



Administered by IA Clarington Investments Inc.

IA Clarington Guaranteed Investment Funds (GIF)



Advisor Guide



INSURANCE AND FINANCIAL SERVICES INC.

Issued by Industrial Alliance Insurance and Financial Services Inc.

IA Clarington Guaranteed Investment Funds

If your clients are looking for the performance potential of mutual funds and the security of principal protection, IA Clarington GIFs offer the best of both worlds.

IA Clarington GIFs provide you and your clients with a well diversified line-up of segregated funds featuring several world class managers.

Additional features include:

- Choice of guarantee options, allowing you to meet the individual needs of your clients*
- Automatic reset of the death benefit guarantee annually, taking the guesswork out of locking in market gains**
- Estate planning benefits
- Potential creditor protection
- Consumer protection

For additional information on the IA Clarington GIFs, please see the Information Folder and Contract, contact your IA Clarington sales team or visit www.iaclarington.com/gif.

*Available up to age 90 of the annuitant for non-registered contracts.

**Up to the annuitant's 75th birthday.



Growth Potential with Capital Protection

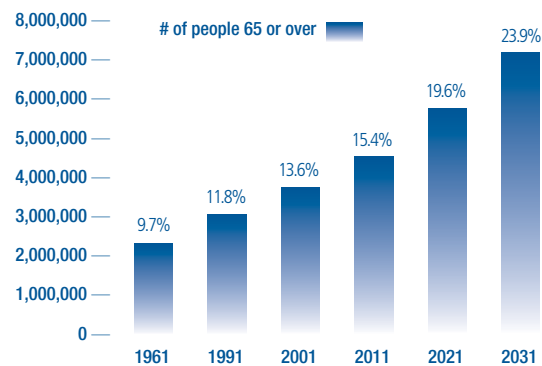
As the Canadian population ages, not only will there be an increased need for investments that offer estate planning advantages, but clients will increasingly want investments that protect their principal and offer growth potential.

Segregated funds combine the protection of an insurance contract with the advantages and growth potential of mutual funds.

IA Clarington GIFs (Guaranteed Investment Funds), also known as segregated funds, are an excellent way to invest in the markets while ensuring your clients' capital is protected. Segregated funds provide the opportunity to protect both your clients' invested capital and the gains they've earned, and can be used to protect their estate value and the value of their investments against potential creditors.

The principal guarantees provided by IA Clarington GIFs can benefit:

- Conservative investors with holdings in GICs, but who require a higher return to maintain their standard of living or continue accumulating for retirement.
- New investors who are saving to meet their financial objectives but are concerned with the inherent risk in equity markets.
- Experienced investors who have reached their savings goal and want to continue to invest in equity markets with capital protection.
- Small business owners looking to potentially protect their assets from creditors.



Nearly 25% of the Canadian population will be age 65 or over by 2031, providing significant growth opportunities for principal-protected investments like segregated funds.

Source: Statistics Canada

Meeting Client Needs

IA Clarington GIFs provide the investment advantages of mutual funds: growth potential, professional money management, diversification, liquidity, choice and flexibility - as well as protective insurance features provided by Industrial Alliance Insurance and Financial Services Inc. The guarantees protect the value of your clients' savings, allowing clients to not only invest with peace of mind but to stay invested through market fluctuations.

The guarantees offered by segregated funds ensure that all or a portion of an investor's initial deposits are protected at maturity (after 15 years) or upon the death of the person whose life is being insured. The level of protection will vary depending on the guarantee selected. You have the flexibility to choose the combination of protection and underlying investment that best suits the needs of your clients.

The IA Clarington GIFs include a choice of 14 segregated funds covering all major asset classes and investment styles – enabling you to create a diversified and customized segregated fund portfolio for your clients.



Flexible Guarantee Options

Guarantees are the key benefit of IA Clarington GIFs. The guarantees offer protection from possible market downturns. They protect the value of your clients' savings, while still allowing them to benefit from the market's growth potential. Insurance fees will differ between Guarantee A and Guarantee B.

Guarantee A

100% maturity guarantee

- Upon maturity, the policyholder is entitled to receive the greater of 100% of the Maturity Benefit Amount (less a proportionate market value reduction for withdrawals) or the market value of the deposit.

100% death guarantee

- On death of the annuitant, the beneficiary is entitled to receive the greater of 100% of the Death Benefit Amount (less a proportionate market value reduction for withdrawals) or the market value.*

Guarantee B

75% maturity guarantee

- Upon maturity, the policyholder is entitled to receive the greater of 75% of the Maturity Benefit Amount (less a proportionate market value reduction for withdrawals) or the market value of the deposit.

100% death guarantee

- On death of the annuitant, the beneficiary is entitled to receive the greater of 100% of the Death Benefit Amount (less a proportionate market value reduction for withdrawals) or the market value.*

*Death Benefit will be set at 75% at age 85.
Deposit maturity guarantees do not apply on early surrender of premiums.



Automatic Reset of Death Benefit Guarantees

The Birthday Benefit

On the birthday of the annuitant (the person on whose life the death benefit will be calculated), we will automatically reset the death benefit guarantee to the greater of:

- The current market value of the investment; or
- The existing Death Benefit Guaranteed Amount (less proportionate reduction for withdrawals).

This enables your clients to automatically benefit from market gains without you having to try to time the market, and it allows you to deliver good news on their birthday.

Note: Automatic resets are only available up to age 75.



Additional Advantages

Estate Planning Benefits

IA Clarington GIFs offer powerful estate planning benefits. Here's how they can help your clients:

Rapid payment of benefits

- The value of your clients' investments is paid directly to their named beneficiaries without the need to wait for the final settlement of the estate.¹

Greater estate value

- Direct payment to beneficiaries avoids the withdrawal of Canadian provincial probate fees from the amounts paid upon death as these amounts are not included in the total settlement of the estate.¹

Creditor Protection

It is possible to protect the assets held inside IA Clarington GIFs from potential creditors. This is accomplished by designating a different beneficiary which can shelter the investments from your clients' potential creditors and can help preserve the financial security of your clients' designated beneficiary.²

Consumer Protection

The consumer protection organization, Assuris, provides additional protection to IA Clarington GIF policyholders. Assuris ensures the payment of the amounts guaranteed in the contract at maturity or at death.³ This additional measure of security ensures you and your clients have total peace of mind.

Minimum 20% Fixed Income Allocation

The income asset class represents the fixed income proportion of each fund. A minimum of 20% of premiums must be invested in the income asset class for the IA Clarington GIF funds. Please see the last page for a breakdown of current income asset class holdings by fund.

¹ Depending on the estate value, probate fees can greatly reduce the amount paid to heirs in some provinces. Probate fees vary according to province of residence and personal situation.

² Provincial legislation may affect the degree to which segregated funds can be used to shield assets from creditors. In addition, certain transfers of assets shortly prior to bankruptcy may be voided by the bankruptcy trustee or by a creditor.

³ Certain maximums apply to the Assuris protection.

Investment Expertise

The IA Clarington GIF line-up offers you the choice and flexibility you require to meet your clients' financial needs.

We offer:

- A choice of segregated funds suitable for many investor profiles and investment horizons.
- Diversification by asset class, economic and geographic sector and management style.
- Access to several leading domestic and international money managers.

Industrial Alliance Investment Management Inc.

Large-cap Canadian equity and fixed income manager based in Quebec City, QC.

Leon Frazer & Associates Inc.

Large-cap Canadian equity manager based in Toronto, ON.

QV Investors Inc.

Canadian large and small-cap equity and fixed income manager based in Calgary, AB.

Fortis Investment Management Canada Limited

Large-cap equity manager with offices in Europe, North America and Asia.

OppenheimerFunds, Inc.

Large-cap global equity manager based in New York City, NY.

Catapult Financial Management Inc.

Canadian, U.S. and European large-cap equity and fixed income manager based in Toronto, ON.



Financial Strength of Industrial Alliance

IA Clarington GIFs are issued by Industrial Alliance Insurance and Financial Services Inc. Founded in 1892, Industrial Alliance Insurance and Financial Services Inc. is a life and health insurance company that offers a wide range of life and health insurance products, savings and retirement plans, RRSPs, mutual and segregated funds, securities, auto and home insurance, mortgage loans and other financial products and services.

The fourth largest life and health insurance company in Canada, Industrial Alliance is at the head of a large financial group – the Industrial Alliance Group – which has operations across Canada as well as in the Western United States. Industrial Alliance contributes to the financial well-being of three million Canadians, employs more than 3,400 people and manages and administers over \$58 billion in assets as of December 31, 2009.

Industrial Alliance stock is listed on the Toronto Stock Exchange under the ticker symbol IAG. Industrial Alliance is among the 100 largest public companies in Canada.

Investment Experience of IA Clarington

IA Clarington Investments Inc., a subsidiary of Industrial Alliance Insurance and Financial Services Inc., markets a comprehensive range of investment products, including mutual funds, segregated funds, principal protected notes and closed end funds managed by leading Canadian and international portfolio managers. IA Clarington managed approximately \$7.5 billion in assets as at December 31, 2009.



Investment Choices

Money Market

IA Clarington Money Market GIF — Industrial Alliance Investment Management Inc.

Fixed Income

IA Clarington Bond GIF — Industrial Alliance Investment Management Inc.

Emphasis on high-quality fixed income securities with active management of duration, sector and yield curve to create long-term value.

Canadian Balanced

IA Clarington Canadian Balanced GIF — QV Investors Inc.

Conservative investment approach selects quality businesses that generate sustainable income and potential for growth.

IA Clarington Tactical Income GIF — Catapult Financial Management Inc.

Yield-focused mandate invests across a broad range of yield-oriented asset classes.

Canadian Dividend

IA Clarington Dividend Income GIF — Industrial Alliance Investment Management Inc.

Dividend-focused mandate emphasizes stable income and capital preservation as well as strong risk-adjusted returns.

IA Clarington Dividend Growth GIF — Industrial Alliance Investment Management Inc.

Dividend-focused mandate emphasizing capital appreciation with lower volatility than a typical Canadian equity fund.

Canadian Equity

IA Clarington Canadian Conservative Equity GIF — Leon Frazer & Associates Inc.

Long-term value-oriented focus on dividend-paying stocks results in low volatility and a long history of superior performance.

Canadian Small Cap Equity

IA Clarington Canadian Small Cap GIF — QV Investors Inc.

The underlying mutual fund is a multiple winner of the Canadian Small/Mid Cap Fund of the Year and features a blended investment style focusing on quality smaller Canadian companies. (*Co-winner of the Canadian Small/Mid Cap Fund of the Year at the Canadian Investment Awards in 2005, 2006 and 2007)*



Investment Choices

Global Equity

IA Clarington Global Dividend GIF — Fortis Investment Management Canada Limited
All-cap value investment style with local management teams in the U.S., Europe and Asia, focuses on global dividend-paying companies.

IA Clarington Global Value GIF — Industrial Alliance Investment Management Inc.
Growth-at-a-reasonable-price all-cap investment style focuses on stocks that are trading below expected valuations.

IA Clarington Global Equity GIF — OppenheimerFunds, Inc.
Contrarian large-cap growth investment style focuses on global themes centered around Mass Affluence, New Technologies, Restructuring and Aging.

Portfolios

IA Clarington Distinction Conservative Portfolio GIF — Industrial Alliance Investment Management Inc.

Generates interest and dividend income with the potential for some capital appreciation by investing in a diversified portfolio of other mutual funds.

IA Clarington Distinction Balanced Portfolio GIF — Industrial Alliance Investment Management Inc.

Generates interest and dividend income with the potential for capital appreciation by investing in a diversified portfolio of other mutual funds.

IA Clarington Distinction Growth Portfolio GIF — Industrial Alliance Investment Management Inc.

Generates primarily capital appreciation, with some exposure to income funds for diversification.

Distinction Portfolio include:



All funds are available in both guarantees with either front end or DSC options.

For more information on IA Clarington GIFs, please visit our website at www.iaclarington.com/gif, or call your IA Clarington Sales Team at 1-888-860-9888.

IA Clarington GIF	Front End		DSC		Commissions		Service Fees		Income Asset Class Weighting (%)*
	Guarantee A (100/100)	Guarantee B (75/100)	Guarantee A (100/100)	Guarantee B (75/100)	Front End	DSC	Front End	DSC	
IA Clarington Money Market GIF	IAC 1201	IAC 1401	IAC 1301	IAC 1501	0-2%	5%	0.25%^	0.25%^	100
IA Clarington Bond GIF	IAC 702	IAC 902	IAC 802	IAC 1002	0-5%	5%	0.55%	0.25%	100
IA Clarington Canadian Balanced GIF	IAC 730	IAC 1730	IAC 731	IAC 1731	0-5%	5%	1.00%	0.50%	40
IA Clarington Tactical Income GIF	IAC 920	IAC 1920	IAC 921	IAC 1921	0-5%	5%	1.00%	0.50%	30
IA Clarington Dividend Income GIF	IAC 820	IAC 822	IAC 821	IAC 823	0-5%	5%	1.00%	0.50%	0
IA Clarington Dividend Growth GIF	IAC 329	IAC 529	IAC 429	IAC 629	0-5%	5%	1.10%	0.50%	0
IA Clarington Canadian Conservative Equity GIF	IAC 1300	IAC 1500	IAC 1400	IAC 1600	0-5%	5%	1.10%	0.50%	0
IA Clarington Canadian Small Cap GIF	IAC 520	IAC 522	IAC 521	IAC 523	0-5%	5%	1.00%	0.50%	0
IA Clarington Global Dividend GIF	IAC 1850	IAC 1870	IAC 1860	IAC 1880	0-5%	5%	1.00%	0.50%	0
IA Clarington Global Value GIF	IAC 203	IAC 1403	IAC 1303	IAC 1503	0-5%	5%	1.10%	0.50%	0
IA Clarington Global Equity GIF	IAC 340	IAC 342	IAC 341	IAC 343	0-5%	5%	1.10%	0.50%	0
IA Clarington Distinction Conservative Portfolio GIF	IAC 840	IAC 842	IAC 841	IAC 843	0-5%	5%	1.15%	0.50%	50
IA Clarington Distinction Balanced Portfolio GIF	IAC 850	IAC 852	IAC 851	IAC 853	0-5%	5%	1.15%	0.50%	40
IA Clarington Distinction Growth Portfolio GIF	IAC 860	IAC 862	IAC 861	IAC 863	0-5%	5%	1.20%	0.50%	25

*A minimum of 20% of premiums must be invested in the income asset class.

^The trailer fee rate applicable to units of this Fund purchased under each of the applicable purchase options will be reduced to 0.0% for trailer fee payments made on or after March 16, 2010, and may be changed from time to time to an amount that does not exceed the amount shown in the table.



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Industrial Alliance Insurance and Financial Services Inc. is the sole issuer of the individual variable annuity contract providing for investment in IA Clarington GIFs. A description of the key features of the individual variable annuity contract is contained in the IA Clarington GIFs Information Folder. SUBJECT TO ANY APPLICABLE DEATH AND MATURITY GUARANTEE, ANY PART OF THE PREMIUM OR OTHER AMOUNT THAT IS ALLOCATED TO A SEGREGATED FUND IS INVESTED AT THE RISK OF THE OWNER AND MAY INCREASE OR DECREASE IN VALUE ACCORDING TO FLUCTUATIONS IN THE MARKET VALUE OF THE ASSETS OF THE SEGREGATED FUND. IA Clarington and the IA Clarington logo are trademarks of Industrial Alliance Insurance and Financial Services Inc. and are used under license.