

FIDELITY CANADIAN ASSET ALLOCATION

GROUP PENSIONS

Inception date: January 2001

FU462

TOTAL NET ASSETS: \$385.9 MILLION

Investment Advisor



Bob Swanson, CFA

Objectives of the Fund

- Aims to achieve high investment returns by investing in equity securities, fixed-income securities, and money market instruments
- The fund invests primarily in Canadian securities

Investment style

Asset mix favouring equities

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%	70%
Bonds	10%	60%
Equity securities	20%	90%

Volatility



Underlying Fund

Fidelity Canadian Asset Allocation Fund

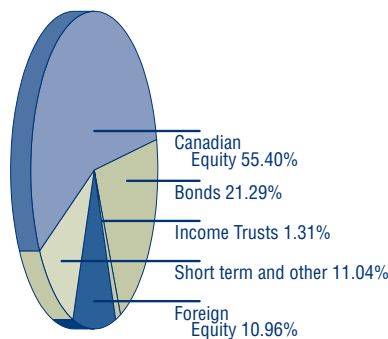
Asset mix of the Industrial Alliance Fund

As at June 30, 2010	Distribution
Short term	(0.14)%
Units of the underlying fund	100.14%
	100.00%

Commentary

The portfolio is divided in two parts: asset allocation decision and security selection. The asset allocation is done following a disciplined multi-step process (meetings and discussions regarding asset allocation dynamics, review potential changes and formulate a recommended allocation). Afterward, each sub-portfolio manager is assigned a specific portion of the overall Fund and is responsible for all security/sector selection within that component.

Asset mix of the underlying fund As at June 30, 2010



Sector Allocation As at June 30, 2010

Canadian Equity Portfolio	
Energy	13.11%
Materials	10.41%
Industrials	3.81%
Consumer Discretionary	3.44%
Consumer Staples	2.15%
Health Care	1.74%
Financials	13.12%
Information Technology	3.88%
Telecommunication Services	3.34%
Utilities	0.40%
	55.40%

Top 10 holdings of the underlying fund As at June 30, 2010

Suncor Energy Inc.	Canadian Imperial Bank of Commerce
The Toronto-Dominion Bank	Goldcorp Inc.
BCE Inc.	Potash Corporation of Saskatchewan Inc.
Rogers Communications Inc., Class B, NV	Royal Bank of Canada
Bank of Montreal	Canadian Natural Resources Ltd.

Top 10 holdings represents 24.78% of the underlying fund's net assets.

Performance of the Industrial Alliance Fund - Gross returns

Returns before deduction of management and administration fees.

Compound returns		YTD	1 month	3 months	6 months	1 year	2 years	3 years	5 years	7 years	10 years
As at June 30, 2010 /											
Fund		(2.2)	(2.7)	(5.0)	(2.2)	8.3	(1.5)	1.5	7.0	9.4	7.0*
Composite Index ¹		(0.3)	(1.9)	(2.7)	(0.3)	10.1	(3.2)	0.0	5.5	8.5	5.9
Annual returns		09	08	07	06	05	04	03	02	01	00
As at December 31											
Fund		27.5	(17.4)	8.5	14.5	16.9	13.5	16.7	(3.1)	2.0	7.9*
Composite Index ¹		24.0	(20.7)	7.8	12.6	17.6	11.7	19.3	(5.5)	(2.7)	15.9

¹ S&P/TSX Capped Composite (65%), DEX Universe Bond Index (30%), DEX 91 day Tbill Index (5%).

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

Past performance is not a guarantee of future returns.