

IA Clarington Canadian Conservative Equity Fund

Series A, F, I, L, L5, O and T5 Units

Interim Management Report of Fund Performance

June 30, 2011

This interim management report of fund performance contains financial highlights but does not contain the complete interim financial statements of the Fund. You can get a copy of the interim financial statements at your request, and at no cost, by calling 1-888-860-9888, by writing to us at 522 University Avenue, Suite 700, Toronto, ON M5G 1Y7, or by visiting our website at www.iaclarington.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

The management discussion of fund performance for IA Clarington Canadian Conservative Equity Fund (the "Fund") represents management's view of the significant factors and developments affecting the Fund's performance and outlook. IA Clarington Investments Inc. is the manager (the "Manager") of the Fund.

In this report, "Net Assets" or "Net Assets per Unit" are references to net assets as determined in accordance with Canadian generally accepted accounting principles ("GAAP") as presented in the Fund's financial statements. All references to "Net Asset Value", "Net Asset Value per Unit" or "NAV" are referenced to the net asset value as determined in accordance with National Instrument 81-106 – Investment Fund Continuous Disclosure, which is used for transactional purposes, including fund purchases and fund redemptions.

The Fund's portfolio advisor is Industrial Alliance Investment Management Inc. ("IAIM") and Leon Frazer & Associates Inc. is the sub-advisor (the "Portfolio Sub-Advisor").

Results of Operations

The Fund's Net Assets increased by 15.9% or \$93.9 million during the period, from \$590.5 million on December 31, 2010 to \$684.4 million on June 30, 2011. This change in Net Assets resulted from an increase of \$70.7 million due to net sales, a decrease of \$7.6 million due to distributions and an increase of \$30.8 million due to investment operations, including market volatility, income and expense.

The average Net Assets of the Fund increased by 33.3% or \$162.5 million in comparison to the prior year, from \$488.5 million to \$651.0 million. Average Net Assets influence revenue earned and expenses incurred by the Fund during the period.

The Series A units of the Fund returned 4.7% for the six-month period ending June 30, 2011. The performance of the other series of the Fund is substantially similar, save for differences in expense structure. Refer to the "Past Performance" section for the performance information of each series.

The Fund's benchmark and broad-based benchmark, the S&P/TSX Composite Index, returned 0.2% over the same six-month period. The Fund's return calculation for all series includes fees and expenses which are not applicable in generating a return for the benchmark.

The first half of 2011 was composed of two very different quarters. The first quarter was a continuation of the liquidity-driven rally on the heels of the second Quantitative Easing program initiated by the U.S. Federal Reserve in late 2010. The S&P/TSX Composite Total Return Index was up 5.4% in the first quarter of 2011. As the Portfolio Sub-Advisor predicted, the second quarter proved to be much more difficult for equity markets as the benchmark fell 5.2% in the second quarter for an overall return of 0.2% year-to-date. The Fund outperformed the benchmark during both quarters. The Portfolio Sub-Advisor's overall commitment to dividend-paying equities provided downside protection as well as capital growth in what was a negligible return period for the benchmark.

The Portfolio Sub-Advisor's cautious outlook on the economy in the first quarter was warranted. In March, the Portfolio Sub-Advisor expected that the expiration of the second Quantitative Easing program in the United States coupled with increasing food and energy costs would challenge both the economic recovery and the equity market rally in the second quarter. Both predictions were correct and, when combined with renewed concerns about European sovereign debt, tugged consensus forecasts back to what the Portfolio Sub-Advisor considered overly negative territory. The Portfolio Sub-Advisor remains constructive on the economy and has not wavered from the base view established in the middle of 2009. The Portfolio Sub-Advisor continues to believe that the North American economy is in a slow and choppy recovery that will take longer than previous recessions due to the de-leveraging of consumers that needs to occur. The Portfolio Sub-Advisor's long-term focus is on rising inflation and interest rates, fuelling the Portfolio Sub-Advisor's commitment to protect and grow client capital through equity securities.

There have been no material changes to the Fund's overall composition from an asset mix or sector diversification standpoint. The Fund continues to see robust subscriptions and these have been deployed opportunistically across the portfolio.

A closer examination of the Fund attribution shows that the outperformance was due to superior stock selection and sector allocation. The Portfolio Sub-Advisor's large overweight in Telecommunication Services, large underweight in Materials, combined with superior stock selection in the Energy sector accounted for the bulk of the outperformance. Materials was one of the worst performing sectors in the benchmark year-to-date, while Telecommunications was the second best performer.

On a holdings level, the top three contributors were Enbridge Inc., TransCanada Corp. and Baytex Energy Corp. These holdings represented 12.8% of the Fund at the end of the period, and they all increased dividends in 2011. The bottom three contributors were Sherritt International Corp., Talisman Energy Inc. and Fortis Inc. These holdings represented only 6.9% of the Fund at the end of the year. The Portfolio Sub-Advisor has been adding to its positions throughout the Fund. Over 50% of the holdings have increased dividends year-to-date.

Recent Developments

The Portfolio Sub-Advisor continues to believe that the returns of the S&P/TSX Composite Index will be positive for 2011. Many investors have become fearful after the relatively sharp correction in June; however, this correction was somewhat necessary after the rapid rise that began last fall. The Portfolio Sub-Advisor points to the fact that the S&P/TSX Composite Index was in negative territory at this time last year, and that this is traditionally a seasonally weak period for equities. The Portfolio Sub-Advisor has not changed the forecasted range for the S&P/TSX Composite Index for 2011 of 12,000 to 14,500 and the Portfolio Sub-Advisor believes that the market will be approaching the higher end of the range by the end of the year, implying a middle-ranged single-digit positive return for the year.

Effective March 2, 2011, the Fund commenced offering Series L and Series L5 units.

Effective July 19, 2011, the Fund commenced offering Series F5 units.

International Financial Reporting Standards (IFRS)

The Accounting Standards Board of the Canadian Institute of Chartered Accountants has announced in January 2011 that it has decided to defer the mandatory adoption of IFRS for investment funds that apply the Accounting Guideline on Investment Companies ("AcG-18") to January 1, 2013 instead of January 1, 2012, as it had been previously decided. The Fund, therefore, will adopt IFRS in the financial year beginning on January 1, 2013, and will produce its first financial statements in accordance with IAS 34, Interim Financial Reporting, for the semi-annual period ending on June 30, 2013.

In order to be ready for the changeover to IFRS, the Fund, by way of the Manager, has developed a transition plan containing three phases: 1) identification of the risks; 2) implementation of the new standards; and 3) conversion. During the next two years, the Fund will evaluate the financial consequences and impacts of the conversion to IFRS and complete the design of financial statements and the notes to the financial statements according to IFRS requirements. The Fund will also evaluate the impact of the new accounting standards on disclosure controls and procedures and internal control over financial reporting and make the necessary changes. The Manager anticipates there will be changes to the financial statements but the impact, if any, cannot be reasonably estimated at this time. Training and communication plans will continue throughout the year to prepare and assess the required information.

Given the evolution of accounting standards, the overall impact of adopting IFRS on the Fund's financial situation and future results cannot be reasonably established until the process is completed.

Related Party Transactions

The Fund paid the Manager management fees that are calculated daily on the Net Asset Value attributable to each series. The management fees paid are disclosed in the financial statements.

Industrial Alliance Insurance and Financial Services Inc. ("Industrial Alliance") is the sole parent of the Manager. During the period, the Fund paid fund accounting fees to Industrial Alliance. The amounts paid are disclosed in the financial statements.

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The Fund is responsible for payment of all expenses relating to the operation of the Fund and the carrying on of its business, except for those expenses relating to Series I units. This includes, but is not limited to, legal, audit and custodial fees, taxes, brokerage fees, interest, operating and administrative fees, costs and expenses. In addition, the Fund is also responsible for the fees, costs and expenses of financial and other reports and prospectuses required to comply with all regulatory requirements in connection with the distribution of securities of the Fund, except for those expenses relating to Series I units. A certain portion of these fees (including fund accounting fees) and expenses are initially paid for by the Manager, and then recovered from the Fund.

At its sole discretion, the Manager waived management fees or absorbed expenses of the Fund. The management expense ratios of each of the series of units of the Fund with and without the waivers and absorptions are reported in the following Ratios and Supplemental Data table.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated.

The Fund's Net Assets per Unit (\$) ¹						
Series A	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	24.46	22.07	18.26	23.61	23.99	23.17
Increase (decrease) from operations:						
Total revenue	0.52	1.00	0.93	1.07	0.99	1.18
Total expenses	(0.31)	(0.55)	(0.47)	(0.55)	(0.58)	(0.58)
Realized gains (losses) for the period	(0.06)	0.23	(0.08)	(0.21)	0.56	0.01
Unrealized gains (losses) for the period	0.92	2.37	4.10	(5.15)	(0.58)	0.71
Transaction costs	-	(0.01)	-	-	(0.01)	-
Total increase (decrease) from operations²	1.07	3.04	4.48	(4.84)	0.38	1.32
Distributions:						
From income (excluding dividends)	(0.10)	-	-	(0.07)	(0.11)	(0.18)
From dividends ⁴	-	(0.42)	(0.44)	(0.42)	(0.55)	(0.26)
From capital gains	-	-	-	-	-	-
Return of capital	(0.20)	(0.18)	(0.16)	(0.11)	(0.06)	(0.06)
Total distributions³	(0.30)	(0.60)	(0.60)	(0.60)	(0.72)	(0.50)
Net Assets, end of period	25.28	24.46	22.07	18.26	23.61	24.02

The Fund's Net Assets per Unit (\$) ¹						
Series F	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	11.52	10.33	8.44	10.87	10.92	10.41
Increase (decrease) from operations:						
Total revenue	0.25	0.47	0.44	0.50	0.46	0.48
Total expenses	(0.06)	(0.11)	(0.09)	(0.11)	(0.11)	(0.11)
Realized gains (losses) for the period	(0.04)	0.11	(0.05)	(0.16)	0.26	-
Unrealized gains (losses) for the period	0.43	1.11	1.98	(2.45)	(0.27)	0.45
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	0.58	1.58	2.28	(2.22)	0.34	0.82
Distributions:						
From income (excluding dividends)	(0.10)	-	-	(0.05)	(0.05)	(0.09)
From dividends ⁴	-	(0.34)	(0.30)	(0.30)	(0.26)	(0.13)
From capital gains	-	-	-	-	-	-
Return of capital	(0.05)	(0.02)	-	(0.01)	(0.03)	(0.03)
Total distributions³	(0.15)	(0.36)	(0.30)	(0.36)	(0.34)	(0.25)
Net Assets, end of period	11.98	11.52	10.33	8.44	10.87	10.92

The Fund's Net Assets per Unit (\$) ¹						
Series I	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	26.81	23.94	19.59	25.36	25.16	23.72
Increase (decrease) from operations:						
Total revenue	0.57	1.05	1.02	1.17	1.05	0.86
Total expenses	-	-	-	-	-	(0.01)
Realized gains (losses) for the period	(0.07)	0.09	(0.09)	(0.26)	0.58	0.01
Unrealized gains (losses) for the period	1.05	0.90	4.51	(5.71)	(0.61)	1.00
Transaction costs	-	(0.01)	(0.01)	-	(0.01)	-
Total increase (decrease) from operations²	1.55	2.03	5.43	(4.80)	1.01	1.86
Distributions:						
From income (excluding dividends)	(0.24)	-	-	(0.15)	(0.12)	(0.18)
From dividends ⁴	-	(1.04)	(0.97)	(0.97)	(0.60)	(0.26)
From capital gains	-	-	-	-	-	-
Return of capital	(0.06)	-	-	(0.01)	(0.06)	(0.06)
Total distributions³	(0.30)	(1.04)	(0.97)	(1.13)	(0.78)	(0.50)
Net Assets, end of period	28.08	26.81	23.94	19.59	25.36	25.20

The Fund's Net Assets per Unit (\$) ¹						
Series L	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	25.29	-	-	-	-	-
Increase (decrease) from operations:						
Total revenue	0.40	-	-	-	-	-
Total expenses	(0.21)	-	-	-	-	-
Realized gains (losses) for the period	-	-	-	-	-	-
Unrealized gains (losses) for the period	(0.32)	-	-	-	-	-
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	(0.13)	-	-	-	-	-
Distributions:						
From income (excluding dividends)	(0.07)	-	-	-	-	-
From dividends ⁴	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.23)	-	-	-	-	-
Total distributions³	(0.30)	-	-	-	-	-
Net Assets, end of period	25.28	-	-	-	-	-

The Fund's Net Assets per Unit (\$) ¹						
Series L5	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	10.58	-	-	-	-	-
Increase (decrease) from operations:						
Total revenue	0.15	-	-	-	-	-
Total expenses	(0.09)	-	-	-	-	-
Realized gains (losses) for the period	-	-	-	-	-	-
Unrealized gains (losses) for the period	0.01	-	-	-	-	-
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	0.07	-	-	-	-	-
Distributions:						
From income (excluding dividends)	(0.08)	-	-	-	-	-
From dividends ⁴	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.09)	-	-	-	-	-
Total distributions³	(0.17)	-	-	-	-	-
Net Assets, end of period	10.49	-	-	-	-	-

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Financial Highlights (continued)

The Fund's Net Assets per Unit (\$) ¹						
Series O	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	26.81	24.49	-	-	-	-
Increase (decrease) from operations:						
Total revenue	0.57	0.55	-	-	-	-
Total expenses	(0.01)	(0.01)	-	-	-	-
Realized gains (losses) for the period	(0.08)	0.23	-	-	-	-
Unrealized gains (losses) for the period	1.03	2.36	-	-	-	-
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	1.51	3.13	-	-	-	-
Distributions:						
From income (excluding dividends)	(0.24)	-	-	-	-	-
From dividends ⁴	-	(0.72)	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.06)	-	-	-	-	-
Total distributions³	(0.30)	(0.72)	-	-	-	-
Net Assets, end of period	28.06	26.81	-	-	-	-

The Fund's Net Assets per Unit (\$) ¹						
Series T5	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	10.28	10.00	-	-	-	-
Increase (decrease) from operations:						
Total revenue	0.23	0.07	-	-	-	-
Total expenses	(0.13)	(0.04)	-	-	-	-
Realized gains (losses) for the period	(0.02)	0.22	-	-	-	-
Unrealized gains (losses) for the period	0.26	0.07	-	-	-	-
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	0.34	0.32	-	-	-	-
Distributions:						
From income (excluding dividends)	(0.06)	-	-	-	-	-
From dividends ⁴	-	(0.03)	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.19)	(0.05)	-	-	-	-
Total distributions³	(0.25)	(0.08)	-	-	-	-
Net Assets, end of period	10.49	10.28	-	-	-	-

1 The per unit data is derived from the Fund's audited annual financial statements for prior periods and from the interim unaudited financial statements, for the current period ended June 30, 2011. The Net Assets per Unit presented in the financial statements can differ from the Net Asset Value per Unit calculated for fund pricing purposes. An explanation of these differences can be found in the Notes to the Financial Statements. It is not intended that the Fund's Net Assets per Unit table act as a continuity of opening and closing Net Assets per Unit.

2 Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

3 Distributions were paid in cash or reinvested in additional units of the Fund, or both.

4 Distributions qualified for Canadian dividend tax credit.

Ratios and Supplemental Data						
Series A	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	389,191	333,658	266,494	206,935	266,838	303,714
Number of units outstanding (000's) ¹	15,362	13,622	12,047	11,300	11,278	12,642
Management expense ratio (%) ^{2,3}	2.43	2.41	2.41	2.42	2.42	2.43
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	2.43	2.42	2.41	2.42	2.47	2.48
Trading expense ratio (%) ⁵	0.01	0.02	0.02	0.02	0.03	0.07
Portfolio turnover rate (%) ⁶	0.57	2.83	1.39	7.81	15.58	0.20
NAV per unit (\$)	25.33	24.49	22.12	18.31	23.66	24.02

Ratios and Supplemental Data						
Series F	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	9,638	8,282	6,350	4,208	3,948	3,991
Number of units outstanding (000's) ¹	803	718	614	497	362	367
Management expense ratio (%) ^{2,3}	1.08	1.05	1.01	1.01	1.02	1.02
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	1.11	1.09	1.07	1.07	1.09	1.17
Trading expense ratio (%) ⁵	0.01	0.02	0.02	0.02	0.03	0.07
Portfolio turnover rate (%) ⁶	0.57	2.83	1.39	7.81	15.58	0.20
NAV per unit (\$)	12.01	11.54	10.35	8.47	10.89	10.92

Ratios and Supplemental Data						
Series I	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	34,246	32,192	194,441	140,639	171,540	214,028
Number of units outstanding (000's) ¹	1,217	1,199	8,103	7,157	6,750	8,495
Management expense ratio (%) ^{2,3}	-	-	-	-	-	0.04
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	0.02	0.02	0.02	0.02	0.05	0.15
Trading expense ratio (%) ⁵	0.01	0.02	0.02	0.02	0.03	0.07
Portfolio turnover rate (%) ⁶	0.57	2.83	1.39	7.81	15.58	0.20
NAV per unit (\$)	28.14	26.85	24.00	19.65	25.42	25.20

Ratios and Supplemental Data						
Series L	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	246	-	-	-	-	-
Number of units outstanding (000's) ¹	10	-	-	-	-	-
Management expense ratio (%) ^{2,3}	2.50	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	2.65	-	-	-	-	-
Trading expense ratio (%) ⁵	0.01	-	-	-	-	-
Portfolio turnover rate (%) ⁶	0.57	-	-	-	-	-
NAV per unit (\$)	25.33	-	-	-	-	-

Ratios and Supplemental Data						
Series L5	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	15	-	-	-	-	-
Number of units outstanding (000's) ¹	1	-	-	-	-	-
Management expense ratio (%) ^{2,3}	2.69	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	2.91	-	-	-	-	-
Trading expense ratio (%) ⁵	0.01	-	-	-	-	-
Portfolio turnover rate (%) ⁶	0.57	-	-	-	-	-
NAV per unit (\$)	10.51	-	-	-	-	-

Ratios and Supplemental Data						
Series O	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	251,050	217,041	-	-	-	-
Number of units outstanding (000's) ¹	8,926	8,084	-	-	-	-
Management expense ratio (%) ^{2,3}	0.11	0.11	-	-	-	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	0.16	0.16	-	-	-	-
Trading expense ratio (%) ⁵	0.01	0.02	-	-	-	-
Portfolio turnover rate (%) ⁶	0.57	2.83	-	-	-	-
NAV per unit (\$)	28.12	26.85	-	-	-	-

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Financial Highlights (continued)

Ratios and Supplemental Data						
Series T5	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	1,504	137	-	-	-	-
Number of units outstanding (000's) ¹	143	13	-	-	-	-
Management expense ratio (%) ^{2,3}	2.51	2.83	-	-	-	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	2.51	3.85	-	-	-	-
Trading expense ratio (%) ⁵	0.01	0.02	-	-	-	-
Portfolio turnover rate (%) ⁶	0.57	2.83	-	-	-	-
NAV per unit (\$)	10.52	10.29	-	-	-	-

1 This information is provided as at each period shown.

2 Management expense ratios are based on total expenses (excluding commissions and other portfolio transaction costs) of each series for the stated period and are expressed as an annualized percentage of each series' daily average NAV during the period.

3 The annual management fee of the Fund is 2.00% for Series A, Series L, Series L5 and Series T5 units, 0.90% for Series F units, and 0% for Series I and Series O units, before the application of taxes. Series O units were charged a fixed expense fee at 0.15%, but paid 0.10%, net of waivers by the Manager, before application of taxes.

4 At its sole discretion, the Manager waived management fees or absorbed expenses of the Fund. Such waivers and absorptions can be terminated at any time, but can be expected to continue for the Fund until such time as the Fund is of sufficient size to reasonably absorb all management fees and expenses incurred in its operation, although the amount of any such waiver or absorption may change from time to time.

5 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the Fund's daily average NAV during the period.

6 The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship or correlation between a high turnover rate and the performance of a Fund.

Management Fees

Management fees paid by the Fund per series are based on applying the annual management fee rate per series to the daily average NAV of each series and are recorded on an accrual basis.

Breakdown of major services received by the Fund in consideration of the management fees for the period, as a percentage of the management fee:

Management Fees (%)		
Series	Trailer commissions	Other
Series A		
FE	55	45
LL First 3 years	25	75
LL After 3 years	55	45
DSC First 7 years	25	75
DSC After 7 years	55	45
Series F	-	100
Series I	-	-
Series L and L5		
ASC First year	-	100
ASC Year 2 and 3	25	75
ASC After 3 years	55	45
Series O	-	-
Series T5		
FE	55	45
LL First 3 years	25	75
LL After 3 years	55	45
DSC First 7 years	25	75
DSC After 7 years	55	45

FE – front end; LL – low load; DSC – deferred sales charge; ASC – advisor service charge

Other – includes general administration, investment advice and profit.

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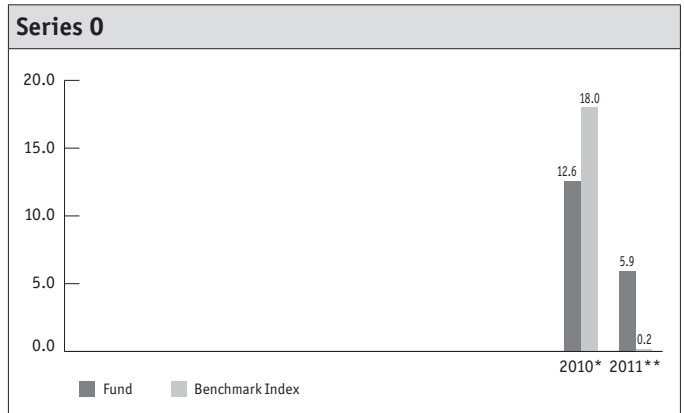
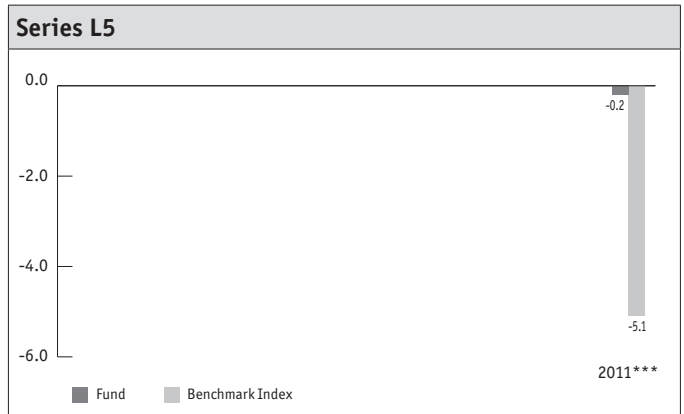
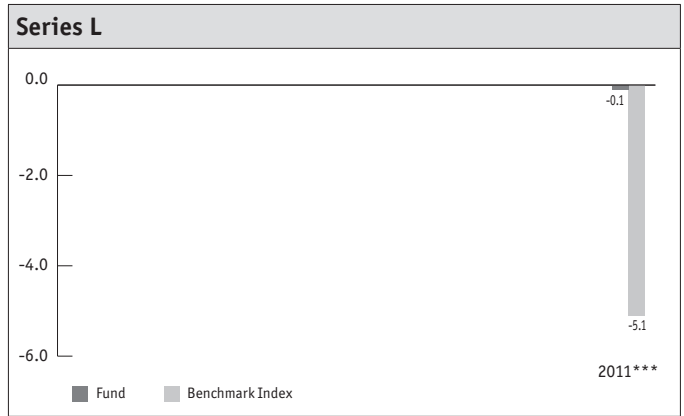
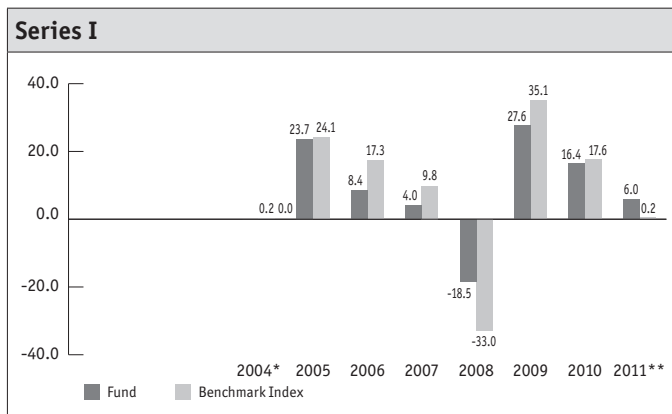
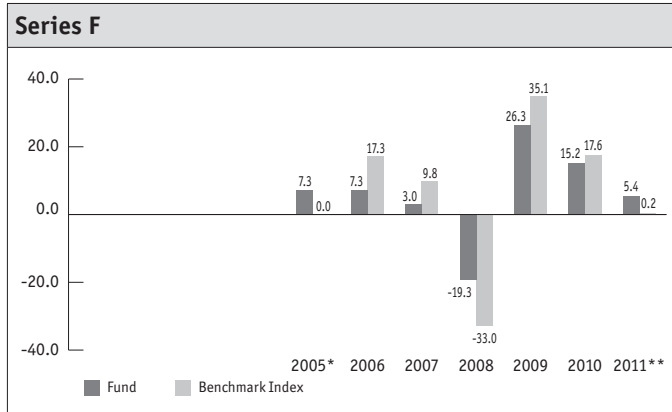
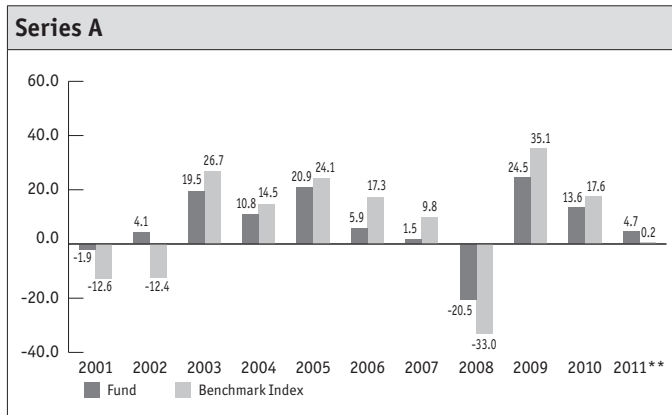
Past Performance

The performance information shown (based on NAV) assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

The bar charts show the Fund's and the benchmark index's performance for the six-month period ended June 30, 2011, and for each of the previous 12-month periods ended December 31. The charts show in percentage terms how an investment made on January 1 would have increased or decreased by the end of the period.

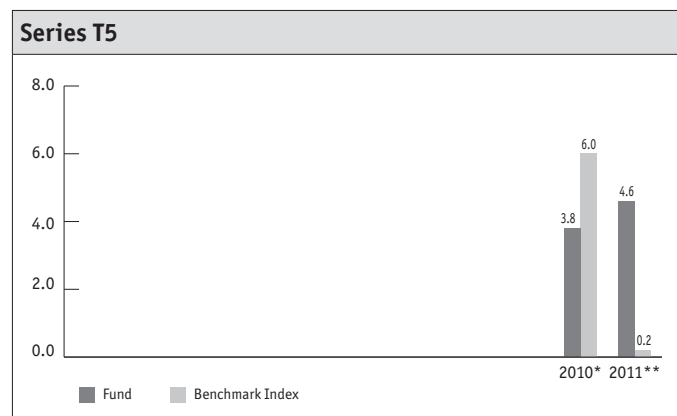
The benchmark index (the "Benchmark Index") consists of the S&P/TSX Composite Index.



IA Clarington Canadian Conservative Equity Fund

June 30, 2011

Past Performance (continued)



* Return shown is for the partial period ending December 31.

** Return shown is for the six-month period ended June 30, 2011.

*** Return shown is for the partial period ending June 30, 2011.

The S&P/TSX Composite Index is the premier indicator of market activity for Canadian equity markets, with 95% coverage of Canadian-based, TSX-listed companies. The index includes common stock and income trust units and is designed to offer the representation of a broad benchmark index while maintaining the liquidity characteristics of narrower indices.

A discussion of the performance of the Fund as compared to the Benchmark Index is found in the "Results of Operations" section of this report.

Summary of Investment Portfolio

As at June 30, 2011

The summary of investment portfolio shown, as a percentage of total NAV, may change due to ongoing portfolio transactions of the Fund and a quarterly update is available on the Manager's website.

Sector Allocation	%
Energy	33.17
Financials	20.24
Utilities	14.76
Telecommunication Services	11.29
Industrials	7.00
Consumer Discretionary	6.44
Materials	4.34
Cash and Cash Equivalents	2.51
Other Assets less Liabilities	0.25
Total	100.00

The top positions held by the Fund (up to 25) are shown as a percentage of the total NAV:

Top Holdings	%
BCE Inc.	4.69
TransCanada Corp.	4.63
Bank of Montreal	4.47
Enbridge Inc.	4.33
Bank of Nova Scotia	4.24
TransAlta Corp.	3.90
Baytex Energy Corp.	3.85
Fortis Inc.	3.78
Emera Inc.	3.69
Thomson Reuters Corp.	3.43
Canadian Utilities Ltd., Class A, NV	3.28
Crescent Point Energy Corp.	3.25
Cenovus Energy Inc.	3.18
The Toronto-Dominion Bank	3.06
EnCana Corp.	3.04
Goldcorp Inc.	2.99
Sun Life Financial Services of Canada Inc.	2.96
Russel Metals Inc.	2.87
Rogers Communications Inc., Class B, NV	2.78
Shaw Communications Inc., Class B, NV	2.56
TMX Group Inc.	2.55
Cash and Cash Equivalents	2.51
Royal Bank of Canada	2.41
Manitoba Telecom Services Inc.	2.38
Pembina Pipeline Corp.	2.22

Forward-Looking Statements

This management report of fund performance may contain forward-looking statements which reflect the current expectations of the Manager (or, where indicated, the Portfolio Advisor or Portfolio Sub-Advisor) regarding the Fund's future growth, results of operations, performance and business prospects and opportunities. These statements reflect the current beliefs of the person to which the statements are attributed with respect to future events and are based on information currently available to that person. Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Fund's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors could include, among other things, general economic, political and market factors, including interest and foreign exchange rates, business competition, changes in government regulations or in tax laws. Although the forward-looking statements contained in this report are based upon what management currently believes to be reasonable assumptions, the Manager cannot assure current or prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements.

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