



UPDATE

May 7, 2004

QUADRAVEST INVESTMENTS

STREAMS – Capital Yield Shares

Financial Services Income STREAMS

Capital Gains Income STREAMS

Income STREAMS III

Attractive Fixed Income Alternative

- Minimum yield to maturity 4.1 – 4.3%
- Minimum pre-tax interest equivalent of 5.7 – 6.1%
- Buy now and receive \$25 at windup
- Capital gains tax treatment (maturity price less trading price)
- Potential for monthly distributions
- Balance of managed portfolio at windup (managed portfolio less Equity Dividend Share obligation)

Annual Yield to Maturity

	TSX Symbol	Maturity Date	Years to Maturity as at	Trading Price as at	Maturity Price	Annual Yield to Maturity	Pre-tax Bond Equivalent Annual Rate of Return	NAV	Managed Portfolio	Universe	Counter-party of Forward	
			6-May-04	30-Apr-04					30-Apr-04			
Financial Services Income STREAMS	STR	1-Feb-2011	6.7	\$18.79	\$25.00	4.33% ¹	6.06% ²	\$43.54	\$25.12 ³	Financial Services/TSX 300/S&P 500	TD Bank	
Capital Gains Income STREAMS	CGQ	1-Dec-2013	9.6	\$17.06	\$25.00	4.07% ¹	5.70% ²	\$32.72	\$17.27 ⁴	TSX 60 S&P 500	Merrill Lynch & TD Bank	
Income STREAMS III	STQ	1-Dec-2013	9.6	\$17.10	\$25.00	4.05% ¹	5.66% ²	\$33.13	\$17.68 ⁴	TSX 60 S&P 500	Merrill Lynch & TD Bank	
10 Year Canada Bond Rate							4.65%					

¹ Represents minimum annual return until maturity, not including any distributions or additional money in managed portfolio in excess of the Equity Dividend Share obligation.

² Based on top federal and provincial marginal tax rates in Ontario.

³ Distributions paid to STR Capital Yield Shareholder when managed portfolio is greater than \$26.

⁴ Distributions paid to CGQ & STQ Capital Yield Shareholders when managed portfolio is greater than \$18.

Combining Principal Protection & Equity Participation

Principal Protection: Each Capital Yield Shareholder will receive \$25 per share from a forward agreement upon maturity of the fund (regardless of the price paid to purchase the shares). The difference between the price paid per share and the wind-up value of \$25 per share is considered a capital gain and would be taxed at a lower rate than interest income paid from a bond. It is also only taxable in the wind-up year, allowing the holder to defer tax payment until such time.

Equity Participation: Holders of the Capital Yield Shares will also participate in any gains in the equity market via the managed portfolio (after Equity Dividend Share obligations have been met).

Purchase a STREAMS Capital Yield Share today and receive ALL of the following if held until maturity:

- (1) \$25 principal repayment, plus
- (2) Any additional money in the managed portfolio after Equity Dividend share obligations have been met, plus
- (3) Potential for monthly distributions, plus
- (4) Any increase in managed portfolio.

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