



Top 10 Canadian Financial Trust

TCT.UN

Preliminary Prospectus Filed for Follow-on Offering

Toronto, August 26, 2005: Top 10 Canadian Financial Trust (the "Trust") announced today that it has filed a preliminary prospectus with the securities regulatory authorities in each of the provinces of Canada in connection with a follow-on offering of up to \$150 million of units of the Trust (the "Units"). The Units will be offered on a best efforts basis by a syndicate of investment dealers led by RBC Dominion Securities Inc. and including CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Desjardins Securities Inc., HSBC Securities (Canada) Inc., Canaccord Capital Corporation, Dundee Securities Corporation, First Associates Investments Inc. and Raymond James Ltd.

The offering price for the Units will be \$16.10 per Unit. Pending completion of the offering, the Trust will hold its assets in cash and cash equivalents. Closing of the offering is expected to occur in mid October, 2005.

The Trust will invest the net proceeds of the offering in a portfolio consisting of common shares of the six largest Canadian banks and the four largest Canadian life insurance companies. The Trust's investment goals are: (i) to provide unitholders of the Trust with tax-efficient quarterly cash distributions in an amount targeted to be 7.5% per annum on the net asset value of the Trust; and (ii) to return the original issue price of the Units offered pursuant to the preliminary prospectus to unitholders upon termination of the Trust on December 31, 2010.

The Trust's investment portfolio is managed by its investment manager, Mulvihill Capital Management Inc. To generate additional returns above the dividend income earned on the Trust's investment portfolio, the Trust will, from time to time, write covered call options in respect of some or all of the securities in the investment portfolio.

The Trust's Units are listed on the Toronto Stock Exchange under the symbol TCT.UN.

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Press Release



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