

**WHISTLEBLOWER POLICY
OF ACUITY FUNDS LTD.**

(as adopted by the Audit Committee of the Board of Directors on August 2, 2006)

Acuity Funds Ltd. ("Acuity") requires its directors, officers and employees to observe high standards of business and ethical conduct. It is Acuity's policy to comply with and to require its directors, officers and employees to comply with all applicable legal and regulatory requirements. Every director, officer and employee has the responsibility to assist Acuity in meeting these requirements. In order to ensure that all relevant information is disclosed and that the integrity of both the financial and accounting records of Acuity and the general integrity of Acuity are maintained, Acuity is establishing procedures for handling complaints or concerns regarding these issues.

This Policy presumes that persons submitting a report will act in good faith and will not make false accusations when reporting perceived wrongdoing. Any person who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to discipline, which may include termination.

The integrity of the financial information of Acuity and of the entities it manages is vital. Acuity's financial information guides the decisions of the Board of Directors of Acuity, in its role as manager of the Acuity mutual funds, Acuity pooled funds and the Acuity closed end trusts and is relied upon by the unitholders of these entities, the shareholders of Acuity and the financial markets generally. In addition it is essential to Acuity that its operation generally be conducted with integrity and in accordance with all applicable laws. Acuity expects to have a workplace where Acuity can receive and address all concerns and complaints regarding (i) accounting, internal accounting controls, auditing or other financial matters (collectively "Financial Concerns") and (ii) the violation or potential violation of any law or concerns respecting mismanagement, abuse of authority or danger to health or safety (collectively "General Concerns").

The purpose of this Whistleblower Policy is to provide Acuity's directors, officers and employees with a mechanism by which they can raise these concerns free of any discrimination, retaliation or harassment.

Acuity encourages its directors, officers and employees when, based on their reasonable belief, they have Financial or General Concerns, to report those concerns to Acuity (on an anonymous basis, if desired) or to raise those concerns by e-mailing or otherwise informing their immediate supervisor or Acuity's General Counsel. All reports will be taken seriously and will be promptly investigated. Independent legal counsel, accountants or others may be retained in the discretion of the person in charge of conducting the investigation to assist in the investigation. The specific action taken in any particular case depends on the nature and gravity of the conduct or circumstance reported, and the quality of the information provided. Where the reported concerns are found to be accurate, those matters will be corrected and, if appropriate, the persons responsible will be disciplined.

All reports should identify as many relevant facts as possible, including, if applicable (i) the dates relevant to the identified concern; (ii) the names of the persons involved in the identified activity; (iii) the specific facts that give rise to the concerns expressed; and (iv) any suggestions for resolving or dealing with the problems or issues identified. All reports will be promptly reviewed, investigated and resolved.

In addition, Acuity is committed to providing a work environment in which directors, officers and employees having raised Financial or General Concerns based on their reasonable belief, will be free of discrimination, retaliation, threats or harassment due to their having raised those concerns. Accordingly, Acuity strictly prohibits discrimination, retaliation, threats or harassment of any kind against any director, officer, employee or consultant who, based on the reasonable belief that improper conduct or practices have occurred or are occurring, reports that information in accordance with this Whistleblower Policy. In addition, discrimination, retaliation, threats and harassment are strictly prohibited against such directors, officers, employees or consultants who file, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or about to be filed related to an alleged violation of applicable Canadian securities rules, regulations or legislation or any provision of law relating to Acuity.

REPORTING AND INVESTIGATION

If you have Financial or General Concerns, you are encouraged immediately to report those concerns to your immediate supervisor, to George Henry or to Acuity's General Counsel (William Ross of WeirFoulds LLP, Telephone No.: 416-947-5033 or E-mail: wross@weirfoulds.com) either identifying yourself or on an anonymous basis. If you identify yourself, you may then be requested to document your report in writing. With respect to Financial Concerns, you may also report those concerns directly to a member of the Audit Committee of Acuity's Board of Directors (the "Audit Committee"). The Audit Committee is composed entirely of directors who are independent of Acuity's officers and management. The person receiving the report will promptly forward it to the Chairman of the Audit Committee who will oversee and provide direction on the investigation and resolution of the matter. The Chairman of the Audit Committee may be contacted by telephoning 416-947-5033 or e-mail at wross@weirfoulds.com.

All directors, officers and employees have a duty to cooperate in the investigation of concerns raised under this Policy and in the investigation of any alleged discrimination, retaliation, threat or harassment resulting from the reporting or investigation of such concerns. Directors, officers and employees will be subject to disciplinary action, possibly including the termination of their employment or contract, if he or she deliberately provides false information or fails to cooperate in an investigation.

If, at the conclusion of its investigation, Acuity determines that a violation of this Policy has occurred, Acuity will take effective remedial action commensurate with the severity of the offence. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of this Policy.