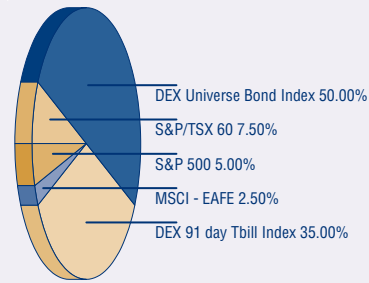


Target asset mix of the Fund



Asset mix of the Fund

<b>Other</b>	(0.07)%
<b>Short term</b>	
Industrial Alliance - Money Market fund (DEX 91 day Tbill Index)	34.88%
<b>Canadian bonds</b>	
Industrial Alliance Bond Fund	50.02%
<b>Canadian stocks</b>	
Industrial Alliance Canadian Equity Index Fund	7.62%
<b>U.S. stocks</b>	
SSgA MA stock index futures (S&P 500)	5.06%
<b>International stocks</b>	
BlackRock CDN MSCI EAFE Equity Index Fund	2.49%
	100.00%

Investment limits

Relatively fixed Asset Mix (see Target asset mix of the Fund)

The average duration of the bond portion of the Fund must be situated between 50% and 150% of the duration of the DEX Universe Bond Index. Because the equity portion of the Fund is done through index management, the weight in each of the economic sectors of the Canadian, US and international stock markets is determined by the respective weightings of each sector in the principal stock market indices.

Commentary

This fund invests in units of a number of underlying investment funds to generate regular revenues as well as certain capital appreciation. The fund focuses on risk reduction through a careful diversification of the asset classes and geographic distribution that make up the investment fund. Its target weighting is 35% in money market, 50% in fixed income securities, 7.5% in Canadian equities, 5% in American index investments and 2.5% in foreign equity index investments.

Investment Advisor



Management team composed of several managers

Inception date: September 2003

Management expense ratio (MER): 3.40% (GST and HST incl.)

Objectives of the Fund

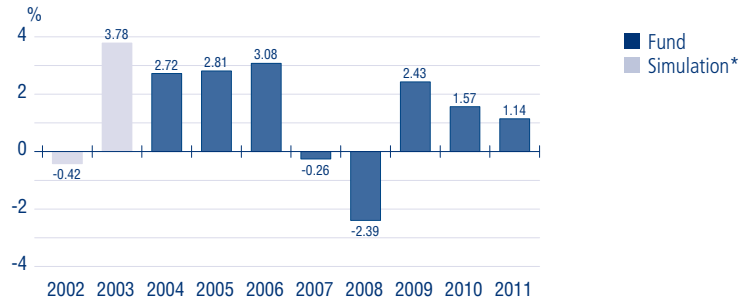
- Combines capital growth with current income
- Fixed asset mix which diversifies the risk between the asset classes
- Passive or indexed management of equities
- Conforms to a medium- and long-term investment horizon

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.

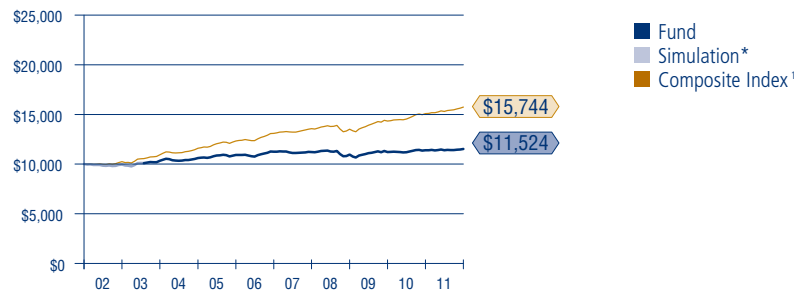
Year By Year Returns

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 September 2003	10 years	5 years	3 years	2 years	1 year	6 months	3 months	1 month	YTD
Fund	1.6	1.4*	0.5	1.7	1.4	1.1	1.2	1.0	0.5	1.1
Composite Index <sup>1</sup>		4.6	3.7	5.2	4.8	4.4	2.8	1.8	0.7	4.4

<sup>1</sup> DEX Universe Bond Index (50%), S&P 500 (Can. \$) (5%), S&P/TSX 60 (7.5%), MSCI - EAFE (Can. \$) (net ret.) (2.5%), DEX 91 day Tbill Index (35%).

\* Simulation of past returns as if the Fund had been in effect for these periods.