



## NEWS RELEASE

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### FOR IMMEDIATE RELEASE

#### **Nuveen Senior Floating Rate Income Fund Files Preliminary Prospectus**

TORONTO (October 4, 2004) – Fairway Advisors Inc. ("Fairway"), manager of the Nuveen Senior Floating Rate Income Fund (the "Fund"), is pleased to announce that it has filed a preliminary prospectus with the securities commissions of all Canadian provinces for an initial public offering of units of the Fund. Upon final receipt, units will be available at a cost of \$10 per unit with a minimum investment of \$2,000 (200 units) from registered investment dealers across Canada.

The Fund's investment objectives are to: i) provide unitholders with a stream of tax efficient monthly distributions consisting of capital gains and return of capital which will fluctuate with changes in short-term interest rates; and ii) preserve and enhance the net asset value of the Fund in order to return the original subscription price of the units on or about November 30, 2014. The initial monthly distribution will be in the range of \$0.05 to \$0.05208 per unit (\$0.60 to \$0.625 per annum to yield 6.0% to 6.25% on the subscription price of \$10.00 per unit). Thereafter, the monthly distribution will be determined and announced on a monthly basis by Fairway based on distributable cash flow, which is expected to vary as a result of prevailing interest rates and market conditions. The distributions are intended to benefit unitholders as returns of capital are generally not subject to tax and distributions that are designated as capital gains will generally be taxed at a lower rate than distributions of interest, dividend and/or other investment income. Accordingly, these distributions are intended to be tax efficient when compared to those made on units of a fund that depend on such other sources of income to pay distributions.

The Fund is designed to meet its investment objectives by providing unitholders with exposure to the returns of a newly created investment trust, the Senior Floating Rate Income Trust, which will have economic exposure to the total returns of a portfolio consisting primarily of adjustable rate, secured senior loans and other debt instruments (the "Senior Floating Rate Portfolio"). Senior loans generally hold the most senior position in the capital structure of borrowers and pay interest at rates that are reset at short term intervals by reference to a base lending rate such as LIBOR plus a premium or credit spread, and thus generally move in the same direction as the base lending rate. The return to unitholders will be dependent upon the return on the Senior Floating Rate Portfolio by virtue of a forward agreement and a total return agreement.

The Senior Floating Rate Portfolio will be managed by Symphony Asset Management, LLC ("Symphony"), an affiliate of Nuveen Investments, Inc. (NYSE: JNC). Located in San Francisco, California, Symphony has total assets under management in excess of U.S. \$4 billion, including over U.S. \$2 billion in senior loan portfolios. A leading provider of diversified investment services, Nuveen Investments Inc. has over U.S. \$100 billion of assets under management and is the largest sponsor of U.S. exchange-traded closed-end investment funds as measured by both number of funds (109) and fund assets under management (approximately U.S. \$49 billion). Nuveen has sponsored five closed-end investment funds in the U.S. which feature senior loan portfolios managed by Symphony.

"Fairway is excited to be teaming with Nuveen and Symphony to bring this unique asset class to the Canadian retail market. We believe that the design of the Senior Floating Rate Portfolio, combined with the proven investment management expertise of Symphony, is well-suited to help investors meet their income needs in a rising interest rate environment" said Andrew McKay, Chief Executive Officer of Fairway.

Units of the Fund may be surrendered for redemption in November of any year, beginning in 2005, for a redemption price per unit equal to the net asset value per unit less certain expenses of the Fund, not to exceed 1% of NAV. Units of the Fund are 100% RRSP, RRIF and RESP eligible.

CIBC World Markets Inc. and TD Securities Inc. are co-lead agents for the Fund along with a syndicate of investment dealers.

Fairway is a professional financial services firm established by leading veterans of Canada's investment industry. Fairway is dedicated to providing Canadian investors with high-quality, traditional and alternative investment products to meet their investing needs. Fairway is a wholly-owned subsidiary of Fairway Capital Management Corp., an investment holding company.

-30-

For further information, please contact:

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