

# COVER SHEET

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SEC Registration Number

A I B M O N E Y M A R K E T M U T U A L F U N D I N C .

( A n O p e n - E n d M u t u a l F u n d C o m p a n y )

(Company's Full Name)

1 1 t h F l o o r , M u l t i n a t i o n a l

B a n c o r p o r a t i o n C e n t r e 6 8 0 5 ,

A y a l a a v e . , 1 2 2 6 M a k a t i C i t y

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

**Vilma M. Aquiatan**

**8588-4242**

1 2      3 1  
 Month      Day  
 (Fiscal Year)

**SEC Form 17-A**

**April 21**

(Annual Meeting)

**Investment Company**  
 (Secondary License Type, if Applicable)

Dept Requiring this Doc

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings  
 Domestic      Foreign

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 To be accomplished by SEC Personnel concerned

File Number

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Document ID

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, AS AMENDED

ANNUAL REPORT PURSUANT TO SECTION 17  
OF THE SECURITIES REGULATION CODE AND SECTION 141  
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended DECEMBER 31, 2020
2. SEC Identification Number CS201506309 3. BIR Tax Identification No. 008-994-370
4. Exact name of issuer as specified in its charter AIB MONEY MARKET MUTUAL FUND, INC.
5. MAKATI CITY 6.  (SEC Use Only)  
Province, Country or other jurisdiction of Industry Classification Code:  
incorporation or organization
7. 11F Multinational Bancorporation Centre 6805 Ayala Ave., Makati City 1226  
Address of principal office Postal Code
8. (0632)588-4242  
Issuer's telephone number, including area code
9. NOT APPLICABLE  
Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<b>COMMON</b>	<b>201,658,126</b>

11. Are any or all of these securities listed on a Stock Exchange.

Yes [ ] No []

If yes, state the name of such stock exchange and the classes of securities listed therein:

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [ ] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [ ] No [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant.

**N/A**

## **PART I - BUSINESS AND GENERAL INFORMATION**

### **Item 1. Business**

The Fund was incorporated on March 27, 2015 as an open-end investment company under R. A. No 2629 and R.A. No. 8799 with SEC Registration No. CS201506309. It intends to engage in the sale of its Shares and the investment of the proceeds thereof in Peso-denominated short-term securities or fixed-income instruments representing high-quality, liquid debt and monetary instruments issued by the government of the Philippines and Filipino corporations and also selected preferred shares with a put option (at the option of the buyer) and issued by the Top 1,000 companies in the Philippines, as listed in BusinessWorld's annual publication.

### **Distribution Methods of the Products or Services**

The shares of the Fund are sold over-the-counter. Shares shall be sold primarily through the Fund's Principal Distributor and its eligible sales agents, who have taken and passed the required licensing examination given by the SEC.

### **Competition**

The industry in which the Fund is selling or expects to sell its products or services is the mutual fund industry. As of December 31, 2020, there are about sixty-five (65) active mutual funds in the industry – subdivided into Stock/Equity Funds, Balanced Funds, Bonds Funds (Peso and Foreign-Denominated) and Money Market Funds. The industry is highly concentrated. The Fund competes with other mutual funds managed by other fund managers operating in the Philippines. The Fund's sources of competitive advantage are its investment performance, which will ultimately drive the direction of the fund price, and customer service, which will be marked by regular updates and client information briefings geared at keeping the investors abreast of market developments.

### **Investment Objective and Legal Restriction**

The Fund is an open-end, conservative or low-risk, low-return mutual fund denominated in Philippine currency (₱). The investment objective is capital preservation with returns and inflows derived out of investments in a diversified portfolio primarily composed of Peso-denominated short-term securities or fixed-income instruments representing high-quality, liquid debt and monetary instruments issued by the government of the Philippines and Filipino corporations and also selected preferred shares with a put option (at the option of the buyer) and issued by the Top 1,000 companies in the Philippines, as listed in BusinessWorld's annual publication. Thus, the Fund can be classified as a conservative or low risk investment.

In line with its stated investment objective, the Fund shall pursue a general investment policy of maintaining an optimal balance between maximizing short-term investment returns and minimizing investment risk by the proper allocation of assets among selected marketable securities and instruments depending on prevailing and anticipated market conditions. The Fund portfolio and investment strategy is to acquire Peso- denominated short-term securities or fixed income securities representing high-quality, liquid debt and monetary instruments issued by the Philippine government and established Philippine companies, such as PLDT, Globe, SM Group, Ayala Group, Aboitiz Group, and the like. The Fund will invest in companies that are well-known, highly-rated, well-tracked, and whose possibility of default is possible yet highly improbable. The Fund also intends to invest in selected preferred shares with a put option (at the option of the buyer) and issued by the Top 1,000 companies in the Philippines, as listed in BusinessWorld's annual publication. The Fund has no plans to stray away from this investment objective, thus minimizing default risk. Also, ten percent (10%) of the fund will remain in liquid assets such as cash.

It is the investment policy of the Fund that its investments to private institutions shall be limited to issuers/borrowers/counterparties which are found within the Businessworld's Top 1,000 Corporations being published annually by said publication.

The Fund Manager will exercise thorough credit analysis and due diligence when determining which securities to invest in. It will analyze various credit reports and ratings, analyst reports, market reports and the general sentiment of other banks toward that security.

## Item 2. Properties

The Fund has financial assets in the form of cash, equities and fixed income only. The Fund does not intend to acquire any property in the next twelve (12) months. There is no mortgage, lien, or encumbrance over any property of the Fund. There are also no current pending legal proceedings or contemplated legal proceedings concerning the Fund's properties.

## Item 3. Legal Proceedings

The Fund is not aware of any pending legal proceedings to which it is a party.

## Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of the security holders during the fourth quarter of the fiscal year covered by this report.

## PART II - OPERATIONAL AND FINANCIAL INFORMATION

### Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

#### Market Information

The Fund's shares are not traded in any Stock Exchange and only sold through its Principal Distributor, Amalgamated Investment Bancorporation. Below is the history of NAVPS of the Fund for the first quarter of 2021 and the years 2020 and 2019:

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2021	High	1.0380	-	-	-
	Low	1.0366	-	-	-
2020	High	1.0239	1.0283	1.0328	1.0359
	Low	1.0206	1.0239	1.0298	1.0343
2019	High	1.0136	1.0185	1.0224	1.0202
	Low	1.0086	1.0136	1.0185	1.0057

#### Holdings

As of December 31, 2020, there are 10 account holders of the Fund's outstanding common stock, of which, Amalgamated Investment Bancorporation holds 201,658,117 shares out of the 201,658,126 outstanding shares.

#### Dividends

The Fund's Board of Directors shall by vote declare dividends and authorize the distribution of capital gain from any fund legally available therefore whenever in their opinion, the condition of the Fund's affairs render it expedient for such dividends to be declared.

Dividends payable out of the surplus profits of the Fund shall be declared at such time as the Board of Directors shall determine. No dividend shall be declared which shall impair the capital of the Fund. Stock dividends may be declared in accordance with law. The Fund may pay dividends in cash, property or in additional shares, or in some combination of the foregoing. At least ten percent (10%) of the actual earnings or profits may be declared by the Board of Directors as dividends.

Each shareholder has a right to any dividends declared by the Fund. When and where dividends are received by the Fund from other issuers, dividends shall be automatically reinvested by the Fund in the shares of other issuers, unless the Board of Fund decides to declare them as cash dividends to the Shareholders of the Fund.

## **Item 6. Management's Discussion and Analysis or Plan of Operation.**

The Fund does not have any underwriter, and has not entered into any underwriting agreement. There are no shares designated to specified persons. There is no plan to apply for listing in any exchange the shares of the Fund. Thus, none of the Fund's shares are to be allocated to an exchange and/or to its members.

The Principal Distributor, Depository, Fund Manager, Stock Transfer Agent, and the Receiving Bank do not have the right to designate or nominate a member/s of the Board of Directors of the Fund.

AIB serves as the Fund's Principal Distributor. It wholly owns the Fund and the Fund Manager. Shares shall be sold primarily through the Fund's Principal Distributor and its eligible sales agents, who have taken and passed the mutual fund sales agents licensing examination given by the SEC.

The Principal Distributor shall be entitled to an annual distribution fee not exceeding 0.5% of AUM. The Fund executed a Distribution Agreement with the Principal Distributor. A copy of said Distribution Agreement has been submitted to the SEC.

The Fund, by itself, or through the Principal Distributor, reserves the right to enter into other Co-Distribution agreements with other qualified institutions. The Co-Distributor that will be appointed as agents and sub-distributor, to distribute mutual fund shares, should likewise obtain and secure the necessary licenses required by law. Distributors may likewise enter into selling agreements to provide distribution assistance or to promote the sale of the Shares of the Fund.

Shares in the Fund shall be available through a continuous offering to the public based on the Fund's prevailing NAVPS at the time of the sale. The SEC, the Fund, or AIB may suspend the continuous offering of Shares to the general public at any time in response to conditions in the securities markets or otherwise and may thereafter resume the offering from time to time. Neither AIB nor its eligible sales agents are permitted to withhold placing orders to benefit themselves from a price change.

All proceeds from the sale of the Shares, including the original subscription/payments at the time of incorporation constituting the paid-in capital of the Fund shall be held by the designated Depository, PDTC.

Mutual fund distributors are required to be licensed by the SEC as well as its agents who are required to get a Certified Investment Solicitor license before it can sell the shares of the mutual fund company.

Philippine Depository & Trust Corporation has been designated as the Fund's Depository for the purpose of holding the relevant securities and investments of the Fund. In consideration of the services that the Depository will render, the Fund shall pay the Depository all fees, charges and

obligations incurred from time to time for services rendered pursuant to the Depository Agreement between the Fund and PDTC. As Depository, PDTC shall be paid reasonable fees:

Depository: Safekeeping Fee (for fixed income)	0.5 basis points per annum Computed daily based on Face Value
Depository: Upliftment Fee (for fixed income)	0.1 basis point of face value (minimum of P1, maximum of 100)
Depository: Transaction fee (Off Exchange Trade)	P100 per transfer, no charge for related securities account

AAAMI shall act as the Fund's Investment Manager and/or Fund Manager and, as such, is tasked to formulate and implement the investment strategy of the Fund, and to provide and render management and technical services to the Fund. It is primarily responsible for the execution of the Fund's portfolio transactions and the allocation of brokerage commissions. AAAMI makes investment decisions, prepares and makes available research and statistical data, and invests with respect to the purchase and sale of securities on behalf of the Fund, including the selection of brokers and dealers to carry out the transactions, all in accordance with the Fund's investment objective and policies.

The Fund Manager is incorporated to principally engage in the business of managing an investment company. It is a wholly-owned subsidiary of AIB.

The Fund Manager shall exercise due diligence in connection with the investment or re-investment of the Fund's assets but, except, for willful misfeasance, bad faith, gross negligence or reckless disregard of its duties, the Fund Manager shall not be liable for any

loss or depreciation in the value of any assets of the Fund arising from any investments or re-investments, provided that the Fund Manager acted in good faith and in accordance with the investment policies or guidelines prescribed by the board of directors of the Fund.

The Fund executed a Management Agreement with the Fund Manager, AAAMI. A copy of said Management Agreement has been submitted to the SEC. For its services, the Fund Manager shall charge a management fee of not more than one point five percent (1.5%) p.a. based on the Fund's NAV.

The Fund vests upon the Fund Manager the authority, without need of prior approval or prior notification to the Fund, to purchase and sell the securities and investments of the Fund and otherwise make or dispose of investments for the account of the Fund, within the limits of the guidelines set by law, the regulations set by the SEC, and the investment policies of the Fund.

The Fund Manager is further authorized to take charge of the collection of interests, dividends or other payments due on all securities and investments owned by the Fund and shall, on behalf of and for the benefit of the Fund, exercise any and all rights of the Fund appurtenant to such securities and investments such as the exercise of any preemptive rights, redemption rights, options, and others. The Fund Manager shall use voting rights for quorum purposes only. Nonetheless, in the event of unusual circumstances, the Fund Manager may request the Fund in writing for permission to exercise voting rights for other specified purposes.

In addition to those mentioned above, the Fund Manager shall also prepare and submit information and data relating to economic conditions, industries, and securities as may be required by the Fund's Board of Directors or as the Fund Manager may deem to be helpful in the formulation and evaluation of its investment policies or guidelines. The Fund Manager shall also prepare a monthly report on the revenues and disbursements broken-down as to investments and expenses; sales and redemptions; and performance, change or status of the Fund's assets. The services of the Fund Manager shall also include accounting, bookkeeping, clerical, and administrative services in the

ordinary conduct of the Fund's activities, other than those services provided by the custodian, auditors, and the legal counsel. The Fund Manager shall perform the duties and responsibilities of fund managers under the Investment Act and other applicable laws and regulations.

**Item 7. Financial Statements**

The Audited Financial Statements are herewith attached as "ANNEX A"

**Item 8. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure**

The auditing firm of Roxas Cruz Tagle & Co. is the incumbent external auditor of the Company for the calendar year 2020. The Company has complied with SRC Rule 68 (3)(b)(iv), regarding rotation of external auditors or engagement partners every five years. Mr. Clark C. Babor, the partner in charge, is the lead auditor and signing Partner of the Company. It is expected that Roxas Cruz Tagle & Co will be reappointed as the Company's external auditor for the year.

There had been no disagreements with Roxas Cruz Tagle & Co. with regard to accounting policies and financial disclosures of the Company. Mr. Clark Joseph C. Babor, the engagement and signing partner, are newly appointed auditors of the Company for the Calendar Year ending December 31, 2020, and has not yet completed the five-year cap requirement of SEC.

**PART III - CONTROL AND COMPENSATION INFORMATION**

**Item 9. Directors and Executive Officers of the Issuer**

**Directors**

Name of Directors	Term Served
Robert M. Lehmann	4 years
Servando B. Alvarez Jr.	4 years
Girard B. Matutina	4 years
Stanley L. Saguinsin	4 years
Linnette S. San Diego	4 years

**Officers**

Officers	Position
Robert M. Lehmann	Chairman
Servando B. Alvarez Jr.	President / Compliance Officer
Vilma M. Aquiatan	Treasurer/Chief Finance Officer

Each Director shall serve for a term of 1 year from his appointment and until his successor has been duly elected and qualified, provided however, that any director may be removed from office at any time with or without cause by a ¾ vote of the subscribed capital stock entitled to vote.

No current member of the Board of Directors of the Fund, its Fund Manager, its Principal Distributor or any one of its distributors is related to each other up to the fourth civil degree either by consanguinity or affinity and no member of the Board has been the subject of any legal/criminal proceedings for the past five years.

All of the above directors and officers are Filipino citizens. Below is a description of each directors/officer's business experience during the last five (5) years.

**Robert M. Lehmann**, 65, Filipino, is the chairman of the Fund. He joined Amalgamated Investment Bancorporation in 2017 and is also currently the President and CEO of the investment house. He used to be the Executive Vice President of Security Bank (2000-2002) and the Senior Vice President of Standard Chartered New York (1999-2000). He is also a director of the Philippine Eagle Foundation and Fruittropic, Inc. He finished his Masters in Business Administration from the University of San Francisco in 1979.

**Servando B. Alvarez, Jr.**, 57, Filipino, is the incorporator, director, and the current President of the Fund. He joined Amalgamated Investment Bancorporation in 1998 and is also currently the Chief Finance Officer and Executive Vice President of the investment house. He used to be a Senior Manager – Treasury Department in Urban Bank (1996-1998) and previously held various positions in Philippine American Life Insurance Company (1985-1996). He completed the Executive Program in International Management from Stanford University – National University of Singapore in 2011 and finished his Bachelors of Accountancy Degree in Polytechnic University of the Philippines in 1987.

**Girard B. Matutina**, 59, Filipino, an incorporator, was formerly the Vice President – Head of Operations of Amalgamated Investment Bancorporation. He was previously an associate director in Philippine Dealing and Exchange. Mr. Matutina finished his BSC Management from San Beda College in 1982.

**Vilma M. Aquiatan**, 53, Filipino is the current Treasurer and Chief Finance Officer of the Fund. She is also a Senior Manager at Amalgamated Investment Bancorporation since 2008. She finished her BSBA- Accounting from the University of the East in 1988.

**Stanley L. Saguinsin**, 55, Filipino, is the former Corporate Secretary of the Fund. He is also currently Vice President of Amalgamated Investment Bancorporation. Mr. Saguinsin received his MBA from the Asian Institute of Management in 1991.

**Linnette D. San Diego**, Director, 51, Filipino, is the previous Vice President of Amalgamated Investment Bancorporation and a General Manager of Makati Finance Corporation. In her past career, Ms. San Diego was a Managing Consultant of Asian Center for Legal Excellence, Inc., a Consultant in Estate Wine, Inc. and manila Angel Investors Network. She started her career as a New Accounts Associate of Metropolitan Bank and Trust Company before she transferred to Development Bank of Singapore Securities Phils., Inc as an Equities Dealer and an Executive Assistant & Personnel Officer. Ms. San Diego obtained her Bachelor of Science in Psychology & Bachelor of Arts in Guidance & Counseling from St. Scholastica's College, Manila in 1992.

## **Item 10. Executive Compensation**

The Fund's executive officers and directors who are officers and/or employees of Amalgamated Investment Bancorporation and/or AAAMI do not receive any form of compensation as such from the time of their appointments up to the present.

The Fund's Directors and Key Officers who are not officers and/or employees of Amalgamated Investment Bancorporation and AAAMI (i.e., "Independent Directors") receive a per diem for their attendance at regular or special meetings of the board at the rate of PHP25,000.00 per meeting per Director (the Fund has three [3] Directors). There are no other forms of compensation which such Directors and Key Officers are entitled to receive for meetings attended. There are no standard arrangements with the Directors. Such remuneration to be paid for by the Fund may be adjusted in the future as may be warranted by existing fund levels and other factors.



## Item 11. Security Ownership of Certain Beneficial Owners and Management

### Security Ownership of Certain Record and Beneficial Owners

Type of Share Class	Name and Address	Nature of Ownership	Citizenship	Number of shares	% holdings
Common	Amalgamated Investment Bancorporation 11F Multinational Bancorporation Center, 6805 Ayala Avenue, 1226, Makati City	Record / Beneficial / Shareholder	Filipino	201,658,121 shares	99.94%
Common	Robert M. Lehmann Unit 38 BC Tower 2 Alphaland Makati Place, 7232 Ayala Avenue, Makati City	Record / Beneficial	Filipino	1 share	0.01%
Common	Servando B. Alvarez, Jr. Unit 2306, Rada Regency, 100 Rada cor. Dela Rosa Sts., Makati City	Record / Beneficial	Filipino	1 share	0.01%
Common	Linnette S. San Diego 16 San Jose Street, East Capitol Drive, Pasig City	Record / Beneficial	Filipino	1 share	0.01%
Common	Stanley L. Saguinsin 5623 Tengco St., Makati City	Record / Beneficial	Filipino	1 share	0.01%
Common	Girard B. Matutina 29-B Sarmiento Avenue, Better Living Subdivision, Paranaque City	Record / Beneficial	Filipino	1 share	0.01%

### Security Ownership of Management

Type of Share Class	Name of Beneficial Owners	Number of shares	Citizenship	% holdings
Common	Robert M. Lehmann	1 share	Filipino	0.01%
Common	Servando B. Alvarez, Jr.	1 share	Filipino	0.01%
Common	Linnette S. San Diego	1 share	Filipino	0.01%
Common	Stanley L. Saguinsin	1 share	Filipino	0.01%
Common	Girard B. Matutina	1 share	Filipino	0.01%

### Voting Trust Holders of 5% Or More

There are no persons known to the registrant who owns more than 5% of a voting trust or similar arrangements.

### Change in Control

As of December 31, 2020, there are no arrangements which may result in a change in control of the Fund.

## **Item 12. Certain Relationships and Related Transactions**

There is no family relationship between and among the directors and executive officers of the Fund. The fund does not employ personnel. Day-to-day operations are carried out by AAAMI, pursuant to the terms and conditions of the Management Agreement by the Fund with AAAMI. Further, there is no person who is an executive officer who is expected to make significant contribution to the business of the Fund.

## **PART IV – CORPORATE GOVERNANCE**

### **Item 13. Corporate Governance**

AIB Money Market Mutual Fund Inc. shall set up an evaluation system that will determine and measure compliance with the Manual on Corporate Governance.

## **PART V - EXHIBITS AND SCHEDULES**

### **Item 14. Exhibits and Reports on SEC Form 17-C**

#### **(a) Exhibits**

The Company's audited financial statements are hereby attached as "**ANNEX A**".

#### **(b) Reports on SEC Form 17-C**

There were no material fact or event occurred for the last six months that would reasonably be expected to affect investor's decisions in relation to the shares the Fund is offering.

**SIGNATURES**

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig City, 31 MAY, 2021.

By:



**SERVANDO B. ALVAREZ JR.**  
Principal Executive Officer



**VILMA M. AQUIATAN**  
Principal Financial Officer

**ATTY. MARK S. GORRICETA**  
Corporate Secretary

**SUBSCRIBED AND SWORN** to before me this MAY 31 day of 2021 affiant(s) exhibiting to me his/their Residence Certificates, as follows:

NAMES	RES. CERT. NO.	DATE OF ISSUE	PLACE OF ISSUE
Servando B. Alvarez Jr.	UMID ID No. CRN 0003 8304275-1		
Vilma M. Aquiatan	SSS ID No. 33-0272479-1		
Atty. Mark S. Gorriceta	Passport ID No. P4531123B	24 JAN 2010	OFA NCR EAST

**Notary Public**

**ATTY. MARIEL CLAIRE D. GONZALES**  
PTR No. 5242746 January 06, 2021 / Pasig City  
IBP LIFETIME No. 017254 / 06-09-17  
Roll No. 69080  
MCLE Compliance VI-0020653; 03-25-19  
Gorriceta Africa Cauton & Saavedra Law Office  
5th Flr. Strata 2000 Building, F. Ortigas, Jr. Road  
Pasig City, Tel. No. (02)6960988/6990887  
Appointment No. 147 (2019-2020)

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Series of 2021.