

Flaherty & Crumrine/CLAYMORE PREFERRED SECURITIES INCOME FUND INC
Form DEF 14A
February 19, 2008

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)
- [X] Definitive Proxy Statement
- [] 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: _____

FLAHERTY & CRUMRINE PREFERRED INCOME FUND INCORPORATED (NYSE: PFD)
FLAHERTY & CRUMRINE PREFERRED INCOME OPPORTUNITY FUND INCORPORATED (NYSE: PFO)
FLAHERTY & CRUMRINE/CLAYMORE PREFERRED SECURITIES INCOME FUND INCORPORATED
(NYSE: FFC)
FLAHERTY & CRUMRINE/CLAYMORE TOTAL RETURN FUND INCORPORATED (NYSE: FLC)
301 E. Colorado Boulevard, Suite 720

Pasadena, California 91101

NOTICE OF ANNUAL MEETINGS OF SHAREHOLDERS
To Be Held on April 18, 2008

To the Shareholders:

Notice is hereby given that the Annual Meetings of Shareholders of Flaherty & Crumrine Preferred Income Fund Incorporated, Flaherty & Crumrine Preferred Income Opportunity Fund Incorporated, Flaherty & Crumrine/Claymore Preferred Securities Income Fund Incorporated and Flaherty & Crumrine/Claymore Total Return Fund Incorporated (each a "Fund" and collectively, the "Funds"), each a Maryland corporation, will be held at the offices of Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019, Conference Room 38D-E at 8:30 a.m. ET, on April 18, 2008, for the following purposes:

1. To elect Directors of each Fund (PROPOSAL 1).
2. To transact such other business as may properly come before the Annual Meetings or any adjournments thereof.

YOUR VOTE IS IMPORTANT!

The proposal set forth in this proxy statement is a routine item. A routine item is one which occurs annually and makes no fundamental or material changes to a Fund's investment objectives, policies or restrictions, or to the investment management contracts.

The Board of Directors of each Fund has fixed the close of business on January 25, 2008 as the record date for the determination of shareholders of each Fund entitled to notice of and to vote at the Annual Meetings.

February 19, 2008

By Order of the Boards of Directors,

CHAD C. CONWELL
SECRETARY

SEPARATE PROXY CARDS ARE ENCLOSED FOR EACH FUND IN WHICH YOU OWN SHARES. SHAREHOLDERS WHO DO NOT EXPECT TO ATTEND THE ANNUAL MEETINGS ARE REQUESTED TO COMPLETE, SIGN AND DATE THE ENCLOSED PROXY CARD(S). THE PROXY CARD(S) SHOULD BE RETURNED IN THE ENCLOSED ENVELOPE, WHICH NEEDS NO POSTAGE IF MAILED IN THE CONTINENTAL UNITED STATES. INSTRUCTIONS FOR THE PROPER EXECUTION OF PROXIES ARE SET FORTH ON THE INSIDE COVER.

INSTRUCTIONS FOR SIGNING PROXY CARDS

The following general rules for signing proxy cards may be of assistance to you and may minimize the time and expense to the Fund(s) involved in validating your vote if you fail to sign your proxy card(s) properly.

1. Individual Accounts: Sign your name exactly as it appears in the registration on the proxy card(s).

2. Joint Accounts: Either party may sign, but the name of the party signing should conform exactly to a name shown in the registration.

3. All Other Accounts: The capacity of the individual signing the proxy card should be indicated unless it is reflected in the form of registration. For

example:

REGISTRATION -----	VALID SIGNATURE -----
CORPORATE ACCOUNTS	
(1) ABC Corp.	ABC Corp.
(2) ABC Corp.	John Doe, Treasurer
(3) ABC Corp. c/o John Doe, Treasurer	John Doe
(4) ABC Corp. Profit Sharing Plan	John Doe, Trustee
TRUST ACCOUNTS	
(1) ABC Trust	Jane B. Doe, Trustee
(2) Jane B. Doe, Trustee u/t/d 12/28/78	Jane B. Doe
CUSTODIAN OR ESTATE ACCOUNTS	
(1) John B. Smith, Cust., f/b/o John B. Smith, Jr. UGMA	John B. Smith
(2) John B. Smith, Executor, estate of Jane Smith	John B. Smith, Jr., Executor

FLAHERTY & CRUMRINE PREFERRED INCOME FUND INCORPORATED (NYSE: PFD)
 FLAHERTY & CRUMRINE PREFERRED INCOME OPPORTUNITY FUND INCORPORATED (NYSE: PFO)
 FLAHERTY & CRUMRINE/CLAYMORE PREFERRED SECURITIES INCOME FUND INCORPORATED
 (NYSE:FFC)
 FLAHERTY & CRUMRINE/CLAYMORE TOTAL RETURN FUND INCORPORATED (NYSE: FLC)

301 E. Colorado Boulevard, Suite 720
 Pasadena, California 91101

ANNUAL MEETINGS OF SHAREHOLDERS
 April 18, 2008

JOINT PROXY STATEMENT

This document is a joint proxy statement ("Joint Proxy Statement") for Flaherty & Crumrine Preferred Income Fund Incorporated ("PREFERRED INCOME FUND" OR "PFD"), Flaherty & Crumrine Preferred Income Opportunity Fund Incorporated ("PREFERRED INCOME OPPORTUNITY FUND" OR "PFO"), Flaherty & Crumrine/Claymore Preferred Securities Income Fund Incorporated ("PREFERRED SECURITIES INCOME FUND" OR "FFC") and Flaherty & Crumrine/Claymore Total Return Fund Incorporated ("TOTAL RETURN FUND" OR "FLC") (EACH A "FUND" AND COLLECTIVELY, THE "FUNDS"). This Joint Proxy Statement is furnished in connection with the solicitation of proxies by each Fund's Board of Directors (each a "Board" and collectively, the "Boards") for use at the Annual Meeting of Shareholders of each Fund to be held on April 18, 2008, at 8:30 a.m. ET, at the offices of Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019, Conference Room 38D-E and at any adjournments thereof (each a "Meeting" and collectively, the "Meetings").

A Notice of Annual Meetings of Shareholders and proxy card for each Fund of which you are a shareholder accompany this Joint Proxy Statement. Proxy solicitations will be made, beginning on or about February 19, 2008, primarily by mail, but proxy solicitations may also be made by telephone, telefax or personal interviews conducted by officers of each Fund, Flaherty & Crumrine Incorporated ("Flaherty & Crumrine" or the "Adviser"), the investment adviser of

each Fund, Claymore Securities, Inc. (the "Servicing Agent"), the servicing agent of FFC and FLC, and PFPC Inc. ("PFPC"), the transfer agent and administrator of each Fund and a member of The PNC Financial Services Group, Inc. The costs of proxy solicitation and expenses incurred in connection with the preparation of this Joint Proxy Statement and its enclosures will be shared proportionally by the Funds. Each Fund also will reimburse brokerage firms and others for their expenses in forwarding solicitation material to the beneficial owners of its shares. This proxy statement and form of proxy are first being sent to shareholders on or about February 19, 2008.

THE ANNUAL REPORT OF EACH FUND, INCLUDING AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007, IS AVAILABLE UPON REQUEST, WITHOUT CHARGE, BY WRITING TO PFPC INC., P.O. BOX 43027, PROVIDENCE, RHODE ISLAND 02940-3027, OR CALLING 1-800-331-1710. EACH FUND'S ANNUAL REPORT IS ALSO AVAILABLE ON THE FUNDS' WEB-SITES - WWW.PREFERREDINCOME.COM FOR PFD AND PFO AND WWW.FCCLAYMORE.COM FOR FFC AND FLC - THE SECURITIES AND EXCHANGE COMMISSION'S ("SEC") WEBSITE (WWW.SEC.GOV) OR, FOR FFC AND FLC ONLY, BY CALLING CLAYMORE SECURITIES, INC. AT 1-866-233-4001.

If the enclosed proxy card is properly executed and returned in time to be voted at the relevant Meeting, the Shares (as defined below) represented thereby will be voted in accordance with the instructions marked thereon. Unless instructions to the contrary are marked thereon, a proxy will be voted "FOR" the election of the nominees for Director. Any shareholder who has given a proxy has the right to revoke it at any time prior to its exercise either by attending the relevant Meeting and voting his or her Shares in person or by submitting a letter of revocation or a later-dated proxy to the appropriate Fund delivered at the above address prior to the date of the Meeting.

Under the Bylaws of each Fund, the presence in person or by proxy of the holders of a majority of the outstanding shares of the Fund entitled to vote shall be necessary and sufficient to constitute a quorum for the transaction of business (a "Quorum") at that Fund's meeting. If a proposal is to be voted upon by only one class of a Fund's shares, a Quorum of that class of shares must be present at the Meeting in order for the proposal to be considered. In the event that a Quorum is not present at a Meeting, or in the event that a Quorum is present but sufficient votes to approve any of the proposals are not received, the persons named as proxies may propose one or more adjournments of the Meeting to permit further solicitation of proxies. Any such adjournment will require the affirmative vote of a majority of those shares represented at the Meeting in person or by proxy. If a Quorum is present, the persons named as proxies will vote those proxies which they are entitled

1

to vote "FOR" a proposal in favor of such an adjournment with respect to that proposal and will vote those proxies required to be voted "AGAINST" a proposal against any such adjournment with respect to that proposal. A shareholder vote may be taken on a proposal in the Joint Proxy Statement prior to any such adjournment if sufficient votes have been received for approval of that proposal.

Each Fund has two classes of capital stock including common stock, par value \$0.01 per share (the "Common Stock") and preferred stock (the "Preferred Stock" and together with the Common Stock, the "Shares"). PFD and PPO each has one series of Preferred Stock outstanding which is classified as Auction Preferred Stock (formerly known as, "Money Market Cumulative Preferred(TM) Stock" (MMP(R))). FFC and FLC each have multiple series of Preferred Stock outstanding which are classified as Auction Market Preferred Stock. Each Share

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is entitled to one vote at the Meeting with respect to matters to be voted on by the class to which such Share belongs, with pro rata voting rights for any fractional Shares. On the record date, January 25, 2008, the following number of Shares of each Fund were issued and outstanding:

NAME OF FUND -----	COMMON STOCK OUTSTANDING -----
Preferred Income Fund (PFD)	10,550,676
Preferred Income Opportunity Fund (PFO)	11,764,165
Preferred Securities Income Fund (FFC)	42,601,719
Total Return Fund (FLC)	9,776,333

To the knowledge of each Fund and its Board, the following shareholder(s) or "group," as that term is defined in Section 13(d) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), is the beneficial owner or owner of record of more than 5% of the relevant Fund's outstanding shares as of January 25, 2008*:

NAME AND ADDRESS OF BENEFICIAL/RECORD OWNER -----	TITLE OF CLASS -----	AMOUNT AND NATURE OF OWNERSHIP -----
Cede & Co.** Depository Trust Company 55 Water Street, 25th Floor New York, NY 10041	Common Stock	PFD - 10,060,836 (record) PFO - 11,300,994 (record) FFC - 42,523,093 (record) FLC - 9,768,006 (record)
	Preferred Stock	PFD - 800 (record) PFO - 700 (record)
	Preferred Stock	FFC Series M7 - 3,200 (record) Series T7 - 3,200 (record) Series W7 - 3,200 (record) Series Th7 - 3,200 (record) Series F7 - 3,200 (record) Series T28 - 2,840 (record) Series W28 - 2,840 (record)
		FLC Series T7 - 2,570 (record)

2

NAME AND ADDRESS OF BENEFICIAL/RECORD OWNER	TITLE OF CLASS	AMOUNT AND NATURE OF OWNERSHIP
Claymore Securities Defined Portfolios, Series 305, 311, 320, 324, 335, 349, 355, 357, 358, 374, 375, 384, 390, 394, 398, 407, 423, 426, 434, 438 and 453+ 2455 Corporate West Drive Lisle, IL 60532	Common Stock	FLC - 802,611 (beneficial)
Spectrum Asset Management, Inc++ 2 High Ridge Park Stamford, CT 06905	Common Stock	FLC - 985,950 (beneficial)
Principal Financial Group, Inc.++ 711 High Street Des Moines, IA 50392-0088		
Morgan Stanley+++ 1585 Broadway New York, NY 10036	Common Stock	FLC - 725,204 (beneficial)
Van Kampen Funds Inc.+++ Harborside Financial Center II Floor 2 Jersey City, New Jersey 07311		

* As of January 25, 2008, the Directors and officers, as a group, owned less than 1% of each class of Shares of each Fund.

** A nominee partnership of The Depository Trust Company.

+ Information obtained from a Schedule 13G filed by Claymore Securities, Inc. with the SEC reporting share ownership as of December 31, 2007. Based on that filing, each of the Claymore Securities Defined Portfolios has the sole power to vote or direct the vote or dispose or direct the disposition of the 802,611 shares of Common Stock.

++ Information obtained from a Schedule 13G filed by Spectrum Asset Management, Inc. with the SEC reporting share ownership as of March 23, 2007. Based on that filing, Spectrum Asset Management, Inc and Principal Financial Group, Inc. have the shared power to vote or direct the vote or dispose or direct the disposition of the 985,950 shares of Common Stock.

+++ Information obtained from a Schedule 13G filed by Morgan Stanley with the SEC reporting share ownership as of December 31, 2007. Based on that filing, each of Morgan Stanley and Van Kampen Funds Inc. has the sole power to vote or direct the vote or dispose or direct the disposition of

the 725,204 shares of Common Stock.

This Joint Proxy Statement is being used in order to reduce the preparation, printing, handling and postage expenses that would result from the use of a separate proxy statement for each Fund. Shareholders of each Fund will vote as a single class except as described below under Proposal 1 for PFD and PFO and will vote separately for each of PFD, PFO, FFC and FLC on each proposal on which shareholders of that Fund are entitled to vote. Separate proxy cards are enclosed for each Fund in which a shareholder is a record owner of Shares. Thus, if a proposal is approved by shareholders of one or more Funds and not approved by shareholders of one or more other Funds, the proposal will be implemented for the Fund or Funds that approved the proposal and will not be implemented for any Fund that did not approve the proposal. It is therefore essential that shareholders complete, date and sign EACH enclosed proxy card. SHAREHOLDERS OF EACH FUND ARE ENTITLED TO VOTE ON THE PROPOSALS PERTAINING TO THAT FUND.

In order that your Shares may be represented at the Meetings, you are requested to vote on the following matter:

SUMMARY OF VOTING RIGHTS ON PROXY PROPOSALS

PREFERRED INCOME FUND (PFD)

PROPOSAL	COMMON STOCK SHAREHOLDERS	PREFERRED STOCK SHAREHOLDERS
1. Election of Directors	Common Stock Shareholders as a single class elect one Director: David Gale	Preferred Stock Shareholders as a single class elect one Director
2. Other Business	Common Stock and Preferred Stock Shareholders, voting together as a single class	

3

PREFERRED INCOME OPPORTUNITY FUND (PFO)

PROPOSAL	COMMON STOCK SHAREHOLDERS	PREFERRED STOCK SHAREHOLDERS
1. Election of Directors	Common Stock Shareholders as a single class elect one Director: Morgan Gust	Preferred Stock Shareholders as a single class elect one Director: Karen H. Hogan
2. Other Business	Common Stock and Preferred Stock Shareholders, voting together as a single class	

PREFERRED SECURITIES FUND (FFC)

 PROPOSAL

COMMON STOCK SHAREHOLDERS AND PREFERRED STOCK SHAREHOLDERS

1. Election of Director Common Stock and Preferred Stock Shareholders, voting together as a si
 elect one Director: David Gale

2. Other Business Common Stock and Preferred Stock Shareholders, voting together as a si

TOTAL RETURN FUND (FLC)

 PROPOSAL

COMMON STOCK SHAREHOLDERS AND PREFERRED STOCK SHAREHOLDERS

1. Election of Director Common Stock and Preferred Stock Shareholders, voting together as a si
 elect one Director: David Gale

2. Other Business Common Stock and Preferred Stock Shareholders, voting together as a si

PROPOSAL 1: ELECTION OF DIRECTORS

At the Meetings, shareholders are being asked to consider the election of Directors of each Fund. The Board of each Fund is divided into three classes, each class having a term of three years. Each year the term of office of one class expires and the successor or successors elected to such class serve for a three-year term and until their successors are duly elected and qualified.

NOMINEES FOR THE BOARDS OF DIRECTORS

Each nominee named below has consented to serve as a Director if elected at the relevant Meeting. If a designated nominee declines or otherwise becomes unavailable for election, however, the proxy confers discretionary power on the persons named therein to vote in favor of a substitute nominee or nominees.

Mr. Gale and Ms. Hogan, each a Class I Director of PFD, have each been nominated for a three-year term to expire at PFD's 2011 Annual Meeting of Shareholders and until their successors are duly elected and qualified. Mr. Gust and Ms. Hogan, each a Class III Director of PFO, have each been nominated for a three-year term to expire at PFO's 2011 Annual Meeting of Shareholders and until their successors are duly elected and qualified.

Mr. Gale, a Class I Director of FFC and FLC, has been nominated for a three-year term to expire at each Fund's 2011 Annual Meeting of Shareholders and until his successor is duly elected and qualified.

Under the Articles of Incorporation and Articles Supplementary, as amended to date, of PFD and PFO, holders of each Fund's Preferred Stock, voting as a single class, are entitled to elect two Directors, and holders of each Fund's Common Stock, voting as a single class, are entitled to elect the remaining Directors. Under the Articles of Incorporation and Articles Supplementary, as amended to date, of FFC and FLC, holders of each Fund's Preferred Stock, voting as a single class, are entitled to elect two Directors and holders of each Fund's Common Stock and Preferred Stock, voting together as a single class, are entitled to elect the remaining Directors. However, subject to the provisions of the Investment Company Act of 1940, as amended (the "1940 Act"), and each Fund's

Articles of Incorporation and Articles Supplementary, the holders of Preferred Stock, when dividends are in arrears for two full years, are able to elect the minimum number of additional Directors that, when combined with the two Directors elected by the holders of Preferred Stock, would give the holders of Preferred Stock each a majority of the Directors. Donald F. Crumrine and Karen H. Hogan, as Directors, currently represent holders of Preferred Stock for PFD and PFO. Ms. Hogan, as a Director of PFD and PFO, has been nominated by the Board of PFD and PFO, respectively, as a Director to represent its holders of Preferred Stock. A Quorum of the Preferred Stock shareholders must be present at the Meeting of each of PFD and PFO, respectively, in order for the proposal to elect Ms. Hogan to be considered for that Fund. Donald F. Crumrine and Karen H. Hogan, as Directors, currently represent holders of Preferred Stock for FFC and FLC.

4

FUND (CLASS) -----	NOMINEE FOR DIRECTOR -----
PFD (Common Stock)	Gale
PFD (Preferred Stock)	Hogan
PFO (Common Stock)	Gust
PFO (Preferred Stock)	Hogan
FFC (Common and Preferred Stock)	Gale
FLC (Common Stock and Preferred Stock)	Gale

INFORMATION ABOUT DIRECTORS AND OFFICERS

Set forth in the table below are the existing Directors and nominees for election to the Boards of Directors of the Funds, including information relating to their respective positions held with each Fund, a brief statement of their principal occupations during the past five years and other directorships, if any.

NAME, ADDRESS, AND AGE -----	CURRENT POSITION(S) HELD WITH FUNDS -----	TERM OF OFFICE AND LENGTH OF TIME SERVED* -----	PRINCIPAL OCCUPATION(S) DURING PAST FIVE YEARS -----	F B
NON-INTERESTED DIRECTORS:				
DAVID GALE Delta Dividend Group, Inc. 220 Montgomery Street, Suite 426 San Francisco, CA 94104 Age: 58	Director	CLASS I DIRECTOR PFD - since 1997 PFO - since 1997 FFC - since inception FLC - since inception	President and CEO of Delta Dividend Group, Inc. (investments)	
MORGAN GUST 301 E. Colorado Boulevard Suite 720 Pasadena, CA 91101	Director and Nominating Committee	CLASS III DIRECTOR PFD - since inception PFO - since inception CLASS II DIRECTOR	Owner and operator of various entities engaged in agriculture and	

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<p>Age: 60</p>	<p>Chairman</p>	<p>FFC - since inception FLC - since inception</p>	<p>real estate; President of Giant Industries, Inc. (petroleum refining and marketing) from March 2002 through April 2007</p>
<p>KAREN H. HOGAN (1) 301 E. Colorado Boulevard Suite 720 Pasadena, CA 91101 Age: 46</p>	<p>Director</p>	<p>CLASS I DIRECTOR PFD - since 2005 CLASS III DIRECTOR PFO - since 2005 CLASS II DIRECTOR FFC - since 2005 FLC - since 2005</p>	<p>Retired; Community Volunteer; From September 1985 to January 1997, Senior Vice President of Preferred Stock Origination at Lehman Brothers and previously, Vice President of New Product Development</p>
<p>ROBERT F. WULF P.O. Box 753 Neskowin, OR 97149 Age: 70</p>	<p>Director and Audit Committee Chairman</p>	<p>CLASS II DIRECTOR PFD - since inception PFO - since inception CLASS III DIRECTOR FFC - since inception FLC - since inception</p>	<p>Financial Consultant; Trustee, University of Oregon Foundation; Trustee, San Francisco Theological Seminary</p>

5

NAME, ADDRESS, AND AGE -----	CURRENT POSITION(S) HELD WITH FUNDS -----	TERM OF OFFICE AND LENGTH OF TIME SERVED* -----	PRINCIPAL OCCUPATION(S) DURING PAST FIVE YEARS -----	F B
INTERESTED DIRECTOR:				
<p>DONALD F. CRUMRINE (1), (2) 301 E. Colorado Boulevard Suite 720 Pasadena, CA 91101 Age: 60</p>	<p>Director, Chairman of the Board and Chief Executive Officer</p>	<p>CLASS II DIRECTOR PFD - since inception PFO - since inception CLASS III DIRECTOR FFC - since inception FLC - since inception</p>	<p>Chairman of the Board and Director of Flaherty & Crumrine</p>	
OFFICERS:				
<p>ROBERT M. ETTINGER 301 E. Colorado Boulevard Suite 720 Pasadena, CA 91101 Age: 49</p>	<p>President</p>	<p>PFD - since 2002 PFO - since 2002 FFC - since inception FLC - since inception</p>	<p>President and Director of Flaherty & Crumrine</p>	
<p>R. ERIC CHADWICK 301 E. Colorado Boulevard Suite 720</p>	<p>Chief Financial Officer, Vice President and</p>	<p>PFD - since 2002 PFO - since 2002 FFC - since inception</p>	<p>Director of Flaherty & Crumrine since June 2006; Vice</p>	

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Pasadena, CA 91101 Age: 32	Treasurer	FLC - since inception	President of Flaherty & Crumrine
CHAD C. CONWELL 301 E. Colorado Boulevard Suite 720 Pasadena, CA 91101 Age: 35	Chief Compliance Officer, Vice President and Secretary	PFD - since 2005 PFO - since 2005 FFC - since 2005 FLC - since 2005	Chief Compliance Officer of Flaherty & Crumrine since September 2005; Vice President of Flaherty & Crumrine since July 2005; Attorney with Paul, Hastings, Janofsky & Walker LLP from September 1998 to June 2005
BRADFORD S. STONE 392 Springfield Avenue Mezzanine Suite Summit, NJ 07901 Age: 48	Vice President and Assistant Treasurer	PFD - since 2003 PFO - since 2003 FFC - since 2003 FLC - since inception	Director of Flaherty & Crumrine since June 2006; Vice President of Flaherty & Crumrine since May 2003; Director of U.S. Market Strategy at Barclays Capital from June 2001 to April 2003

6

NAME, ADDRESS, AND AGE -----	CURRENT POSITION(S) HELD WITH FUNDS -----	TERM OF OFFICE AND LENGTH OF TIME SERVED* -----	PRINCIPAL OCCUPATION(S) DURING PAST FIVE YEARS -----	F B
OFFICERS:				
NICHOLAS DALMASO 2455 Corporate West Drive Lisle, IL 60532 Age: 42	Vice President and Assistant Secretary (FFC and FLC only)	FFC - since inception FLC - since inception	Director of Claymore Group, LLC since January 2002; Senior Managing Director and Chief Administrative Officer of Claymore Securities, Inc. since November 2001 and Claymore Advisors, LLC since October 2003	
LAURIE C. LODOLO 301 E. Colorado Boulevard Suite 720 Pasadena, CA 91101 Age: 44	Assistant Compliance Officer, Assistant Treasurer and Assistant	PFD - since 2004 PFO - since 2004 FFC - since 2004 FLC - since 2004	Assistant Compliance Officer of Flaherty & Crumrine since August 2004; Secretary of Flaherty & Crumrine since February 2004;	

Secretary

Account Administrator
of Flaherty & Crumrine

* The Class I Directors of PFD, FFC and FLC and the Class III Directors of PFO have each been nominated for a three-year term to expire at each Fund's 2011 Annual Meeting of Shareholders and until their successors are duly elected and qualified. The Class II Directors of PFD, FFC and FLC and the Class I Director of PFO will serve until each Fund's Annual Meeting of Shareholders in 2009 and until their successors are duly elected and qualified. The Class III Director of PFD, the Class III Directors of FFC and FLC and the Class II Directors of PFO will serve until each Fund's Annual Meeting of Shareholders in 2010 and until their successors are duly elected and qualified.

** The funds in the fund complex are: Flaherty & Crumrine Preferred Income Fund Incorporated, Flaherty & Crumrine Preferred Income Opportunity Fund Incorporated, Flaherty & Crumrine/Claymore Preferred Securities Income Fund Incorporated and Flaherty & Crumrine/Claymore Total Return Fund Incorporated (together, the "Flaherty & Crumrine Fund Family").

- (1) As a Director, currently represents holders of Preferred Stock.
- (2) "Interested person" of the Funds as defined in the 1940 Act. M r. Crumrine is considered an "interested person" because of his affiliation with Flaherty & Crumrine, which acts as each Fund's investment adviser.

BENEFICIAL OWNERSHIP OF SHARES IN FUNDS AND FUND COMPLEX FOR EACH DIRECTOR AND NOMINEE FOR ELECTION AS DIRECTOR

Set forth in the table below is the dollar range of equity securities in each Fund and the aggregate dollar range of equity securities in the Flaherty & Crumrine Fund Family beneficially owned by each Director.

NAME OF DIRECTOR OR NOMINEE	DOLLAR RANGE OF EQUITY SECURITIES HELD IN FUND* (1) (2) (3)				AGGREGATE DOLLAR RANGE OF EQUITY SECURITIES IN ALL REGISTERED INVESTMENT COMPANIES OVERSEEN BY DIRECTOR OR NOMINEE AND FAMILY OF INVESTMENT COMPANIES
	PFD	PFO	FFC	FLC	TOTAL
NON-INTERESTED DIRECTORS:					
David Gale	C	C	C	C	E
Morgan Gust	C	C	C	C	E
Karen H. Hogan	A	A	A	A	A

NAME OF DIRECTOR OR NOMINEE	DOLLAR RANGE OF EQUITY				SECURITIES IN ALL REGISTERED I COMPANIES OVERSEEN BY DIREC FAMILY OF INVESTMENT COMPANI
	SECURITIES HELD IN FUND* (1) (2) (3)				
	PFD	PFO	FFC	FLC	
NON-INTERESTED DIRECTORS:					
Robert F. Wulf	C	C	C	C	D
INTERESTED DIRECTOR:					
Donald F. Crumrine	E (5)	E (5)	E (5)	E (5)	E (5)

* Key to Dollar Ranges

- A. None
- B. \$1 - \$10,000
- C. \$10,001 - \$50,000
- D. \$50,001 - \$100,000
- E. over \$100,000

All shares were valued as of January 25, 2008.

- (1) No Director or officer of PFD or PFO owned any shares of Preferred Stock on January 25, 2008.
- (2) No Director or officer of FFC or FLC owned any shares of Preferred Stock on January 25, 2008.
- (3) This information has been furnished by each Director as of January 25, 2008. "Beneficial Ownership" is determined in accordance with Rule 16a-1(a) (2) of the 1934 Act.
- (4) As a group, less than 1%.
- (5) Includes shares of the Fund held by Flaherty & Crumrine of which the reporting person is a shareholder and director.

Each Director of each Fund who is not a director, officer or employee of Flaherty & Crumrine or any of its affiliates receives from each Fund a fee of \$9,000 per annum plus \$500 for each in-person meeting attended, and \$150 for each telephone meeting attended. In addition, the Audit Committee Chairman receives from each Fund an annual fee of \$2,500. Each Director of each Fund is reimbursed for travel and out-of-pocket expenses associated with attending Board and committee meetings. The Board of Directors of each Fund held seven meetings (three of which were held by telephone conference call) during the fiscal year ended November 30, 2007, and each Director of each Fund then serving in such capacity attended at least 75% of the meetings of Directors and of any Committee of which he or she is a member. The aggregate remuneration paid to the Directors of each Fund for the fiscal year ended November 30, 2007 is set forth below:

ANNUAL	BOARD MEETING AND	TRAVEL AND OUT-OF-POCKET
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	DIRECTORS FEES	COMMITTEE MEETING FEES	EXPENSES*
PFD	\$36,000	\$24,900	\$7,444
PFO	\$36,000	\$24,900	\$7,444
FFC	\$36,000	\$24,900	\$7,851
FLC	\$36,000	\$24,900	\$ 7,851

* Includes reimbursement for travel and out-of-pocket expenses for both "interested" and "non-interested" Directors ("Independent Directors").

AUDIT COMMITTEE REPORT

The role of each Fund's Audit Committee is to assist the Board of Directors in its oversight of: (i) the integrity of each Fund's financial statements and the independent audit thereof; (ii) each Fund's accounting and financial reporting policies and practices, its internal controls and, as appropriate, the internal controls of certain service providers; (iii) each Fund's compliance with legal and regulatory requirements; and (iv) the independent auditor's qualifications, independence and performance. Each Fund's Audit Committee is also required to prepare an audit committee report pursuant to the rules of the SEC for inclusion in each Fund's annual proxy statement. Each Audit Committee operates pursuant to a charter (the "Audit

8

Committee Charter" or "Charter") that was most recently reviewed and approved by the Board of Directors of each Fund on January 29, 2008 and which is available on PFD and PFO's website at www.preferredincome.com and FFC and FLC's website at www.fcclaymore.com. As set forth in the Charter, management is responsible for the (i) preparation, presentation and integrity of each Fund's financial statements, (ii) maintenance of appropriate accounting and financial reporting principles and policies and (iii) maintenance of internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. The Funds' independent registered public accounting firm, KPMG LLP, (the "independent accountants") is responsible for planning and carrying out proper audits and reviews of each Fund's financial statements and expressing an opinion as to their conformity with accounting principles generally accepted in the United States of America.

In performing its oversight function, at a meeting held on January 28, 2008, the Audit Committee reviewed and discussed with management of each Fund and the independent accountants, the audited financial statements of each Fund as of and for the fiscal year ended November 30, 2007, and discussed the audit of such financial statements with the independent accountants.

In addition, the Audit Committee discussed with the independent accountants the accounting principles applied by each Fund and such other matters brought to the attention of the Audit Committee by the independent accountants required by Statement of Auditing Standards No. 61, COMMUNICATIONS WITH AUDIT COMMITTEES, as currently modified or supplemented. The Audit Committee also received from the independent accountants the written disclosures and statements required by the SEC's independence rules, delineating relationships between the independent accountants and each Fund and discussed the impact that any such relationships might have on the objectivity and

independence of the independent accountants.

As set forth above, and as more fully set forth in each Fund's Audit Committee Charter, the Audit Committee has significant duties and powers in its oversight role with respect to the Fund's financial reporting procedures, internal control systems, and the independent audit process.

The members of the Audit Committee are not, and do not represent themselves to be, professionally engaged in the practice of auditing or accounting and are not employed by each Fund for accounting, financial management or internal control. Moreover, the Audit Committee relies on and makes no independent verification of the facts presented to it or representations made by management or the independent accountants. Accordingly, the Audit Committee's oversight does not provide an independent basis to determine that management has maintained appropriate accounting and financial reporting principles and policies, or internal controls and procedures, designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's considerations and discussions referred to above do not provide assurance that the audit of each Fund's financial statements has been carried out in accordance with generally accepted accounting standards or that the financial statements are presented in accordance with generally accepted accounting principles.

Based on its consideration of the audited financial statements and the discussions referred to above with management and the independent accountants, and subject to the limitations on the responsibilities and role of the Audit Committee set forth in the Charter and those discussed above, the Audit Committee of each Fund recommended to the Board of Directors of each Fund that the audited financial statements be included in each Fund's Annual Report for the fiscal year ended November 30, 2007.

THIS REPORT WAS SUBMITTED BY THE AUDIT COMMITTEE OF EACH FUND'S BOARD OF DIRECTORS

David Gale
Morgan Gust
Karen H. Hogan
Robert F. Wulf (Chairman)

January 28, 2008

Each Audit Committee was established in accordance with Section 3(a)(58)(A) of the 1934 Act. Each Audit Committee met four times in connection with its Board of Directors' regularly scheduled meetings during the fiscal year ended November 30, 2007. Each Audit Committee is composed entirely of each Fund's Independent (as such term is defined by the New York Stock Exchange ("NYSE") listing standards applicable to closed-end funds, as may be modified or supplemented (the "NYSE Listing Standards")) Directors, namely Ms. Hogan and Messrs. Gale, Gust and Wulf.

NOMINATING COMMITTEE

Each Board of Directors has a Nominating Committee composed entirely of each Fund's Independent (as such term is defined by the NYSE Listing Standards) Directors, namely Ms. Hogan and Messrs. Gale, Gust and Wulf. The Nominating Committee of each Fund met twice during the fiscal year ended November 30, 2007. The Nominating Committee is responsible for identifying individuals believed to be qualified to become Board members and for recommending to the Board of Directors such nominees to stand for election as directors at each Fund's annual meeting of shareholders, and to fill any vacancies on the

Board. Each Fund's Nominating Committee has a charter which is available on its website. PFD and PFO's website address is www.preferredincome.com and FFC and FLC's website address is www.fcclaymore.com.

Each Fund's Nominating Committee believes that it is in the best interest of the Fund and its shareholders to obtain highly qualified candidates to serve as members of the Board of Directors. The Nominating Committees have not established a formal process for identifying candidates where a vacancy exists on the Board. In nominating candidates, the Nominating Committee shall take into consideration such factors as it deems appropriate. These factors may include judgment, skill, diversity, experience with investment companies and other organizations of comparable purpose, complexity, size and subject to similar legal restrictions and oversight, the interplay of the candidate's experience with the experience of other Board members, and the extent to which the candidate would be a desirable addition to the Board and any committees thereof.

Each Fund's Nominating Committee will consider director candidates recommended by shareholders and submitted in accordance with applicable law and procedures as described in this Joint Proxy Statement. (See "Submission of Shareholder Proposals" below.)

OTHER BOARD-RELATED MATTERS

Shareholders who wish to send communications to the Board should send them to the address of their Fund(s) and to the attention of the Board. All such communications will be directed to the Board's attention.

The Funds do not have a formal policy regarding Board member attendance at the Annual Meeting of Shareholders. However, all of the Directors of each Fund attended the April 20, 2007 Annual Meetings of Shareholders.

COMPENSATION

The following table sets forth certain information regarding the compensation of each Fund's Directors for the fiscal year ended November 30, 2007. No executive officer or person affiliated with a Fund received compensation from a Fund during the fiscal year ended November 30, 2007 in excess of \$120,000. Directors and executive officers of the Funds do not receive pension or retirement benefits from the Funds.

COMPENSATION TABLE

NAME OF PERSON AND POSITION -----	AGGREGATE COMPENSATION FROM EACH FUND -----	TOTAL COMPEN THE FUNDS COMPLEX PAID T -----
DONALD F. CRUMRINE Director, Chairman of the Board and Chief Executive Officer	\$0	\$0 (
DAVID GALE Director	\$14,600 - PFD \$14,600 - PFO \$14,600 - FFC \$14,600 - FLC	\$58,40
MORGAN GUST	\$14,600 - PFD	\$58,40

Director; Nominating Committee Chairman	\$14,600 - PFO	
	\$14,600 - FFC	
	\$14,600 - FLC	
KAREN H. HOGAN	\$14,450 - PFD	\$57,80
Director	\$14,450 - PFO	
	\$14,450 - FFC	
	\$14,450 - FLC	
ROBERT F. WULF	\$17,250 - PFD	\$69,00
Director; Audit Committee Chairman	\$17,250 - PFO	
	\$17,250 - FFC	
	\$17,250 - FLC	

 * Represents the total compensation paid for the fiscal year ended November 30, 2007, to such persons by the Funds and the other funds in the Flaherty & Crumrine Fund Family, which are considered part of the same "fund complex" because they have a common adviser. The parenthetical number represents the total number of investment company directorships held by the director or nominee in the fund complex as of November 30, 2007.

REQUIRED VOTE

The election of Mr. Gale as a Director of PFD, will require the affirmative vote of a plurality of the votes cast by holders of the shares of Common Stock of PFD at the meeting in person or by proxy. The election of Mr. Gust as a Director of PFO will require the affirmative vote of a plurality of the votes cast by holders of the shares of Common Stock of PFO at the Meeting in person or by proxy. The election of Mr. Gale as a Director of each of FFC and FLC will require the affirma-

10

tive vote of a plurality of the votes cast by holders of the Shares of Common Stock and Preferred Stock, voting as a single class, of each such Fund at the Meeting in person or by proxy. The election of Ms. Hogan as a Director of each of PFD and PFO will require the affirmative vote of a plurality of the votes cast by holders of the shares of Preferred Stock of each such Fund at the Meeting in person or by proxy.

EACH BOARD OF DIRECTORS, INCLUDING ALL OF THE INDEPENDENT DIRECTORS, UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE "FOR" EACH NOMINEE AS DIRECTOR.

SUBMISSION OF SHAREHOLDER PROPOSALS

All proposals by shareholders of each Fund that are intended to be presented at each Fund's next Annual Meeting of Shareholders to be held in 2009 must be received by the relevant Fund for consideration for inclusion in the relevant Fund's proxy statement relating to the meeting no later than October 22, 2008, and must satisfy the requirements of federal securities laws.

Each Fund's Bylaws require shareholders wishing to nominate Directors or make proposals to be voted on at the Fund's annual meeting to provide timely notice of the proposal in writing. To be considered timely, any such notice must be delivered to or mailed and received at the principal executive offices of the Fund at the address set forth on the first page of this proxy statement not later than 60 days prior to the date of the meeting; provided, however, that if

less than 70 days, notice or prior public disclosure of the date of the meeting is given or made to shareholders, any such notice by a shareholder to be timely must be so received not later than the close of business on the 10th day following the day on which notice of the date of the annual meeting was given or such public disclosure was made.

Any such notice by a shareholder shall set forth the information required by the Fund's Bylaws with respect to each matter the shareholder proposes to bring before the annual meeting.

ADDITIONAL INFORMATION

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG, 99 High Street, Boston, Massachusetts 02110-2371, has been selected to serve as each Fund's independent registered public accounting firm for each Fund's fiscal year ending November 30, 2008. KPMG acted as the independent registered public accounting firm for each Fund for the fiscal year ended November 30, 2007. The Funds know of no direct financial or material indirect financial interest of KPMG in the Funds. A representative of KPMG will not be present at the Meeting, but will be available by telephone to respond to appropriate questions and will have an opportunity to make a statement, if asked.

Set forth in the table below are audit fees and non-audit related fees billed to each Fund by KPMG for professional services for the fiscal years ended November 30, 2006 and 2007, respectively.

FUND	FISCAL YEAR ENDED	AUDIT-RELATED			
	NOVEMBER 30	AUDIT FEES	FEES	TAX FEES*	ALL OTHER FEES**
PFD	2006	\$38,700	\$0	\$6,800	\$13,300
	2007	\$40,600	\$0	\$7,300	\$15,100
PFO	2006	\$38,700	\$0	\$6,800	\$13,300
	2007	\$40,600	\$0	\$7,300	\$15,100
FFC	2006	\$40,800	\$0	\$7,700	\$14,900
	2007	\$42,800	\$0	\$7,300	\$15,500
FLC	2006	\$40,800	\$0	\$7,700	\$14,900
	2007	\$42,800	\$0	\$7,300	\$15,500

* "Tax Fees" are those fees billed to each Fund by KPMG in connection with tax consulting services, including primarily the review of each Fund's income tax returns.

** "All Other Fees" are those fees billed to each Fund by KPMG in connection with the preparation of a quarterly agreed-upon-procedures report. These Agreed-Upon-Procedures ("AUP") are required pursuant to each Fund's Articles Supplementary. Specifically, Moody's Investors Service and Fitch, Inc. each require that such AUP be undertaken and a report be provided in order to maintain their rating on the Preferred Stock.

Each Fund's Audit Committee Charter requires that the Audit Committee pre-approve all audit and non-audit services to be provided by the independent accountants to the Fund, and all non-audit services to be provided by the independent accountants to the Fund's investment adviser and any entity controlling, controlled by or under common control with the Funds' investment

adviser ("affiliates") that provide on-going services to each Fund, if the engagement relates directly to the

11

operations and financial reporting of each Fund, or to establish detailed pre-approval policies and procedures for such services in accordance with applicable laws. All of the audit and non-audit services described above for which KPMG billed each Fund fees for the fiscal years ended November 30, 2006 and November 30, 2007 were pre-approved by the Audit Committee.

For each Fund's fiscal year ended November 30, 2007, KPMG did not provide any non-audit services (or bill any fees for such services) to the Funds' investment adviser or any affiliates thereof that provide services to the Funds.

INVESTMENT ADVISER, ADMINISTRATOR AND SERVICING AGENT

Flaherty & Crumrine serves as the investment adviser to each Fund, and its business address is 301 E. Colorado Boulevard, Suite 720, Pasadena, California 91101. PFPC acts as the administrator to each Fund and is located at 4400 Computer Drive, Westborough, Massachusetts 01581. Claymore Securities, Inc. acts as the servicing agent to FFC and FLC and is located at 2455 Corporate West Drive, Lisle, Illinois 60532.

COMPLIANCE WITH THE SECURITIES EXCHANGE ACT OF 1934

Section 16(a) of the 1934 Act and Section 30(h) of the 1940 Act require each Fund's Directors and officers, certain persons affiliated with Flaherty & Crumrine and persons who beneficially own more than 10% of a registered class of each Fund's securities, to file reports of ownership and changes of ownership with the SEC, the NYSE and each Fund. Directors, officers and greater-than-10% shareholders are required by SEC regulations to furnish each Fund with copies of such forms they file. Based solely upon its review of the copies of such forms received by it and written representations from certain of such persons, each Fund believes that during 2007, all such filing requirements applicable to such persons were met.

BROKER NON-VOTE AND ABSTENTIONS

A proxy which is properly executed and returned accompanied by instructions to withhold authority to vote represents a broker "non-vote" (i.e., shares held by brokers or nominees as to which (i) instructions have not been received from the beneficial owners or the persons entitled to vote and (ii) the broker or nominee does not have discretionary voting power on a particular matter). Proxies that reflect abstentions or broker non-votes (collectively, "abstentions") will be counted as shares that are present and entitled to vote at the meeting for purposes of determining the presence of a Quorum. With respect to Proposal 1, abstentions do not constitute a vote "for" or "against" the proposal and will be disregarded in determining the "votes cast" on the proposal.

OTHER MATTERS TO COME BEFORE THE MEETING

Each Fund does not intend to present any other business at the relevant Meeting, nor is any Fund aware that any shareholder intends to do so. If, however, any other matters are properly brought before the Meeting, the persons named in the accompanying form of proxy will vote thereon in accordance with their judgment.

EXPENSES OF PROXY SOLICITATION

The total expenses of the Annual Meetings, including the solicitation of proxies and the expenses incurred in connection with the preparation of this Joint Proxy Statement, are approximately \$15,000.

VOTING RESULTS

Each Fund will advise its shareholders of the voting results of the matters voted upon at its Meeting in its next Semi-Annual Report to Shareholders.

NOTICE TO BANKS, BROKER/DEALERS AND VOTING TRUSTEES AND THEIR NOMINEES

Please advise the Funds whether other persons are the beneficial owners of Fund shares for which proxies are being solicited from you, and, if so, the number of copies of the joint proxy statement and other soliciting material you wish to receive in order to supply copies to the beneficial owners of Fund shares.

IT IS IMPORTANT THAT PROXIES BE RETURNED PROMPTLY. SHAREHOLDERS WHO DO NOT EXPECT TO ATTEND THE MEETINGS ARE THEREFORE URGED TO COMPLETE, SIGN, DATE AND RETURN ALL PROXY CARDS AS SOON AS POSSIBLE IN THE ENCLOSED POSTAGE-PAID ENVELOPE.

12

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o PLEASE FOLD ALONG THE PERFORATION, DETACH AND
RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. o

FLAHERTY & CRUMRINE/CLAYMORE PREFERRED SECURITIES INCOME FUND INCORPORATED

PROXY -- FLAHERTY & CRUMRINE/CLAYMORE PREFERRED SECURITIES INCOME FUND
INCORPORATED

PROXY SOLICITED BY BOARD OF DIRECTORS

The undersigned holder of shares of Common Stock of Flaherty & Crumrine/Claymore Preferred Securities Income Fund Incorporated, a Maryland corporation (the "Fund"), hereby appoints Donald F. Crumrine, Robert M. Ettinger, Teresa M.R. Hamlin and Emily H. Harris, attorneys and proxies for the undersigned, each with full powers of substitution and revocation, to represent the undersigned and to vote on behalf of the undersigned all shares of Common Stock which the undersigned is entitled to vote at the Annual Meeting of Shareholders of the Fund to be held at the offices of Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019, Conference Room 38D-E at 8:30 a.m. ET, on April 18, 2008, and any adjournments or postponements thereof. The undersigned hereby acknowledges receipt of the Notice of Annual Meeting and Proxy Statement and hereby instructs said attorneys and proxies to vote said shares as indicated hereon. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Meeting. A majority of the proxies

present and acting at the Meeting in person or by substitute (or, if only one shall be so present, then that one) shall have and may exercise all of the power and authority of said proxies hereunder. The undersigned hereby revokes any proxy previously given.

 SEE REVERSE SIDE CONTINUED AND TO BE SIGNED ON REVERSE SIDE SEE REVERSE SIDE

[BAR CODE] FLAHERTY & CRUMRINE/CLAYMORE PREFERRED SECURITIES INCOME FUND INCORPORATED [BAR CODE]

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Using a BLACK INK pen, mark your votes with an X as shown in this example. Please do not write outside the designated areas. [X]

 ANNUAL MEETING PROXY CARD

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A ELECTION OF DIRECTOR -- THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE NOMINEE LISTED.

1. Nominee: FOR WITHHOLD

01 - David Gale [] []

THIS PROXY, IF PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED BY THE UNDERSIGNED SHAREHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF THE NOMINEE AS DIRECTOR.

PLEASE REFER TO THE PROXY STATEMENT FOR A DISCUSSION OF THE PROPOSAL.

B NON-VOTING ITEMS

CHANGE OF ADDRESS -- Please print new address below.

C AUTHORIZED SIGNATURES -- THIS SECTION MUST BE COMPLETED FOR YOUR VOTE TO BE COUNTED. -- DATE A

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) -- Please print date below. Signature 1 -- Please keep signature within the box. Signature 2 -- Please keep signature within the box.

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FLAHERTY & CRUMRINE/CLAYMORE PREFERRED SECURITIES INCOME FUND INCORPORATED

PROXY -- FLAHERTY & CRUMRINE/CLAYMORE PREFERRED SECURITIES INCOME FUND INCORPORATED

PROXY SOLICITED BY BOARD OF DIRECTORS

The undersigned holder of shares of Preferred Stock of Flaherty & Crumrine/Claymore Preferred Securities Income Fund Incorporated, a Maryland corporation (the "Fund"), hereby appoints Donald F. Crumrine, Robert M. Ettlinger, Teresa M.R. Hamlin and Emily H. Harris, attorneys and proxies for the undersigned, each with full powers of substitution and revocation, to represent the undersigned and to vote on behalf of the undersigned all shares of Preferred Stock which the undersigned is entitled to vote at the Annual Meeting of Shareholders of the Fund to be held at the offices of Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019, Conference Room 38D-E at 8:30 a.m. ET, on April 18, 2008, and any adjournments or postponements thereof. The undersigned hereby acknowledges receipt of the Notice of Annual Meeting and Proxy Statement and hereby instructs said attorneys and proxies to vote said shares as indicated hereon. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Meeting. A majority of the proxies present and acting at the Meeting in person or by substitute (or, if only one shall be so present, then that one) shall have and may exercise all of the power and authority of said proxies hereunder. The undersigned hereby revokes any proxy previously given.

SEE REVERSE SIDE

CONTINUED AND TO BE SIGNED ON REVERSE SIDE

SEE REVERSE SIDE

[BAR CODE]

FLAHERTY & CRUMRINE/CLAYMORE PREFERRED
SECURITIES INCOME FUND INCORPORATED

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[BAR CODE] MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4
ADD 5
ADD 6

[IMAGE]

Using a BLACK INK pen, mark your votes with an X
as shown in this example. Please do not write outside
the designated areas.

[X]

ANNUAL MEETING PROXY CARD

o PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE

A ELECTION OF DIRECTOR -- THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE NOMINEE LISTED.

1. Nominee: FOR WITHHOLD

01 - David Gale [] []

THIS PROXY, IF PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED BY THE
UNDERSIGNED SHAREHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED
FOR THE ELECTION OF THE NOMINEE AS DIRECTOR.

PLEASE REFER TO THE PROXY STATEMENT FOR A DISCUSSION OF THE PROPOSAL.

B NON-VOTING ITEMS

CHANGE OF ADDRESS -- Please print new address below.

C AUTHORIZED SIGNATURES -- THIS SECTION MUST BE COMPLETED FOR YOUR VOTE TO BE COUNTED. -- DATE A

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as att
corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) -- Please print
date below.

Signature 1 -- Please keep signature
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ore customers, including, without limitation, Wal-Mart, and the status of our relationship with our customers; o the effects of competitive responses to the implementation of our plan; and o our ability to effectively execute the various elements of our plan. In addition, the documents incorporated in this prospectus by reference contain other forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements can be identified by, among other things, the use of forward-looking language, such as "believes," "expects," "estimates," "projects," "forecast," "may," "will," "should," "seeks," "plans," "scheduled to," "anticipates" or "intends" or the negative of those terms, or other variations of those terms or comparable language, or by discussions of strategy or intentions. A number of important factors could 19 cause actual results to differ materially from those contained in any forward-looking statement. In addition to factors that may be described in our filings with the SEC, including this filing, the following factors, among others, could cause our actual results to differ materially from those expressed in any forward-looking statements made by us: o difficulties or delays in developing and/or presenting our increased advertising programs and/or improving the effectiveness of our advertising; o difficulties or delays in developing and introducing new products or failure of customers to accept new product offerings and/or in further strengthening our new product development process; o difficulties or delays or unanticipated costs associated with improving our wall displays in the United States; o difficulties or delays in implementing our plans to reduce the number of SKUs in the United States, adjust prices of our products in the United States and/or optimize product availability to consumers; o difficulties or delays in implementing comprehensive programs to train our employees; o unanticipated circumstances or results affecting our financial performance, including changes in consumer preferences, such as reduced consumer demand for our color cosmetics and other current products, and actions by competitors, including business combinations, technological breakthroughs, new products offerings, promotional spending and marketing and promotional successes, including increases in market share; o effects of and changes in political and/or economic conditions, including inflation, monetary conditions and military actions, and in trade, monetary, fiscal and tax policies in international markets; o unanticipated costs or difficulties or delays in completing projects associated with the stabilization and growth phase of our plan; o difficulties, delays or unanticipated costs or less than expected savings and other benefits resulting from our restructuring activities; o lower than expected cash flow from operations, the inability to secure capital contributions or loans from MacAndrews & Forbes, our other affiliates and/or third parties or the unavailability of funds under our existing bank credit agreement, the MacAndrews & Forbes \$100 million term loan, the \$50 million Series C preferred stock investment, if any, the \$40-65 million line of credit or from this rights offering; o higher than expected operating expenses, working capital expenses, wall display costs, capital expenditures, restructuring costs or debt service payments; o combinations among significant customers or the loss, insolvency or failure to pay debts by a significant customer or customers; o difficulties or delays in responding to competitive responses to the implementation of our plan; and o difficulties, delays or unanticipated costs in the execution of elements of our plan. You should consider the areas of risk described above, as well as those set forth in other documents we have filed with the SEC and which are incorporated by reference into this prospectus, in connection with any forward-looking statements that may be made by us. Forward-looking statements speak only as of the date they are made, and, except for our ongoing obligations to disclose material information under the federal securities laws, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any additional disclosures we make in our Quarterly Reports on Form 10-Q, Annual Report on Form 10-K and Current Reports on Form 8-K to the SEC 20 (which, among other places, can be found on the SEC's website at <http://www.sec.gov>, as well as on our website at www.revloninc.com.) See "Where You Can Find More Information." The cautionary discussion of risks and uncertainties under "Risk Factors" are factors that we think could cause our actual results to differ materially from expected results. Factors other than those listed above could cause our results to differ materially from expected results. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995. 21 SELECTED HISTORICAL AND UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL DATA The selected historical consolidated financial data for each of the

years in the five-year period ended December 31, 2001 has been derived from our audited consolidated financial statements, except for net sales, gross profit and selling, general and administrative expenses in 1997 and 1998 which have been adjusted to reflect the required reclassifications discussed below. The selected historical financial data for the nine-month periods ended September 30, 2001 and 2002 and as of September 30, 2002 have been derived from our unaudited consolidated condensed financial statements which reflect, in the opinion of our management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial data for such periods. Results for interim periods are not necessarily indicative of the results for the full year. In November 2001, the FASB Emerging Issues Task Force (the "EITF") reached consensus on the Guidelines, which address when sales incentives and discounts should be recognized, as well as where the related revenues and expenses should be classified in the financial statements. We adopted the earlier portion of these new Guidelines (formerly EITF Issue 00-14) addressing certain sales incentives effective January 1, 2001 and, accordingly, all prior period financial statements reflect the implementation of the earlier portion of the Guidelines. The second portion of the Guidelines (formerly EITF Issue 00-25) addresses vendor income statement characterization of consideration to a purchaser of the vendor's products or services, including the classification of slotting fees, cooperative advertising arrangements and buy-downs. We adopted the second portion of the Guidelines effective January 1, 2002 and, accordingly, the accompanying selected historical financial data for the nine-month periods ended September 30, 2001 and 2002 reflect the implementation of the second portion of the Guidelines. For presentation purposes the historical financial data for each of the years in the five-year period ended December 31, 2001 has been restated to reflect the second portion of the Guidelines. Such adoption did not have any impact on our reported operating income (loss), net income (loss) or Adjusted EBITDA (as defined below). You should read "Management's Discussion and Analysis of Financial Condition and Results of Operations," the consolidated financial statements and related notes, the report of our independent auditors included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2001, incorporated by reference in this prospectus, and "Management's Discussion and Analysis of Financial Condition and Results of Operations," the unaudited consolidated condensed financial statements and related notes included in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2002, incorporated by reference in this prospectus. We have not implemented the new SEC rules regarding non-GAAP financial measures as they apply to financial statements for periods ending after March 28, 2003. We will apply such rules to our results for the fiscal quarter ending March 31, 2003.

	1997(B)	1998(B)	1999(B)	2000(B)	2001(B)	2002
22 SELECTED HISTORICAL AND UNAUDITED PRO FORMA FINANCIAL DATA YEAR ENDED DECEMBER 31, ----- (DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS) HISTORICAL STATEMENT OF OPERATIONS DATA (A):						
Net sales	\$ 2,076.5	\$ 2,064.1	\$ 1,629.8	\$ 1,409.4	\$ 1,277.6	1,297.3
Gross profit	1,262.0	903.5	835.1	733.4	679.2	679.2
Selling, general and administrative expenses	1,079.5	1,104.2	1,075.3	765.1	679.2	679.2
Restructuring costs and other, net	3.6	33.1	40.2	54.1	38.1	38.1
Operating income (loss)	214.2	124.7	(212.0)	15.9	16.1	16.1
Interest expense, net	129.5	132.7	145.1	142.4	136.6	136.6
Amortization of debt issuance costs	6.6	5.1	4.3	5.6	6.2	6.2
Loss (gain) on sale of product line, brands and facilities, net	--	--	0.9	(10.8)	14.4	14.4
Miscellaneous, net	12.2	9.2	(0.5)	(0.2)	4.9	4.9
Income (loss) from continuing operations before income taxes	65.9	(22.3)	(361.8)	(121.1)	(146.0)	(146.0)
Provision for income taxes	9.3	5.0	9.1	8.6	4.1	4.1
Income (loss) from continuing operations	56.6	(27.3)	(370.9)	(129.7)	(150.1)	(150.1)
Income (loss) from discontinued operations	0.7	(64.2)	--	--	--	--
Extraordinary items -- early extinguishment of debt	(14.9)	(51.7)	--	--	(3.6)	(3.6)
Net income (loss)	\$ 42.4	\$ (143.2)	\$ (370.9)	\$ (129.7)	\$ (153.7)	\$ (153.7)
Basic income (loss) from continuing operations per common share	\$ 1.09	\$ (0.52)	\$ (7.12)	\$ (2.49)	\$ (2.87)	\$ (2.87)
Diluted income (loss) from continuing operations per common share	\$ 1.08	\$ (0.52)	\$ (7.12)	\$ (2.49)	\$ (2.87)	\$ (2.87)
OTHER DATA: Net cash provided by (used for) operating activities	\$ 7.6	\$ (52.2)	\$ (81.8)	\$ (84.0)	\$ (86.5)	\$ (86.5)
Net cash (used for) provided by investing activities	(84.3)	(91.0)	(40.7)	322.1	87.2	87.2
Net cash provided by (used for) financing activities	86.0	159.8	117.5	(203.7)	46.3	46.3
Adjusted EBITDA (i)	257.2	209.1	(73.5)	184.4	200.2	200.2
Capital expenditures	52.3	60.8	42.3	19.0	15.1	15.1
Purchase of permanent displays	68.9	76.6	66.5	51.4	44.0	44.0
Net loss, excluding goodwill amortization						

expense (j)	(358.1)	(120.7)	(146.0)	Basic and diluted net loss per common share, excluding goodwill amortization expense (j)		\$ (6.88)	\$ (2.31)	\$ (2.80)	Pro forma net loss (k)		\$ NINE MONTHS ENDED SEPTEMBER 30, -----	
.....											2001 2002 ----- (DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS) HISTORICAL STATEMENT OF OPERATIONS DATA (A):	
Net sales	\$ 955.9	\$ 906.8	Gross profit	551.5(g)	556.4(h)	Selling, general and administrative expenses	522.3(g)	525.2(h)	Restructuring costs and other, net	25.5(g)	9.3(h) -----	
.....			Operating income (loss)	3.7	21.9	Interest expense, net	102.8	115.8	Amortization of debt issuance costs	4.6	5.8	
.....			Loss (gain) on sale of product line, brand and facilities, net	15.0	1.0	Miscellaneous, net	3.4	4.3	Income (loss) from continuing operations before income taxes	(122.1)	(105.0)	
.....			Provision for income taxes	3.3	2.1	Income (loss) from continuing operations	(125.4)	(107.1)	Income (loss) from discontinued operations	--	--	
.....			Extraordinary items -- early extinguishment of debt	--	--	Net income (loss)	\$(125.4)	\$(107.1)	=====	=====	Basic income (loss) from continuing operations per common share	
.....			Diluted income (loss) from continuing operations per common share	\$(2.40)	\$(2.05)	OTHER DATA: Net cash provided by (used for) operating activities		\$(89.0)	\$(110.9)	Net cash (used for) provided by investing activities	87.1	(7.6)
.....			Net cash provided by (used for) financing activities	(15.6)	78.5	Adjusted EBITDA (i)	142.8	122.5	Capital expenditures	10.4	9.4	
.....			Purchase of permanent displays	35.6	53.5	Net loss, excluding goodwill amortization expense (j)			Basic and diluted net loss per common share, excluding goodwill amortization expense (j)			
.....			Pro forma net loss (k)		\$ Pro forma basic and diluted net loss per common share (k)		\$ DECEMBER 31, PRO FORMA -----					

SEPTMBER 30, SEPTEMBER 30, 1997 1998 1999 2000 2001 2002 2002 -----													
----- BALANCE SHEET DATA (A): Total assets	\$1,757.6	\$1,831.0	\$ 1,558.9	\$ 1,101.8	\$ 997.6	\$ 961.6	Total indebtedness	1,467.9	1,687.9	1,809.7	1,593.8	1,661.1	1,742.1
Total stockholders' deficiency	(458.8)	(647.7)	(1,015.0)	(1,106.7)	(1,282.7)	(1,400.2)	----- See accompanying notes to Selected Historical and Unaudited Pro Forma Consolidated Financial Data 23						

NOTES TO SELECTED HISTORICAL AND UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL DATA (a) In March 2000 and May 2000, we completed the disposition of our worldwide professional products line and our Plusbelle brand in Argentina, respectively. In July 2001, we completed the disposition of our Colorama brand and facility in Brazil. Accordingly, the selected consolidated financial data include the results of operations of the professional products line, Plusbelle and Colorama brands through the dates of their respective dispositions. (b) The impact of the second portion of the Guidelines for each of the years in the five-year period ended December 31, 2001 on reported net sales, gross profit and selling, general and administrative expenses was \$(79.9), \$(85.6), \$(80.1), \$(38.4) and \$(43.9), respectively. The Guidelines do not affect our operating income (loss), net income (loss) or Adjusted EBITDA. (c) In 1997, we incurred restructuring costs of \$20.6 million in connection with the implementation of our business strategy to rationalize factory operations. These costs primarily included severance and other costs related to the rationalization of certain factory and warehouse operations worldwide. Such costs were partially offset by an approximately \$12.7 million settlement of a claim and gains of approximately \$4.3 million on the sales of certain factory operations outside the United States. (d) In late 1998, we developed a strategy to reduce overall costs and streamline operations. To execute against this strategy, we began to develop a restructuring plan and executed the plan in several phases, which has resulted in several restructuring charges being recorded. In the fourth quarter of 1998, we began to execute the 1998 restructuring program which was designed to realign and reduce personnel, exit excess leased real estate, realign and consolidate regional activities, reconfigure certain manufacturing operations and exit certain product lines and recognized a charge of \$44.2 million, which includes \$2.7 million charged to cost of sales. In 1998, we recognized gains of approximately \$8.4 million for the sales of certain non-core assets. (e) In the first nine months of 1999, we continued to execute the 1998 restructuring program and we recorded an additional net charge of \$20.5 million, principally for employee severance and other personnel benefits and obligations for excess leased real estate primarily in the United States. Also in 1999, we exited from a non-core business, resulting in a charge of \$1.6 million. During the fourth quarter of 1999, we continued to restructure our organization and began a new program in line with our

original restructuring plan developed in late 1998, principally for additional employee severance and other personnel benefits and to restructure certain operations outside the United States, including certain operations in Japan, resulting in a charge of \$18.1 million. During the fourth quarter of 1999, we recorded a charge to selling, general and administrative expenses of \$22.0 million related to executive separation costs related to this new program. (f) In the first and second quarter of 2000, we recorded charges of \$9.5 million and \$5.1 million, respectively, relating to the 1999 restructuring program that began in the fourth quarter of 1999. During the third quarter of 2000, we continued to re-evaluate our organizational structure. As part of this re-evaluation, we initiated a new restructuring program in line with our original restructuring plan developed in late 1998 designed to improve profitability by reducing personnel and consolidating manufacturing facilities. The 2000 restructuring program focused on closing our manufacturing operations in Phoenix, Arizona and Mississauga, Canada and to consolidate production into our plant in Oxford, North Carolina. The 2000 restructuring program also includes the remaining obligation for excess leased real estate at our headquarters, consolidation costs associated with closing our facility in New Zealand, and the elimination of several domestic and international executive and operational positions, each of which were effected to reduce and streamline corporate overhead costs. In the third quarter of 2000, we recorded a charge of \$13.7 million for programs begun in the quarter as well as for the expanded scope of programs previously commenced. In the fourth quarter of 2000, we recorded a charge of \$25.8 million related to the 2000 restructuring program, principally for additional employee severance and other personnel benefits and to consolidate worldwide operations. 24 During the fourth quarter of 2000, we recorded \$4.9 million to cost of sales related to additional costs associated with the consolidation of worldwide operations. (g) In the first, second, third and fourth quarters of 2001, we recorded charges of \$14.6 million, \$7.9 million, \$3.0 million and \$12.6 million, respectively, related to the 2000 restructuring program, principally for additional employee severance and other personnel benefits, relocation and other costs related to the consolidation of worldwide operations and the charge in the fourth quarter of 2001 also was for an adjustment to previous estimates of approximately \$6.6 million. In the first nine months of 2001 and the fourth quarter of 2001, we recorded \$30.6 million and \$7.6 million, respectively, to cost of sales (which includes \$6.1 million of increased depreciation in the first nine months of 2001) and \$6.9 million and (\$1.5) million, respectively, to selling, general and administrative expenses related to additional costs associated with the shutdown of our Phoenix and Canadian facilities. (h) During the nine-month period ended September 30, 2002, we continued to implement the 2000 restructuring program, as well as other restructuring actions, and recorded a charge of \$9.3 million, principally for additional employee severance and other personal benefits, primarily resulting from reduction of our worldwide sales force, relocation and other costs related to the consolidation of worldwide operations. During the nine-month period ended September 30, 2002, we recorded a charge of \$1.3 million to cost of sales and \$8.4 million (\$8.3 million of which are executive separation costs) to selling, general and administrative expenses related to additional costs associated with the shutdown of our Phoenix and Canadian facilities. (i) We define Adjusted EBITDA as income (loss) from continuing operations before (i) provision for income taxes, (ii) interest expense, net, (iii) amortization of debt issuance costs, (iv) loss (gain) on sales of product line, brands and facilities sold, net, (v) miscellaneous, net, (vi) EBITDA from product line, brands and facilities sold and (vii) restructuring costs and other, net, and additional costs associated with the consolidation of our worldwide operations and executive separation costs, plus depreciation and amortization other than that relating to early extinguishment of debt, discount and debt issuance costs. Adjusted EBITDA is presented here as a measure of our debt service ability, not of our operating results. Adjusted EBITDA should not be considered in isolation, as a substitute for net income or cash flow from operations prepared in accordance with accounting principles generally accepted in the United States of America or as a measure of our profitability or liquidity. Adjusted EBITDA does not take into account our debt service requirements and other commitments and, accordingly, is not necessarily indicative of amounts that may be available for discretionary uses. Additionally, Adjusted EBITDA may be defined differently for purposes of our credit agreement. Furthermore, other companies may define Adjusted EBITDA differently and as a result our Adjusted EBITDA may not be comparable to that of other companies. 25 The following table sets forth a reconciliation of income (loss) from continuing operations to Adjusted EBITDA: YEAR ENDED DECEMBER 31,

	1997	1998	1999	2000	2001
Income (loss) from continuing operations	\$ 56.6	\$ (27.3)	\$ (370.9)	\$ (129.7)	\$ (150.1)
Provision for income taxes	9.3	5.0	9.1	8.6	4.1
Interest expense, net	129.5	132.7	145.1	142.4	136.6
Amortization of debt issuance costs	6.6	5.1	4.3	5.6	6.2
Loss (gain) on sales of product line, brand and facilities, net	--	--	0.9	(10.8)	

14.4 Miscellaneous, net	12.2	9.2	(0.5)	(0.2)	4.9	EBITDA from product line, brands and facilities sold (a)
..... (53.7) (57.6) (45.4) (11.4)	1.5	Restructuring costs and other, net	3.6(c)	35.8(d)	62.2(e)	
59.0(f) 81.7(g) Depreciation and amortization	93.1	106.2	121.7	120.9	100.9	-----
----- Adjusted EBITDA	\$ 257.2	\$ 209.1	\$ (73.5)	\$ 184.4	\$ 200.2	=====

===== NINE MONTHS ENDED SEPTEMBER 30, ----- 2001						
2002 ----- (DOLLARS IN MILLIONS) Income (loss) from continuing operations						
\$(125.4) \$ (107.1) Provision for income taxes	3.3	2.1	Interest expense, net	102.8	115.8	
Amortization of debt issuance costs	4.6	5.8	Loss (gain) on sales of product line, brand and			
facilities, net	15.0	1.0	Miscellaneous, net	3.4	4.3	EBITDA from product line, brands and facilities
sold (a)	1.5	--	Restructuring costs and other, net	63.0(g)	19.0(h)	Depreciation and
amortization	74.6	81.6	-----	-----	Adjusted EBITDA	\$ 142.8 \$ 122.5 =====

On January 1, 2002, we adopted FASB Statement 142, "Goodwill and Other Intangible Assets." Statement 142 requires that goodwill and other intangible assets with indefinite useful lives no longer be amortized, but instead tested for impairment at least annually in accordance with the provisions of Statement 142. Intangible assets consist of net trademarks, patents and goodwill. Amounts outstanding for those intangible assets are as follows:

YEAR ENDED						
DECEMBER 31, -----	1999	2000	2001	-----	-----	(DOLLARS IN MILLIONS)
Trademarks, net	\$ 5.1	\$ 5.7	\$ 6.8	Patents, net	7.1	6.7
-----	-----	-----	-----	Goodwill, net	344.6	193.7
-----	-----	-----	-----	Total	\$ 356.8	\$ 206.1

\$ 198.5 ===== Amortization expense related to intangible assets was \$14.0 million, \$10.5 million and \$9.2 million for the years ended December 31, 1999, 2000 and 2001, respectively. In connection with the adoption of Statement 142, amortization of goodwill ceased on January 1, 2002. Amortization expense related to goodwill was \$12.8 million, \$9.0 million and \$7.7 million for the years ended December 31, 1999, 2000 and 2001, respectively. Net loss and basic and diluted net loss per common share presented exclude amortization expense related to goodwill for the fiscal years ended December 31, 1999, 2000 and 2001. (k)

Pro forma basic and diluted loss per common share reflects an adjustment to reflect the number of additional shares issued for the excess of the subscription price of \$ per share over the fair value of our Class A common stock (the closing price per share of our Class A common stock on the NYSE on the last day on which the shares are traded, together with the rights, of \$ per share). This difference is reflected in a manner similar to a stock dividend in accordance with FASB Statement No. 128, Earnings per Share. As a result, pro forma basic and diluted loss per common share reflect a decrease in loss per common share of \$ for the year ended December 31, 2001 and \$ for the nine months ended September 30, 2002. 26 Basic and diluted income (loss) from continuing operations per common share for each of the years in the five-year period ended December 31, 2001 and for the nine-month periods ended September 30, 2001 and 2002 have not been restated to reflect this adjustment. If at the time of the consummation of this rights offering, the fair value of the shares is more than the subscription price determined pursuant to the formula described on page v, basic and diluted earnings per share will be restated for all periods presented, similar to a stock dividend. In addition, pro forma results reflect the increase in interest expense of \$ million or \$ pro forma basic and diluted loss per common share and \$ million or \$ pro forma basic and diluted loss per common share, respectively, for the year ended December 31, 2001 and the nine months ended September 30, 2002, as if the MacAndrews & Forbes \$100 million term loan was fully drawn on January 1, 2001 at an interest rate of 12.0% per annum and the effects of the amendments to the credit agreement. The \$40-65 million line of credit is not assumed to be drawn for pro forma purposes, nor is the \$50 million Series C preferred stock investment expected to be advanced. Therefore no adjustments to pro forma net loss and pro forma basic and diluted net loss per common share are reflected for the year ended December 31, 2001 and the nine-months ended September 30, 2002 for these transactions. 27 THE RIGHTS OFFERING REASONS FOR THE RIGHTS OFFERING On February 5, 2003, we announced that our board of directors, at the recommendation of its special committee of independent directors, had discussed and authorized: o the MacAndrews & Forbes \$100 million term loan, the \$50 million Series C preferred stock investment, if any, and the \$40-65 million line of credit from MacAndrews & Forbes to Products Corporation; o the commencement of this rights offering; and o the Investment Agreement under which MacAndrews & Forbes agreed to take certain actions with regard to this rights offering, including, without limitation, its agreement to make the \$50 million Series C preferred stock investment if, prior to closing this rights offering, we have fully drawn the MacAndrews & Forbes \$100 million term loan. This rights offering is being made in connection with the stabilization and growth phase of our plan, which involves, among other things, increasing advertising and media spending, making certain changes to

our newly-configured in-store wall displays in the United States and reconfiguring existing wall displays at our retail accounts in the United States, reducing the number of our SKUs in the United States, selectively adjusting prices on certain products in the United States, optimizing product availability to consumers and further strengthening our new product development process. If this rights offering is canceled, any funds we or the subscription agent have received from you will be promptly refunded, without interest or deduction. In reaching its conclusion, our board of directors considered a number of factors, including: o our needs for cash to help fund a portion of the costs and expenses of the stabilization and growth phase of our plan and to help satisfy anticipated obligations arising from the implementation of such plan; o the opportunity that this rights offering allows all of our stockholders on the rights offering record date to participate and acquire additional shares of our Class A common stock at a discount to the market price; o concerns as to the availability of other financing alternatives, in light of the difficulties faced by the company in raising equity capital or debt on terms as favorable as the MacAndrews & Forbes proposal in light of the current state of the capital markets and our business; o the subscription price relative to our Class A common stock's historical and recent trading price and pricing policies customary for transactions of this type; o MacAndrews & Forbes' willingness to purchase the full number of shares of our Class A common stock it would have been entitled to subscribe for in this rights offering in accordance with its basic subscription privilege and to purchase all of the shares of our Class A common stock not subscribed for by our other stockholders pursuant to their basic subscription privileges and their over-subscription privileges, which ensured that the maximum of \$50 million would be raised in this rights offering, as well as its willingness to subordinate its over-subscription rights that it otherwise would be entitled to exercise in order to enhance the over-subscription privileges of our other stockholders; o the potential impact of this rights offering on relative voting and ownership interests of our stockholders as described under "Effects of Rights Offering on the MacAndrews & Forbes' Securities and Ownership" included elsewhere in this prospectus; and o the potential tax consequences of this rights offering. Neither our board of directors nor its special committee is making any recommendation as to whether or not you should exercise or sell your subscription rights.

28 THE RIGHTS We will distribute to each holder of our Class A and Class B common stock who is a record holder of our Class A and Class B common stock on the rights offering record date, which is 5:00 p.m., New York City time, on , 2003, at no charge, transferable subscription right for each share of Class A and Class B common stock owned, for a total of approximately subscription rights. The subscription rights will be evidenced by transferable subscription rights certificates. Each subscription right will allow you to purchase share[s] of our Class A common stock at a price of \$. If you elect to exercise your basic subscription privilege in full, you may also subscribe, at the subscription price, for additional shares of our Class A common stock under your over-subscription privilege. If a sufficient number of shares of our Class A common stock is unavailable to fully satisfy the over-subscription privilege requests, the available shares of Class A common stock will be sold pro rata among subscription rights holders who exercised their over-subscription privilege based on the number of shares each subscription rights holder subscribed for under the basic subscription privilege. If a sufficient number of shares of our Class A common stock is unavailable to fully satisfy the over-subscription privilege requests, the available shares of Class A common stock will be sold pro rata among subscription rights holders who exercised their over-subscription based on the number of shares of our Class A common stock each subscription rights holder subscribed for under the basic subscription privilege. MacAndrews & Forbes has agreed not to exercise its over-subscription privilege in order to enhance the over-subscription privileges of our other Class A common stockholders. We have not engaged an underwriter in connection with this rights offering.

NO FRACTIONAL RIGHTS We will not issue fractional subscription rights or cash in lieu of fractional subscription rights. Fractional subscription rights will be rounded, as appropriate, to the nearest whole number with such adjustments as may be necessary to ensure that we will receive gross proceeds of \$50 million from this rights offering. You may request that the subscription agent divide your subscription rights certificate into transferable parts, for instance, if you are the record holder for a number of beneficial holders of our common stock. However, the subscription agent will not divide your subscription rights certificate so that you would receive any fractional subscription rights.

EXPIRATION OF THE RIGHTS OFFERING You may exercise your subscription rights at any time before 5:00 p.m., New York City time, on , 2003, the expiration date for this rights offering. We may, in our sole discretion, extend the time for exercising the subscription rights. If you do not exercise your subscription rights before the expiration date of this rights offering, your unexercised subscription rights will be null and void. We will not be obligated to honor your exercise of subscription rights if the subscription agent receives the documents relating to your exercise after this rights offering expires, regardless of when you transmitted the documents, except if you have

timely transmitted the documents under the guaranteed delivery procedures described below. We may extend the expiration date of this rights offering by giving oral or written notice to the subscription agent and information agent on or before the scheduled expiration date. If we elect to extend the expiration of this rights offering, we will issue a press release announcing such extension no later than 9:00 a.m., New York City time, on the next business day after the most recently announced expiration date.

SUBSCRIPTION PRIVILEGES Your subscription rights entitle you to a basic subscription privilege and an over-subscription privilege.

Basic Subscription Privilege. With your basic subscription privilege, you may purchase share[s] of our Class A common stock per subscription right, upon delivery of the required documents and payment of the subscription price of \$ per share. You are not required to exercise all of your subscription rights unless you wish to purchase shares under your over-subscription privilege. We will deliver to you or your broker certificates representing the shares that you purchased with your basic subscription privilege as soon as practicable after this rights offering has expired.

Over-Subscription Privilege. In addition to your basic subscription privilege, you may subscribe for additional shares of our Class A common stock, upon delivery of the required documents and payment of the subscription price of \$ per share, before the expiration of this rights offering. You may only exercise your over-subscription privilege if you exercised your basic subscription privilege in full and other holders of subscription rights do not exercise their basic subscription privileges in full.

Pro Rata Allocation. If there are not enough shares of our Class A common stock to satisfy all subscriptions made under the over-subscription privilege, we will allocate the remaining shares of our Class A common stock pro rata, after eliminating all fractional shares, among those over-subscribing rights holders. "Pro rata" means in proportion to the number of shares of our Class A common stock that you and the other subscription rights holders have purchased by exercising your basic subscription privileges. If there is a pro rata allocation of the remaining shares of our Class A common stock and you receive an allocation of a greater number of shares than you subscribed for under your over-subscription privilege, then we will allocate to you only the number of shares for which you subscribed. We will allocate the remaining shares among all other holders exercising their over-subscription privileges.

MacAndrews & Forbes will not be allocated any additional shares of our Class A common stock as part of its over-subscription privilege because it has agreed in the Investment Agreement not to exercise its over-subscription privilege.

Full Exercise of Basic Subscription Privilege. You may exercise your over-subscription privilege only if you exercise your basic subscription privilege in full. To determine if you have fully exercised your basic subscription privilege, we will consider only the basic subscription privileges held by you in the same capacity. For example, suppose that you were granted subscription rights for shares of our Class A common stock that you own individually and shares of our Class A common stock that you own collectively with your spouse. If you wish to exercise your over-subscription privilege with respect to the subscription rights you own individually, but not with respect to the subscription rights you own collectively with your spouse, you only need to fully exercise your basic subscription privilege with respect to your individually owned subscription rights. You do not have to subscribe for any shares under the basic subscription privilege owned collectively with your spouse to exercise your individual over-subscription privilege. When you complete the portion of your subscription rights certificate to exercise your over-subscription privilege, you will be representing and certifying that you have fully exercised your subscription privileges as to shares of our Class A common stock that you hold in that capacity. You must exercise your over-subscription privilege at the same time you exercise your basic subscription privilege in full.

Return of Excess Payment. If you exercised your over-subscription privilege and are allocated less than all of the shares of our Class A common stock for which you wished to subscribe, your excess payment for shares that were not allocated to you will be returned to you by mail, without interest or deduction, as soon as practicable after the expiration date of this rights offering. We will deliver to you or your broker certificates representing the shares of our Class A common stock that you purchased as soon as practicable after the expiration date of this rights offering and after all pro rata allocations and adjustments have been completed.

CONDITIONS TO THIS RIGHTS OFFERING We may terminate this rights offering, in whole or in part, if at any time before completion of this rights offering there is any judgment, order, decree, injunction, statute, law or regulation entered, enacted, amended or held to be applicable to this rights offering that in the sole judgment of our board of directors would or might make this rights offering or its completion, whether in whole or in part, illegal or otherwise restrict or prohibit completion of this rights offering. We may waive any of these conditions and choose to proceed with this rights offering even if one or more of these events occur. If we terminate this rights offering, in whole or in part, all affected subscription rights will expire without value and all subscription payments received by the subscription agent will be returned promptly, without interest or deduction. See also "--Cancellation Rights".

METHOD OF SUBSCRIPTION--EXERCISE OF RIGHTS You may exercise your subscription rights by delivering the following to the subscription agent, at or prior to 5:00 p.m., New York City time, on , 2003, the expiration date of this rights offering: o Your properly completed and executed subscription rights certificate with any required signature guarantees or other supplemental documentation; and o Your full subscription price payment for each share subscribed for under your subscription privileges. If you are a beneficial owner of shares of our common stock whose shares are registered in the name of a broker, custodian bank or other nominee, you should instruct your broker, custodian bank or other nominee to exercise your rights and deliver all documents and payment on your behalf prior to 5:00 p.m. New York City time on , 2003, the expiration date of this rights offering. Your subscription rights will not be considered exercised unless the subscription agent receives from you, your broker, custodian or nominee, as the case may be, all of the required documents and your full subscription price payment prior to 5:00 p.m., New York City time, on , 2003, the expiration date of this rights offering. **METHOD OF PAYMENT** Your payment of the subscription price must be made in U.S. dollars for the full number of shares of Class A common stock for which you are subscribing by either: o check or bank draft drawn upon a U.S. bank or postal, telegraphic or express money order payable to the subscription agent; or o wire transfer of immediately available funds, to the subscription account maintained by the subscription agent at JPMorgan Chase Bank, ABA No. 021 000 021, Account No. 323-113109. **RECEIPT OF PAYMENT** Your payment will be considered received by the subscription agent only upon: o Clearance of any uncertified check; o Receipt by the subscription agent of any certified check or bank draft drawn upon a U.S. bank or of any postal, telegraphic or express money order; or o Receipt of collected funds in the subscription account designated above. **CLEARANCE OF UNCERTIFIED CHECKS** If you are paying by uncertified personal check, please note that uncertified checks may take at least five (5) business days to clear. If you wish to pay the subscription price by uncertified personal check, we urge you to make payment sufficiently in advance of the time this rights offering expires to ensure that your payment is received by the subscription agent and clears by the rights offering expiration date. We urge you to consider using a certified or cashier's check, money order or wire transfer of funds to avoid missing the opportunity to exercise your subscription rights should you decide to exercise your subscription rights. **DELIVERY OF SUBSCRIPTION MATERIALS AND PAYMENT** You should deliver your subscription rights certificate and payment of the subscription price or, if applicable, notices of guaranteed delivery, to the subscription agent by one of the methods described below: 31 If by mail to: AMERICAN STOCK TRANSFER & TRUST COMPANY 59 Maiden Lane New York, NY 10038 If by hand delivery or overnight courier to: AMERICAN STOCK TRANSFER & TRUST COMPANY 6201 15th Avenue Brooklyn, NY 11219 Banks and brokerage firms should use the 59 Maiden Lane address. You may call the subscription agent at (718) 921-8200. Your delivery to an address other than the addresses set forth above will not constitute valid delivery. **CALCULATION OF SUBSCRIPTION RIGHTS EXERCISED** If you do not indicate the number of subscription rights being exercised, or do not forward full payment of the total subscription price payment for the number of subscription rights that you indicate are being exercised, then you will be deemed to have exercised your basic subscription privilege with respect to the maximum number of subscription rights that may be exercised with the aggregate subscription price payment you delivered to the subscription agent. If your aggregate subscription price payment is greater than the amount you owe for your subscription, you will be deemed to have exercised your over-subscription privilege to purchase the maximum number of shares of our Class A common stock with your over-payment. If we do not apply your full subscription price payment to your purchase of shares of our Class A common stock, we or the subscription agent will return the excess amount to you by mail, without interest or deduction, as soon as practicable after the expiration date of this rights offering. **EXERCISING A PORTION OF YOUR SUBSCRIPTION RIGHTS** If you subscribe for fewer than all of the shares of our Class A common stock represented by your subscription rights certificate, you may receive from the subscription agent a new subscription rights certificate representing your unused subscription rights. However, all subscription rights must be exercised prior to the expiration date of this rights offering, or else your subscription rights will be null and void. We will not issue any subscription rights certificates for unexercised subscription rights after the rights offering expiration date. **YOUR FUNDS WILL BE HELD BY THE SUBSCRIPTION AGENT UNTIL SHARES OF OUR CLASS A COMMON STOCK ARE ISSUED** The subscription agent will hold your payment of the subscription price payment in a segregated account with other payments received from other subscription rights holders until we issue your shares of our Class A common stock to you upon consummation of the rights offering. **NO FRACTIONAL SHARES** No fractional shares will be issued upon exercise of the subscription rights. We will instead round the number of shares upon exercise of the subscription

rights, as appropriate, to the nearest whole number. **MEDALLION GUARANTEE MAY BE REQUIRED** Your signature on each subscription rights certificate must be guaranteed by an eligible institution, such as a member firm of a registered national securities exchange or a member of the National Association of Securities Dealers, Inc., or a commercial bank or trust company having an office or correspondent in the United States, subject to standards and procedures adopted by the subscription agent, unless: 32 o Your subscription rights certificate provides that shares are to be delivered to you as record holder of those subscription rights; or o You are an eligible institution. **NOTICE TO BENEFICIAL HOLDERS** If you are a broker, a trustee or a depository for securities who holds shares of our common stock for the account of others on , 2003, the rights offering record date, you should notify the respective beneficial owners of such shares of this rights offering as soon as possible to find out their intentions with respect to exercising or selling their subscription rights. You should obtain instructions from the beneficial owner with respect to their subscription rights, as set forth in the instructions we have provided to you for your distribution to beneficial owners. If the beneficial owner so instructs, you should complete the appropriate subscription rights certificates and submit them to the subscription agent with the proper payment. If you hold shares of our common stock for the account(s) of more than one beneficial owner, you may exercise the number of subscription rights to which all such beneficial owners in the aggregate otherwise would have been entitled had they been direct record holders of our common stock on the rights offering record date, provided that, you, as a nominee record holder, make a proper showing to the subscription agent by submitting the form entitled "Nominee Holder Certification" that we will provide to you with your rights offering materials. If you did not receive this form, you should contact the subscription agent to request a copy. **BENEFICIAL OWNERS** If you are a beneficial owner of shares of our common stock or will receive your subscription rights through a broker, custodian bank or other nominee, we will ask your broker, custodian bank or other nominee to notify you of this rights offering. If you wish to exercise or sell your subscription rights, you will need to have your broker, custodian bank or other nominee act for you. If you hold certificates of our common stock directly and would prefer to have your broker, custodian bank or other nominee act for you, you should contact your nominee and request it to effect the transactions for you. To indicate your decision with respect to your subscription rights, you should complete and return to your broker, custodian bank or other nominee the form entitled "Beneficial Owners Election Form." You should receive this form from your broker, custodian bank or other nominee with the other rights offering materials. If you wish to obtain a separate subscription rights certificate, you should contact the nominee as soon as possible and request that a separate subscription rights certificate be issued to you. You should contact your broker, custodian bank or other nominee if you do not receive this form, but you believe you are entitled to participate in this rights offering. We are not responsible if you do not receive the form from your broker, custodian bank or nominee or if you receive it without sufficient time to respond. **INSTRUCTIONS FOR COMPLETING YOUR SUBSCRIPTION RIGHTS CERTIFICATE** You should read and follow the instructions accompanying the subscription rights certificates carefully. You are responsible for the method of delivery of your subscription rights certificate(s) with your subscription price payment to the subscription agent. If you send your subscription rights certificate(s) and subscription price payment by mail, we recommend that you send them by registered mail, properly insured, with return receipt requested. You should allow a sufficient number of days to ensure delivery to the subscription agent prior to the time this rights offering expires. Because uncertified personal checks may take at least five (5) business days to clear, you are strongly urged to pay, or arrange for payment, by means of a certified or cashier's check, money order or wire transfer of funds. **DETERMINATIONS REGARDING THE EXERCISE OF YOUR SUBSCRIPTION RIGHTS** We will decide all questions concerning the timeliness, validity, form and eligibility of the exercise of your subscription rights and any such determinations by us will be final and binding. We, in our sole discretion, may waive, in any particular instance, any defect or irregularity, or permit, in any particular instance, a defect or irregularity to be corrected within such time as we may determine. We will not be required to make uniform determinations in all cases. We may reject the exercise of any of your subscription rights because of any defect or irregularity. We will not accept any exercise of subscription rights until all irregularities have been waived by us or cured by you within such time as we decide, in our sole discretion. Neither we, nor the subscription agent, will be under any duty to notify you of any defect or irregularity in connection with your submission of subscription rights certificates and we will not be liable for failure to notify you of any defect or irregularity. We reserve the right to reject your exercise of subscription rights if your exercise is not in accordance with the terms of this rights offering or in proper form. We will also not accept the exercise of your subscription rights if our issuance of shares of our Class A common stock to you could be deemed unlawful under applicable law or is materially

burdensome to us. **REGULATORY LIMITATION** We will not be required to issue to you shares of our Class A common stock pursuant to this rights offering if, in our opinion, you would be required to obtain prior clearance or approval from any state or federal regulatory authorities to own or control such shares if, at the time this rights offering expires, you have not obtained such clearance or approval. **GUARANTEED DELIVERY PROCEDURES** If you wish to exercise your subscription rights, but you do not have sufficient time to deliver the subscription rights certificate evidencing your subscription rights to the subscription agent on or before the time this rights offering expires, you may exercise your subscription rights by the following guaranteed delivery procedures: o Deliver to the subscription agent on or prior to the rights offering expiration date your subscription price payment in full for each share you subscribed for under your subscription privileges in the manner set forth above in "--Method of Payment"; o Deliver to the subscription agent on or prior to the expiration date the form entitled "Notice of Guaranteed Delivery", substantially in the form provided with the "Instructions as to Use of Revlon, Inc. Subscription Rights Certificates" distributed with your subscription rights certificates; and o Deliver the properly completed subscription rights certificate evidencing your subscription rights being exercised and the related nominee holder certification, if applicable, with any required signature guarantee, to the subscription agent within three (3) New York Stock Exchange trading days following the date of your Notice of Guaranteed Delivery. Your Notice of Guaranteed Delivery must be delivered in substantially the same form provided with the Instructions as to the Use of Revlon, Inc. Subscription Rights Certificates, which will be distributed to you with your subscription rights certificate. Your Notice of Guaranteed Delivery must come from an eligible institution, or other eligible guarantee institutions which are members of, or participants in, a signature guarantee program acceptable to the subscription agent. In your Notice of Guaranteed Delivery, you must state: o Your name; o The number of subscription rights represented by your subscription rights certificates, the number of shares of our Class A common stock you are subscribing for under your basic subscription privilege and the number of shares of our Class A common stock you are subscribing for under your over-subscription privilege, if any; and o Your guarantee that you will deliver to the subscription agent any subscription rights certificates evidencing the subscription rights you are exercising within three (3) business days following the date the subscription agent receives your Notice of Guaranteed Delivery. 34 You may deliver your Notice of Guaranteed Delivery to the subscription agent in the same manner as your subscription rights certificates at the address set forth above under "--Delivery of Subscription Materials and Payment." You may alternatively transmit your Notice of Guaranteed Delivery to the subscription agent by facsimile transmission (Telecopy No.: (718) 234-5001). To confirm facsimile deliveries, you may call (718) 921-8200. The information agent will send you additional copies of the form of Notice of Guaranteed Delivery if you request them. Please call (800) 949-2583 to request any copies of the form of Notice of Guaranteed Delivery. Banks and brokerage firms please call collect at (212) 269-5550 to request any copies of the form of Notice of Guaranteed Delivery. **QUESTIONS ABOUT EXERCISING SUBSCRIPTION RIGHTS** If you have any questions or require assistance regarding the method of exercising your subscription rights or requests for additional copies of this prospectus, the Instructions as to the Use of Revlon, Inc. Subscription Rights Certificates or the Notice of Guaranteed Delivery, you should contact the information agent at the address and telephone number set forth above under "Questions and Answers About the Rights Offering" included elsewhere in this prospectus. **SUBSCRIPTION AGENT AND INFORMATION AGENT** We have appointed American Stock Transfer & Trust Company to act as subscription agent and D.F. King & Co., Inc. to act as information agent for this rights offering. We will pay all fees and expenses of the subscription agent and the information agent related to this rights offering and have also agreed to indemnify the subscription agent and the information agent from liabilities that they may incur in connection with this rights offering. **NO REVOCATION** Once you have exercised your subscription privileges, you may not revoke your exercise. Subscription rights not exercised prior to the expiration date of this rights offering will expire and will have no value. **PROCEDURES FOR DTC PARTICIPANTS** We expect that the exercise of your basic subscription privilege and your over-subscription privilege may be made through the facilities of the Depository Trust Company. If your subscription rights are held of record through DTC, you may exercise your basic subscription privilege and your over-subscription privilege by instructing DTC to transfer your subscription rights from your account to the account of the subscription agent, together with certification as to the aggregate number of subscription rights you are exercising and the number of shares of our Class A common stock you are subscribing for under your basic subscription privilege and your over-subscription privilege, if any, and your subscription price payment for each share of our Class A common stock that you subscribed for pursuant to your basic subscription privilege and your over-subscription privilege.

SUBSCRIPTION PRICE The subscription price is \$ per share. For more information with respect to how the subscription price was determined, see "Questions and Answers About the Rights Offering" included elsewhere in this prospectus. **FOREIGN AND OTHER STOCKHOLDERS** Subscription rights certificates will be mailed to subscription rights holders whose addresses are outside the United States or who have an APO or FPO address. To exercise such subscription rights, you must notify the subscription agent, and take all other steps which are necessary to exercise your subscription rights on or prior to the expiration date of this rights offering. Your subscription rights will expire and will have no value if the procedures set forth in the preceding sentence are not followed prior to the expiration date. **35 EXPIRATION DATE, EXTENSIONS AND TERMINATION** We may extend this rights offering and the period for exercising your subscription rights, in our sole discretion. The subscription rights will expire at 5:00 p.m., New York City time, on , 2003, unless we decide to extend this rights offering. If the commencement of this rights offering is delayed for a period of time, the expiration date of this rights offering will be similarly extended. If you do not exercise your basic subscription privilege prior to the expiration date of this rights offering, your subscription rights will be null and void and will have no value. We will not be required to issue shares of our Class A common stock to you if the subscription agent receives your subscription certificate or your payment after that time, regardless of when you sent the subscription certificate and payment, unless you send the documents in compliance with the guaranteed delivery procedures described above. In addition, we may terminate this rights offering, in whole or in part, at any time prior to the time this rights offering expires. **METHOD OF TRANSFERRING AND SELLING SUBSCRIPTION RIGHTS** We anticipate that the subscription rights will be traded on the NYSE under the symbol " ". We expect that subscription rights may be purchased or sold through usual investment channels until the close of business on the last trading day preceding the expiration date. However, there has been no prior public market for the subscription rights, and we cannot assure you that a trading market for the subscription rights will develop or, if a market develops, that the market will remain available throughout the subscription period. We also cannot assure you of the price at which the subscription rights will trade, if at all. If you do not exercise or sell your subscription rights you will lose any value inherent in the subscription rights. See "--General Considerations Regarding the Partial Exercise, Transfer or Sale of Subscription Rights" below. **Transfer of Subscription Rights.** You may transfer subscription rights in whole by endorsing the subscription rights certificate for transfer. Please follow the instructions for transfer included in the information sent to you with your subscription rights certificate. If you wish to transfer only a portion of the subscription rights, you should deliver your properly endorsed subscription rights certificate to the subscription agent. With your subscription rights certificate, you should include instructions to register such portion of the subscription rights evidenced thereby in the name of the transferee (and to issue a new subscription rights certificate to the transferee evidencing such transferred subscription rights). You may only transfer whole subscription rights and not fractions of a subscription right. If there is sufficient time before the expiration of this rights offering, the subscription agent will send you a new subscription rights certificate evidencing the balance of your subscription rights which you did not transfer to the transferee. You may also instruct the subscription agent to send the subscription rights certificate to one or more additional transferees. If you wish to sell your remaining subscription rights, you may request that the subscription agent send you certificates representing your remaining (whole) subscription rights so that you may sell them through your broker or dealer. If you wish to transfer all or a portion of your subscription rights, you should allow a sufficient amount of time prior to the time the subscription rights expire for the subscription agent to: o receive and process your transfer instructions; and o issue and transmit a new subscription rights certificate to your transferee or transferees with respect to transferred subscription rights, and to you with respect to any subscription rights you retained. If you wish to transfer your subscription rights to any person other than a bank or broker, the signatures on your subscription rights certificate must be guaranteed by an eligible institution. **General Considerations Regarding the Partial Exercise, Transfer or Sale of Subscription Rights.** The amount of time needed by your transferee to exercise or sell its subscription rights depends upon the method by which you, as the transferor, delivers the subscription rights certificates, the method of payment made by your transferee and the number of transactions which the holder instructs the subscription agent to effect. You should also allow up to ten business days for your transferee to exercise or sell the subscription rights that you transferred to it. Neither we nor the 36 subscription agent will be liable to a transferee or transferor of subscription rights if subscription rights certificates or any other required documents are not received in time for exercise or sale prior to the expiration time. You will receive a new subscription rights certificate upon a partial exercise, transfer or sale of subscription rights only if the subscription agent receives your properly endorsed subscription rights certificate no

later than 5:00 p.m., New York City time, five business days before the expiration date. The subscription agent will not issue a new subscription rights certificate if your subscription rights certificate is received after that time and date. If your instructions and subscription rights certificate are received by the subscription agent after that time and date, you will not receive a new subscription rights certificate and therefore will not be able to sell or exercise your remaining subscription rights. You are responsible for all commissions, fees and other expenses (including brokerage commissions and transfer taxes) incurred in connection with the purchase, sale or exercise of your subscription rights, except that we will pay any fees of the subscription agent and information agent associated with this rights offering. Any amounts you owe will be deducted from your account. If you do not exercise your subscription rights before the expiration date, your subscription rights will expire without value and will no longer be exercisable.

CANCELLATION RIGHTS Our board of directors may cancel this rights offering, in whole or in part, in its sole discretion at any time prior to the time this rights offering expires for any reason (including a change in the market price of our Class A common stock). If we cancel this rights offering, any funds you paid to the subscription agent will be promptly refunded, without interest or deduction. **NO BOARD OR SPECIAL COMMITTEE**

RECOMMENDATION An investment in shares of our Class A common stock must be made according to each investor's evaluation of its own best interests and after considering all of the information in this prospectus, including the "Risk Factors" section of this prospectus and all of the information incorporated by reference in this prospectus. Our board of directors and the special committee of our board of directors makes no recommendation to subscription rights holders regarding whether they should exercise or sell their subscription rights. You should not view

MacAndrews & Forbes' agreements under the Investment Agreement as a recommendation or other indication by MacAndrews & Forbes or our board of directors that the exercise of your subscription rights is in your best interests.

SHARES OF COMMON STOCK OUTSTANDING AFTER THE RIGHTS OFFERING Based on the shares of our Class A common stock issued and outstanding as of , 2003, approximately million shares of our Class A common stock will be issued and outstanding after this rights offering expires, an increase in the number of outstanding shares of our Class A common stock of approximately %. The 31,250,000 shares of our Class B common stock, all of which

are beneficially owned by MacAndrews & Forbes, will remain outstanding. **EFFECTS OF RIGHTS OFFERING ON STOCK PLAN AND OTHER PLANS** As of December 31, 2002, there were outstanding 2,005,000 restricted shares and options to purchase 7,886,064 shares of our Class A common stock issued or committed to be issued pursuant to

stock options granted by us and our affiliates. None of the outstanding options or restricted shares have antidilution or other provisions of adjustment that will be triggered by this rights offering. Each outstanding and unexercised option will remain unchanged and will be exercisable, subject to vesting, if any, for the same number of shares of our Class A common stock and at the same exercise price as before this rights offering. Similarly, each restricted share will

remain unchanged. **EFFECTS OF RIGHTS OFFERING ON THE MACANDREWS & FORBES' SECURITIES AND OWNERSHIP** Even though the subscription rights will be offered on a one-for-one basis to each holder of our Class

A and Class B common stock, because of MacAndrews & Forbes' commitment to back-stop this 37 rights offering, the percentage of common stock owned by other stockholders will decrease unless all of the other stockholders exercise the subscription rights they will receive in full. Set forth below, for illustrative purposes only are two scenarios that indicate the effect that this rights offering and related share issuance could have on MacAndrews & Forbes' relative voting and economic interest. As of the date of this prospectus, MacAndrews & Forbes controls approximately 97% of the voting power of our outstanding capital stock and owns approximately 83% of our outstanding common stock. **SCENARIO A** -- All subscription rights are subscribed for on a pro rata basis by all of the

stockholders to whom the subscription rights were issued, except MacAndrews & Forbes, and MacAndrews & Forbes purchases the full number of shares of our Class A common stock it would have been entitled to subscribe for in this rights offering in accordance with its basic subscription privilege. Because all of the subscription rights are exercised in the basic subscription privilege by holders other than MacAndrews & Forbes and MacAndrews & Forbes purchases the number of shares equivalent to its full pro rata portion of the shares offered pursuant to the basic subscription privilege to which it would otherwise have been entitled, no shares are exercisable in the over-subscription privilege and MacAndrews & Forbes does not need to back-stop this rights offering. **SCENARIO B** -- MacAndrews & Forbes is the only stockholder to acquire shares of our Class A common stock, which number of shares is equivalent to the

full number of shares of our Class A common stock it would have been entitled to subscribe for in this rights offering in accordance with its basic subscription privilege and, through the back-stop, MacAndrews & Forbes acquires all of the shares offered in this rights offering. **NO. OF SHARES PURCHASED BY MACANDREWS MACANDREWS &**

FORBES TOTAL RIGHTS MACANDREWS & FORBES ECONOMIC OWNERSHIP SCENARIO OFFERED & FORBES CASH RAISED VOTING % PERCENTAGE -----

----- **AT MAXIMUM UNDILUTED DILUTION ----- A \$50,000,000 % % % B**

\$50,000,000 % % % OTHER MATTERS We are not making this rights offering in any state or other jurisdiction in

which it is unlawful to do so, nor are we distributing or accepting any offers to purchase any shares of our Class A common stock from subscription rights holders who are residents of those states or other jurisdictions or who are otherwise prohibited by federal or state laws or regulations to accept or exercise the subscription rights. We may delay the commencement of this rights offering in those states or other jurisdictions, or change the terms of this rights offering, in whole or in part, in order to comply with the securities law or other legal requirements of those states or other jurisdictions. We may decline to make modifications to the terms of this rights offering requested by those states or other jurisdictions, in which case, if you are a resident in those states or jurisdictions or if you are otherwise prohibited by federal or state laws or regulations from accepting or exercising the subscription rights you will not be eligible to participate in this rights offering.

INVESTMENT AGREEMENT Pursuant to an Investment Agreement between Revlon, Products Corporation and MacAndrews Holdings, dated February 5, 2003, among other things, MacAndrews & Forbes agreed: o to purchase the full number of shares of our Class A common stock it would have been entitled to subscribe for in this rights offering in accordance with its basic subscription privilege; o to subordinate and not exercise the over-subscription privilege that it would otherwise be entitled to exercise in this rights offering; 38 o to back-stop this rights offering by purchasing all of the shares of our Class A common stock that are not otherwise subscribed for by the other holders of subscription rights under their basic subscription privileges and over-subscription privileges; and o to make available to us (i) the \$50 million Series C preferred stock investment, if any, which shares would be redeemed upon consummation of this rights offering, (ii) the MacAndrews & Forbes \$100 million term loan and (iii) the \$40-65 million line of credit. The Investment Agreement also provides that any shares of our Class A common stock acquired by MacAndrews & Forbes in transactions contemplated by the Investment Agreement will be deemed to be registrable securities under the existing registration rights agreement between us and REV Holdings LLC.

USE OF PROCEEDS Our gross proceeds from this rights offering will be \$50 million. The net proceeds from this rights offering, combined with the proceeds from the MacAndrews & Forbes \$100 million term loan as well as the \$40-65 million line of credit, will be used to help fund a portion of the costs and expenses of our plan, which includes increasing advertising and media spending, changing our newly-configured in-store wall displays in the United States, reducing the number of our SKUs in the United States, selectively adjusting prices on certain products in the United States, optimizing product availability to consumers and further strengthening our new product development process, and for other general corporate purposes. Alternatively, the net proceeds from this rights offering will be used to fund the costs of redeeming the \$50 million Series C preferred stock investment, if any.

DILUTION Purchasers of our Class A common stock in this rights offering will experience an immediate dilution of the net tangible book value per share of our Class A common stock. Our net tangible book value as of September 30, 2002 was approximately \$(1,624.5) million, or \$(31.38) per share of our Class A and Class B common stock. Net tangible book value per share is equal to our total net tangible book value, which is our total tangible assets less our total liabilities, divided by the number of shares of our outstanding Class A and Class B common stock. Dilution per share equals the difference between the amount per share paid by purchasers of shares of Class A common stock in this rights offering and the net tangible book value per share of our Class A and Class B common stock immediately after this rights offering. Based on a subscription price of \$ per share and after deducting estimated offering expenses payable by us, and the application of the estimated net proceeds from this rights offering, our pro forma net tangible book value as of September 30, 2002 would have been approximately \$ million, or \$ per share. This represents an immediate increase in pro forma net tangible book value to existing stockholders of \$ per share and an immediate dilution to purchasers in this rights offering of \$ per share. The following table illustrates this per share dilution:

Subscription price	\$
Net tangible book value per share prior to this rights offering	\$ (31.38)
Increase per share attributable to this rights offering	\$
Pro forma net tangible book value per share after this rights offering	\$
Dilution in net tangible book value per share to purchasers	\$ 39

CAPITALIZATION The following table sets forth our capitalization as of September 30, 2002, as adjusted to give pro forma effect to this rights offering and the MacAndrews & Forbes \$100 million term loan as if such transactions had occurred on September 30, 2002. The table should be read in conjunction with "Selected Historical Financial Data" and with our

consolidated financial statements and the notes to those financial statements included in the documents incorporated by reference in this prospectus. AS OF SEPTEMBER 30, 2002 ----- ACTUAL AS ADJUSTED
 ----- (DOLLARS IN MILLIONS, EXCEPT SHARE DATA) Short-term borrowings
 \$ 24.4 \$ 24.4 Long-term debt: Credit agreement
 191.3 191.3 Term loan (a) -- 100.0 12%
 Senior Secured Notes due 2005 352.7 352.7 8 1/8% Senior Notes due 2006
 249.7 249.7 9% Senior Notes due 2006 250.0 250.0 8
 5/8% Senior Subordinated Notes due 2008 649.9 649.9 Advances from Holdings
 24.1 24.1 ----- ----- Total indebtedness
 1,742.1 1,842.1 ----- ----- Stockholders' deficiency: Preferred stock, par value \$0.01 per share, 20,000,000
 shares authorized, 546 shares of Series A Preferred Stock are issued and outstanding 54.6 54.6 Preferred stock,
 par value \$0.01 per share, 20,000,000 shares authorized, 4,333 shares of Series B Convertible Preferred Stock issued
 and outstanding -- -- Class A Common Stock, par value \$0.01 per share,
 350,000,000 shares authorized, 20,516,135 shares are issued and outstanding and pro forma issued and outstanding (b)
 0.2 Class B Common Stock, par value \$0.01 per share, 200,000,000 shares authorized,
 31,250,000 shares are issued and outstanding 0.3 0.3 Capital deficiency
 (201.3) () Accumulated deficit since June 24, 1992
 (1,182.5) (1,182.5) Accumulated other comprehensive loss (71.5) (71.5) -----
 Total stockholders' deficiency (1,400.2) ----- ----- Total capitalization
 \$ 341.9 \$ =====

===== (a) Assumes total commitment under the MacAndrews & Forbes \$100 million term loan is outstanding and excludes funds available under the \$40-65 million line of credit. (b) Assumes shares of common stock are issued pursuant to this rights offering. 40 CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES The following discussion is a summary of certain federal income tax consequences of this rights offering to holders of our common stock that hold such stock as a capital asset for federal income tax purposes. This discussion is based on laws, regulations, rulings and decisions in effect on the date hereof, all of which are subject to change (possibly with retroactive effect) and to differing interpretations. This discussion applies only to holders that are U.S. persons and does not address all aspects of federal income taxation that may be relevant to holders in light of their particular circumstances or to holders who may be subject to special tax treatment under the Internal Revenue Code, including, without limitation, holders of preferred stock or warrants, holders who are dealers in securities or foreign currency, foreign persons, insurance companies, tax-exempt organizations, banks, financial institutions, broker-dealers, holders who hold common stock as part of a hedge, straddle, conversion or other risk reduction transaction, or who acquired common stock pursuant to the exercise of compensatory stock options or otherwise as compensation. We have not sought, and will not seek, an opinion of counsel or a ruling from the Internal Revenue Service regarding the federal income tax consequences of this rights offering or the related share issuance. The following summary does not address the tax consequences of this rights offering or the related share issuance under foreign, state, or local tax laws. ACCORDINGLY, EACH HOLDER OF COMMON STOCK SHOULD CONSULT ITS TAX ADVISOR WITH RESPECT TO THE PARTICULAR TAX CONSEQUENCES OF THIS RIGHTS OFFERING OR THE RELATED SHARE ISSUANCE TO SUCH HOLDER. For U.S. federal income tax purposes, neither the receipt nor the exercise of the subscription rights will result in taxable income to you. Moreover, you will not realize a loss if you do not exercise the subscription rights. The holding period for a share acquired upon exercise of a subscription right begins with the date of exercise. The basis for determining gain or loss upon the sale of a share acquired upon the exercise of a subscription right will be equal to the sum of: o the subscription price per share; o any servicing fee charged to you by your broker, bank or trust company; and o the basis, if any, in the subscription rights that you exercised. A gain or loss recognized upon a sale of a share acquired upon the exercise of a subscription right will be a capital gain or loss assuming the share is held as a capital asset at the time of sale. This gain or loss will be a long-term capital gain or loss if the share has been held at the time of sale for more than one year. As noted above, your basis in a share issued under the subscription rights offer includes your basis in the subscription rights underlying that share. If the aggregate fair market value of the subscription rights at the time they are distributed is less than 15% of the aggregate fair market value of our common stock at such time, the basis of the subscription rights issued to you will be zero unless you elect to allocate a portion of your basis of previously owned common stock to the subscription rights issued to you in this rights offering. If the

aggregate fair market value of the subscription rights at the time they are distributed is 15% or more of the aggregate fair market value of our common stock at such time, or if you elect to allocate a portion of your basis of previously owned common stock to the subscription rights issued to you in this offering, then your basis in previously owned common stock will be allocated between such common stock and the subscription rights based upon the relative fair market value of such common stock and the subscription rights as of the date of the distribution of the subscription rights. Thus, if such an allocation is made and the rights are later exercised, the basis in the common stock you originally owned will be reduced by an amount equal to the basis allocated to the subscription rights. An election must be made in a statement attached to your federal income tax return for the year in which the subscription rights are distributed. If the subscription rights expire without exercise, you will realize no loss and no portion of your basis in the common stock will be allocated to the unexercised subscription rights. If you sell, exchange or otherwise dispose of subscription rights received in the rights offering prior to the expiration date, you will recognize capital gain or loss equal to the difference between (i) 41 the amount of cash and the fair market value of any property received, and (ii) your tax basis (if any) in the subscription rights disposed of. Any such capital gain or loss will be long-term capital gain or loss if your holding period for the subscription rights exceeds one year at the time of disposition. Your holding period for the subscription rights received in the rights offering will include your holding period for the common stock with respect to which the rights were received. LEGAL MATTERS The validity of the subscription rights and the shares of Class A common stock offered pursuant to this rights offering will be passed upon for us by Robert K. Kretzman, Esq., Senior Vice President, General Counsel and Secretary of Revlon. Mr. Kretzman holds restricted shares of our Class A common stock and options to acquire shares of our Class A common stock and has an interest in shares of our Class A common stock held by our 401(K) plan. EXPERTS Our consolidated financial statements and the related financial statement schedule incorporated in this prospectus by reference from our Annual Report on Form 10-K for the year ended December 31, 2001 have been audited by KPMG LLP, independent certified public accountants, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing. WHERE YOU CAN FIND MORE INFORMATION We file annual, quarterly and current reports, proxy statements other information with the SEC. You may read or copy any document we file at the public reference room maintained by the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of this information may also be obtained by mail from the SEC's Public Reference Branch at 450 Fifth Street, N.W., Washington, D.C. 20549. In addition, our filings with the SEC are also available to the public on the SEC's internet Web site at www.sec.gov. Our Class A common stock is listed on the New York Stock Exchange, and our reports, proxy statements and other information concerning us may also be read and copied at the offices of the NYSE. We have filed with the SEC a registration statement on Form S-3 under the Securities Act of 1933 with respect to this rights offering. This prospectus does not contain all of the information set forth in the registration statement and its exhibits. Statements made by us in this prospectus as to the contents of any contract, agreement or other document referred to in this prospectus are not necessarily complete. For a more complete description of these contracts, agreements or other documents, you should carefully read the exhibits to the registration statement and the documents which we reference under the caption "Incorporation of Certain Documents by Reference." The registration statement, together with its exhibits and schedules, which we filed with the SEC, may also be reviewed and copied at the public reference facilities of the SEC located at the addresses set forth above. Please call the SEC at 1-800-SEC-0330 for further information on its public reference facilities. You should rely only on the information contained, or incorporated by reference in, this prospectus. We have not authorized anyone to provide information different from that contained in, or incorporated by reference in, this prospectus. This prospectus is not an offer to sell or a solicitation of an offer to buy these securities in any state where the offer or sale is not permitted. This prospectus is not an offer to sell or a solicitation of an offer to buy these securities in any circumstance under which the offer or solicitation is not permitted. The information contained in this prospectus is correct only as of the date of this prospectus, regardless of the time of the delivery of this prospectus or any sale of these securities. 42

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 21,739,130 SHARES REVLON, INC. CLASS A COMMON STOCK ----- PROSPECTUS
 ----- , 2003
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PART II INFORMATION NOT REQUIRED IN PROSPECTUS ITEM 14. OTHER EXPENSES OF ISSUANCE

AND DISTRIBUTION Securities and Exchange Commission Registration Fee	\$ 828	Printing Expenses	35,000
Accounting Fees and Expenses	75,000	Legal Fees and Expenses	540,000
Miscellaneous (including financial advisor expenses)	1,537,000	Total	\$2,187,828

===== All amounts shown are estimates, except the Securities and Exchange Commission registration fee. ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS Section 102(b)(7) of the General Corporation Law of the State of Delaware allows a corporation to eliminate or limit the personal liability of directors to a corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director breached his duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase or redemption in violation of Delaware corporate law or obtained an improper personal benefit. Section 145 of the General Corporation Law of the State of Delaware empowers a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation) by reason of the fact that such person is or was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. A Delaware corporation may indemnify directors, officers, employees and other agents of such corporation in an action by or in the right of a corporation under the same conditions against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense and settlement of such action or suit, except that no indemnification is permitted without judicial approval if the person to be indemnified has been adjudged to be liable to the corporation. Where a present or former director or officer of the corporation is successful on the merits or otherwise in the defense of any action, suit or proceeding referred to above or in defense of any claim, issue or matter therein, the corporation must indemnify such person against the expenses (including attorneys' fees) which he or she actually and reasonably incurred in connection therewith. Article X of the By-laws of Revlon, Inc. (the "Company") provides for indemnification of the officers and directors of the Company to the fullest extent permitted by applicable law. Section 8 of Article X of the By-laws provides that the Company may purchase and maintain insurance on behalf of its directors and officers. The indemnification and advancement of expenses shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. Section 11 of Article X of the By-laws provides that except for proceedings to enforce rights to indemnification, the Company shall not be obligated to indemnify any director or officer in connection II-1 with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company. Article Fifth (4) of the Company's Amended and Restated Certificate of Incorporation provides that no director shall be personally liable to the Company or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the General Corporation Law of the State of Delaware or (iv) for any transaction from which the director derived an improper personal benefit. Any repeal or modification of this Article by the stockholders of the Company shall not adversely affect any right or protection of a director of the Company existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification. ITEM 16. EXHIBITS The following is a list of all exhibits filed as part of this registration statement on Form S-3, including those incorporated in this registration statement by reference. LOCATION OR INCORPORATION EXHIBIT NO. DESCRIPTION BY REFERENCE TO -----

----- 2. PLAN OF ACQUISITION ETC. 2.1 Investment Agreement, dated as of Incorporated by reference to February 5, 2003, among Revlon, Inc., Exhibit 2.1 to the Current Revlon Consumer Products Corporation Report on Form 8-K of Revlon and MacAndrews & Forbes Holdings Inc. Consumer Products Corporation, filed with the Commission on February 5, 2003 4. INSTRUMENTS DEFINING

THE RIGHTS OF SECURITY HOLDERS, INCLUDING INDENTURES. 4.1 Specimen Class A Common Stock Included herein Certificate 4.2 Form of Subscription Rights Certificate Included herein 5. OPINION RE LEGALITY. 5.1 Form of opinion of Robert K. Kretzman, Included herein Esq. 23. CONSENTS. 23.1 Consent of Robert K. Kretzman, Esq. Included in Exhibit 5.1 23.2 Consent of KPMG LLP, Independent Included herein Auditors 24. POWERS OF ATTORNEY. 24.1 Power of Attorney executed by Ronald Included herein O. Perelman 24.2 Power of Attorney executed by Jack L. Included herein Stahl 24.3 Power of Attorney executed by Howard Included herein Gittis II-2 LOCATION OR INCORPORATION EXHIBIT NO. DESCRIPTION BY REFERENCE TO -----
----- 24.4 Power of Attorney executed by Douglas Included herein H. Greeff 24.5 Power of Attorney executed by Donald Included herein G. Drapkin 24.6 Power of Attorney executed by Meyer Included herein Feldberg 24.7 Power of Attorney executed by Vernon Included herein E. Jordan, Jr. 24.8 Power of Attorney executed by Edward Included herein J. Landau 24.9 Power of Attorney executed by Linda Included herein Gosden Robinson 24.10 Power of Attorney executed by Terry Included herein Semel 24.11 Power of Attorney executed by Martha Included herein Stewart 99. ADDITIONAL EXHIBITS. 99.1 Form of Instructions for Use of Revlon, Included herein Inc. Subscription Rights Certificates 99.2 Form of Notice of Guaranteed Delivery Included herein for Subscription Rights 99.3 Form of Letter to Stockholders Who Are Included herein Record Holders 99.4 Form of Letter to Stockholders Who Are Included herein Beneficial Holders 99.5 Form of Letter to Clients of Stockholders Included herein Who Are Beneficial Holders 99.6 Form of Nominee Holder Certification Included herein Form 99.7 Form of Beneficial Owner Election Form Included herein

ITEM 17. UNDERTAKINGS The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the II-3 event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel that matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue. The undersigned registrant hereby undertakes that: (1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective; and (2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered in any such amendment, and the offering of such securities at that time shall be deemed to be the initial bona fide offering of such securities. II-4 SIGNATURES Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York on the 5th day of February, 2003. REVLON, INC. /s/ Robert K. Kretzman By: ----- Name: Robert K. Kretzman Title: Senior Vice President Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated: SIGNATURE TITLE DATE * Chairman of the Board and February 5, 2003 ----- Director Ronald O. Perelman /s/ Jack L. Stahl President, Chief Executive Officer February 5, 2003 ----- and Director (Principal Executive Jack L. Stahl Officer) /s/ Douglas H. Greeff Executive Vice President and February 5, 2003 ----- Douglas H. Greeff Chief Financial Officer (Principal Financial Officer) * Director February 5, 2003 ----- Howard Gittis * Director February 5, 2003

----- Donald G. Drapkin * Director February 5, 2003 ----- Meyer Feldberg * Director February 5, 2003 ----- Vernon E. Jordan, Jr. * Director February 5, 2003 ----- Edward J. Landau * Director February 5, 2003 ----- Linda Godsen Robinson * Director February 5, 2003 ----- Terry Semel * Director February 5, 2003 ----- Martha Stewart /s/ Laurence Winoker Senior Vice President, Corporate February 5, 2003 ----- Controller and Treasurer (Principal Laurence Winoker Accounting Officer) * Robert K. Kretzman, by signing his name hereto, does hereby sign this registration statement on behalf of the directors and officers of the registrant above whose typed names asterisks appear, pursuant to powers of attorney duly executed by such directors and officers and filed with the Securities and Exchange Commission. By:/s/ Robert K. Kretzman ----- Name: Robert K. Kretzman Title: Attorney-in-fact

II-5 EXHIBIT INDEX LOCATION OR INCORPORATION EXHIBIT NO. DESCRIPTION BY REFERENCE TO -----

2. PLAN OF ACQUISITION ETC. 2.1 Investment Agreement, dated as of Incorporated by reference to February 5, 2003, among Revlon, Inc., Exhibit 2.1 to the Current Revlon Consumer Products Corporation Report on Form 8-K of Revlon and MacAndrews & Forbes Holdings Inc. Consumer Products Corporation, filed with the Commission on February 5, 2003 4. INSTRUMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS, INCLUDING INDENTURES. 4.1 Specimen Class A Common Stock Included herein Certificate 4.2 Form of Subscription Rights Certificate Included herein 5. OPINION RE LEGALITY. 5.1 Form of opinion of Robert K. Kretzman, Included herein Esq. 23. CONSENTS. 23.1 Consent of Robert K. Kretzman, Esq. Included in Exhibit 5.1 23.2 Consent of KPMG LLP, Independent Included herein Auditors 24. POWERS OF ATTORNEY. 24.1 Power of Attorney executed by Ronald Included herein O. Perelman 24.2 Power of Attorney executed by Jack L. Included herein Stahl 24.3 Power of Attorney executed by Howard Included herein Gittis 24.4 Power of Attorney executed by Douglas Included herein H. Greeff 24.5 Power of Attorney executed by Donald Included herein G. Drapkin 24.6 Power of Attorney executed by Meyer Included herein Feldberg 24.7 Power of Attorney executed by Vernon Included herein E. Jordan, Jr. 24.8 Power of Attorney executed by Edward Included herein J. Landau 24.9 Power of Attorney executed by Linda Included herein Gosden Robinson II-6 LOCATION OR INCORPORATION EXHIBIT NO. DESCRIPTION BY REFERENCE TO -----

24.10 Power of Attorney executed by Terry Included herein Semel 24.11 Power of Attorney executed by Martha Included herein Stewart 99. ADDITIONAL EXHIBITS. 99.1 Form of Instructions for Use of Revlon, Included herein Inc. Subscription Rights Certificates 99.2 Form of Notice of Guaranteed Delivery Included herein for Subscription Rights 99.3 Form of Letter to Stockholders Who Are Included herein Record Holders 99.4 Form of Letter to Stockholders Who Are Included herein Beneficial Holders 99.5 Form of Letter to Clients of Stockholders Included herein Who Are Beneficial Holders 99.6 Form of Nominee Holder Certification Included herein Form 99.7 Form of Beneficial Owner Election Form Included herein II-7