

**AMENDMENT NO. 1 dated December 18, 2009
to the SIMPLIFIED PROSPECTUS dated August 14, 2009**

(the “Prospectus”)

Class A and Class F Units of:

ACUITY DIVERSIFIED INCOME FUND
(formerly, Acuity Income Trust Fund)

Introduction

The Prospectus relating to the offering of class A and class F units of the Acuity Diversified Income Fund is amended as noted below. All defined terms have the meanings ascribed to them in the Prospectus unless otherwise specifically defined in this Amendment No. 1.

Summary of Amendment

The Prospectus is amended to change the investment volatility risk classification of the Acuity Diversified Income Fund from “moderate” to “low to moderate”.

Amendment

Acuity Diversified Income Fund

The paragraph under the heading “Who Should Invest in this Fund” on page 49 is hereby deleted in its entirety and replaced with the following:

“Generally speaking, this Fund is suitable for income-oriented investors who have medium to long-term investment time horizons and low to moderate tolerance for risk. This Fund may also be suitable for investors who wish to receive a monthly distribution. Please refer to “Who Should Invest in this Fund?” on page 31 for more information.”

Purchaser’s Statutory Rights

Securities legislation in several of the provinces and territories provides purchasers with the right to withdraw from an agreement to purchase mutual fund securities within two business days after receipt of a simplified prospectus or within forty-eight hours after the receipt of a confirmation of purchase of such securities. If the agreement is to purchase such securities under a contractual plan, the time period during which withdrawal may be made may be longer. In several of the provinces and territories, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages where the simplified prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser but such remedies must be exercised by the purchaser within the time limit prescribed by the securities legislation of the securityholder’s province or territory. The purchaser should refer to any applicable provision of the securities legislation of the purchaser’s province or territory for the particulars of these rights or consult with a legal advisor.