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PRESENTATION

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Hi, good morning, and thank you for joining us. My name is Darko Mihellic from RBC Capital Markets. I am the lead analyst for Canadian banks and Canadian life insurers. I have with me today Manjit Singh, CFO of Sun Life. And we are going to have an interesting session this morning.

But before we begin, I just want to remind you all that Manjit's comments today may include forward-looking statements. Actual results could differ materially --

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Operator

This meeting is being recorded.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

-- differ materially from forecast, projections, or conclusions in these statements. Listeners can find additional details in the public filings of Sun Life Financial. With that, welcome, Manjit, and thank you for joining me this morning.

Manjit Singh - *Sun Life - EVP & CFO*

Good morning, Darko. Great to see you. Hope you're doing well.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Yes, doing well. I wish this could be in person, but be that as it may. We'll do what we can.

QUESTIONS AND ANSWERS

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

I wanted to start this session off -- we have had a lot of geopolitical tension since you last -- we had a chance to speak with you guys in your conference call. So I'm just wondering if you can maybe just touch on how Sun Life is navigating the very uncertain environment today. And if you can touch on Russia, Ukraine, and any kind of exposures or issues that may evolve for you, maybe talking about the investments, the asset manager. Any kind of direct or indirect impacts from the recent war outbreak in Ukraine.

Manjit Singh - *Sun Life - EVP & CFO*

Sure. Obviously, let me begin by saying that we are really saddened and concerned about the impact that the conflict itself is having on so many innocent people. And we have joined the global efforts to provide financial aid to help with the needs of those that have been impacted. Obviously, the situation is still early days; it's still playing out. And we see, every day, it's kind of potentially getting better, or sometimes getting a lot worse. So we'll see how it evolves.

In terms of exposure, we don't have any direct exposure to Russian investments in our general account. Our asset managers have very small, limited amounts of Russian holdings. And then from a macro perspective, markets, again, it's still early days and it's playing out. We have seen some impacts in market movements. Obviously, equity markets are down, and we did see some rate increases. But overall, market conditions have been shifted by a lot in the last little while since the conflict started.

But in terms of how we manage through that evolving macro-economic environment, we feel we have a very well diversified set of businesses, which, through previous market disruptions, have been very resilient. We have asset management businesses, we have insurance businesses. We are basically a global business in Asia and the US and Canada. And even within our businesses in insurance, we have group businesses, we have life businesses. So we are very well diversified, and I think that serves us well in these kind of environments.

We also manage our sensitivities to the key market factors, like equities, interest rates, and credit spreads, very closely. So that helps to mitigate some of the impacts when you see more extreme market movements. Obviously, our capital position is very strong. We have good liquidity. And we also have very strong risk management oversight and capabilities inside of each of our businesses, which helps to ensure that we continue to monitor the situation and that our businesses continue to operate smoothly.

So based on all of those things, Darko, we obviously are going to remain very vigilant in monitoring the situation. As I said, it's evolving. But we feel we are fairly well prepared to manage through the impacts as they develop.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Okay, great. Thank you. And while all of that is going on, we also have a fairly difficult outbreak of COVID in Hong Kong and in China. We're reading even more today that even China is having difficulty keeping numbers down. So I wondered if you could just give us some idea of what's happening on the ground for Sun Life in that area. And we can broaden the discussion out to all parts of Asia, if you can, please, to just give us an idea of potential impacts of this COVID outbreak.

Manjit Singh - *Sun Life - EVP & CFO*

Yeah. So as you know, Omicron is a very contagious variant, and the experience that we are seeing in Asia is pretty similar to what we saw in the Western world and Europe and in Canada. So you'll recall, just before the holidays, that we were all unfortunately struck with Omicron and the infection rates went up, and we had to take more restrictive measures back in place. And that's basically what you're seeing playing out in the Asian markets; it's just kind of on the lag.

In terms of what's happening in our markets -- as you know, we are in eight different markets, and they are very different markets. And so some of the -- where they are in terms of how this variant is playing out is also a little bit different. So let me just give you a quick run through, Darko.

So if we start with our ASEAN markets, Asian markets. So the Philippines and India are coming off their infection peak, so they've already spiked, and you're sort of seeing that kind of come down a little bit. And then the other markets, in Indonesia, Vietnam, Malaysia, and Singapore, they are currently at their infection peak levels, so we will hope to see them coming down shortly. In terms of impacts in these markets, we are not seeing any significant unfavourable mortality at this point. And that's really, I think, supported by the fact that vaccination rates over the past year have really increased in these markets. However, the higher infection rates, and I guess at some of the restrictions that have to be put in place similar to what we saw, will have an impact on the activity that we see in the quarter, just from a consumer standpoint, but also from our advisors who themselves may be ill or taking care of loved ones.

Then if we move to Hong Kong, as we all know, infections have really moved up there, and I don't think we've probably hit the peak yet. There's a few different dynamics going on in terms of how it might impact our results. There will be some elevated mortality, but we think, again, that will be lower than what we saw before. Again, vaccination rates are higher. And also, the mortality is skewed to the elderly population, so that impacts our businesses a little bit less. And some of that mortality will be offset with sort of positive morbidity because of lower medical utilization because of the same dynamics. And again, we will probably see some impacts on sales activity. And then finally in China, I haven't seen the news necessarily this morning, but I think they did see an increase in their cases, but they were still off the peaks that we saw last year. And so far, we haven't seen any significant impact on our sales or mortality.

But if I stand back, obviously COVID is here and now, and who knows when it'll start to really peter out. But if you look at our Asia business, like I said, it's in different markets, it's in attractive markets. So we've been able to manage through -- even through 2021 fairly well through the COVID impacts that we saw. In fact, Asia delivered 8% year-over-year earnings growth on a constant currency basis in 2021, so that was a pretty good result given the operating environment. And in the near term, when hopefully COVID does start to peter out, we feel very good about our insurance and asset management businesses in Asia.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

And so just to maybe sum it all up, I mean, it sounds like there's varying impacts across a number of different countries. Is it significantly different from what we just saw in Q4, or is it too early for you to comment on any kind of financial impact?

Manjit Singh - *Sun Life - EVP & CFO*

Yeah, it's too early to comment on direct financial impacts, but I think that the general trend is sort of similar. And like I said, I think that mortality is going to be somewhat elevated, just given what we are seeing. There might be some offsets on that, but I think the more pointed impact would probably be on sales activity.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Okay. Thanks for that. And what about maybe the broader implications of what China's actions toward Hong Kong might imply for your businesses, even longer term? There is some concern that Hong Kong will sort of lose its status as a financial hub. Can you comment on anything with regards to that?

Manjit Singh - *Sun Life - EVP & CFO*

Sure. We continue to view Hong Kong as a very attractive market. We think it'll continue to play a really important role, a gateway role, in the region in terms of providing China with access to international capital markets. But likewise, going the other way, along international companies, to access investment opportunities in China. China, let's face it, is a very important global market, it's a growing market. And we think the desire of companies to do business over there will continue.

And in terms of Hong Kong, we have a very long history of doing business in Hong Kong, at Sun Life. We've been there for over 130 years, so a very long time. And our business in Hong Kong is broad and strong; it includes insurance and wealth management. We have customers across the local residents as well as international high net worth individuals. And the products and services we offer really resonate with our purpose: to help people live healthier lives and provide financial security. And those are resonant -- as resonant in Hong Kong as they are in Vietnam markets that we operate in. And because we have been there so long, we have a strong, well-established brand in Hong Kong, and we also have very strong and talented professionals who embody Sun Life's values in Hong Kong. So we're really happy with the business that we have there and our market position. And then, again, as we look forward, we remain focused on growing our Hong Kong business.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Okay, great. Thank you. And maybe sort of switching gears here to now talk about -- so we've talked on COVID. We've talked a little bit about Russia-Ukraine, sort of direct impacts there. Now, we are finally seeing interest rate increases. Bank of Canada finally raised rates by 25 basis points. Maybe you can just give us a bit of a reminder and kind of if anything's changed in your outlook now for either rates, the yield curve, and any impacts that you can give us a bit of an idea of how you're managing through that situation right now. And what would it mean if we got significant rate increases and significant inflation?

Manjit Singh - *Sun Life - EVP & CFO*

Okay. So I think if I start with a higher level, if you look at the nature and mix of our businesses, as well as how we have managed our interest rate risk and our interest rate risk management strategies, we have a fairly low sensitivity to direct movements in interest rates. In terms of impacts -- maybe what I'll do is I'll separate them out to the near-term impacts -- and as we sort of see gradual rates come in, we saw 25 basis points, I think the expectation is we'll continue to see those types of increases as central banks meet. So in the near term, I think the impacts will be pretty small. There will be some pluses and minuses.

So for example, our surplus portfolio has some floating rate investments, has some shorter duration investments, that will benefit from rate increases as they tip up. In terms of our OCI, you know we have AFS securities. So obviously, when interest rates go up, you could see some impacts on mark-to-market values of those securities that are unfavourable.

In terms of our liabilities, we are pretty well-hedged for interest rates. Like I mentioned, we do have very specific interest rate management strategies. And of course, we obviously focus on our capital. And if you look at the impact on capital for those kinds of increases in the near term, we don't think that'll have any significant impact in our capital, and we'll continue to maintain the strong capital ratios that you have seen from us. If we look in the medium term -- and I think that's sort of the current thinking by economists -- if you continue to see gradual increases across the curve, and if that happens, I think, over the medium term, that will have a positive impact on our businesses.

A few different drivers for that. So when interest rates go up, obviously, the crediting rates that we can provide to our Clients on our policies go up, and that generally results in higher sales activity. Obviously, we are investing the premiums that we get in. So as interest rates go up, that'll help to generate higher investment returns. And it also provides some opportunities for us to do some product repricing.

In terms of inflation, Darko, obviously we are looking at that like many other market participants are in terms of monitoring the impact it'll have on our expenses. Overall, I think we feel fairly comfortable that we'll be able to manage through that. We've always exercised good expense discipline; we are going to continue to focus on that. And there are some steps that we can take to help mitigate some of the increases we might see because of our inflation and expenses.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Now what about the dreaded word, stagflation? We have heard it mentioned here and there during the conference yesterday. Any concerns or any thoughts on how a life insurer like yours would go through a period of stagflation, especially with oil? I mean, we could talk about oil separately, I suppose. But what about stagflation? Any thoughts there?

Manjit Singh - *Sun Life - EVP & CFO*

Yeah. Again, I think, obviously any kind of macro environment that impacts our Clients, that impacts investment-type returns, will have some impact on us. But again, as I mentioned, we have a pretty diversified business and we manage our sensitivities to immediate market shocks pretty well. And then of course, we back that up with really strong capital and liquidity. So I think we would be able to manage in that situation.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Okay, great. Thank you. And maybe just now switching gears to some of your businesses and some of the results that we saw during Q4. One of the things that struck me was, clearly, the high mortality that affected the US group business. And one of the things that you guys suggested during the conference call was that you could probably expect that to sort of continue for another quarter. And my first thought was, why just one quarter? Could this be something that continues? Could it be a seasonal issue for the business? Maybe you can speak a little bit, maybe just give us a bit of a reminder of what happened with the group business and why it is that you guys expect it to be another quarter of high mortality.

Manjit Singh - *Sun Life - EVP & CFO*

Okay, sure. So maybe to your point -- let me just back up a little bit. So our group benefits business in the US provides our members to purchase life insurance to help drive their financial security. So because of that, we would obviously have exposure to mortality. And overall, pre-COVID, Darko, if you looked at that business and you looked at the mortality experience, it was pretty much in line with our pricing expectation. So if you went back and looked at the four-year period pre-COVID, so say 2016 to 2019, the total experience over that four-year period is pretty, pretty small; in fact, it was slightly positive, with no individual year having any spikes one way or the other.

So again, in a normal basis, you don't really see much volatility in that business because mortality behaves in the way you expect you're pricing your product. But obviously, COVID is something that's different from that. So that's sort of the overall background.

In terms of COVID, obviously, now we've seen elevated, unprecedented, whatever word you want to use, mortality in the US. And so that's meant we, along with all of the other US peers, our US insurance peers, have seen higher mortality. And you saw that in Q4 as well.

In terms of how this flows into our earnings, there is a bit of a lag because obviously when someone contracts COVID, they have to get treatment. And then, unfortunately, if there is a mortality event, it takes time to file the claims. So there is some lag between when you sort of see case counts rise and when we see it coming through our claims process. And what you did see is a mortality experience spiking in the latter part of 2021, and that really also -- what you also saw was a shift in the composition of that mortality.

Prior in the pandemic, you saw a higher concentration of mortality in the elderly population. But in this last wave and the Delta wave, you saw it kind of more in the working population, which is more the population that we cover. And to your point, what we mentioned in our earnings call in February was that we were continuing to see those elevated mortality trends since the close of our fourth quarter, so starting January 1. And therefore, our expectation was we would see a similar result in Q1. I don't think we said that that would end in Q1. I think that was a line of sight that we had, given where we are because nobody really knows where the pandemic will go.

To your point, I think it's reasonable to expect that there will be some lingering morbidity and mortality impacts as we look out; I don't think they're going to just dissipate one quarter to the next. But what we are seeing -- the good news is that what we are seeing now is that the infection and mortality rates are starting to abate a little bit. So if you look in the US, the COVID-related deaths per day kind of peaked at 2,700 in early January, and now they're right around 1,100. So if that trend continues, we'd expect a lower impact. But again, remember, there is a bit of a lag. But still an impact in Q2.

And then in Q3, in the second half of the year, if we don't have any more variants, if we don't see any more spikes, you'd expect a lower level. I still think you'll have some COVID-related impacts but at a more moderate and endemic level if you would -- if you think about it that way, that would exist. But on that basis, for that kind of endemic level, we are repricing for that, along with our other peers, that would help cover that more step-up that we're going to probably experience in our run rates for the impact of the pandemic.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

So when I look at the charts on COVID, and it's really early to say, obviously, but there seems to be a bit of a seasonal impact; these waves come and go. And if you are in fact repricing for it, I guess the question becomes --- well, we get a little nervous because when we go through pricing actions, maybe some of your competitors aren't going to be as careful, maybe they'll be aggressive. We see big moves, right? We see it in the group business sometimes. Can you talk to maybe the threat that this might cause a bit of a disruption in sales and maybe a chance for competitors to swoop in?

Manjit Singh - *Sun Life - EVP & CFO*

As you said, in an open competitive market, there can always be differences in approaches to pricing that any one specific market participant goes by. But what we found is, over time, that there's more consistency and that people try to use different kind of pricing tactics to win market share. But ultimately, the experience is going to be the experience, and everyone is still up for profit entity. And so we sort of see that kind of converging over time.

The other thing, obviously, as I mentioned, this is not an idiosyncratic impact for any one market participant. COVID is really being felt across the board, and you saw that. Like I said, in Q4, if you look at all the US insurers, every single one of them reported an increase in their loss ratios. And in terms of repricing, even to your more specific question, all of them sort of mentioned they are repricing. So so far, given the nature of the impacts that we are seeing currently and thus have been felt, and that people expect going forward, I think there is fairly strong pricing discipline for this issue.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

And maybe just a bit of a reminder for those who aren't that familiar with Sun Life, give us a bit of a -- just a quick overview of the stop-loss business, because it is different and somewhat unique. I mean, there are other players, obviously, in the stop-loss business. But maybe you can just give us, and remind us, how the stop-loss business behaves in this kind of environment.

Manjit Singh - *Sun Life - EVP & CFO*

Sure. So the stop-loss business basically provides protection for self-insured employers to kind of cap the amount of coverage that they would have to provide to their members for medical care. And we have a very strong stop-loss business in the US; in fact, we are the largest provider of stop-loss in the US. And that market, the way it works, is really brokers bring that business to market with group employers. And they also like to have some independence in the mix of participants they provide to employers. So we are seeing a lot of the business that comes to market and, given our experience, we win a lot of that too.

The other thing I'd note for this, Darko, is that this is a separate business for us at Sun Life. And it's a very focused business for us. And with the acquisition of Pinnacle, we have close to 500 professionals who are working in this business, who are dedicated to this business. And for others, given their profile of businesses, there's a bit of a side business. So I would say we are a large independent provider. We have scale, we have dedicated professionals. All that is going to set us up really well.

The other thing I'd say is we've been in this business a long time. And that's an important asset for us because it gives us a lot of data and experience in terms of what happens in different market cycles and different market events, and that helps us to drive more efficient underwriting and more efficient pricing. We also have differentiated products and experiences.

So let me give you a couple of examples here. If you'll recall, last year, mid last year, we acquired a company called Pinnacle. And what that's going to do for us, it really helps members get a better care navigation and earlier treatment in the process for themselves. As you know, the medical system in the US is quite complicated and can be overwhelming for people, especially when they're ill. And this is the service that we can provide that really helps them through that process. And the way we do that is that Pinnacle itself has an experienced in-house team of health professionals that know how the system works, that understand the diagnoses, and can work with our members and Clients to get them the care they need. They have extensive hospital and physician relationships that we can leverage. And because this is all they do, they understand how the whole process will work and what kind of service and what kind of care is required of what part of the journey. That's a very differentiated experience that we provide versus what others can provide.

The other one I'd highlight would be our Clinical 360 service. And what that does is we have, again, medical professionals who know the system that can help our group members identify billing errors and also identify opportunities where they can provide very high quality but more efficient care for their members. And just in 2021, we were able to save our Clients $25 million by providing those kind of services. So overall, we feel very good about the stop-loss business. I think it's a business that's been really growing well for us; we continue to see good opportunities for growth. As I mentioned, pricing has become more rational. And right now, about two-thirds of the employers are self-insured; we expect that to continue to grow.

Medical cost inflation, you mentioned earlier inflation and you're going to see some of that. And that actually helps with our revenues because we price for medical cost inflation. And as I mentioned, we have a very strong product offering and very, very strong relationships with our Clients. So all in, we think this is a very strong business for us.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Okay, great. Thanks for that rundown. That's always helpful and useful to go through. Maybe -- just switching gears a little bit now. One of the things that we've been studying and worried about with the life insurers is this switch over to IFRS 17. I've done a lot of digging into it. I think I understand some of the mechanics. But what we're all hoping for is trying to understand some of the impacts. And I realized that you guys didn't provide much in Q4 in terms of outlook or guidance on IFRS 17. One of your competitors broke ranks and did though. So I thought maybe I'd just ask a couple of questions on IFRS 17. If you're not willing to talk about any really early views, can you provide a bit of a timeline for us on when you might discuss some of these impacts? I understand you might be doing, or you are doing a parallel run, but I am not sure if you've got any data from that yet or not. So maybe just give us a broad overview of IFRS 17 and how we should think about it for your company.

Manjit Singh - *Sun Life - EVP & CFO*

Sure, Darko. I think there's a lot of elements to that, so I'll try to take you through those. I mean, I think it's always important to stand back and look at what IFRS 17 means for our -- the fundamentals of our business. So as you know, Darko, it is going to change the way the whole industry reports our results. It's going to change the presentation and timing of how earnings come through. It's going to change some of the elements of our balance sheet. But again, fundamentally, the underlying aspects of our business are not changing, so I think it's always important to anchor to that if you're an investor or an analyst.

In terms of providing some more specifics, there are still things that are not yet settled, that we have to really get that information before we can provide more specific guidance. So let me give you a couple of examples. We haven't fully gotten all the elements of how the changes will be impacted from a tax treatment perspective from Revenue Canada. As you know, OSFI hasn't yet put up their final LICAT guidelines in terms of how some of these features will be treated under LICAT, and obviously that's only going to come out later in the year.

There are some accounting elements that haven't been yet finalized. So it's really hard to provide a lot of specifics when you have all of that certainty -- that uncertainty that still has to be settled. And so to your question of when will we be able to do that, I think once those things kind of settle down, then we will be able to obviously provide you with some additional details.

Since I can't really give you specifics, let me give you some overall elements in how we are thinking about it that might be helpful for you. So if you think that -- again, the types of businesses that we are in and the scale of businesses that we are in, I would say roughly 60% of our businesses will see little to no impact from the transition to IFRS 17. So that's a pretty big number. And those businesses are really in our asset management, our wealth management businesses, as well as some of our group businesses.

Next, I would say, if you were to think about it, there's about 20% of our businesses in terms of insurance products that have more of a passer effect to sort of savings and investment flow features, like our variable and unit-linked products that we serve in Asia, and those will have more moderate impacts of transition. And then finally, our traditional and life insurance businesses, which comprise the remaining 20% of our earnings, will see broader impacts of the transition. But again, as I mentioned earlier in my opening comments, the fundamentals of those products -- so when I say fundamentals, I mean things like cash flows, the risk of the product, the lifetime product profit margin. Those are not changing. And so that's kind of what we continue to focus on.

In terms of capital, that's obviously a very important dimension that we look at. As you know, OSFI stated that their intention is that, for the industry as a whole, they don't expect to see any material -- or they expect that to be neutral for the industry. And then for Sun Life, the businesses that we are in and the scale of the business that I just described, we don't expect we will have a significant impact in capital.

So if I were to sum it up, I think we are fairly well positioned to manage for the transition to IFRS 17, given the nature of the businesses that we are in, how they impact our earnings. And then again, for -- where we might sort of see some reporting impacts, I don't think it's changing the fundamentals of the economics of the business that we are in.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

That's interesting too because one of your peers here suggested that, hey, look, this is just accounting. But at the same time, they're making changes to their investment portfolio. So in effect, an accounting change is actually altering how you manage your business. Do you see that -- is there any kind of possibility in it? Maybe just don't restrict it to the investment portfolio. Is it possible that you'd maybe manage some parts of your business a little bit differently because of IFRS 17? And again, without knowing the capital impact and taxation, maybe hard for you to answer that, but can you think of anything that might actually get affected, like how you run your business because of this change?

Manjit Singh - *Sun Life - EVP & CFO*

Well, I think, obviously, as I mentioned earlier, there are going to be impacts in terms of how some of these impacts flow through our earnings, right? So obviously, there will be opportunities to take a look at that and see if there's things you want to modify to mitigate some of the impacts that might have on your reported earnings, right?

And then in terms of your investment portfolio, those assets are really supporting the liabilities that you've written under your insurance contracts. And because the way you measure those liabilities are changing, you might have to modify the whole basis of your portfolios to better align with the new measurement basis. For Sun Life, we think we will see some levels of modification, but nothing that we expect to be too material.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Okay, great. Thanks. So we are running up against our time limit here. I just wanted to quickly sneak one in. We've got the DentaQuest acquisition coming. Maybe just a quick update on capital plans, if you can update us on DentaQuest, and/or what's next after that? The banks are all buying stuff left and right. What about Sun's aspirations?

Manjit Singh - *Sun Life - EVP & CFO*

Well, as you know, we have been pretty active actually through the whole COVID period; we did 10 acquisitions last year. So I don't think we've ever really not taken a look at opportunities to continue to grow and add to our businesses. And we will continue to do that. We have a very strong capital position and very strong businesses. So I'm sure there will be opportunities that present themselves over the period that we'll take a look at.

In terms of DentaQuest, we are progressing well with our integration planning of DentaQuest. We are still expecting to close that transaction midyear, and we remain very excited about the opportunities that DentaQuest will bring to our business, our US business. It's a recognized leader in dental benefits. It will more than double the revenues from our implied benefits business in the US. And it's in the market that has extremely good growth opportunities, that has steady margins, and low operating capital. So I think that will be a really good addition to our US business.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Yeah, I know. And it makes me smile, so I will leave it there on that. Thanks again for joining me this morning, Manjit.

Manjit Singh - *Sun Life - EVP & CFO*

Thank you, Darko.

Darko Mihellic - *RBC Capital Markets, LLC - Analyst*

Great discussion. And we'll end our session here. Thank you all for attending.

Manjit Singh - *Sun Life - EVP & CFO*

All right.
