



Flaherty & Crumrine

**INVESTMENT GRADE  
FIXED INCOME FUND**

**Toronto, October 26, 2004:** Brompton FFI Management Limited is pleased to announce that Flaherty & Crumrine Investment Grade Fixed Income Fund has filed a preliminary prospectus dated October 25, 2004, in respect of its initial public offering of trust units. Units of the Fund have received a rating of P-2f from Standard & Poor's.

The Fund's investment objectives are to: provide Unitholders with a stable stream of monthly distributions; mitigate the impact of significant interest rate increases on the value of the Investment Grade Portfolio; preserve the net asset value per unit; and enhance the total return per unit.

The Fund intends to achieve these objectives by investing in an actively managed portfolio of fixed income securities consisting primarily of various corporate debt securities and hybrid preferred securities of North American issuers. All of the securities will be rated Investment Grade at the time of purchase.

Flaherty & Crumrine Incorporated, headquartered in Pasadena, California, has been retained as Portfolio Manager to provide investment advisory and portfolio management services to the Fund. Flaherty & Crumrine, with aggregate assets exceeding U.S. \$3.2 billion, has specialized in the active management of preferred securities and debt instruments for institutional clients and publicly traded closed-end funds for over 21 years.

The Portfolio Manager will employ its proprietary "Safety-Net" hedging strategy designed to mitigate the impact of significant interest rate increases on the net asset value while permitting it to benefit from declines in interest rates. In addition, substantially all of the portfolio will be hedged to the Canadian dollar at all times.

Brompton FFI Management Limited, a member of Brompton Group, is the Manager of the Fund. Brompton manages approximately \$1.6 billion in assets.

The offering is being made through a syndicate of agents co-led by RBC Capital Markets and CIBC World Markets Inc. and includes Scotia Capital Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., HSBC Securities (Canada) Inc., Canaccord Capital Corporation, Desjardins Securities Inc., First Associates Investments Inc., Raymond James Ltd., Dundee Securities Corporation, Acadian Securities Incorporated, IPC Securities Corporation, Newport Securities Inc., Research Capital Corporation and Wellington West Capital Inc.

For further information, please contact your financial advisor or visit our website at [www.bromptongroup.com](http://www.bromptongroup.com).

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**BROMPTON**  
GROUP