

# FUNDFACTS

IA Clarington Monthly Income Balanced Fund – Series X Units



July 12, 2011

This document contains key information you should know about Series X units of IA Clarington Monthly Income Balanced Fund (the "Fund"). Series X securities are only available to certain investors in connection with mutual fund reorganizations or other changes and are not otherwise available for purchase. 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:** June 1, 2009 (Series X)

**Total Fund net asset value on June 17, 2011:** \$240.31 million

**Management Expense Ratio (MER):** 2.21%

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

**Minimum Investment:** N/A

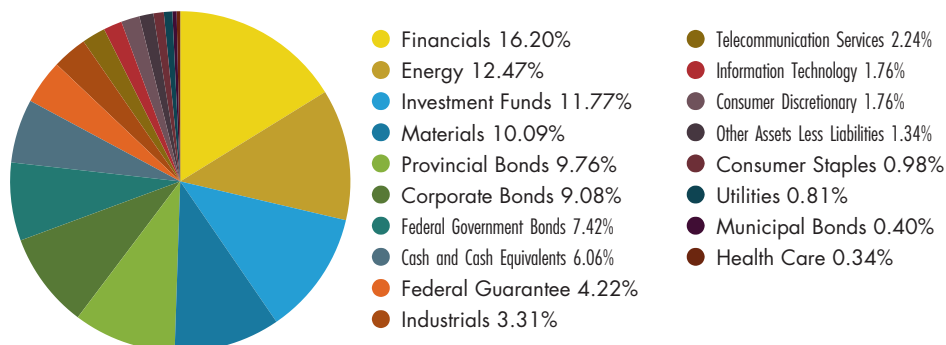
## What does the Fund invest in?

The Fund aims to provide a consistent stream of income and the potential for capital growth by investing in fixed income and equity securities. 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 Monthly Income Balanced Fund (June 17, 2011)

1. IA Clarington Global Value Fund, Series I
2. Cash and Cash Equivalents
3. Government of Canada, 3.250%, 2021-06-01
4. SPDR S&P 500 ETF Trust, Series 1
5. Royal Bank of Canada
6. IA Clarington Global Equity Fund, Series I
7. The Toronto-Dominion Bank
8. Bank of Nova Scotia
9. Suncor Energy Inc.
10. Canada Housing Trust, 2.750%, 2014-12-15

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



IA Clarington Monthly Income Balanced Fund held a total of 219 investments. The top 10 investments made up 32.94% of the total net asset value of IA Clarington Monthly Income Balanced 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.

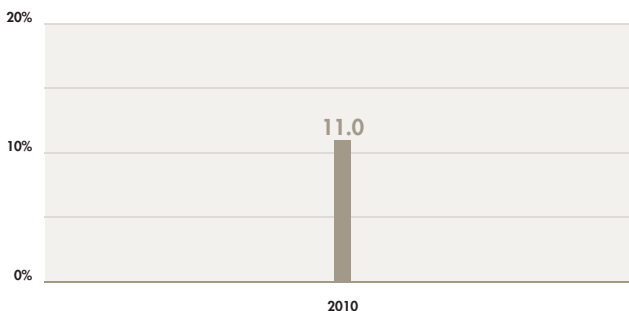
It's important to note that this doesn't tell you how the series will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

### Average return

A person who invested \$1,000 in this series on June 5, 2009 would have had \$1,209 on June 17, 2011. This works out to an annual compound return of 9.78%, 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 June 5, 2009.



Returns are calculated, and year-by-year returns are shown, from June 5, 2009, the date of a material fund merger.

### 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 low to 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 income, with the possibility for capital appreciation;
- Have low to 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.**

### 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 2.33% of the net asset value. This equals \$23.30 a year for every \$1,000 invested.

Fees	Annual Rate <small>% of the Fund's net asset value</small>
<p><b>Management Expense Ratio (MER)</b> 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>	2.21%
<p><b>Trading Expense Ratio (TER)</b> These are the Fund's portfolio trading costs.</p>	0.12%
<p><b>Fund expenses</b> This is the total of the MER and TER and is not a separate expense charged to the Fund.</p>	2.33%

### 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	1.10% (\$11 per \$1,000 investment each year)
Low Load Option	First 3 years: 0.50% (\$5 per \$1,000 investment each year) Afterward: 1.10% (\$11 per \$1,000 investment each year)
Deferred Sales Charge Option	First 7 years: 0.50% (\$5 per \$1,000 investment each year) Afterward: 1.10% (\$11 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.

