



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

Total to Date	\$1.00	\$0.4614	\$1.4614
Record Date	FTN	FTN.PR.A	Pay Date
Sept 30/04	\$0.10	\$0.0438	Oct 8/04
Aug 31/04	\$0.10	\$0.0438	Sep 10/04
July 30/04	\$0.10	\$0.0438	Aug 10/04
June 30/04	\$0.10	\$0.0438	July 9/04
May 31/04	\$0.10	\$0.0438	Jun 10/04
Apr 30/04	\$0.10	\$0.0438	May 10/04
Mar 31/04	\$0.10	\$0.0438	Apr 8/04
Feb 27/04	\$0.10	\$0.0438	Mar 10/04
Jan 30/04	\$0.10	\$0.0438	Feb 10/04
Dec 31/03	\$0.10	\$0.0676*	Jan 9/04

*For the period Nov 14/03 to Dec 31/03

Commentary

Financial 15 has been heavily weighted in Canadian life insurance companies that have outperformed bank stocks since inception of the fund. Currently, three out of the five top holdings are included in this sector.

This investment mix has assisted the performance of the fund.

Details

Gross Proceeds:	\$272,500,000
Units Issued:	10,900,000
Inception Date:	Nov 14, 2003
Termination Date:	Dec 1, 2008
Net Asset Value:	\$24.69 (Sep 30/04)
Cash Weighting:	5%
U.S. Equity Weighting:	26%
Canadian Equity Weighting:	69%
FTN.PR.A Issue Price	\$10.00
Trading Price:	\$10.54 (Sep 30/04)
Current Yield:	5.0% annually
FTN Issue Price:	\$15.00
Trading Price:	\$14.99 (Sep 30/04)
Current Yield:	8.0% annually

Holdings Sorted By Weight

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

Weightings subject to change at any time.