

# FUNDFACTS

IA Clarington Tactical Income Class – Series F8 Shares



July 12, 2011

This document contains key information you should know about Series F8 shares of IA Clarington Tactical Income Class (the "Fund"). Series F securities are available only if your advisor's dealer has signed a Series F agreement with us. 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:** November 2, 2009 (Series F8)

**Total Fund net asset value on June 17, 2011:** \$244.99 million

**Management Expense Ratio (MER):** 1.02%

**Portfolio advisor:** Aston Hill Investments Inc.

**Distributions:** Monthly distribution; fixed dollar amount per share, determined in January to target between 7 and 9% of the series' share value as at December 31 of the previous year; currently \$0.081 per share per month.

**Minimum Investment:** \$10,000 initial; \$50 each additional investment (may be waived).

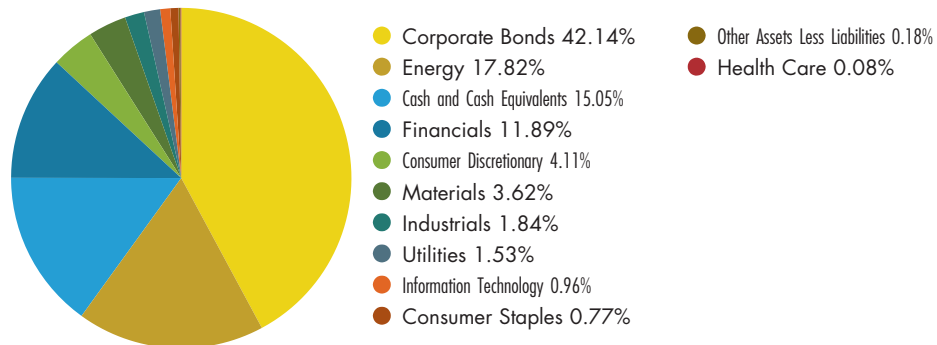
## What does the Fund invest in?

The Fund aims to provide a return that is similar to the return of a Canadian tactical balanced mutual fund. It currently does this by obtaining exposure to IA Clarington Tactical Income Fund through the use of derivatives. The information below gives you a snapshot of the investments of IA Clarington Tactical Income Fund on June 17, 2011. The Fund's investments, and the investments of IA Clarington Tactical Income Fund, will change.

### Top 10 Investments of IA Clarington Tactical Income Fund (June 17, 2011)

1. Cash and Cash Equivalents
2. Connacher Oil and Gas Ltd., 8.500%, 2019-08-01
3. Crescent Point Energy Corp.
4. Chrysler Group Co./CG Co-Issuer Inc., 8.000%, 2019-06-15
5. Data & Audio-Visual Enterprises Holdings Inc., 9.500%, 2018-04-29
6. PPL Corp., Pfd., 8.750%
7. African Minerals Ltd., 12.130%, 2013-02-10
8. IMS Health Inc., 12.500%, 2018-03-01
9. Gibson Energy ULC
10. NCL Corporation Ltd., 11.750%, 2016-11-15

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



IA Clarington Tactical Income Fund held a total of 137 investments. The top 10 investments made up 26.56% of the total net asset value of IA Clarington Tactical Income 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.

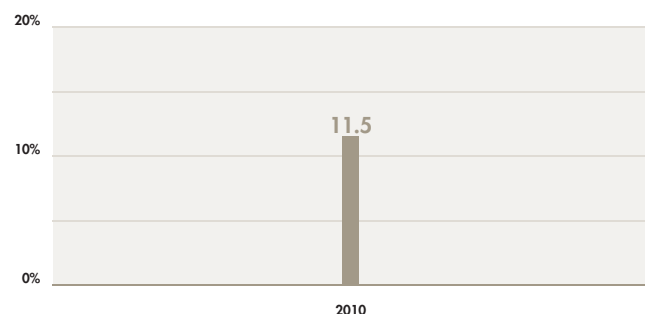
It's important to note that this doesn't tell you how the series will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

### Average return

A person who invested \$1,000 in this series on its creation date would have had \$1,155 on June 17, 2011. This works out to an annual compound return of 9.30%, 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 low to medium. For a description of the specific risks of the Fund, see the Fund's simplified prospectus.

Low

Low to medium

Medium

Medium to high

High

### 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. Clarington Sector Fund Inc., a mutual fund corporation of which the Fund is a separate class, may pay to shareholders ordinary dividends annually in December and capital gains dividends annually in February, if necessary to reduce its liability for tax. We will send you a tax slip regarding these dividends.

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 monthly income\*;
- 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.**

IA Clarington Tactical Income Fund may be more appropriate for registered investment accounts. Ask your advisor about which option may be suitable for you.

\*Distributions on this series may include a 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 F8 shares 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

This series is sold with no sales charge and no redemption fee. However, your dealer may charge you a fee in respect of your investment; any such fee would be set out in an agreement between you and your dealer.

#### 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 1.55% of the net asset value. This equals \$15.50 a year for every \$1,000 invested.

Fees	Annual Rate % of the Fund's net asset value
<p><b>Management Expense Ratio (MER)</b> This is the total of the management fees and operating expenses for Series F8 shares 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>	1.02%
<p><b>Trading Expense Ratio (TER)</b> These are the Fund's portfolio trading costs.</p>	0.53%
<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>	1.55%

### Other Fees

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

Fees	What you pay
<b>Short-term trading fee</b>	You may be charged 2.00% of the value of the shares 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 shares.

### 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.

