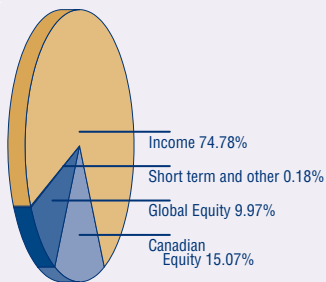




Asset mix of the Fund



Asset mix of target portfolio

Fixed Income Securities

Industrial Alliance	
- Bonds	37.50%
Industrial Alliance	
- Bonds - series 2	37.50%

Canadian Equity

Industrial Alliance	
- Canadian Equity Value	5.00%
Dynamic	
- Canadian Equity (Dynamic)	5.00%
Fidelity	
- Fidelity True North®	5.00%

Global Equity

Templeton	
- Global Equity (Templeton)	4.00%
Industrial Alliance	
- Global Equity	4.00%
DB Advisors	
- Global Equity Small Cap (DB Advisors)	2.00%
	100.00%

Investment limits

Fixed Asset Mix (see Asset mix of target portfolio)

Commentary

The Fund seeks to generate regular, long-term growth by favouring fixed-income securities, maintaining diversity in its investments and utilizing several managers. It is composed of fund units offered by Industrial Alliance, including two bond funds, three Canadian equity funds and three global equity funds. The Fund has a fixed asset allocation: it is invested 75% in bonds, 15% in Canadian equities and 10% in global equities.

Investment Advisor



Management team composed of several managers

Inception date: October 2002

Ecoflex first offering: November 2002

Management expense ratio (MER): 2.88% (GST and HST incl.)

Objectives of the Fund

- Combines different managers with different management styles in a same fund
- Diversification of the risk between the asset classes
- Conforms to a medium- and long-term investment horizon

Investment style

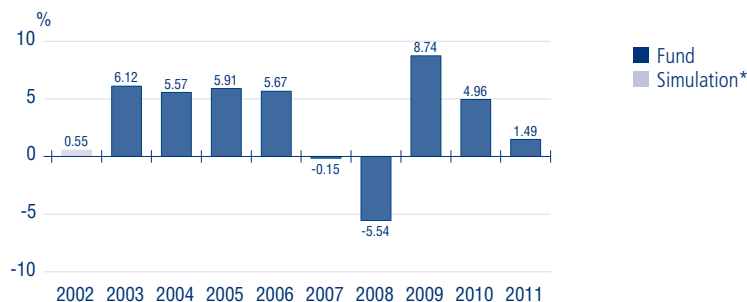
Blend (Growth and Value)

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 do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. How the segregated fund has performed in the past does not necessarily indicate how it will perform in the future.

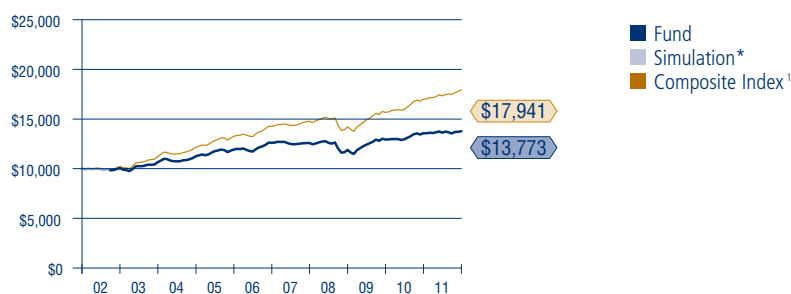
Year By Year Returns

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



Past Performance

This graph shows you 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 November 2002	10 years	5 years	3 years	2 years	1 year	6 months	3 months	1 month	YTD
Fund	3.6	3.3*	1.8	5.0	3.2	1.5	1.1	1.6	0.4	1.5
Composite Index ¹		6.0	4.7	8.1	7.0	5.5	3.6	2.7	1.0	5.5

¹ DEX Universe Bond Index (75%), S&P/TSX Composite Index (15%), MSCI - World (Can. \$) (net ret.) (10%).
* Simulation of past returns as if the Fund had been in effect for these periods.