

Flaherty & Crumrine Investment Grade Fixed Income Fund
Summary of Investment Portfolio as at December 31, 2011

Total Net Asset Value \$ 103,697,968

Portfolio Composition

	% of Portfolio	% of Net Asset Value
Preferred Securities:		
Banking	36.5%	59.9%
Insurance	36.4%	59.7%
Utilities	8.9%	14.6%
Financial services	7.6%	12.5%
Energy	2.5%	4.2%
	91.9%	150.9%
Corporate Debt:		
Insurance	2.5%	4.0%
Banking	2.1%	3.4%
Miscellaneous industries	1.5%	2.5%
Utilities	0.7%	1.2%
Real Estate Investment Trust	0.6%	1.0%
Financial Services	0.1%	0.1%
Telecommunication	0.0%	0.0%
	7.5%	12.2%
Cash and short-term investments	0.6%	0.8%
Total investment portfolio	100.0%	163.9%
Currency forward contracts		(1.9%)
Other net liabilities		(62.0%)
Total net asset value		100.0%

Top 25 Holdings

	% of Portfolio	% of Net Asset Value
ACE Capital Trust II, 9.7% due April 01, 2030	4.0%	6.6%
PNC Preferred Funding Trust III, Pfd	3.2%	5.3%
HSBC Holdings PLC, 8% Pfd Series II	3.2%	5.2%
MetLife Inc., Variable rate due August 15, 2039	3.2%	5.2%
Dominion Resources Inc., 7.5% due June 30, 2066	3.1%	5.2%
Axis Capital Holdings Limited, 7.50% Pfd.	3.1%	5.1%
Delphi Financial Group, Inc. 7.376% May 15, 2037	3.0%	5.0%
Everest Reinsurance Holdings Inc., 6.6% May 15, 2067	3.0%	4.9%
Capital One Capital III, 7.686% August 15, 2036	3.0%	4.9%
JPMorgan Chase Capital XVIII, 6.95% due August 17, 2036	3.0%	4.9%
KeyCorp Capital X, 8% Pfd	2.6%	4.3%
Enbridge Energy Partners L.P., 8.05% due October 1, 2037	2.5%	4.2%
Arch Capital Group Ltd., 8% Pfd.	2.5%	4.1%
Liberty Mutual Insurance Co., 7.697% October 15, 2097	2.4%	4.0%
USF&G Capital I, 8.5% December 15, 2045 Capital Security	2.4%	3.9%
Fifth Third Capital Trust IV, variable rate due April 01, 2037	2.4%	3.9%
Sovereign Capital Trust VI, 7.908% due June 13, 2036	2.3%	3.7%
Dominion Resources Capital Trust I, 7.83%, December 1, 2027	2.2%	3.6%
PartnerRe Finance II Inc., 6.44% due December 01, 2066	2.0%	3.3%
Aon Capital A, 8.205% due January 01, 2027	1.9%	3.2%
FPL Group Capital Inc., variable rate due September 01, 2067	1.9%	3.1%
Claudius Ltd. 7.875% Pfd.	1.8%	2.9%
XL Capital Ltd, 6.5% Pfd.	1.6%	2.7%
Barclays Bank PLC, 6.278% Pfd Series I	1.6%	2.6%
First Niagara Financial Group Inc., 7.25% due December 15, 2021	1.5%	2.5%

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available within 60 days of each quarter end.