



Flaherty & Crumrine
**INVESTMENT GRADE
FIXED INCOME FUND**

**FLAHERTY & CRUMRINE INVESTMENT GRADE FIXED INCOME FUND
ANNOUNCES DISTRIBUTIONS**

Toronto, January 22, 2008 (TSX: FFI.UN) – Flaherty & Crumrine Investment Grade Fixed Income Fund announces distributions in the amount of \$0.125 per unit per month for record dates in January to March 2008 as follows:

<u>Record Date</u>	<u>Payment Date</u>	<u>Amount</u>
January 31, 2008	February 14, 2008	\$0.125
February 29, 2008	March 14, 2008	\$0.125
March 31, 2008	April 14, 2008	\$0.125

Short-term interest rates in the US have declined recently, which has had a positive impact on the Fund's cash flow as its cost of leverage decreased. This improved cash flow has allowed the Fund to maintain its distribution rate while discontinuing the dilutive practice of paying the Manager and the Portfolio Manger their fees in units. It is important to note that the current rate of distributions, which is equivalent to \$1.50 per unit per annum, is sustainable given current market conditions. Any further reduction in US short-term interest rates will further benefit the Fund.

The decline in the net asset value per unit of the Fund during 2007 was a consequence of the severe "credit crunch" in the US, which initially was sparked by problems in the sub-prime mortgage market. The interest rate spread over Treasuries for preferred securities has increased since mid-year, with spreads for preferred securities now at an all time high according to Don Crumrine, Chairman of Flaherty & Crumrine, the portfolio manager to the Fund. Once these spreads compress and yields begin to fall, the net asset value of the Fund should improve.

The Fund's Distribution Reinvestment Plan allows unitholders to automatically reinvest monthly distributions in additional units of the Fund. This feature provides unitholders with an excellent opportunity to benefit from reinvesting distributions in additional units. Please contact your investment advisor to enroll in the Plan.

For additional information, including the Fund's investment portfolio, please visit our website at www.bromptongroup.com.

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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.

BROMPTON
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