



UPDATE

Financial 15 Split Corp II is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in a diversified, high quality portfolio consisting of 15 financial services companies, made up of Canadian and U.S. issuers. Two types of shares are available, a Class A and a Preferred.

Objectives

Preferred Shares (TSX: FFN.PR.A):

(i) to provide holders of the Preferred Shares with fixed, cumulative preferential monthly cash dividends in the amount of \$0.04375 per Preferred Share to yield **5.25% per annum** on the original issue price; and (ii) on or about December 1, 2009 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares.

Class A Shares (TSX: FFN):

(i) to provide holders of the Class A Shares with regular monthly cash dividends initially targeted to be \$0.10 per Class A Share to yield **8.0% per annum** on the original issue price; and (ii) on or about December 1, 2009 (termination date), to pay the holders of Class A Shares at least the original issue price of those shares.

Distributions

	FFN	FFN.PR.A	Total
Total to Date	\$1.10	\$0.5037	\$1.6037
2005 YTD	\$0.90	\$0.39375	\$1.29375
2004 (two months)	\$0.20	\$0.10991*	\$0.30991

*Initial distribution for the period Oct 15/04 to Nov 30/04.

Commentary

Royal Bank of Canada (RY-T), Bank of Montreal (BMO-T) Canadian Imperial Bank of Commerce (CM-T), The Toronto-Dominion Bank (TD-T) and The Bank of Nova Scotia (BNS-T) all reported 3rd quarter results in August 2005.

CM declared its quarterly dividend of \$0.68 per share.

BNS raised its quarterly dividend to \$0.34 per share

RY raised its quarterly dividend to \$0.64 per share, up 4.9% from \$0.61 per share last quarter.

TD raised its quarterly dividend to \$0.42 per share, up 5.0% from \$0.40 per share last quarter.

BMO raised its quarterly dividend to \$0.49 per share, up 6.5% from \$0.46 per share last quarter.

The average dividend yield on the five Canadian Banks is currently 3.3% per annum.

RY, BMO, CM, TD and BNS are holdings of Financial 15 Split II.

Details

Gross Proceeds:	\$167,500,000
Units Issued:	6,700,000
Inception Date:	Oct 15, 2004
Termination Date:	Dec 1, 2009
Net Asset Value:	\$24.37 (Sep 30/05)
Cash Weighting:	8%
U.S. Equity Weighting:	29%
Canadian Equity Weighting:	63%
FFN.PR.A Issue Price	\$10.00
Trading Price:	\$10.75 (Sep 30/05)
Current Yield:	4.9% annually
FFN Issue Price:	\$15.00
Trading Price:	\$13.50 (Sep 30/05)
Current Yield:	8.9% annually

Holdings Sorted By Weight

	Symbol
CI Fund Management	CIX-T
Manulife Financial	MFC-T
Citigroup	C-N
Canadian Imperial Bank of Commerce	CM-T
Royal Bank	RY-T
Sun Life Financial	SLF-T
Great-West Lifeco	GWO-T
Merrill Lynch	MER-N
JP Morgan	JPM-N
Bank of America	BAC-N
National Bank	NA-T
Toronto-Dominion Bank	TD-T
Bank of Montreal	BMO-T
Wells Fargo	WFC-N
Bank of Nova Scotia	BNS-T

Weightings subject to change at any time.