Sun Life Excel New India Leaders Fund only)

WHEREAS it is in the best interests of the Fund and its securityholders to change the investment objective of the Fund as described in the management information circular dated April 15, 2020 and as hereinafter provided;

BE IT RESOLVED THAT:

1. the investment objective of the Fund is hereby changed to the following:

The Fund’s investment objective is to seek long-term growth of capital by investing directly in an actively managed portfolio comprised primarily of equity securities of companies located in India that are considered to be emerging industry leaders or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.
2. all related changes to the investment strategies of the Fund and any new agreement or any amendment to any existing agreements to which the Fund or the Manager on behalf of the Fund is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
3. any one officer or director of Sun Life Global Investments (Canada) Inc., as trustee and manager of the Fund (the “**Manager**”), is hereby authorized and directed to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;
4. the Manager be and is hereby authorized to delay the implementation of the investment objective change until a date that is no later than December 31, 2020 without further approval of the investors of the Fund; and
5. the Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the investors of the Fund, at any time prior to the implementation of the changes described above for any reason if it is considered to be in the best interests of the Fund and its securityholders not to proceed.