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## Quadravest Capital Investor Relations

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## Attractive Returns Until Maturity

### Capital Gains Income Streams (CGQ) Income Streams III (STQ)

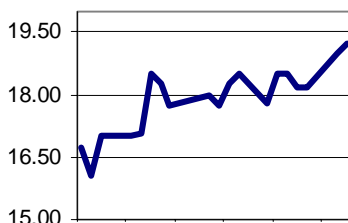
#### Company Description

Capital Gains Income STREAMAS (CGQ) and Income STREAMS III (STQ) were launched in 2001 as split share offerings, one equity dividend share and one Capital Yield Share. The Capital Yield Share offers principal protection of the original issue price of \$25.00 at termination in 2013. The Equity Dividend Share has cumulative, preferential dividends.

#### Stock Data

##### Capital Gains Income STREAMS

Trading Symbol: CGQ  
Trading Price: \$19.25  
52 Week  
Trading Range: \$27.40-\$16.05  
Target Yield: 10%  
Shares  
Outstanding: 3,630,000

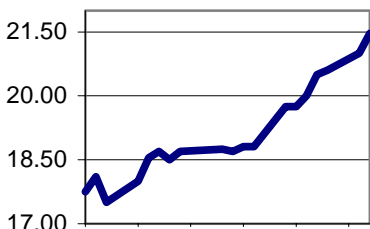


One-Month Trading Graph

#### Stock Data

##### Income STREAMS III

Trading Symbol: STQ  
Trading Price: \$21.47  
52 Week  
Trading Range: \$26.90-\$17.50  
Target Yield: 10%  
Shares  
Outstanding: 7,150,000



One-Month Trading Graph

### Investors will receive all of the following if shares are held until termination date

- Monthly distributions paid based on the table below. Target rate is 10%. If an investor purchased CGQ or STQ today and held until maturity they would receive a total of \$28.33 in distributions based on a target payout rate of 10% (\$17.00 at 6% or \$22.67 at 8%).
- Investors will receive \$25.00 wind-up price from forward agreement that has been put in place with TD Bank and Merrill Lynch. If an investor were to purchase either CGQ or STQ at today's prices that would mean an additional \$3.50 - \$5.75 capital gain on the investment at termination.
- Investors will also receive any additional money that remains in the Managed Portfolio after the Equity Dividend Share has been paid. Assuming no capital appreciation and maintaining a Managed Portfolio of \$19.50 (average) this would amount to an additional payment of \$4.50.
- Investors will also receive any increase in the portfolio over the next 11 years. This could be substantial.

The table below represents the potential returns of the Capital Yield Shares from current levels until maturity.

#### Return on Capital Yield Share:

	Distribution Levels			
	0%	Current	Levels	Target
		6%	8%	10%
Monthly Dividend Payment (136 payments)	\$ 0.00	\$17.00	\$22.67	\$28.33
Payment from Forward Agreement at windup	\$25.00	\$25.00	\$25.00	\$25.00
<b>Subtotal</b>	<b>\$25.00</b>	<b>\$42.00</b>	<b>\$47.67</b>	<b>\$53.33</b>
<b>Additional Payment from Managed Portfolio Upon Windup (Assuming no change from assumption of \$19.50)</b>	<b>\$ 4.50</b>	<b>\$ 4.50</b>	<b>\$ 4.50</b>	<b>\$ 4.50</b>
<b>Total</b>	<b>\$29.50</b>	<b>\$46.50</b>	<b>\$52.67</b>	<b>\$57.83</b>

Top holdings that investors have exposure to include; Proctor & Gamble, IBM, Citigroup, Bank of America, Colgate-Palmolive, BCE, Johnson & Johnson.