

# IA Clarington Global Tactical Income Fund

Series A, F, F6, F8, I, L, L6, L8, O, T6 and T8 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](http://www.iaclarington.com) or SEDAR at [www.sedar.com](http://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 Global Tactical Income 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 Aston Hill Investments Inc. (formerly Catapult Financial Management Inc.), a wholly owned subsidiary of Aston Hill Financial Inc., is the sub-advisor (the "Portfolio Sub-Advisor") of the Fund.

## Results of Operations

The Fund's Net Assets increased by 56.9% or \$81.7 million during the period, from \$143.5 million on December 31, 2010 to \$225.2 million on June 30, 2011. This change in Net Assets resulted from an increase of \$85.0 million due to net sales, a decrease of \$5.1 million due to distributions and an increase of \$1.8 million due to investment operations, including market volatility, income and expense.

The average Net Assets of the Fund increased by 92.9% or \$92.8 million in comparison to the prior year, from \$99.9 million to \$192.7 million. Average Net Assets influence revenue earned and expenses incurred by the Fund during the period.

The Series T8 units of the Fund returned 1.5% 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 broad-based benchmark, the MSCI World Index, returned 2.1% over the same six-month period. The comparison to this broad-based index has been provided to help you understand the Fund's performance relative to the general performance of the market. The Fund's blended benchmark, which is composed of the MSCI World Index (60%) and the Citigroup World Broad Investment-Grade Bond Index (40%), returned 1.8% over the same six-month period. This comparison to Fund performance is more useful since it is a closer reflection of the asset classes in which the Fund invests. The Fund's return calculation for all series includes fees and expenses which are not applicable in generating a return for the benchmark.

The Fund began the year with a cash equivalent position of approximately 16% of the total Fund and ended the second quarter with roughly 13%. Over the same period the Fund's weighting in High Yield bonds and preferred shares decreased slightly from 46% to 45%, while the Fund's weighting in equities rose slightly from 41% to 42%. The Portfolio Sub-Advisor did not move the cash weighting down substantially as there were lingering questions about the certainty of global growth expectations. Indeed, issues such as the potential for sovereign debt default in Europe, the earthquake disaster in Japan, plus geopolitical uncertainty in North Africa all worked together to decrease growth expectations for the developed economies. While the Portfolio Sub-Advisor would like to eventually see the Fund with an equity weighting of more than 50%, it is not certain when that might occur. The S&P 500 Index was led by the Health Care sector in the first six-months of 2011 followed by a solid performance in Energy. The worst performing sector was Financial Services. While the Fund did have almost six percent invested in energy producers, more than half of the investments were in Canadian companies, which performed significantly worse than their U.S. counterparts. In U.S. dollar terms, the S&P 500 Index returned 6.0% for the first two quarters of 2011, while the Merrill Lynch U.S. High Yield Cash Pay Index returned 4.9%.

The Fund seeks to generate a high level of income while protecting invested capital. Protecting investors' capital, as interest rates rise, can require greater exposure to equities as fixed income securities, including high yield bonds, will generally fall in value in a rising rate environment. Ten year U.S. government bond yields rose, for the most part, until mid April of this year and subsequently dropped 75 basis points over the next two months.

The Portfolio Sub-Advisor believes that the following three events had the greatest bearing on performance. First, political uprisings in Egypt, Libya and Syria triggered reactions from equity markets and from crude oil prices. The geopolitical events in North Africa and the Middle East caused crude oil prices in North America to reach a peak of almost \$115 by the end of April. The rise in crude oil prices rallied major oil stocks initially; however, the slowing global economy caused crude oil prices to fall below \$100 by the end of June and oil stocks ended down 1.6% year to date. Second, Japan was struck by a major earthquake in March and the tsunami which followed created more devastation and a nuclear incident at the Fukushima plant. These disastrous events have ground the Japanese economy to a halt and this has compounded the global economic slowdown. Third, Europe has been dealing with another potential meltdown in Greece as Greek citizens have rallied against the government, protesting the dramatic cuts to government services and employees. The Greek government has recently survived a national confidence vote; however, the country must still come up with 28 billion Euro in spending cuts in order to qualify for European Union support. The uncertainty regarding Greek debt caused equity markets to move lower in the second quarter of this year. The uncertainty was most felt by European financials as they are considered to have the most exposure to sovereign Greek debt. The Fund does not currently have any exposure to European banks or other financial companies in Europe.

In light of the troubles in the Middle East and Japan, the Portfolio Sub-Advisor continues to focus the Fund's investments on companies that offer a reasonable yield, and will experience minimal effects from geopolitical events and commodity prices. Bonds like the IMS Health Inc., 12.5% of 2018, and Rite Aid Corp., 8.00% of 2020 offer investors yields of 8% to 12.5%, and the Portfolio Sub-Advisor has great confidence in their ability to pay principal and interest. In the Fund, Cinemark Holdings Inc., CSX Corp., and REITs (Real Estate Investment Trust) such as AvalonBay Communities Inc., and Prologis offer investors a solid income stream with room for growth. The Portfolio Sub-Advisor believes that this investment strategy will offer investors the best possible returns with a minimal amount of risk.

## Recent Developments

The Portfolio Sub-Advisor expects that the global economic environment will continue to slow in the second half of 2011. In addition to the global macroeconomic events listed above, the Portfolio Sub-Advisor also expects that the rate of economic growth will slow due to the end of the Federal Reserve's second quantitative easing program. The Portfolio Sub-Advisor remains cautious about the tightening of monetary conditions they see occurring in China. Tighter lending standards and higher short-term interest rates will certainly hurt the domestic real estate market at some point in the next twelve months. Once markets reassess their growth expectations for the world's second largest economy, there will likely be an increase in volatility in equity markets and credit markets.

If there is an increased risk to the growth profile of global economies for the remainder of 2011, then it is probable that equity market returns will be subdued in that environment. As such it will make sense, at some point, to increase exposure to higher yielding debt markets in the Fund. That point is not now because of the Portfolio Sub-Advisor's belief that credit spreads may also be too tight in this environment and spreads might widen in the next few months. However, once the high yield bond market offers nominal yields between eight to nine percent, then this asset class will be getting a good risk-adjusted return, and that is the Portfolio Sub-Advisor's target for adding to high yield securities.

In January 2011, Catapult Financial Management Inc. changed its name to Aston Hill Investment Inc.

Effective March 2, 2011, the Fund commenced offering Series L, Series L6 and Series L8 units.

# IA Clarington Global Tactical Income Fund

June 30, 2011

## 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.

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 (\$) <sup>1</sup>						
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	12.53	11.24	10.00	-	-	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.27	0.65	0.33	-	-	-
Total expenses	(0.16)	(0.30)	(0.13)	-	-	-
Realized gains (losses) for the period	0.37	0.43	0.32	-	-	-
Unrealized gains (losses) for the period	(0.49)	1.00	0.49	-	-	-
Transaction costs	(0.01)	(0.01)	-	-	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.02)</b>	<b>1.77</b>	<b>1.01</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	(0.17)	(0.03)	-	-	-
From dividends <sup>4</sup>	-	(0.01)	(0.01)	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>(0.18)</b>	<b>(0.04)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Assets, end of period	12.70	12.53	11.24	-	-	-

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
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	11.42	10.00	-	-	-	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.25	0.29	-	-	-	-
Total expenses	(0.07)	(0.06)	-	-	-	-
Realized gains (losses) for the period	0.37	0.66	-	-	-	-
Unrealized gains (losses) for the period	(0.46)	0.25	-	-	-	-
Transaction costs	(0.01)	(0.01)	-	-	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.08</b>	<b>1.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	(0.07)	-	-	-	-
From dividends <sup>4</sup>	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>(0.07)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Assets, end of period	11.66	11.42	-	-	-	-

# IA Clarington Global Tactical Income Fund

June 30, 2011

## Financial Highlights (continued)

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series F6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	8.33	7.66	6.72	9.20	10.00	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.18	0.43	0.44	0.36	0.12	-
Total expenses	(0.05)	(0.09)	(0.09)	(0.10)	(0.05)	-
Realized gains (losses) for the period	0.31	0.23	0.31	(1.77)	0.03	-
Unrealized gains (losses) for the period	(0.29)	0.60	1.07	(0.39)	(0.58)	-
Transaction costs	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.14</b>	<b>1.16</b>	<b>1.72</b>	<b>(1.92)</b>	<b>(0.49)</b>	<b>-</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.12)	(0.27)	(0.13)	(0.22)	(0.05)	-
From dividends <sup>4</sup>	-	(0.02)	(0.02)	(0.01)	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.13)	(0.12)	(0.25)	(0.37)	(0.25)	-
<b>Total distributions<sup>3</sup></b>	<b>(0.25)</b>	<b>(0.41)</b>	<b>(0.40)</b>	<b>(0.60)</b>	<b>(0.30)</b>	<b>-</b>
Net Assets, end of period	8.25	8.33	7.66	6.72	9.20	-

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
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	12.96	-	-	-	-	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.19	-	-	-	-	-
Total expenses	(0.11)	-	-	-	-	-
Realized gains (losses) for the period	0.10	-	-	-	-	-
Unrealized gains (losses) for the period	(0.53)	-	-	-	-	-
Transaction costs	(0.01)	-	-	-	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.36)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	-
From dividends <sup>4</sup>	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Assets, end of period	12.70	-	-	-	-	-

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series F8	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	3.57	3.34	2.99	4.13	5.19	5.38
<b>Increase (decrease) from operations:</b>						
Total revenue	0.08	0.19	0.18	0.14	0.14	0.08
Total expenses	(0.02)	(0.04)	(0.04)	(0.05)	(0.06)	(0.06)
Realized gains (losses) for the period	0.12	0.11	0.27	(0.32)	0.02	(0.03)
Unrealized gains (losses) for the period	(0.12)	0.22	0.29	(0.35)	(0.50)	0.85
Transaction costs	-	-	-	(0.01)	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.06</b>	<b>0.48</b>	<b>0.70</b>	<b>(0.59)</b>	<b>(0.40)</b>	<b>0.84</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.05)	(0.13)	(0.10)	(0.15)	(0.01)	(0.01)
From dividends <sup>4</sup>	-	(0.01)	(0.01)	(0.01)	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.09)	(0.10)	(0.13)	(0.32)	(0.71)	(0.71)
<b>Total distributions<sup>3</sup></b>	<b>(0.14)</b>	<b>(0.24)</b>	<b>(0.24)</b>	<b>(0.48)</b>	<b>(0.72)</b>	<b>(0.72)</b>
Net Assets, end of period	3.50	3.57	3.34	2.99	4.13	5.20

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series L6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	8.07	-	-	-	-	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.11	-	-	-	-	-
Total expenses	(0.07)	-	-	-	-	-
Realized gains (losses) for the period	0.06	-	-	-	-	-
Unrealized gains (losses) for the period	(0.19)	-	-	-	-	-
Transaction costs	-	-	-	-	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.09)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.06)	-	-	-	-	-
From dividends <sup>4</sup>	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.07)	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.13)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Assets, end of period	7.74	-	-	-	-	-

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
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	3.67	3.39	3.03	4.31	5.32	5.42
<b>Increase (decrease) from operations:</b>						
Total revenue	0.08	0.18	0.18	0.16	0.15	0.04
Total expenses	-	-	-	-	-	-
Realized gains (losses) for the period	0.09	0.02	(0.04)	(0.77)	0.02	(0.07)
Unrealized gains (losses) for the period	(0.15)	0.05	0.52	(0.18)	(0.57)	2.10
Transaction costs	-	-	-	(0.01)	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.02</b>	<b>0.25</b>	<b>0.66</b>	<b>(0.80)</b>	<b>(0.40)</b>	<b>2.07</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.05)	(0.17)	(0.15)	(0.14)	(0.02)	-
From dividends <sup>4</sup>	-	(0.01)	(0.02)	(0.01)	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.07)	(0.06)	(0.11)	(0.33)	(0.70)	(0.72)
<b>Total distributions<sup>3</sup></b>	<b>(0.12)</b>	<b>(0.24)</b>	<b>(0.28)</b>	<b>(0.48)</b>	<b>(0.72)</b>	<b>(0.72)</b>
Net Assets, end of period	3.65	3.67	3.39	3.03	4.31	5.33

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series L8	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	3.03	-	-	-	-	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.05	-	-	-	-	-
Total expenses	(0.02)	-	-	-	-	-
Realized gains (losses) for the period	(0.01)	-	-	-	-	-
Unrealized gains (losses) for the period	(0.16)	-	-	-	-	-
Transaction costs	-	-	-	-	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.14)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.03)	-	-	-	-	-
From dividends <sup>4</sup>	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.05)	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.08)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Assets, end of period	2.87	-	-	-	-	-

# IA Clarington Global Tactical Income Fund

June 30, 2011

## Financial Highlights (continued)

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series 0	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	3.69	3.38	-	-	-	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.08	0.09	-	-	-	-
Total expenses	-	-	-	-	-	-
Realized gains (losses) for the period	0.13	0.13	-	-	-	-
Unrealized gains (losses) for the period	(0.12)	0.21	-	-	-	-
Transaction costs	-	-	-	-	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.09</b>	<b>0.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.07)	(0.09)	-	-	-	-
From dividends <sup>4</sup>	-	(0.01)	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.03)	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.10)</b>	<b>(0.10)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Assets, end of period	3.68	3.69	-	-	-	-

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series T6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	7.83	7.30	6.50	9.08	10.00	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.17	0.41	0.39	0.36	0.09	-
Total expenses	(0.10)	(0.19)	(0.17)	(0.19)	(0.12)	-
Realized gains (losses) for the period	0.27	0.24	0.11	(3.10)	0.08	-
Unrealized gains (losses) for the period	(0.28)	0.56	1.08	(0.40)	(0.74)	-
Transaction costs	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.05</b>	<b>1.01</b>	<b>1.40</b>	<b>(3.35)</b>	<b>(0.70)</b>	<b>-</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.06)	(0.36)	(0.16)	(0.07)	(0.01)	-
From dividends <sup>4</sup>	-	(0.02)	(0.03)	(0.005)	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.14)	(0.40)	(0.21)	(0.52)	(0.29)	-
<b>Total distributions<sup>3</sup></b>	<b>(0.20)</b>	<b>(0.78)</b>	<b>(0.40)</b>	<b>(0.60)</b>	<b>(0.30)</b>	<b>-</b>
Net Assets, end of period	7.74	7.83	7.30	6.50	9.08	-

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series T8	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	2.94	2.80	2.54	3.78	4.89	5.17
<b>Increase (decrease) from operations:</b>						
Total revenue	0.06	0.15	0.15	0.14	0.13	0.15
Total expenses	(0.04)	(0.07)	(0.07)	(0.09)	(0.12)	(0.14)
Realized gains (losses) for the period	0.12	0.09	(0.10)	(0.57)	0.02	(0.02)
Unrealized gains (losses) for the period	(0.10)	0.17	0.47	(0.16)	(0.43)	0.45
Transaction costs	-	-	-	(0.01)	-	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.04</b>	<b>0.34</b>	<b>0.45</b>	<b>(0.69)</b>	<b>(0.40)</b>	<b>0.44</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.02)	(0.15)	(0.08)	(0.04)	(0.02)	(0.01)
From dividends <sup>4</sup>	-	(0.01)	(0.01)	(0.003)	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.10)	(0.24)	(0.11)	(0.43)	(0.70)	(0.71)
<b>Total distributions<sup>3</sup></b>	<b>(0.12)</b>	<b>(0.40)</b>	<b>(0.20)</b>	<b>(0.48)</b>	<b>(0.72)</b>	<b>(0.72)</b>
Net Assets, end of period	2.87	2.94	2.80	2.54	3.78	4.89

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) <sup>1</sup>	42,111	15,777	1,751	-	-	-
Number of units outstanding (000's) <sup>1</sup>	3,312	1,259	156	-	-	-
Management expense ratio (%) <sup>2,3</sup>	2.50	2.52	2.63	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.50	2.53	2.78	-	-	-
Trading expense ratio (%) <sup>5</sup>	0.08	0.12	0.13	-	-	-
Portfolio turnover rate (%) <sup>6</sup>	63.01	115.34	163.21	-	-	-
NAV per unit (\$)	12.71	12.53	11.24	-	-	-

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) <sup>1</sup>	7,784	504	-	-	-	-
Number of units outstanding (000's) <sup>1</sup>	667	44	-	-	-	-
Management expense ratio (%) <sup>2,3</sup>	1.20	1.22	-	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	1.22	1.22	-	-	-	-
Trading expense ratio (%) <sup>5</sup>	0.08	0.12	-	-	-	-
Portfolio turnover rate (%) <sup>6</sup>	63.01	115.34	-	-	-	-
NAV per unit (\$)	11.67	11.43	-	-	-	-

# IA Clarington Global Tactical Income Fund

June 30, 2011

## Financial Highlights (continued)

Ratios and Supplemental Data						
Series F6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) <sup>1</sup>	4,324	3,123	643	1	1	-
Number of units outstanding (000's) <sup>1</sup>	523	375	84	0.1	0.1	-
Management expense ratio (%) <sup>2,3</sup>	1.22	1.19	1.16	1.18	1.20	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	1.26	1.27	1.25	1.23	1.08	-
Trading expense ratio (%) <sup>5</sup>	0.08	0.12	0.13	0.18	0.07	-
Portfolio turnover rate (%) <sup>6</sup>	63.01	115.34	163.21	161.21	38.93	-
NAV per unit (\$)	8.26	8.33	7.66	6.73	9.21	-

Ratios and Supplemental Data						
Series L8	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) <sup>1</sup>	57	-	-	-	-	-
Number of units outstanding (000's) <sup>1</sup>	20	-	-	-	-	-
Management expense ratio (%) <sup>2,3</sup>	2.53	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.71	-	-	-	-	-
Trading expense ratio (%) <sup>5</sup>	0.08	-	-	-	-	-
Portfolio turnover rate (%) <sup>6</sup>	63.01	-	-	-	-	-
NAV per unit (\$)	2.87	-	-	-	-	-

Ratios and Supplemental Data						
Series F8	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) <sup>1</sup>	1,441	909	483	26	611	535
Number of units outstanding (000's) <sup>1</sup>	411	255	144	9	148	103
Management expense ratio (%) <sup>2,3</sup>	1.21	1.18	1.15	1.23	1.26	1.25
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	1.26	1.25	1.23	1.42	1.56	2.85
Trading expense ratio (%) <sup>5</sup>	0.08	0.12	0.13	0.18	0.07	0.06
Portfolio turnover rate (%) <sup>6</sup>	63.01	115.34	163.21	161.21	38.93	140.99
NAV per unit (\$)	3.50	3.57	3.34	3.00	4.14	5.20

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) <sup>1</sup>	30,446	24,078	-	-	-	-
Number of units outstanding (000's) <sup>1</sup>	8,255	6,527	-	-	-	-
Management expense ratio (%) <sup>2,3</sup>	0.11	0.11	-	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	0.16	0.17	-	-	-	-
Trading expense ratio (%) <sup>5</sup>	0.08	0.12	-	-	-	-
Portfolio turnover rate (%) <sup>6</sup>	63.01	115.34	-	-	-	-
NAV per unit (\$)	3.69	3.69	-	-	-	-

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) <sup>1</sup>	18,832	2,577	12,909	8,184	11,062	1,331
Number of units outstanding (000's) <sup>1</sup>	5,151	702	3,803	2,691	2,564	250
Management expense ratio (%) <sup>2,3</sup>	-	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	0.03	0.03	0.04	0.05	0.05	1.30
Trading expense ratio (%) <sup>5</sup>	0.08	0.12	0.13	0.18	0.07	0.06
Portfolio turnover rate (%) <sup>6</sup>	63.01	115.34	163.21	161.21	38.93	140.99
NAV per unit (\$)	3.66	3.67	3.39	3.04	4.31	5.33

Ratios and Supplemental Data						
Series T6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) <sup>1</sup>	60,916	38,616	13,515	3,372	56	-
Number of units outstanding (000's) <sup>1</sup>	7,861	4,931	1,849	518	6	-
Management expense ratio (%) <sup>2,3</sup>	2.62	2.57	2.49	2.66	2.83	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.62	2.66	2.67	3.22	2.79	-
Trading expense ratio (%) <sup>5</sup>	0.08	0.12	0.13	0.18	0.07	-
Portfolio turnover rate (%) <sup>6</sup>	63.01	115.34	163.21	161.21	38.93	-
NAV per unit (\$)	7.75	7.83	7.31	6.52	9.08	-

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) <sup>1</sup>	318	-	-	-	-	-
Number of units outstanding (000's) <sup>1</sup>	25	-	-	-	-	-
Management expense ratio (%) <sup>2,3</sup>	2.58	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.70	-	-	-	-	-
Trading expense ratio (%) <sup>5</sup>	0.08	-	-	-	-	-
Portfolio turnover rate (%) <sup>6</sup>	63.01	-	-	-	-	-
NAV per unit (\$)	12.71	-	-	-	-	-

Ratios and Supplemental Data						
Series L6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) <sup>1</sup>	172	-	-	-	-	-
Number of units outstanding (000's) <sup>1</sup>	22	-	-	-	-	-
Management expense ratio (%) <sup>2,3</sup>	2.62	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.70	-	-	-	-	-
Trading expense ratio (%) <sup>5</sup>	0.08	-	-	-	-	-
Portfolio turnover rate (%) <sup>6</sup>	63.01	-	-	-	-	-
NAV per unit (\$)	7.75	-	-	-	-	-

# IA Clarington Global Tactical Income Fund

June 30, 2011

## Financial Highlights (continued)

Ratios and Supplemental Data						
Series T8	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) <sup>1</sup>	59,047	57,893	56,272	57,939	144,374	133,720
Number of units outstanding (000's) <sup>1</sup>	20,576	19,657	20,086	22,751	38,132	27,319
Management expense ratio (%) <sup>2,3</sup>	2.62	2.55	2.49	2.72	2.79	2.80
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.62	2.64	2.69	3.46	3.34	3.30
Trading expense ratio (%) <sup>5</sup>	0.08	0.12	0.13	0.18	0.07	0.06
Portfolio turnover rate (%) <sup>6</sup>	63.01	115.34	163.21	161.21	38.93	140.99
NAV per unit (\$)	2.87	2.95	2.80	2.55	3.79	4.89

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 1.00% for Series F, Series F6 and Series F8 units, 0% for Series I and Series O units and 2.00% for Series A, Series L, Series L6, Series L8, Series T6 and Series T8 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 year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. 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	50	50
LL First 3 years	25	75
LL After 3 years	50	50
DSC First 7 years	25	75
DSC After 7 years	50	50
Series F, F6 and F8	–	100
Series I	–	–
Series L, L6 and L8		
ASC First year	–	100
ASC Year 2 and 3	25	75
ASC After 3 years	50	50
Series O	–	–
Series T6 and T8		
FE	50	50
LL First 3 years	25	75
LL After 3 years	50	50
DSC First 7 years	25	75
DSC After 7 years	50	50

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

Other – includes general administration, investment advice and profit.

## 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.

On April 1, 2006, IAIM and Oppenheimer assumed Portfolio Advisory and sub-advisory responsibilities for the Fund respectively, replacing Seamark Asset Management Ltd. The Fund's investment strategy was changed as a result. On September 15, 2008, the sub-advisor changed to Aston Hill Investments Inc. (formerly Catapult Financial Management Inc.). The performance of the Fund for the period prior to September 15, 2008 could have been different had these changes been in effect during that period.

# IA Clarington Global Tactical Income Fund

June 30, 2011

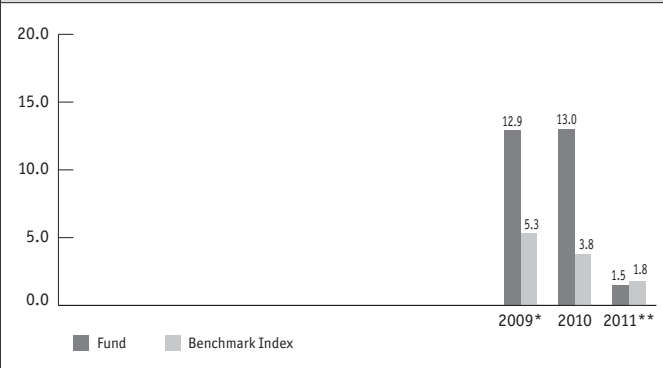
## Past Performance (continued)

### 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 MSCI World Index (60%) and the Citigroup World Broad Investment-Grade Bond Index (WorldBIG) (40%).

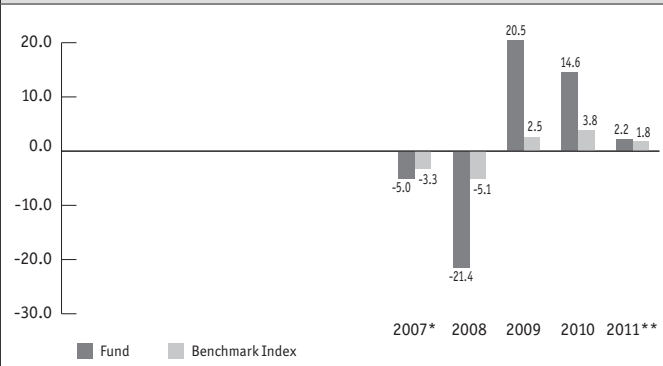
**Series A**



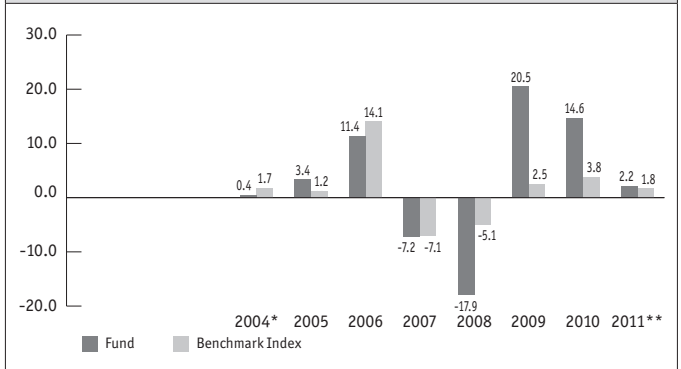
**Series F**



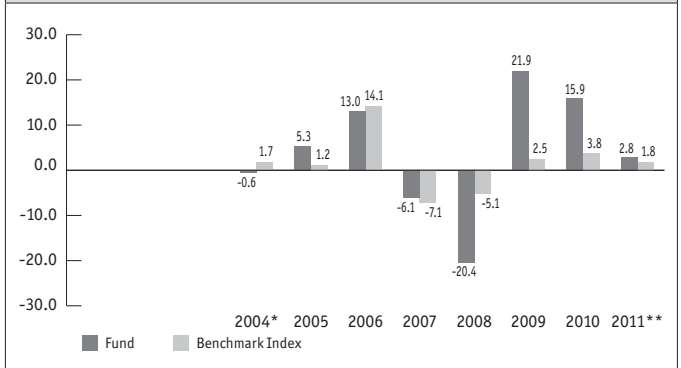
**Series F6**



**Series F8**



**Series I**



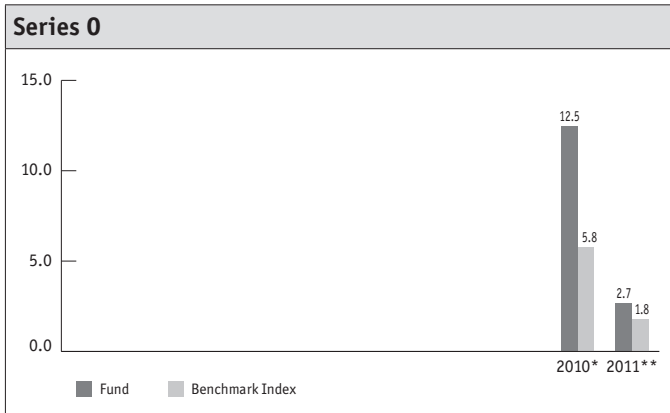
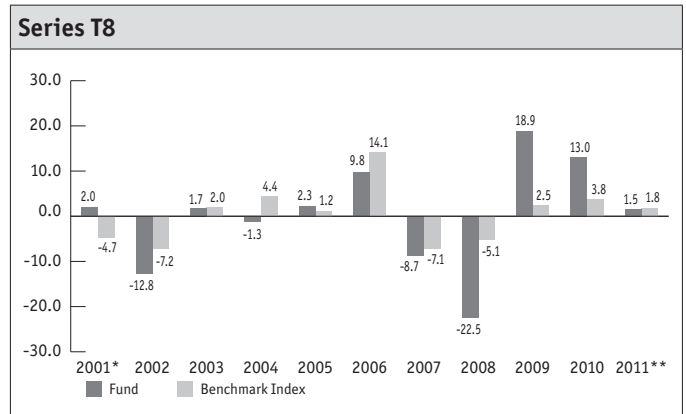
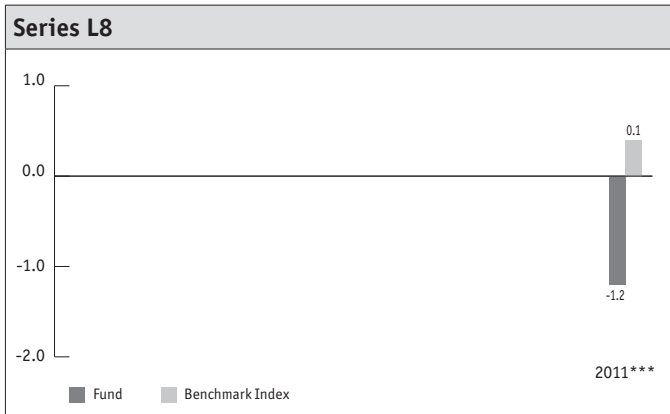
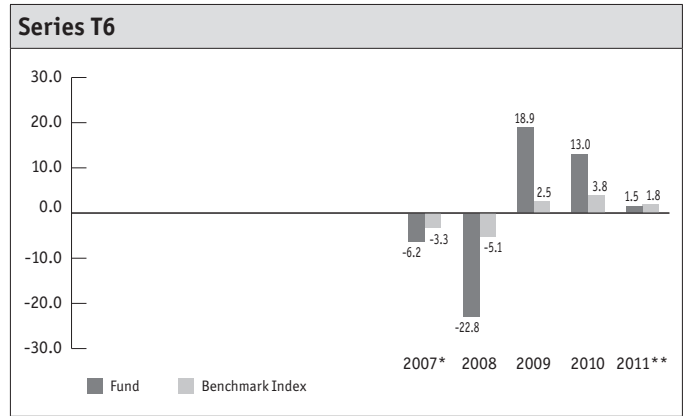
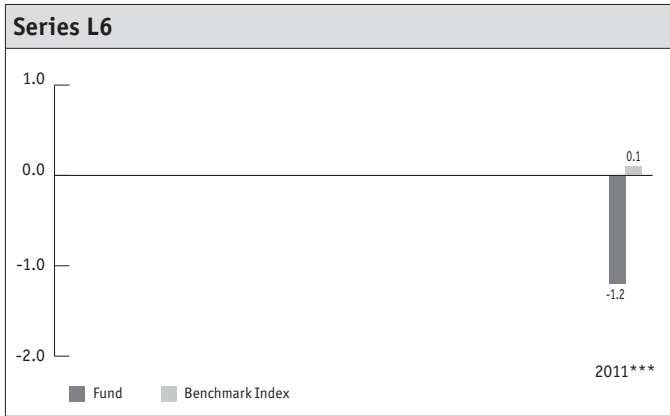
**Series L**



# IA Clarington Global Tactical Income 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 MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of 24 developed market country indices.

The WorldBIG Index is a broad fixed-income index designed to measure the performance of three main asset classes: Government/Governments-sponsored, Collateralized and Corporate.

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.

# IA Clarington Global Tactical Income Fund

June 30, 2011

## 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	%
Corporate Bonds	41.40
Energy	13.23
Cash and Cash Equivalents	12.92
Financials	11.44
Consumer Discretionary	7.29
Industrials	4.53
Materials	4.30
Telecommunication Services	2.43
Information Technology	1.29
Consumer Staples	1.26
Other Assets less Liabilities	(0.09)
<b>Total</b>	<b>100.00</b>

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

Top Holdings	Country	%
Cash and Cash Equivalents		12.92
Simon Property Group LP	United States	1.64
CSX Corp.	United States	1.51
CenturyLink Inc.	United States	1.47
Annaly Capital Management, Inc.	United States	1.40
Connacher Oil and Gas Ltd., 8.500% 2019-08-01	Canada	1.30
Chrysler Group Co./CG Co-Issuer Inc. 8.000%, 2019-06-15	United States	1.29
Data & Audio-Visual Enterprises Holdings Inc., 9.500%, 2018-04-29	Canada	1.24
Cinemark Holdings Inc.	United States	1.22
Public Storage	United States	1.18
PPL Corp., Pfd.	United States	1.17
Deere & Co.	United States	1.15
Gibson Energy ULC	Canada	1.14
Air Canada, 9.250%, 2015-08-01	Canada	1.06
Flint Energy Services Ltd., 7.500% 2019-06-15	Canada	1.05
Xtreme Coil Drilling Corp.	Canada	1.05
IMS Health Inc., 12.500%, 2018-03-01	United States	1.04
Occidental Petroleum Corp.	United States	1.04
NCL Corporation Ltd., 11.750% 2016-11-15	United States	1.04
McDonald's Corp.	United States	1.03
AvalonBay Communities, Inc.	United States	0.99
Prologis	United States	0.99
Magna International Inc., Class A, SV	Canada	0.98
CCS Inc., 11.000%, 2015-11-15	Canada	0.97
Vermilion Energy Inc., 6.500% 2016-02-10	Canada	0.96

## 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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