

F&C/CLAYMORE PREFERRED SECURITIES INCOME FUND INC
Form DEFA14A
April 14, 2004

SCHEDULE 14A
PROXY STATEMENT

PURSUANT TO SECTION 14(A) OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by Registrant [X]
Filed by Party other than the Registrant

Check the appropriate box:

- [] Preliminary Proxy Statement
- [] Confidential for Use of the Commission Only as permitted by Rule 14a-6(e) (2)
- [] Definitive Proxy Statement
- [X] Definitive Additional Materials
- [] Soliciting Material Pursuant to Rule 14a-11c or Rule 14a-12

FLAHERTY & CRUMRINE/CLAYMORE PREFERRED SECURITIES INCOME FUND INCORPORATED

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required
- [] Fee computed on table below per Exchange Act Rules 14a-6(i) (1) and 0-11

- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies: _____
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11. (Set forth the amount on which the filing fee is calculated and state how it was determined): _____
- (4) Proposed maximum aggregate value of transaction: _____
- (5) Total fee paid: _____

[] Fee paid previously with preliminary materials.

[] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount previously paid: _____
- (2) Form, Schedule or Registration Statement No.: _____
- (3) Filing Party: _____
- (4) Date Filed: _____

IMPORTANT - IMPORTANT - IMPORTANT

We need the support of FFC shareholders in approving Proposal 2:

- o The Fund has outstanding several series of Auction Market Preferred Securities (AMPS), each of which holds regular auctions.
- o Currently, an extraordinary event, such as occurred on 9/11/2001, could disrupt one or more of these auctions and possibly result in the Fund redeeming shares of AMPS.

- o Common stockholders could experience an increase in the cost of the Fund's leverage if auctions were disrupted by an extraordinary event. In addition, redemption of AMPS could result in a reduction in the Fund's dividend rate.
- o AMPS holders could lose their opportunity to invest in FFC.
- o Proposal 2 modifies procedures in case of an extraordinary event, as described in the accompanying Joint Proxy Statement.
- o Your Board of Directors unanimously recommends that FFC shareholders approve Proposal 2 to avoid the possibility of adverse consequences from an extraordinary event.

YOUR VOTE IS VERY IMPORTANT!

In order to avoid additional expenses to the Fund and shareholders we need your vote in approving Proposal 2 for FFC:

- o The Fund has outstanding several series of Auction Market Preferred Securities (AMPS), each of which holds regular auctions.
- o Currently, an extraordinary event, such as occurred on 9/11/2001, could disrupt one or more of these auctions and possibly result in the Fund redeeming shares of AMPS.
- o Common stockholders could experience an increase in the cost of the Fund's leverage if auctions were disrupted by an extraordinary event. In addition, redemption of AMPS could result in a reduction in the Fund's dividend rate.
- o AMPS holders could lose their opportunity to invest in FFC.
- o Proposal 2 modifies procedures in case of an extraordinary event, as described in the accompanying Joint Proxy Statement.
- o Your Board of Directors unanimously recommends that FFC shareholders approve Proposal 2 to avoid the possibility of adverse consequences from an extraordinary event.