



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 | \$4.70 | \$0.50 | \$2.0801 | \$7.2801 |
| 2007 YTD | \$1.00 | | \$0.4375 | \$1.4375 |
| 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

Sun Life Financial (TSX: SLF) increased their quarterly dividend 6% to \$0.34 per common share, up 13% year over year (July 07). Great West Life (TSX: GWO) increased their quarterly dividend 8% to \$0.2750 per common share (Aug 07).

Toronto-Dominion Bank (TSX: TD) increased its quarterly common share dividend to \$0.57 a share, an 8% increase (Aug 07). Royal Bank of Canada (TSX: RY) increased its quarterly common share dividend to \$0.50 a share, a 9% increase (Aug 07). Bank of Montreal (TSX: BMO) increased its quarterly common share dividend to \$0.70 a share, a 2.9% increase (Aug 07). Canadian Imperial Bank of Commerce (TSX: CM) increased its quarterly common share dividend to \$0.87 a share, a 12% increase (Aug 07).

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

The Financial 15 Split portfolio has a current dividend yield of approximately 3.3%.

Details

| | |
|-------------------|---------------------|
| Gross Proceeds: | \$272,500,000 |
| Units Issued: | 10,900,000 |
| Inception Date: | Nov 14, 2003 |
| Termination Date: | Dec 1, 2008 |
| Net Asset Value: | \$27.04 (Oct 31/07) |

| | |
|----------------------------|-----|
| Cash Weighting: | 11% |
| U.S. Equity Weighting: | 14% |
| Canadian Equity Weighting: | 75% |

| | |
|-----------------------------|---------------------|
| FTN.PR.A Issue Price | \$10.00 |
| Trading Price: | \$10.11 (Oct 31/07) |
| Current Yield: | 5.2% annually |

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|-------------------------|---------------------|
| FTN Issue Price: | \$15.00 |
| Trading Price: | \$15.60 (Oct 31/07) |
| Current Yield: | 7.7% annually |

Top Holdings Sorted By Weight Symbol

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

Weightings subject to change at any time.