

Financial Services Income STREAMS

Capital Yield Share

Principal Protection & Equity Participation

STR

Quadravest selects high quality blue chip companies from the North American Financial Services sector and combines this with a covered call writing strategy.



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 will 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 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 based on the mid-month managed portfolio (see table below), plus; (4) Any increase in managed portfolio.

Facts

Trading Price:	\$19.10 (Jan 30/04)
Distribution Frequency:	Monthly (based on managed portfolio)
Universe:	North American Financials Plus up to 20% TSX 300 and S&P 500
RSP Eligibility:	Yes, Foreign Property
Termination Date:	February 2011
Total Distributions to Date:	\$4.17 per share
Manager:	Quadravest

Selected Holdings

Fleet Boston Financial
AGF Management
CI Fund Management
Bank of Montreal
CIBC
Toronto-Dominion Bank
Janus Capital
Citigroup
J.P. Morgan
Fifth Third Bancorp

Highlights

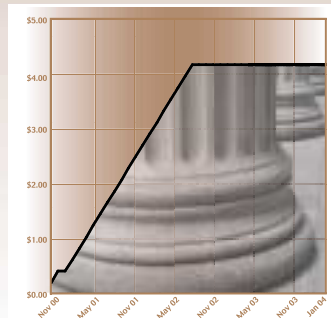
- Tax efficient monthly distributions
- 100% principal repayment by way of a forward agreement (TD Bank)
- Actively managed blue chip portfolio
- Yield enhancement and risk reduction through covered call writing

Variable Distribution Program

Mid-month <u>Managed Portfolio</u>	Annual <u>Payment</u>	Monthly <u>Payment</u>
Greater than \$29.00	\$2.50	\$0.2083
\$28.00 to \$29.00	\$2.00	\$0.1667
\$27.00 to \$28.00	\$1.50	\$0.1250
\$26.00 to \$27.00	\$1.00	\$0.0833
Under \$26	nil	nil

The Managed Portfolio was \$25.76 as at Jan 30/04.

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.



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CAPITAL MANAGEMENT