



UPDATE

Financial 15 Split Corp 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: FTN.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, 2008 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares.

Class A Shares (TSX: FTN):

(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, 2008 (termination date), to pay the holders of Class A Shares at least the original issue price of those shares.

Distributions

	FTN	FTN (specials)	FTN.PR.A	Total
Total to Date	\$3.10	\$0.50	\$1.3801	\$4.9801
2006 YTD	\$0.60	\$0.25	\$0.2625	\$1.1125
2005	\$1.20	\$0.25	\$0.525	\$1.975
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

CIBC boosts quarterly dividend by 3% to \$0.70 per share to yield 3.7% per annum.

BMO boosts quarterly dividend by 17% to \$0.62 per share to yield 4.0% per annum.

CIBC and BMO are holdings of Financial 15 Split.

Details

Gross Proceeds:	\$272,500,000
Units Issued:	10,900,000
Inception Date:	Nov 14, 2003
Termination Date:	Dec 1, 2008
Net Asset Value:	\$26.04 (Jun 30/06)

Cash Weighting:	13%
U.S. Equity Weighting:	26%
Canadian Equity Weighting:	61%

FTN.PR.A Issue Price	\$10.00
Trading Price:	\$10.34 (Jun 30/06)
Current Yield:	5.1% annually

FTN Issue Price:	\$15.00
Trading Price:	\$15.31 (Jun 30/06)
Current Yield:	7.8% annually

Holdings Sorted By Weight Symbol

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

Weightings subject to change at any time.