
**NOTICE OF SPECIAL MEETING OF UNITHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR**

ACUITY FOCUSED TOTAL RETURN TRUST

**SPECIAL MEETING OF UNITHOLDERS
TO BE HELD ON DECEMBER 13, 2007**

NOTICE OF SPECIAL MEETING OF UNITHOLDERS
of
ACUITY FOCUSED TOTAL RETURN TRUST
(the “Fund”)

Notice is hereby given that a special meeting (the “**Meeting**”) of unitholders of the Fund will be held at the offices of Acuity Funds Ltd., Scotia Plaza, 40 King Street West, 55th Floor, Toronto, Ontario, M5H 3Y2, on December 13, 2007 commencing at 3:00 p.m. (Toronto Time).

The purpose of the Meeting is as follows:

1. Amendment to the Declaration of Trust of the Fund:

To seek the approval of unitholders of the Fund to amend and restate the existing Declaration of Trust governing the Fund.

2. Other Business:

To transact such other business as may properly come before the Meeting.

The Information Circular dated November 15, 2007 and the form of Proxy accompany this notice. We have provided a complete description of the matters to be considered at the Meeting in the Information Circular. The full text of the resolutions to be considered at the Meeting are set out at Schedules “A” through “F” to the Information Circular.

The Board of Directors of Acuity Funds Ltd., as manager (the “**Manager**”) of the Fund, has fixed the close of business on November 12, 2007 as the record date for the purpose of determining unitholders entitled to receive notice and vote at the Meeting.

Unitholders of the Fund may obtain the most recent interim and annual financial statements, annual information forms and other additional information relating to the Fund by either accessing the SEDAR website at www.sedar.com, by accessing the Manager’s website at www.acuityfunds.com or by calling the Manager’s toll-free telephone number at 1-800-461-4570.

Please complete and return the form of proxy provided to you in accordance with the instructions provided therein.

Si vous désirez recevoir la version française de ces documents, veuillez communiquer avec votre conseiller financier.

DATED at Toronto this 15 day of November, 2007.

**BY ORDER OF THE BOARD OF DIRECTORS OF
ACUITY FUNDS LTD.
(AS MANAGER OF THE FUND)**

BY: (signed) “Ian O. Ihnatowycz”
Ian O. Ihnatowycz
President and Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR

ACUITY FOCUSED TOTAL RETURN TRUST

November 15, 2007

MANAGEMENT INFORMATION CIRCULAR

GENERAL

Unitholders of Acuity Focused Total Return Trust (the “**Fund**”) are being asked to approve certain amendments to the declaration of trust of the Fund dated January 28, 2005 (the “**Declaration of Trust**”) as described under “Purpose of the Meeting” below.

Acuity Funds Ltd. (the “**Manager**” or “**Acuity**”) is the manager and trustee of the Fund. This Management Information Circular (the “**Information Circular**”) is being utilized for the purposes set out in the accompanying Notice of Special Meeting of Unitholders.

This Information Circular contains detailed information about the proposed amendments to the Declaration of Trust. Unitholders of the Fund may obtain the most recent interim and annual financial statements, annual information forms and other additional information relating to the Fund by accessing the SEDAR website at www.sedar.com, by accessing the Manager’s website at www.acuityfunds.com, or by calling the Manager’s toll-free telephone number at 1-800-461-4570. See “Information Regarding the Fund”.

The quorum for a meeting of unitholders of the Fund (“**Unitholders**”) is any two Unitholders present in person or by proxy. If within one-half hour from the time appointed for the meeting of Unitholders a quorum is not present, then the meeting shall stand adjourned without notice to December 24, 2007 at the same time and place. At such adjourned meeting, the Unitholders present in person or by proxy shall constitute a quorum.

Unitholders of the Fund are entitled to one vote for each whole unit of the Fund held and are not entitled to vote fractional units.

SOLICITATION OF PROXIES

The information contained in this Information Circular is provided by the Board of Directors of the Manager, in its capacity as trustee and manager of the Fund in connection with the solicitation of proxies on behalf of the Manager to be used at the Meeting of the Unitholders of the Fund.

The Meeting is to be held at the offices of Acuity Funds Ltd., Scotia Plaza, 40 King Street West, 55th Floor, Toronto, Ontario, M5H 3Y2, on December 13, 2007 commencing at 3:00 p.m. (Toronto Time) for the purposes outlined in the Notice of Special Meeting of Unitholders attached to this Information Circular and under “Purpose of the Meeting” below.

This solicitation is made by the Manager. The Manager may retain a proxy solicitation agent, for assistance in connection with the solicitation of proxies in Canada. As well as the solicitation of proxies by the mailing of this Information Circular, directors, officers or employees of the Manager may also solicit proxies by telephone, e-mail, internet, facsimile or other personal contact. All the costs of the solicitation will be borne by the Fund.

RECORD DATE

The Board of Directors of the Manager has fixed the close of business on November 12, 2007 (the “**Record Date**”) for the purpose of determining which Unitholders are entitled to receive notice and vote at the Meeting. Holders of units of the Fund on the Record Date will be entitled to vote at the Meeting, except to the extent that such units are redeemed prior to a Meeting.

PURPOSE OF THE MEETING

The purpose of the Meeting is:

- (a) for Unitholders of the Fund to consider, and if deemed advisable, to authorize, certain amendments to the Declaration of Trust of the Fund; and
- (b) for Unitholders of each Fund to transact such other business as may properly come before the Meeting.

The full text of the resolutions to be considered at the Meeting are set out in Schedules “A” through “F” of the Information Circular.

The Manager recommends that Unitholders of the Fund vote in favour of amending the Declaration of Trust of the Fund.

AMENDMENTS TO THE DECLARATION OF TRUST OF THE FUND

A. Investment Strategy and Investment Restrictions

The Unitholders of the Fund are being asked to pass a resolution to amend the Declaration of Trust to permit the Fund to change the investment strategy and investment restrictions of the Fund.

Currently, the Fund employs an “asset allocation” investment approach to diversify its investments within the various asset classes. Permitted ranges have been established for each asset class within the Portfolio. At the present time the various asset classes which may comprise the Portfolio and the permitted ranges of each such asset class is as set forth in the table below.

Asset Class	Permitted Ranges
Energy Trusts	25-75%
Business and Industrial Funds	25-75%
Common Shares	0-20%
Cash and Cash Equivalents	0-50%

The Manager proposes to change the permitted ranges from as set out above to the following:

Asset Class	Permitted Ranges
Energy Trusts	0-75%
Business and Industrial Funds	0-75%
Common Shares	0-100%
Cash and Cash Equivalents	0-50%

The Manager believes that it is in the best interests of the Unitholders to vary the permitted ranges of the Fund for the following reasons. Firstly, the flexibility to achieve investment objectives. Secondly, to diversify its portfolio to ensure that the Manager has the ability to invest in portfolio securities which it believes present the greatest opportunity to maximize returns for Unitholders. The Manager is proposing decreasing the requirement to invest in Energy Trusts and Business and Industrial Funds as a result of the announcement on October 31, 2006 by the Minister of Finance (Canada) regarding the proposed measures to tax certain distributions from publicly-traded income trusts and partnerships. The Manager believes that as a result of this announcement the Fund would benefit from having the flexibility to reduce its holdings in publicly-traded income trusts and partnerships. Accordingly, the Fund is requesting that Unitholders approve the following changes:

Replace table of permitted ranges in Section 2.4 of the Declaration of Trust with the following:

“The following table sets forth the various section/asset classes which may comprise the Portfolio, the expected initial allocation and the permitted ranges of each such sector/asset class.

Sector/Asset Class	Permitted Ranges
Energy Trusts	0-75%
Business and Industrial Funds	0-75%
Common Shares	0-100%
Cash and Cash Equivalents	0-50%

And, replace Section 2.6(a) of the Declaration of Trust with the following:

- (a) invest (except during the period 90 days from the Closing Date and the period of 90 days before the Termination Date):
 - (i) more than 75% of the total assets of the Portfolio in Business and Industrial Funds;
 - (ii) more than 75% of the total assets of the Portfolio in Energy Trusts;

- (iii) more than 100% of the total assets of the Portfolio in Common Shares; and;
- (iv) more than 50% of the total assets of the Portfolio in cash and cash equivalents.

In order to implement the foregoing amendment, Unitholders are being asked to pass the resolution attached as Schedule "A" to this Information Circular. In order to pass the resolution, at least 66²/₃% of the votes cast at the meeting of holders of units of the Fund must be voted in favour of such resolution. **PROXIES RECEIVED IN FAVOUR OF THE MANAGER WILL BE VOTED FOR THE RESOLUTION DESCRIBED ABOVE, UNLESS A UNITHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER UNITS ARE TO BE VOTED AGAINST SUCH A RESOLUTION.** In the event Unitholder approval is not given, the proposed amendments to the Declaration of Trust will not be implemented.

B. Permitted Merger

The Unitholders are being asked to pass a resolution to amend the Declaration of Trust to allow the Fund to merge or combine or consolidate the Fund with any one or more other investment funds.

Currently, Unitholder approval given by a two-thirds majority vote is required for:

- (a) a reorganization with, or transfer of assets to, a mutual fund trust, if
 - (i) the Fund ceases to continue after the reorganization or transfer of assets; and
 - (ii) the transaction results in Unitholders becoming securityholders in the mutual fund trust; or
- (b) a reorganization with, or acquisition of assets of, a mutual fund trust, if
 - (i) the Fund continues after the reorganization or acquisition of assets;
 - (ii) the transaction results in the securityholders of the mutual fund trust becoming Unitholders of the Fund; and
 - (iii) the transaction would be a significant change to the Fund.

The Manager believes that it would be in the best interest of the Unitholders to allow the Fund to engage in certain mergers without having to seek the approval of Unitholders prior thereto. The Manager believes that allowing the Fund the flexibility to merge or otherwise combine or consolidate the Fund with any one or more other investment funds with similar investment objectives administered by the Manager or the Investment Advisor or an affiliate of the Manager or the Investment Advisor or their respective successors is in the best interests of the Unitholders. The Manager believes that for greater efficiency and in order to avoid the expense associated with holding a Meeting, the best interest of the Unitholders would be to allow

such mergers without Unitholder approval. Accordingly, the Fund is requesting that Unitholders approve the following changes to the Declaration of Trust:

Add the following definition at Section 1.1 of the Declaration of Trust:

“**“Permitted Merger”** means a merger or other combination or consolidation of the Trust with any one or more other investment Fund with similar investment objectives administered by the Manager or the Investment Advisor or an affiliate of the Manager or the Investment Advisor or their respective successors provided that (i) the merger is done on a relative Net Asset Value Per Unit Basis and (ii) Unitholders are permitted to redeem their Units at a redemption price equal the Net Asset Value, less any costs of funding such redemptions, prior to the effective date of the merger.”

And, add to the end of Subsection 7.2 of the Declaration of Trust the following:

“(v) to effect a Permitted Merger.”

And, replace Subsections 16.3(vi) and (vii) of the Declaration of Trust with the following:

“(vi) a reorganization (other than a Permitted Merger) with, or transfer of assets to, a mutual fund trust, if

- (A) the Trust ceases to continue after the reorganization or transfer of assets; and
- (B) the transaction results in Unitholders becoming securityholders in the mutual fund trust;

(vii) a reorganization (other than a Permitted Merger) with, or acquisition of assets of, a mutual fund trust, if

- (A) the Trust continues after the reorganization or acquisition of assets;
- (B) the transaction results in the securityholders of the mutual fund trust becoming Unitholders; and
- (C) the transaction would be a material change to the Trust;”

In order to implement the foregoing amendment, Unitholders are being asked to pass the resolution attached as Schedule “B” to this Information Circular. In order to pass the resolution, at least 66²/₃% of the votes cast at the meeting of holders of units of the Fund must be voted in favour of such resolution. **PROXIES RECEIVED IN FAVOUR OF THE MANAGER WILL BE VOTED FOR THE RESOLUTION DESCRIBED ABOVE, UNLESS A**

UNITHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER UNITS ARE TO BE VOTED AGAINST SUCH A RESOLUTION. In the event Unitholder approval is not given, the proposed amendments to the Declaration of Trust will not be implemented.

C. Financial Statements

The Unitholders of the Fund are being asked to pass a resolution to amend the Declaration of Trust to permit the Fund to make financial statements and other documents available to the Unitholders in accordance with NI 81-106.

Currently, the Declaration of Trust provides that the Fund must send or arrange to have sent by the transfer agent to each Unitholder reports containing such information and at such time as the Manager may reasonably determine or as may be required under applicable law or policies of applicable securities regulatory authorities, including unaudited semi-annual financial statements and audited annual financial statements. In order to reduce expenses associated with the preparation and mailing of such financial statements, and to bring the Declaration of Trust into conformity with the current disclosure requirements for investment funds, the Manager believes that it is in the best interest of the Unitholders to pass a resolution amending the Declaration of Trust so that the Fund will only be required to provide Unitholders with such financial statements and other continuous disclosure documents as may be required by applicable law. Accordingly, the Fund is asking that the Unitholders approve the following changes:

Replace Section 14.1 of the Declaration of Trust with the following:

“Within 90 days after the end of each taxation year of the Trust (or such shorter time as may be required by the Tax Act), the Trustee or, if applicable, the Transfer Agent shall provide to CDS for delivery to CDS Participants all forms required under the Tax Act, or such information as may permit CDS Participants to prepare such forms, with respect to amounts paid or payable by the Trust to the Unitholder in the taxation year and containing such other information as may be required under the Tax Act. The Trust will make available to Unitholders unaudited semi-annual and audited financial statements of the Trust and other documents in accordance with NI 81-106. No Unitholder shall be entitled to any other accounting with respect to the Trust or his holding of Units, except as may be required by applicable laws, regulations or governmental policies.”

In order to implement the foregoing amendment, Unitholders are being asked to pass the resolution attached as Schedule “C” to this Information Circular. In order to pass the resolution, at least $66\frac{2}{3}\%$ of the votes cast at the meeting of holders of units of the Fund must be voted in favour of such resolution. **PROXIES RECEIVED IN FAVOUR OF THE MANAGER WILL BE VOTED FOR THE RESOLUTION DESCRIBED ABOVE, UNLESS A UNITHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER UNITS ARE TO BE VOTED AGAINST SUCH A RESOLUTION.** In the event Unitholder approval is not given, the proposed amendments to the Declaration of Trust will not be implemented.

D. Issue of Units

The Unitholders are being asked to pass a resolution to amend the Declaration of Trust to allow the Fund greater flexibility to issue units, including a new class or series of units, and other securities, such as rights, warrants and options, of the Fund.

Currently, the Fund is permitted to issue securities of the Fund only:

- (i) at a price not less than the Net Asset Value Per Unit;
- (ii) by way of an offering of rights, to existing Unitholders subject to Section 3.2;
- (iii) by way of Unit distributions to existing Unitholders; or
- (iv) with the approval of Unitholders.

Further, the Declaration of Trust states that the beneficial interest in the Fund shall be divided into interests of one class and of equal value. The Manager believes that it would be in the best interest of Unitholders to amend the Declaration of Trust to allow the Fund greater flexibility to issue new classes or series of units, and other securities, such as rights, warrants and options, and other securities of the Fund.

Accordingly, the Fund is requesting that Unitholders approve the following changes:

Replace Section 3.1 of the Declaration of Trust with the following:

“The beneficial interest in the Trust shall be divided into interests of one or more classes or series, collectively and individually referred to as “Units”, which includes fractions thereof.”

Replace the following portion of Section 3.3 of the Declaration of Trust:

“Subsequent to the issue of Units pursuant to the Public Offering, Units or other securities of the Trust shall be issued only:

- (i) at a price not less than the Net Asset Value Per Unit;
- (ii) by way of an offering of rights, to existing Unitholders subject to section 3.2;
- (iii) by way of Unit distributions to existing Unitholders; or
- (iv) with the approval of Unitholders.

Subject to the limitations set forth herein, such additional Units may be allotted and issued at such times, to such Persons, at such subscription

prices and on such other terms and conditions as the Manager in its sole discretion shall determine.”

With the following:

“Additional securities, including new classes or series of Units, and other securities may be allotted and issued at such times, to such Persons, at such subscription prices and on such other terms and conditions as the Manager in its sole discretion shall determine.”

And, add the following to the end of Section 16.1 of the Declaration of Trust:

“(vi) make any necessary alterations or changes to this Declaration of Trust with respect to the designation, rights, privileges, restrictions and conditions attaching to any additional securities that may be issued by the Trust from time to time.”

And, delete the following subsection of Section 16.3:

“(x) in certain circumstances described in Section 3.3, the issuance of additional Units;”

In order to implement the foregoing amendment, Unitholders are being asked to pass the resolution attached as Schedule “D” to this Information Circular. In order to pass the resolution, at least 66²/₃% of the votes cast at the meeting of holders of units of the Fund must be voted in favour of such resolution. **PROXIES RECEIVED IN FAVOUR OF THE MANAGER WILL BE VOTED FOR THE RESOLUTION DESCRIBED ABOVE, UNLESS A UNITHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER UNITS ARE TO BE VOTED AGAINST SUCH A RESOLUTION.** In the event Unitholder approval is not given, the proposed amendments to the Declaration of Trust will not be implemented.

E. Rights, Warrants and Options

The Unitholders are being asked to pass a resolution to amend the Declaration of Trust to allow the Fund greater flexibility to create and issue other securities including rights, warrants, options or convertible debentures (collectively, “**Other Securities**”) of the Fund.

Presently, the Fund is permitted to create and issue Other Securities subject to compliance with the requirements of applicable securities regulatory authorities provided that, if the issue of such securities could result, by their terms, in the issuance of units, the net proceeds per unit issued taking into account both the price paid for such securities and the amount to be paid pursuant to the exercise, conversion or exchange of such securities, may not be less than the most recently calculated net asset value per unit prior to the pricing of such securities. The Manager believes that it would be in the best interests of the unitholders to permit the Fund to create and issue Other Securities without the requirement for the proceeds thereof to meet or exceed the most recently calculated net asset value per unit prior to the pricing of such securities for the following reasons: (i) it is common that the market value per unit may be less than that of

the net asset value per unit, accordingly, there would be no market for units priced above the price at which investors may purchase the units on the secondary market; (ii) there are commonly commissions payable to agents upon the placing of units with investors, the requirement for net proceeds to exceed the net asset value per unit further inhibits the potential to market securities, and (iii) the greater flexibility granted to the Manager by removing the requirement to secure a certain level of proceeds allows the Manager to respond to market conditions to act in a manner that is in the best interest for the Unitholders. Accordingly, the Fund is requesting that Unitholders approve the following changes:

Replace Section 3.2 of the Declaration of Trust with the following:

“The Trust may create and issue other securities including rights, warrants, options or convertible debentures, at such time or times and on such terms and conditions as the Manager may determine, subject to compliance with the requirements of applicable securities regulatory authorities.”

In order to implement the foregoing amendment, Unitholders are being asked to pass the resolution attached as Schedule “E” to this Information Circular. In order to pass the resolution, at least 66²/₃% of the votes cast at the meeting of holders of units of the Fund must be voted in favour of such resolution. **PROXIES RECEIVED IN FAVOUR OF THE MANAGER WILL BE VOTED FOR THE RESOLUTION DESCRIBED ABOVE, UNLESS A UNITHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER UNITS ARE TO BE VOTED AGAINST SUCH A RESOLUTION.** In the event Unitholder approval is not given, the proposed amendments to the Declaration of Trust will not be implemented.

F. Termination Date

The Unitholders of the Fund are being asked to pass a resolution to amend the Declaration of Trust so that the Fund has no fixed termination date.

Currently, the Declaration of Trust provides that the Fund shall terminate on November 30, 2012. The Manager believes that amending the Declaration of Trust of the Fund so that the Fund has no fixed termination date would permit the Fund to invest in portfolio securities with a view towards longer term investment objectives. The Manager also believes that the amendment of the termination date results in greater liquidity for the units of the Fund. By extending the term of the Fund, Unitholders will have greater flexibility over the timing of any potential exit from their investment in the Fund. Accordingly, the Fund is requesting that Unitholders approve the following changes to the Declaration of Trust of the Fund:

Replace Section 17.1 of the Declaration of Trust with the following:

“The Trust does not have a fixed termination date but may be terminated at any time upon not less than 90 days' written notice to the Trustee from the Manager with the prior approval of Unitholders by a resolution passed by holders of more than 50% of the Units voting thereon at a meeting duly convened for the consideration of such termination, provided that Unitholders holding at least 10% of the Units outstanding on the record date for voting for the meeting vote in favour of such resolution.

In addition, the Manager may, in its discretion, terminate the Trust without the approval of Unitholders if it believes it is no longer economically practical to continue the Trust or the Manager determines that it would be in the best interest of Unitholders to terminate the Trust, or to terminate the Trust in connection with a Permitted Merger.

Any such event is referred to as the "Termination Date". The Manager may, in its discretion and upon not less than 30 days prior written notice to Unitholders, extend the Termination Date by a maximum of 180 days if the Manager would be unable to convert all the assets of the Trust to cash and the Manager determines that it would be in the best interests of the Unitholders to do so."

And, replace the following portion of Section 16.3 of the Declaration of Trust:

"None of the following may be effected without the consent of Unitholders given by a two thirds majority vote (other than items (ix) and (xii) which require approval of a simple majority vote) at a meeting duly called and held for such purpose:"

With the following:

"None of the following may be effected without the consent of Unitholders given by a two thirds majority vote (other than items (viii) which requires approval of a simple majority vote, provided that the Unitholders holding at least 10% of the Units outstanding on the record date for the meeting vote in favour of such matter and item (x)) at a meeting duly called and held for such purpose:"

And, replace Subsections 16.3(viii) and (ix) of the Declaration of Trust with the following:

"except in certain circumstances as set forth under Section 11.8 and the second paragraph of Section 17.1, the termination of the Trust;"

In order to implement the foregoing amendment, Unitholders are being asked to pass the resolution attached as Schedule "F" to this Information Circular. In order to pass the resolution, at least $66\frac{2}{3}\%$ of the votes cast at the meeting of holders of units of the Fund must be voted in favour of such resolution. **PROXIES RECEIVED IN FAVOUR OF THE MANAGER WILL BE VOTED FOR THE RESOLUTION DESCRIBED ABOVE, UNLESS A UNITHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER UNITS ARE TO BE VOTED AGAINST SUCH A RESOLUTION.** In the event Unitholder approval is not given, the proposed amendments to the Declaration of Trust will not be implemented.

INFORMATION REGARDING THE FUND

The Fund

The Fund is a closed-end investment Fund listed on the Toronto Stock Exchange of which Acuity is the manager and trustee.

Additional information about each of the Fund is included in documents filed by the Fund with securities commissions or similar authorities in Canada. Copies of these documents are available on the System for Electronic Disclosure and Retrieval (SEDAR) at www.sedar.com and the Manager's website at www.acuityfunds.com and may be obtained upon request without charge by calling the Manager's toll free telephone number at 1-800-461-4570 or writing Acuity Funds Ltd., 40 King Street West, Toronto, Ontario M5H 3Y2.

The following documents filed with the securities commissions or similar authorities in Canada are specifically incorporated by reference into and form an integral part of this Information Circular:

- Annual Financial Statements of the Fund for the year ended December 31, 2006 as filed March 22, 2007;
- Interim Financial Statements of the Fund for the six months ended June 30, 2007 as filed August 28, 2007;
- Annual Management Report of Fund Performance for the year ended December 31, 2006 as filed March 22, 2007;
- Annual Information Form for the year ended December 31, 2006 as filed March 28, 2007; and
- Interim Management Report of Fund Performance for the six months ended June 30, 2007 as filed August 28, 2007.

Any of the documents of the type referred to above and any material change reports (excluding confidential material change reports) subsequently filed by any Fund with the securities commissions and any similar authority in Canada after the date of this Information Circular and prior to the Meeting shall be deemed to be incorporated by reference into this Information Circular.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Information Circular to the extent that a statement contained herein or in any subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statements. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Circular. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of material fact or an omission to state a material fact that is required to be

stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

MANAGEMENT OF THE FUND

Pursuant to the Declaration of Trust, Acuity is the manager of the Fund. The following is a description of the management arrangements for the Fund.

Acuity is responsible for providing or arranging for required administrative services to the Fund including, without limitation: authorizing the payment of operating expenses incurred on behalf of the Fund; preparing financial statements and financial and accounting information as required by the Fund; ensuring that financial statements and other reports are available to Unitholders as are required by applicable law from time to time; ensuring that the Fund complies with regulatory requirements and applicable stock exchange listing requirements; preparing the Fund's reports to Unitholders and the Canadian securities regulatory authorities; determining the amount of distributions to be made by the Fund; and negotiating contractual agreements with third party providers of services, including registrars, transfer agents, auditors and printers.

Acuity is required to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of Unitholders, and in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent manager would exercise in similar circumstances.

Acuity may resign as manager of the Fund upon 60 days' notice to the Unitholders. If the Manager resigns it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the Unitholders. If the Manager is in material default of its obligations under the Declaration of Trust and such default has not been cured within 30 days after notice of same has been given to the Manager, the Unitholders may remove the Manager and appoint a successor manager.

Acuity is entitled to fees for its services under the Declaration of Trust as described under "Management Fees" and will be reimbursed for all reasonable costs and expenses incurred by Acuity on behalf of the Fund. In addition, Acuity and each of its directors, officers, employees and agents will be indemnified by the Fund for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against Acuity or any of its officers, directors, employees or agents in the exercise of its duties as manager, if they do not result from Acuity's wilful misconduct, bad faith, negligence or breach of its obligations under the Declaration of Trust and the Fund has reasonable grounds to believe that the action or inaction that gave rise to the claim was in the best interests of the Fund.

The name and municipality of residence of each of the directors and officers of the Manager is as follows:

Name and Municipality of Residence	Office
IAN O. IHNATOWYCZ Toronto, Ontario	President, Chief Executive Officer and Director
GEORGE HENRY Toronto, Ontario	Chief Financial Officer
N. WILLIAM C. ROSS Toronto, Ontario	Secretary and Director
WAYNE T. EGAN Toronto, Ontario	Director
ROBERT MITCHELL Oakville, Ontario	Director
ALAN HUBBS Colborne, Ontario	Director

OTHER BUSINESS

The Manager knows of no other business to be presented at the Meeting. If any additional matters should be properly presented, it is intended that the enclosed Proxy will be voted in accordance with the judgment of the persons named in the Proxy.

APPOINTMENT OF PROXIES

The persons named in the Proxy accompanying this Information Circular are representatives of the management of the Fund. A Unitholder has the right to appoint a person other than the persons specified in such Proxy to attend and act on behalf of such Unitholder at the Meeting. Such right may be exercised by striking out the names of the persons specified in the Proxy, inserting the name of the person to be appointed in the blank space so provided, signing the Proxy and returning it in the reply envelope or by facsimile.

REVOCABILITY OF PROXIES

A Unitholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. **If you are a Beneficial Unitholder (defined below) and wish to revoke your proxy, please contact your broker or agent well in advance of the Meeting to determine how you can do so.**

VOTING OF PROXIES

Units represented by properly executed Proxies in favour of the persons designated by management will be voted at the Meeting in accordance with the instructions contained therein and, in the absence of such instructions, will be voted **IN FAVOUR OF** the matters referred to in the Proxy.

The enclosed Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Special Meeting of Unitholders and with respect to other matters which may properly come before the Meeting in respect of which the Proxy is granted or any adjournments of such Meeting. As of the date hereof, the Manager of the Fund knows of no such amendments, variations or other matters to come before the Meeting.

VOTING OF UNITS — ADVICE TO BENEFICIAL HOLDERS OF UNITS

The information set forth in this section is of significant importance to all beneficial unitholders, as the issued and outstanding units of the Fund are not registered in the names of such holders (the “Beneficial Unitholders”).

Beneficial Unitholders should note that only proxies deposited by Unitholders of the Fund whose names are on the records of the Fund as the registered holders of units of such Fund can be recognized and acted upon at the Meeting. All units of the Fund are registered under the name CDS & CO. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Units held by CDS & CO. for brokers or their nominees can only be voted at the Meeting upon the instructions of the Beneficial Unitholder. Without specific instructions, brokers or their nominees are prohibited from voting units on behalf of their clients. The Manager and Trustee of the Fund do not know for whose benefit the units of the Fund registered in the name of CDS & CO. are held; therefore, except as set forth below, Beneficial Unitholders cannot be recognized at the Meeting for purposes of voting their units in person or by way of proxy.

Applicable regulatory policy requires intermediaries, brokers and their nominees to seek voting instructions from Beneficial Unitholders in advance of the Meeting. Every intermediary, broker and nominee has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their units can be voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions (“**Broadridge**”). Broadridge prepares voting instruction forms (“**VIFs**”), mails those VIFs to the Beneficial Unitholders and asks Beneficial Unitholders to return the VIFs to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions for the voting of Units to be represented at the Meeting. A Beneficial Unitholder receiving a VIF cannot use that VIF to vote units directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the units voted.

IF YOU ARE A BENEFICIAL UNITHOLDER AND WISH TO VOTE IN PERSON AT THE MEETING, COMPLETE THE APPOINTEE SECTION OF THE VIF

OR REQUEST A LEGAL PROXY TO BE ISSUED BY COMPLETING THE LEGAL PROXY SECTION ON YOUR VIF.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As at November 15, 2007, all the issued and outstanding units of the Fund were held by CDS & Co. To the knowledge of the directors and senior officers of the Manager, as of the close of business on November 15, 2007 no person or company beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the voting rights attached to the units of the Fund entitled to be voted at the Meeting, except for CDS & Co.

Units of the Fund that are held by other investment funds managed by the Manager will not be voted at the Meeting.

As at the close of business on November 15, 2007 the directors and senior officers of the Manager owned less than 10% of the units of the Fund.

CERTIFICATE

The contents of this Information Circular and its distribution to Unitholders of the Fund has been approved by the Board of Directors of the Manager.

**ACUITY FUNDS LTD.,
AS MANAGER OF THE FUND**

By: (signed) "Ian O. Ihnatowycz"
Ian O. Ihnatowycz
President and Chief Executive Officer

SCHEDULE A
SPECIAL RESOLUTION
OF
ACUITY FOCUSED TOTAL RETURN TRUST
(the “Fund”)

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The amended and restated declaration of trust governing the Fund and incorporating the amendments described under the heading “Amendments to the Declaration of Trust of the Fund – Investment Strategy and Investment Restrictions” in the Information Circular of the Fund dated November 15, 2007 is hereby approved and authorized; and
2. Any officer or director of the Manager or any director or officer of the Trustee is hereby authorized and directed to do and perform all such acts and things and to execute and deliver and to file or cause to be executed, delivered or filed all such documents as such director or officer shall deem necessary or proper to give effect to the foregoing resolution.

SCHEDULE B
SPECIAL RESOLUTION
OF
ACUITY FOCUSED TOTAL RETURN TRUST
(the “Fund”)

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The amended and restated declaration of trust governing the Fund and incorporating the amendments described under the heading “Amendments to the Declaration of Trust of the Fund – Permitted Merger” in the Information Circular of the Fund dated November 15, 2007 is hereby approved and authorized; and
2. Any officer or director of the Manager or any director or officer of the Trustee is hereby authorized and directed to do and perform all such acts and things and to execute and deliver and to file or cause to be executed, delivered or filed all such documents as such director or officer shall deem necessary or proper to give effect to the foregoing resolution.

SCHEDULE C
SPECIAL RESOLUTION
OF
ACUITY FOCUSED TOTAL RETURN TRUST
(the “Fund”)

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The amended and restated declaration of trust governing the Fund and incorporating the amendments described under the heading “Amendments to the Declaration of Trust of the Fund – Financial Statements” in the Information Circular of the Fund dated November 15, 2007 is hereby approved and authorized; and
2. Any officer or director of the Manager or any director or officer of the Trustee is hereby authorized and directed to do and perform all such acts and things and to execute and deliver and to file or cause to be executed, delivered or filed all such documents as such director or officer shall deem necessary or proper to give effect to the foregoing resolution.

SCHEDULE D
SPECIAL RESOLUTION
OF
ACUITY FOCUSED TOTAL RETURN TRUST
(the “Fund”)

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The amended and restated declaration of trust governing the Fund and incorporating the amendments described under the heading “Amendments to the Declaration of Trust of the Fund – Issue of Units” in the Information Circular of the Fund dated November 15, 2007 is hereby approved and authorized; and
2. Any officer or director of the Manager or any director or officer of the Trustee is hereby authorized and directed to do and perform all such acts and things and to execute and deliver and to file or cause to be executed, delivered or filed all such documents as such director or officer shall deem necessary or proper to give effect to the foregoing resolution.

SCHEDULE E
SPECIAL RESOLUTION
OF
ACUITY FOCUSED TOTAL RETURN TRUST
(the “Fund”)

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The amended and restated declaration of trust governing the Fund and incorporating the amendments described under the heading “Amendments to the Declaration of Trust of the Fund – Rights, Warrants and Options” in the Information Circular of the Fund dated November 15, 2007 is hereby approved and authorized; and
2. Any officer or director of the Manager or any director or officer of the Trustee is hereby authorized and directed to do and perform all such acts and things and to execute and deliver and to file or cause to be executed, delivered or filed all such documents as such director or officer shall deem necessary or proper to give effect to the foregoing resolution.

SCHEDULE F
SPECIAL RESOLUTION
OF
ACUITY FOCUSED TOTAL RETURN TRUST
(the “Fund”)

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The amended and restated declaration of trust governing the Fund and incorporating the amendments described under the heading “Amendments to the Declaration of Trust of the Fund – Termination Date” in the Information Circular of the Fund dated November 15, 2007 is hereby approved and authorized; and
2. Any officer or director of the Manager or any director or officer of the Trustee is hereby authorized and directed to do and perform all such acts and things and to execute and deliver and to file or cause to be executed, delivered or filed all such documents as such director or officer shall deem necessary or proper to give effect to the foregoing resolution.