

GLOBAL EQUITY (TEMPLETON)

GROUP PENSIONS

Inception date: November 2001

FU465

TOTAL NET ASSETS: \$169.9 MILLION

Investment Advisor



Norman Boersma, MBA, CFA

Objectives of the Fund

- Targets long-term capital appreciation through investments in equity securities from around the world
- Conforms to an investment horizon that is long enough to endure the volatility of the market values

Investment style

Value

Investment limits

Industrial Alliance Fund

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

Volatility



Underlying Fund

Templeton Master Trust Fund, Series 1

Asset mix of the Industrial Alliance Fund

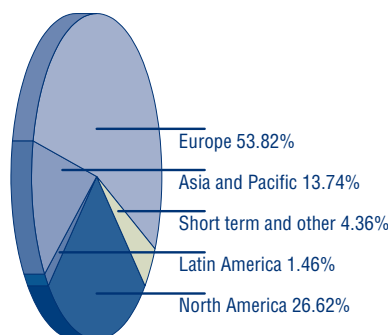
As at June 30, 2010	Distribution
Short term	0.54%
Units of the underlying fund	99.46%
	100.00%

Commentary

The manager of this Fund favours a bottom-up approach, a vigorous investment method based on value and patience. The Fund's value style means that the manager looks for securities that are undervalued by the market and have strong growth potential. The securities in the portfolio are therefore securities of established companies with mid to large market capitalizations, from different countries around the world. The allocation of these various countries is primarily a consequence of the manager's bottom-up approach rather than his forecasts with respect to different areas of the world.

Asset mix of the underlying fund

As at June 30, 2010



Top 10 holdings of the underlying fund

As at June 30, 2010

Michelin S.A.	1.73%	Samsung Electronics Co. Ltd.	1.55%
Nintendo Co. Ltd.	1.67%	Crédit Agricole SA	1.51%
Vodafone Group PLC	1.59%	Siemens AG, Registered	1.43%
Cisco Systems, Inc.	1.56%	Amgen Inc.	1.42%
Rexam PLC	1.55%	Koninklijke Philips Electronics NV	1.40%
			15.41%

Performance of the Industrial Alliance Fund - Gross returns

Returns before deduction of management and administration fees.

Compound returns

As at June 30, 2010 /	YTD	1 month	3 months	6 months	1 year	2 years	3 years	5 years	7 years	10 years
Fund	(10.3)	(0.7)	(8.8)	(10.3)	1.0	(9.0)	(12.3)	(1.6)	3.2	0.1*
Reference Index ¹	(8.6)	(2.1)	(8.8)	(8.6)	0.5	(10.1)	(11.5)	(2.8)	0.9	(4.3)

Annual returns

As at December 31	09	08	07	06	05	04	03	02	01	00
Fund	15.2	(28.9)	(6.3)	27.7	7.1	10.1	13.8	(18.1)	(0.9)*	11.4*
Reference Index ¹	11.1	(26.5)	(7.5)	20.0	6.1	6.8	8.9	(20.7)	(11.6)	(9.8)

¹ MSCI - World (Can. \$) (net ret.).

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

Past performance is not a guarantee of future returns.