



## **FFC AND FLC ANNOUNCE REGULAR MONTHLY DIVIDENDS AND SPECIAL YEAR-END DIVIDENDS**

PASADENA, CALIFORNIA – December 10, 2012

The Boards of Directors of Flaherty & Crumrine/Claymore Preferred Securities Income Fund Incorporated (**NYSE: FFC**) and Flaherty & Crumrine/Claymore Total Return Fund Incorporated (**NYSE: FLC**) today declared regular monthly dividends and declared a special year-end dividend to be paid in December.

The regular monthly dividend rate for FFC will continue to be \$0.136 per share, which equates to an annual dividend of \$1.632 per share. In addition, shareholders will receive a special year-end dividend from net investment income of \$0.117 per share.

The new regular monthly dividend rate for FLC will be \$0.136 per share, which equates to an annual dividend of \$1.632 per share. This new monthly dividend represents a decrease of approximately 2.5% from the prior monthly dividend. In addition, shareholders will receive a special year-end dividend from net investment income of \$0.085 per share.

Donald F. Crumrine, Chairman of the Boards of the funds, said “We are pleased that both funds delivered on their objectives of high current income during 2012. The funds ended the year with undistributed income, primarily resulting from modest increases in leverage balances throughout the year, lower cost of leverage, and slightly lower redemption experience than expected. As we have previously discussed, our market continues to transition from trust preferred securities to more traditional preferred stock, and existing issuers of preferred from many industries continue to refinance higher-coupon securities where possible. This transition is driven both by regulatory guidelines as well as the absolute level of interest rates. As a result, we have recalibrated FLC’s dividend to reflect the modestly lower income we expect to earn on its portfolio in the coming year.”

The December monthly dividend and the special year-end dividend will be paid on December 31, 2012 to holders of record of each fund’s common stock on December 21, 2012. The expected ex-dividend date is December 19, 2012. The tax breakdown of all 2012 distributions will be available early next year, but at this point the funds anticipate that all dividends paid in 2012, including the special year-end dividend, will be taxable as income and not capital gains.

*FFC and FLC were organized in 2003 as closed-end, diversified investment companies. FFC invests primarily in preferred securities with an investment objective of high current income consistent with preservation of capital. FLC invests primarily in preferred and other income-producing securities with a primary investment objective of high current income and a secondary objective of capital appreciation. FFC and FLC are managed by Flaherty & Crumrine Incorporated, an independent investment adviser which was founded in 1983 to specialize in the management of portfolios of preferred and related securities. Flaherty & Crumrine also manages two other U.S. closed-end funds: Flaherty & Crumrine Preferred Income Fund (NYSE: PFD); and Flaherty & Crumrine Preferred Income Opportunity Fund (NYSE: PFO).*

Website: [www.fcclaymore.com](http://www.fcclaymore.com)

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