

**Charterhouse Preferred Share Index Corporation  
Declares Quarterly Distribution**

Toronto, October 18, 2005

**Attention: Business / Financial Editors**

Charterhouse Preferred Share Index Corporation (the “Company”) is pleased to announce a return of capital distribution of \$ 0.2835 per PSI Preferred Share (the “Share or Shares”) that will be paid in cash on October 31, 2005 to holders of record at the close of business on October 27, 2005. Based on the \$23 closing price of the Shares on October 17, 2005 this distribution equates to an annualized current yield of 4.93 %.

The distribution primarily reflects the estimated net investment income earned on the Index Portfolio during the Company’s first quarter ending October 31, 2005. Approximately \$0.02 per Share represents above estimate distributable net investment income earned in the fiscal year ended July 31, 2005.

Distributions paid by the Company will vary based on the income received from securities underlying the Index Portfolio and as the make up and weighting of the Index Portfolio changes.

For more information, please contact:

Peter Rizakos, Chief Executive Officer

E-mail: [information@charterhousefinancial.com](mailto:information@charterhousefinancial.com)

Web site: [www.charterhousefinancial.com](http://www.charterhousefinancial.com)