

Financial 15 Split Corp is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in a diversified, 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.

Distributions

	FTN	FTN (specials)	FTN.PR.A	Total
Total to Date	\$7.0827	\$0.50	\$3.2176	\$10.8003
2009 YTD	\$1.0056		\$0.5250	\$1.5306
2008	\$1.1771		\$0.5250	\$1.7021
2007	\$1.20		\$0.5250	\$1.7250
2006	\$1.20	\$0.25	\$0.5250	\$1.9750
2005	\$1.20	\$0.25	\$0.525	\$1.9750
2004	\$1.20		\$0.5250	\$1.7250
2003 (one month)	\$0.10		\$0.0676*	\$0.1676

*For the period Nov 14/03 to Dec 31/03 (initial distribution)

Commentary

December proved to be strong as all of the broad market indices posted continued gains and ended the year with solid returns, most coming since the March 2009 lows as shown below.

Leading indicators in both Canada and the United States continue to point to improving economic conditions. Overall confidence in the US financial system continues to improve as some of the larger US Banks continue to repay government funds and raise private capital. However, credit expansion through lending is still very sluggish and this will likely have the effect of dampening the recovery as many small businesses in particular have not been able to access capital. Concerns over commercial real estate and a still weak US housing market continue to weigh on the prospect of a more robust recovery. A surprisingly strong housing market and continued increases in commodity prices have continued to provide support to the Canadian economy.

Although economic conditions are continuing to improve, double digit unemployment in the U.S. is likely to keep fiscal and monetary stimulus in place for some time to come. The low levels of interest rates around the world are proving to provide significant fuel to propel the prices of financial assets and commodities. As Canadian and US government fixed income yields continue to remain at very low absolute and relative rates, this should continue to be very supportive to the strong dividend paying companies.

Attractive dividend yields, low historic valuations and significant option premiums available in the market place continue to bode well for the portfolio. The Manager continues to actively manage the relative weightings of the companies held within the portfolio.

	One Month to Dec 31, 2009	Year to Date Dec 31, 2009
TSX	2.61%	30.69%
S&P 500	1.78%	23.45%
DJII	0.80%	18.82%
NASDAQ	5.81%	43.89%

Details

Total Net Assets:	\$126,912,803
Units Outstanding:	7,272,940
Inception Date:	Nov 14, 2003
Termination Date:	Dec 1, 2015
Net Asset Value:	\$17.45 (Dec 31/09)
Cash Weighting:	7%
U.S. Equity Weighting:	29%
Canadian Equity Weighting:	64%

FTN.PR.A Trading Price:	\$10.09 (Dec 31/09)
Current Yield:	5.2% annually
Asset Coverage:	175%
Market Capitalization:	\$73,383,965

FTN Trading Price:	\$9.44 (Dec 31/09)
Current Yield:	16.0% annually*
Market Capitalization:	\$68,656,554

*Last distribution annualized.

Top Holdings (sorted by weight)

CI Fund Management	CIX-T
AGF	AGF-T
Goldman Sachs	GS-N
Bank of Montreal	BMO-T
Bank of America	BAC-N
Royal Bank	RY-T
Canadian Imperial Bank of Commerce	CM-T
Wells Fargo	WFC-N
JP Morgan	JPM-N
Manulife Financial	MFC-T
Toronto-Dominion Bank	TD-T
National Bank	NA-T
Great-West Lifeco	GWO-T
Bank of Nova Scotia	BNS-T
TMX Group	X-T

Weightings subject to change at any time.