

Capital Gains Income STREAMS

Capital Yield Share
Principal Protection

CGQ



The investment focus of Capital Gains Income STREAMS is to provide steady, tax efficient monthly income while preserving capital. Forward Agreements with Financial Institutions provide 100% principal repayment of the original \$25 per share issue price at termination. The Capital Yield Shareholder also has the potential for capital appreciation above the original investment from any residual balance in the Managed Portfolio once the Equity Dividend Shareholders obligation has been met.

Quadravest uses a sophisticated screening process to select high quality blue chip companies from the S&P 500 and the TSE/S&P 60 and combines this with a covered call writing strategy.

Facts

Trading Price:	\$19.70 (Jan 31/03)
Yield:	Variable (see table)
Annual Distribution:	\$1.92 per share*
Distribution Frequency:	Monthly
Universe:	S&P 500, S&P/TSE 60
RSP Eligibility:	Yes, 100% Canadian Content
Termination Date:	November 2013
Total Distributions to Date:	\$4.17 per share
Manager:	Quadravest

*last 12 months

Selected Holdings

Procter & Gamble
Citigroup
Bank of America
Johnson & Johnson
Bank of Montreal
Pharmacia
BCE
IBM
Colgate-Palmolive
American Express

Highlights

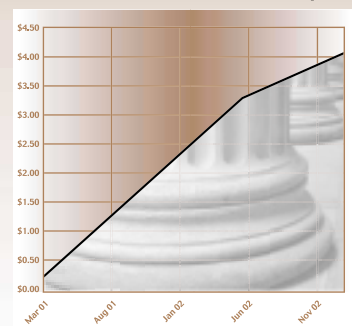
- Tax efficient monthly distributions
- 100% principal repayment by way of a forward agreement (TD Bank and Merrill Lynch)
- Actively managed blue chip portfolio
- Yield enhancement and risk reduction through covered call writing

Variable Distribution Program

Mid-month <u>Managed Portfolio</u>	Payment <u>Per Share</u>	Annualized <u>Yield</u>
Over \$20	\$0.2083	10%
\$19 to \$20	\$0.1667	8%
\$18 to \$19	\$0.1250	6%
Under \$18	nil	nil

The Managed Portfolio was \$17.08 as at Jan 31/03.

Cumulative Distributions Since Inception



www.quadravest.com

The above information is not intended to provide investment, legal, accounting or tax advice and should not be relied on in that regard.

