



# 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	\$4.30	\$0.50	\$1.9051	\$6.7051
2007 YTD	\$0.60		\$0.2625	\$0.8625
2006	\$1.20	\$0.25	\$0.5250	\$1.9750
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

Toronto Dominion Bank (TSX: TD) increased its quarterly dividend of \$0.48 to \$0.53 a share, a 10% increase (Feb 07). Great-West Lifeco (TSX: GWO) increased its quarterly dividend of \$0.24 to \$0.255 a share, a 6% increase (Feb 07).

CIBC (TSX: CM) increased its quarterly common share dividend from \$0.70 to \$0.77 a share, a 10% increase (Mar 07). Bank of Montreal (TSX: BMO) increased its quarterly dividend from \$0.65 to \$0.68 a share, a 4.6% increase (Mar 07). Royal Bank (RY on TSX & NYSE) increased its quarterly common share dividend from \$0.40 to \$0.46 a share, a 15% increase (Mar 07).

Manulife Financial (TSX: MFC) increased its quarterly common share dividend from \$0.20 to \$0.22 a share, a 10% increase (May 07).

TD, GWO, CM, BMO, RY and MFC are holdings of Financial 15 Split.

The Financial 15 Split portfolio has a current dividend yield of approximately 3.2%.

## Details

Gross Proceeds:	\$272,500,000
Units Issued:	10,900,000
Inception Date:	Nov 14, 2003
Termination Date:	Dec 1, 2008
Net Asset Value:	\$28.51 (Jun 29/07)
Cash Weighting:	8%
U.S. Equity Weighting:	22%
Canadian Equity Weighting:	70%
<b>FTN.PR.A</b> Issue Price	\$10.00
Trading Price:	\$10.15 (Jun 29/07)
Current Yield:	5.2% annually
<b>FTN</b> Issue Price:	\$15.00
Trading Price:	\$17.24 (Jun 29/07)
Current Yield:	7.0% annually

## Holdings Sorted By Weight

Holdings Sorted By Weight	Symbol
AGF	AGF-T
CI Fund Management	CIX-T
Royal Bank	RY-T
Great-West Lifeco	GWO-T
Sun Life Financial	SLF-T
Canadian Imperial Bank of Commerce	CM-T
Citigroup	C-N
Manulife Financial	MFC-T
Toronto-Dominion Bank	TD-T
National Bank	NA-T
Bank of Montreal	BMO-T
Bank of America	BAC-N
Merrill Lynch	MER-N
Bank of Nova Scotia	BNS-T
Fifth Third Bancorp	FITB-N

Weightings subject to change at any time.