

# FUNDFACTS

IA Clarington Canadian Dividend Fund – Series X Units



July 12, 2011

This document contains key information you should know about Series X units of IA Clarington Canadian Dividend Fund (the "Fund"). This series is currently closed to new purchases, other than under certain systematic plans. You can find more detailed information in the Fund's simplified prospectus. Ask your financial advisor ("advisor") for a copy or contact IA Clarington Investments Inc. ("we" or "us") at 1.800.530.0204 or funds@iaclarington.com, or visit www.iaclarington.com.

## QUICK FACTS

**Date Fund created:** December 1, 2008 (Series X)

**Total Fund net asset value on June 17, 2011:** \$1,245.57 million

**Management Expense Ratio (MER):** 2.70%

**Portfolio advisor:** Industrial Alliance Investment Management Inc.

**Distributions:** Monthly distribution; fixed dollar amount per unit, determined in January to target between 8 and 16% of the series' unit value as at December 31 of the previous year; currently \$0.06 per unit per month.

**Minimum Investment:** N/A

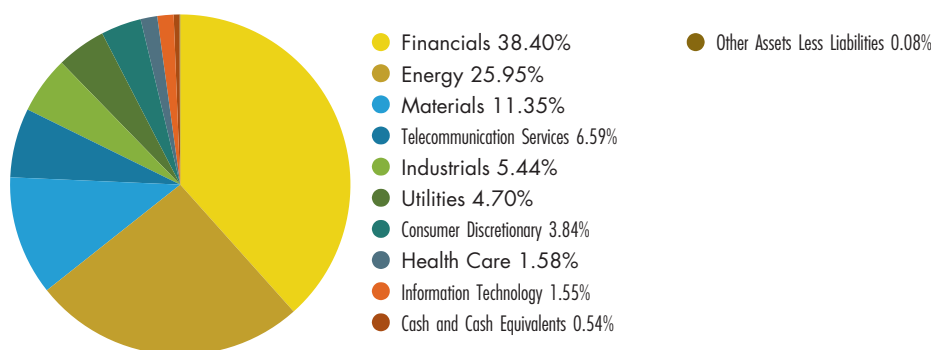
## What does the Fund invest in?

The Fund aims to maximize after tax income with a focus on the preservation and enhancement of capital by investing primarily in Canadian common shares, with an emphasis on dividend-paying common shares. The Fund may invest up to 30% of its assets in foreign securities. The information below gives you a snapshot of the Fund's investments on June 17, 2011. The Fund's investments will change.

### Top 10 Investments of IA Clarington Canadian Dividend Fund (June 17, 2011)

1. Royal Bank of Canada
2. The Toronto-Dominion Bank
3. Barrick Gold Corp.
4. Bank of Montreal
5. TransCanada Corp.
6. Canadian National Railway Co.
7. Canadian Imperial Bank of Commerce
8. Bank of Nova Scotia
9. Suncor Energy Inc.
10. Enbridge Inc.

### Investment mix (% – June 17, 2011)



IA Clarington Canadian Dividend Fund held a total of 43 investments. The top 10 investments made up 46.17% of the total net asset value of IA Clarington Canadian Dividend Fund.

## How has the Fund performed?

This section tells you how the series has performed since its creation date. Returns are shown after fees and expenses have been deducted. These fees and expenses reduce the series' returns.

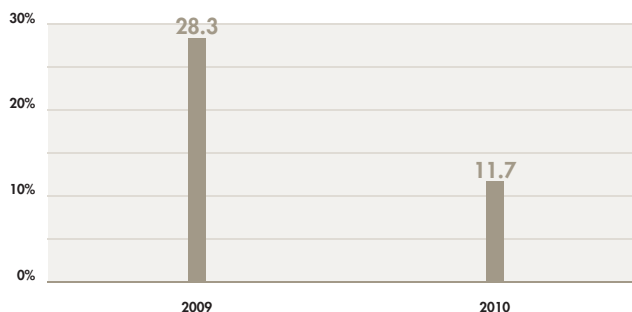
It's important to note that this doesn't tell you how the series will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

### Average return

A person who invested \$1,000 in this series on its creation date would have had \$1,495 on June 17, 2011. This works out to an annual compound return of 17.14%, after fees and expenses have been deducted.

### Year-by-year returns (%)

This chart shows how the series has performed, after fees and expenses have been deducted, in each of the calendar years since its creation.



### How risky is it?

When you invest in a fund, the value of your investment can go down as well as up. We rate the Fund's risk as medium. For a description of the specific risks of the Fund, see the Fund's simplified prospectus.



### Are there any guarantees?

Like most mutual funds, this Fund doesn't have any guarantees. You may not get back the amount of money you invest.

### A word about tax

Usually, you will pay income tax on your share of the Fund's income and capital gains if you hold your investment in a non-registered account. The Fund will distribute any income and capital gains annually in December such that it is not liable for income tax under the Income Tax Act (Canada). We will send you a tax slip that shows your share of the Fund's income and capital gains.

Also, you will usually pay income tax on any increase in the value of your investment when you redeem your investment. You must calculate the amount of your gains.

### Who is this Fund for?

#### Investors who:

- Seek dividend income and the possibility for capital appreciation\*;
- Have medium risk tolerance;
- Plan to invest over the medium to long term.

**Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk, or consult your advisor.**

\*Distributions on this series may include a significant return of capital, which can erode the value of your investment.

### How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series X units of the Fund. The Fund has other series. The fees and expenses are different for each series. Ask your advisor about other series that may be suitable for you.

#### Sales charges

Units of this series are not currently available for sale, and accordingly have no sales charge options available.

#### Fund Expenses

You don't pay these expenses directly. They affect you because they reduce the Fund's returns. As at December 31, 2010, the series' expenses were 2.73% of the net asset value. This equals \$27.30 a year for every \$1,000 invested.

| Fees   | Annual Rate<br><small>% of the Fund's net asset value</small> |
|--|---|
| <p><b>Management Expense Ratio (MER)</b><br/>This is the total of the management fees and operating expenses for Series X units of the Fund, including taxes. We absorbed some of the series' expenses. If we had not done so, the MER would have been higher.</p> | 2.70%   |
| <p><b>Trading Expense Ratio (TER)</b><br/>These are the Fund's portfolio trading costs.</p>  | 0.03%   |
| <p><b>Fund expenses</b><br/>This is the total of the MER and TER and is not a separate expense charged to the Fund.</p>  | 2.73%   |

### Trailing Commission

The trailing commission is paid to your advisor's dealer for as long as you own the Fund. We pay the trailing commission out of the management fee paid to us. It is for the services and advice about the Fund your advisor provides to you. The dealer may pay all or part of the trailing commission to your advisor. The rate depends on the sales charge option that you choose.

| Sales charge option          | Trailing commission   |
|------------------------------|---|
| Front End Option             | 1.00% (\$10 per \$1,000 investment each year)   |
| Low Load Option              | First 3 years: 0.50% (\$5 per \$1,000 investment each year)<br>Afterward: 1.00% (\$10 per \$1,000 investment each year) |
| Deferred Sales Charge Option | First 7 years: 0.50% (\$5 per \$1,000 investment each year)<br>Afterward: 1.00% (\$10 per \$1,000 investment each year) |

### Other Fees

You may have to pay other fees when you sell or switch units of the Fund.

| Fees                          | What you pay   |
|-------------------------------|--|
| <b>Short-term trading fee</b> | You may be charged 2.00% of the value of the units you sell or switch within 90 days of purchase. This fee goes to the Fund. |
| <b>Switch fee</b>             | Your advisor's dealer may charge you up to 2.00% of the value of the switched units.   |

### What if I change my mind?

#### Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy securities of a mutual fund within two business days after you receive a copy of the simplified prospectus; or
- cancel your purchase within 48 hours of receiving confirmation of your purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory. For more information, see the securities law of your province or territory or ask a lawyer.

### For more information

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Contact IA Clarington Investments Inc. or your advisor for a copy of the Fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

