Individual Savings and Retirement

SELECTION Funds

A turnkey solution for managing your clients' investments

SELECTION Funds offer:

- A family of five portfolios made up of underlying funds selected for **the expertise of their managers** and for **optimal diversification**
- Portfolios offering a **strategic asset allocation** for each investor profile
- Portfolios featuring the **active management** of asset allocation, rebalancing and choice of funds—a management style that takes **advantage of market opportunities** all while **managing risk**
- An investment solution **requiring no advisor intervention**

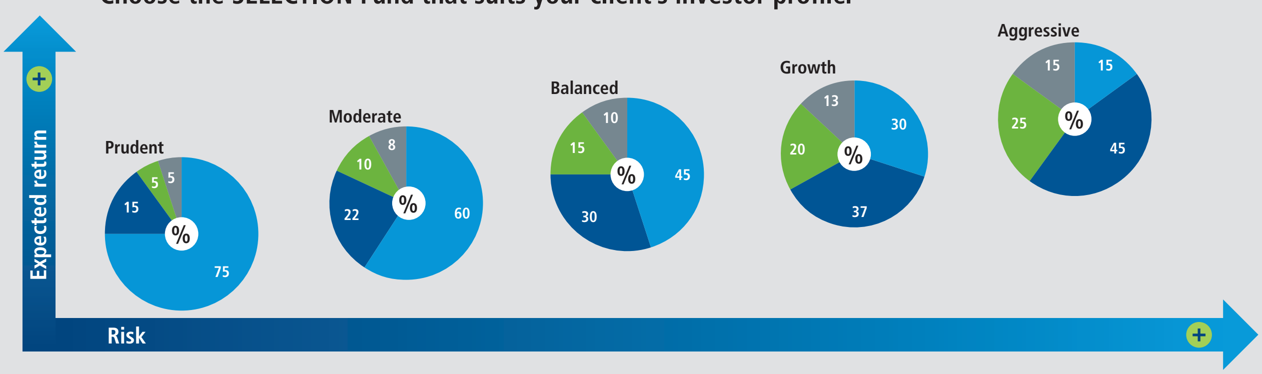
Rigorous oversight

The management committee, **led by Clément Gignac,** Senior Vice-President and Chief Economist, has the leeway to deviate from the target allocation for each asset category by +/-10%.

The investor profile must nonetheless be respected **at all times.**

The committee **constantly monitors** underlying funds and managers.

Choose the SELECTION Fund that suits your client's investor profile.



Sub-funds	Managers	Prudent	Moderate	Balanced	Growth	Aggressive
Bonds	Industrial Alliance	60.0%	45.0%	30.0%	20.0%	10.0%
Strategic Corporate Bond	IA Clarington	15.0%	15.0%	15.0%	10.0%	5.0%
Fixed Income		75.0%	60.0%	45.0%	30.0%	15.0%
Canadian Equity (Leon Frazer)*	Leon Frazer and Associates	6.3%	8.8%	11.3%	13.8%	15%
Dividend Growth	Industrial Alliance	6.3%	8.8%	11.3%	13.8%	15%
Canadian Equity Small Cap (QV)	QV Investors	2.5%	5.0%	7.5%	10.0%	15%
Canadian Equity		15.0%	22.5%	30.0%	37.5%	45.0%
U.S. Equity (Sarbit)	Sarbit Advisory Services	5.0%	10.0%	15.0%	20.0%	25.0%
U.S. Equity		5.0%	10.0%	15.0%	20.0%	25.0%
Global Opportunities (Radin)	Radin Capital Partners	5.0%	7.5%	10.0%	12.5%	15.0%
Global Equity		5.0%	7.5%	10.0%	12.5%	15.0%

*Name of the underlying fund : **Canadien Conservative Equity**

INDUSTRIAL ALLIANCE
INSURANCE AND FINANCIAL SERVICES

SELECTION Funds

Management Expertise

inalco.com

Fixed Income

Bonds Fund, Industrial Alliance

Christian Pouliot, CFA, MBA; François Lalande, CFA and Louis Gagnon, CFA

› Securities of high-quality Canadian issuers (A and +)

› Emphasis on generating total rate of return consistent with safety of capital – defensive investment

› Conservative active management

› Annualized return since 1988* = 6.0%

Strategic Corporate Bond Fund, IA Clarington

Dan Bastasic, CFA, MBA

› Higher-yielding (BBB and -) fixed-income securities of Canadian and foreign issuers

› Securities selected based on a 12 to 18 month market outlook

› Goal of minimizing volatility through all market conditions

› Low correlation with traditional fixed income securities

U.S. Equity

U.S. Equity, Sarbit Advisory Services

Larry Sarbit

› Concentrated portfolio of 15 to 25 securities

› Value investment approach: Companies that are on sound financial footing and have a substantial barrier to entry

› Long-term investment philosophy

› Currency hedging

› May hold significant cash in order to seize opportunities meeting the manager's criteria

Canadian Equity

Canadian Equity, Leon Frazer & Associates

Ryan Bushell, CFA; D. Kee, CFA

› Value investment approach: Large, high-quality, undervalued companies with dividend-growing potential

› Long-term investment philosophy

› Excellent track record of capital protection and growth

› Annualized return since 1950* = 9.4%

Dividend Growth, Industrial Alliance

Gil Lamothe, CFA

› Fund composed of securities of large, well-known Canadian companies with rising dividends

› Bottom-up approach used to select securities

› Long-term investment focus provides a lower turnover rate

Canadian Small Cap Equity Fund, QV Investors

Management team

› Concentrated portfolio of 35 to 45 securities with an emphasis on dividend yield

› Value investment approach: Small, undervalued companies demonstrating quality of growth

› Individual sector weights kept under 25% of the portfolio to ensure better diversification

Global Equity

Global Opportunities, Radin Capital Partners

Brad Radin, CFA, MBA

› Fund composed of equity securities from around the world

› A bias toward smaller, less well-known companies with the possibility of investing in large companies for additional growth potential

› Rigorous bottom-up investment strategy in securities traded at a discount with respect to their net asset value

*Series A as at 12/31/2013 Source: Morningstar Advisor Workstation