

**Amendment No. 2 dated December 19, 2011
to the Simplified Prospectus dated June 29, 2011,
as amended by Amendment No. 1 dated August 16, 2011,
of**

Russell Fixed Income Pool	Series A, B, E, F and O units
Russell Core Plus Fixed Income Pool	Series A, B, E, F and O units
Russell Canadian Dividend Pool	Series A, B, E, F and O units
Russell Canadian Equity Pool	Series A, B, E, F and O units
Russell Smaller Companies Pool	Series A, B, E, F and O units
Russell US Equity Pool	Series A, B, E, F and O units
Russell Overseas Equity Pool	Series A, B, E, F and O units
Russell Global Equity Pool	Series A, B, E, F and O units
Russell Emerging Markets Equity Pool	Series A, B, E, F and O units
Russell Money Market Pool	Series A, B, E, F and O units
Russell Income Essentials Portfolio <i>(formerly Russell Retirement Essentials Portfolio)</i>	Series B, E, E-5, E-6, E-7, F, F-5, F-6, F-7, I-5, I-6, I-7 and O units
Russell Diversified Monthly Income Portfolio	Series E-5, E-7, F-5, F-7, I-5, I-7 and OS units
Russell Enhanced Canadian Growth & Income Portfolio	Series B, E, E-5, E-6, E-7, F, F-5, F-6, F-7, I-5, I-6, I-7 and O units
Russell Managed Yield Class	Series B, E, E-3, E-5, F, F-3, F-5, I-3, I-5, US Dollar Hedged Series B, US Dollar Hedged Series F and US Dollar Hedged Series I-5 shares

(the “Funds”)

Series O and OS

In addition to the basis on which Series O and OS currently are available, investors may now purchase Series O and OS through an approved dealer under an arrangement whereby the investor will pay an annual fee not exceeding 2% of the value of their units directly to the manager of the Funds, and an annual advisory fee to their approved dealer. Further, the minimum aggregate investment in Series O or OS through approved dealers has been reduced to \$1 million.

Purchases, Switches and Redemptions – Description of series offered by the Funds

- The information adjacent to “Series O and OS” is deleted and replaced with the following:

These series are available to Institutional Clients. These series also are available to clients of approved dealers who participate in an eligible wrap or fee-for-service program. We do not charge a management fee to any Fund for Series O or OS. Instead, each Institutional Client in Series O and OS negotiates a separate

fee that is paid directly by the Institutional Client to us. Clients of approved dealers who hold Series O or OS pay ongoing fees to their approved dealers based on the market value of the client's assets. The approved dealer may, in turn, pay fees to us for their ongoing entitlement to offer Series O and OS and for our administrative support. Where the approved dealer does not pay such a fee to us, the investor will negotiate a separate fee that is paid directly by the investor to us (in addition to any fee paid by the investor to the investor's dealer) and is based on the market value of the investor's assets. An *approved dealer* is a dealer that has entered into an agreement with us setting out the basis on which the dealer is entitled to offer Series O and OS, including any fee to be paid by the dealer to us. We do not pay trailer fees to approved dealers for Series O and OS. This series also is used in fund-on-fund investments and other wrap programs sponsored by us.

Purchases, Switches and Redemptions – Purchasing Securities of the Funds – Minimum investment

- Each reference to “\$3 million” is replaced with “\$1 million”.

Fees and Expenses – Fees and expenses payable by the Fund

- The paragraph immediately following the reference to Series A of the Russell Group of Funds is deleted and replaced with the following:

Instead, each Institutional Client in these series of units negotiates a separate fee that is paid directly by the Institutional Client to us. Clients of approved dealers who hold Series O or OS pay ongoing fees to their approved dealers who may, in turn, pay fees to us for their ongoing entitlement to offer Series O and OS and for our administrative support. Where the approved dealer does not pay such fees to us, the investor will negotiate a separate fee that is paid directly by the investor to us and is in addition to any fee paid by the investor to the investor's dealer. Fees paid to us by an Institutional Client or other investor will not exceed 2% of the value of their units.

Fees and Expenses – Other fees and expenses

- The information adjacent to “Advisory fees” is deleted and replaced with the following:

If you purchase Fee Based Securities or you purchase Series O or OS through an approved dealer, you may have to pay an advisory fee to your dealer based on the market value of your assets. The amount of the fee is determined between you and your dealer and may be paid by redeeming a sufficient number of units. For Series O and OS, we may assist approved dealers with collecting these fees. Your dealer may, in turn, pay a fee to us for your dealer's ongoing entitlement to offer Series O and OS and for our administrative support. Where your dealer does not pay such a fee to us, you must enter into an agreement with us which includes a separate fee you will pay to us that we have mutually agreed upon (in addition to any fee you pay to your dealer) and generally will not exceed 2% of the value of such units annually.

Income Tax Considerations for Investors

- The last paragraph under “Funds not held in a Registered Plan – Income to you” is deleted.
- The following new section is added:

Certain fees

The portion of the fee that you pay to us for Series O or OS that is in respect of services provided by us to the Fund, rather than directly to you, will generally not be deductible by you for income tax purposes. You should consult your tax advisor about the tax treatment in your particular circumstances of any investment advisory fees you pay to your dealer when investing in the Funds.

Russell Managed Yield Class

The description of the derivatives used by Russell Managed Yield Class is clarified to confirm that the Fund may purchase, as well as sell, securities under derivative contracts.

Accordingly:

Part B – What does the Fund invest in?

- The third sentence under “Investment objective” is deleted and replaced with the following:

To obtain exposure, the Fund will purchase or sell a specified portfolio of Canadian equity securities under a derivative contract. The amount paid or delivered by the other party will be determined by reference to value of units of another investment fund.

- The first sentence under “Investment strategies” is deleted and replaced with the following:

The Fund currently enters into one or more forward contracts (collectively, “forward agreements”) with one or more counterparties pursuant to which the Fund purchases from, or sells to, the relevant counterparty a specified portfolio of Canadian equity securities. The amount paid or delivered by the counterparty is determined by reference to the value of units of the Russell Canadian Fixed Income Fund (the “reference fund”).

Part B – What are the risks of investing in the Fund? – Tax treatment risk

- The phrases “under forward agreements” and “under the forward agreements” are deleted in each instance where they appear.
- Each reference to “Canadian shares” or “Canadian securities” is replaced with “Canadian equity securities”.

What are your legal rights?

Securities legislation in some provinces gives you the right to withdraw from an agreement to purchase securities of the Funds within two (2) business days of receiving the simplified prospectus, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to purchase securities of the Funds and get your money back, or to make a claim for damages, if the simplified prospectus, annual information form or financial statements misrepresent any material facts about the Fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory, or consult your lawyer.