

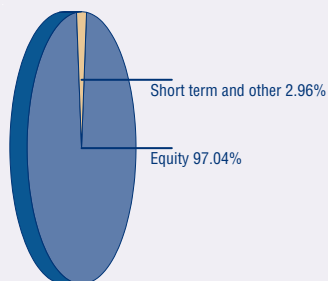
ULTRAFLEX R – M International Equity

Net assets: 1.3 million As at September 30, 2010

Volatility



Asset mix of the underlying fund



Top 10 holdings of the underlying fund

Kia Motors Corp.	2.85%
Petrofac Ltd.	2.79%
SES	2.36%
Komatsu Ltd.	2.33%
Straits Asia Resources Ltd.	2.03%
HSBC Holdings PLC	2.00%
DaimlerChrysler AG, Registered	1.99%
Anheuser-Busch InBev	1.94%
Nestlé SA	1.94%
Incitec Pivot Ltd.	1.91%
	22.14%

Investment limits

	Min.	Max.	Real
Industrial Alliance Fund			
Short term	0%	20%	(0.66)%
Units of an underlying fund	80%	100%	100.66%

Commentary

The Fund uses a multi-dimensional approach blending top-down analysis for geographic and sector allocation, and bottom-up analysis for security selection. The Fund is managed with the philosophy of providing a diversified portfolio comprised mainly of large capitalization companies possessing steady, sustainable earnings growth potential and trading at a reasonable value. The manager uses both quantitative and qualitative techniques to do so. Investment themes are used to identify macro-economic trends and global themes that could have an impact on the local or regional investment environment.

Investment Advisor



Pierre Chapdelaine, CFA
Sevgi Ipek, CFA

Inception date: November 1998
Management expense ratio (MER): 4.39% (GST and HST incl.)

Objectives of the Fund

- Long-term capital growth mainly through investments out of North America
- Conforms to investment horizons that are sufficiently distant to tolerate the volatility of the market values

Investment style

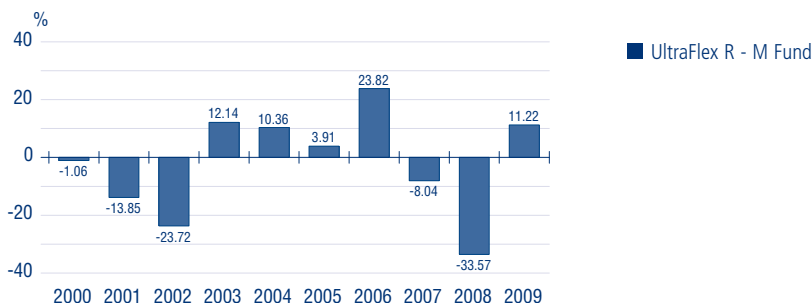
Growth at a reasonable price

Performance Data

The returns or performance information shown assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The return or performance information does not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. How a segregated fund has performed in the past does not necessarily indicate how it will perform in the future.

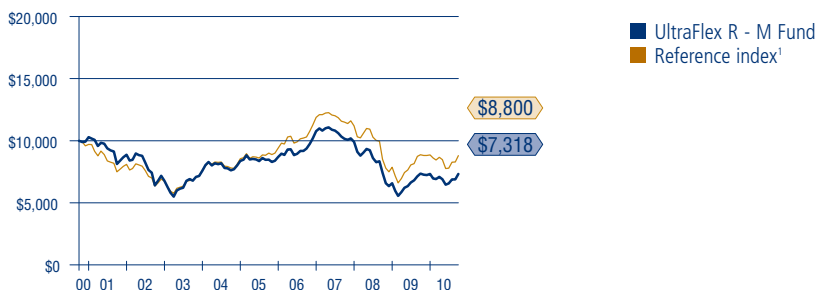
Year By Year Returns

This chart shows the fund's annual performance and how an investment made on January 1 would have changed by December 31.



Past Performance

This graph shows how a \$10,000 investment in this fund would have changed in value compared with the reference index.



Annual Compound Returns

This table shows the simple returns for the monthly periods and the historical annual compound total return of the segregated fund compared with the reference index.

	Since Inception	10 years	5 years	3 years	2 years	1 year	6 months	3 months	1 month	YTD
Fund	(1.3)	(3.1)	(2.9)	(10.3)	(0.7)	(0.4)	3.2	11.5	6.4	0.0
Reference Index ¹		(1.3)	(0.4)	(8.5)	1.8	(0.8)	1.6	13.1	6.3	(0.6)

¹ MSCI - EAFE (Can. \$) (net ret.).