



Flaherty & Crumrine

**INVESTMENT GRADE
FIXED INCOME FUND**

Toronto, January 13, 2006 (TSX: FFI.UN) – Flaherty & Crumrine Investment Grade Fixed Income Fund (the “Fund”) announces that its net asset value per unit was not reported accurately as a result of certain foreign currency contracts not being valued in accordance with the Fund’s valuation procedures. The Fund’s valuation service provider has recalculated the net asset value per unit as of the last valuation date, January 6, 2006, as \$22.26 per unit versus the previously reported value of \$22.82 per unit, a 2.5% difference.

As a result of the Fund being provided with the incorrect valuations, the redemption price paid to investors who redeemed their units in 2005 was more than if the correct net asset value had been used. Brompton FFI Management Limited, the Manager of the Fund, does not value the foreign currency contracts; however, Brompton will ensure that the Fund will be reimbursed for the overpayment. In addition, the Manager and the Portfolio Manager will reimburse the Fund for any excess management fees they received as a result of incorrect valuations. The amounts to be reimbursed are included in the recalculated net asset value per unit reported above.

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Commissions, trailing commissions, management fees and expenses all may be associated with investment funds. Please read the funds publicly filed documents which are available from SEDAR at www.sedar.com. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.