

CANADIAN EQUITY (SCHEER ROWLETT)

GROUP PENSIONS

Inception date: January 2009

FU543

TOTAL NET ASSETS: \$27.2 MILLION

Investment Advisor



Management team composed of several managers

Objectives of the Fund

- Long-term capital growth mainly through investments in Canadian equity securities
- Conforms to investment horizons that are sufficiently distant to tolerate 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%

Underlying fund

	Min.	Max.
Short term	0%	10%
Canadian equity	90%	100%
Foreign equity	0%	10%

Volatility



Underlying Fund

Scheer Rowlett and Associates Canadian Equity Fund

Asset mix of the Industrial Alliance Fund

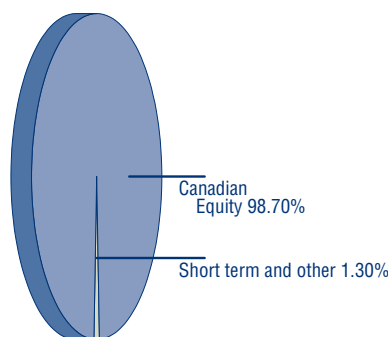
As at June 30, 2010	Distribution
Short term	1.36%
Units of the underlying fund	98.64%
	100.00%

Commentary

Scheer, Rowlett & Associates Investment Management Ltd. (Scheer Rowlett) believes that the core value of a company is reflected in its share price over the long term, but that in the short term, market inefficiencies often lead to incorrect valuation of securities. Since it is a value manager, Scheer Rowlett endeavours to acquire shares of attractive companies when they are undervalued. It relies on thorough fundamental analysis to determine whether long-term investment is justified. In essence, Scheer Rowlett's objective is to consistently produce strong risk-adjusted returns in both up and down markets.

Asset mix of the underlying fund

As at June 30, 2010



Sector Allocation

As at June 30, 2010

Canadian Equity Portfolio

Energy	26.65%
Materials	18.88%
Industrials	5.72%
Consumer Discretionary	4.60%
Consumer Staples	1.83%
Health Care	0.03%
Financials	31.16%
Information Technology	2.10%
Telecommunication Services	7.73%
Utilities	0.00%
Total	98.70%

Top 10 holdings of the underlying fund

As at June 30, 2010

The Toronto-Dominion Bank	7.93%	Canadian Imperial Bank of Commerce	5.64%
Royal Bank of Canada	7.70%	Canadian Natural Resources Ltd.	4.90%
Barrick Gold Corp.	7.44%	Agrium Inc.	3.76%
Suncor Energy Inc.	6.69%	Talisman Energy Inc.	3.59%
Bank of Nova Scotia	6.38%	Rogers Wireless Communications Inc., Class B	3.47%
		Total	57.50%

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	(3.2)	(4.0)	(6.4)	(3.2)	12.7	(9.1)	(5.4)*	5.8*	10.8*	8.6*
Reference Index ¹	(2.5)	(3.7)	(5.5)	(2.5)	12.0	(8.8)	(3.9)	5.5	9.7	3.3

Annual returns

As at December 31	09	08	07	06	05	04	03	02	01	00
Fund	37.9	(33.5)	6.8*	19.7*	28.0*	15.7*	28.9*	(7.7)*	8.7*	22.4*
Reference Index ¹	35.1	(33.0)	9.8	17.3	24.1	14.5	26.7	(12.4)	(12.6)	7.4

¹ S&P/TSX Composite Index.

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

Past performance is not a guarantee of future returns.