

DIVERSIFIED (MCLEAN BUDDEN)

GROUP SAVINGS
AND RETIREMENT

Inception date: September 2000

FU380

TOTAL NET ASSETS: \$19.6 MILLION

Investment Advisor



MCLEAN BUDDEN
INVESTMENT MANAGERS SINCE 1947
INVESTMENTS • PRIVATE CLIENTS • MUTUAL FUNDS

Management team composed of several managers

Objectives of the Fund

- Combines capital growth with current income
- Diversification of the risk between the asset classes
- Active allocation of investments by asset classes
- Conforms to a medium- and long-term investment horizon

Investment style

Asset mix favouring a fair balance between asset classes

Investment limits

Industrial Alliance Fund

	Min.	Max.
Short term	0%	20%
Units of an underlying fund	80%	100%

Underlying fund

	Min.	Max.
Short term	0%	30%
Bonds	30%	60%
Equity securities	40%	70%

The Fund may hold a maximum of 3.5 times the weighting of a security in the index or 35%, whichever is lower; in one of the sectors accounting for at least 3% of the S&P/TSX Composite Index. The Fund must invest in at least eight sectors.

Risk level

Very low	Low	Low to moderate	Moderate	Moderate to high	High

Underlying Fund

MB Balanced Growth Fund

Asset mix of the Industrial Alliance Fund

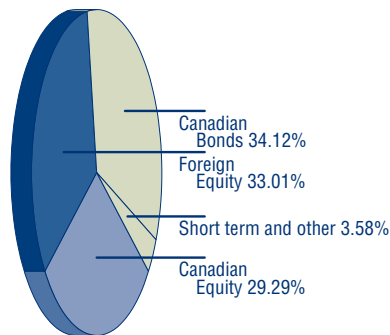
As at December 31, 2011	Distribution
Short term	(0.18)%
Units of the underlying fund	100.18%
	100.00%

Commentary

The Fund aims to provide investors with a balance of long-term capital growth and interest income. The Fund invests in Canadian stocks, bonds and cash investments as well as in foreign equities. The stocks are chosen for their growth potential. This means the stock's expected earnings growth is faster than the expected earnings growth for the overall market. Approximately 58% of the Fund's assets are invested in stocks, 37% in bonds and 5% in cash. McLean Budden adjusts these percentages from time to time to take advantage of market opportunities, but stays within the following ranges: stocks 52-64%, bonds 27-47% and cash 0-15%.

Asset mix of the underlying fund

As at December 31, 2011



Sector Allocation

As at December 31, 2011

Canadian Equity Portfolio

Energy	8.22%
Materials	6.28%
Industrials	2.45%
Consumer Discretionary	3.16%
Consumer Staples	0.44%
Health Care	0.00%
Financials	7.56%
Information Technology	0.43%
Telecommunication Services	0.47%
Utilities	0.28%
	29.29%

Characteristics of the underlying fund

As at December 31, 2011

Bond and Short term Portfolios

Average rating - Bonds	AA
Average term	7.90 years
Modified duration	5.50 years
Average coupon	4.22%
Yield at cost	2.70%
Yield at market value	2.48%

Performance of the Industrial Alliance Fund - Gross returns

Returns before deduction of management and administration fees.

Compound returns

As at December 31, 2011 / YTD	1 month	3 months	6 months	1 year	2 years	3 years	5 years	7 years	10 years	
Fund	(7.5)	(0.5)	2.9	(7.3)	(7.5)	0.3	6.7	0.5	3.8	4.2
Composite Index ¹	(0.2)	0.0	3.5	(1.7)	(0.2)	4.6	8.1	1.7	4.6	5.0

Annual returns

As at December 31	11	10	09	08	07	06	05	04	03	02
Fund	(7.5)	8.9	20.8	(17.4)	2.2	13.6	11.5	8.4	14.5	(6.9)
Composite Index ¹	(0.2)	9.7	15.6	(16.6)	2.9	11.7	12.8	9.7	14.3	(5.0)

¹ Since July 1, 2007: DEX Universe Bond Index (35%), S&P/TSX Composite Index (30%), MSCI - World (Can. \$) (net ret.) (30%), DEX 91 day Tbill Index (5%)
Before July 1, 2007: DEX Universe Bond Index (40%), S&P/TSX Composite Index (38%), MSCI - World (Can. \$) (net ret.) (17%), DEX 91 day Tbill Index (5%).

Past performance is not a guarantee of future returns.