

MAY 31
2009

U.S. FINANCIAL 15 SPLIT CORP.
SEMI-ANNUAL REPORT
(UNAUDITED)



This report may contain forward-looking statements about the Company. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Company action, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Company. Any number of important factors could contribute to any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Company currently anticipates that subsequent events and developments may cause the Company’s views to change, the Company does not undertake to update any forward-looking statements.

US FINANCIAL 15 SPLIT CORP.

SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

MAY 31, 2009

This is the semi-annual Management Report of Fund Performance (MRFP) for the period ended May 31, 2009. This MRFP contains financial highlights but does not contain the complete financial statements of the Company. The semi-annual financial statements and accompanying notes are attached to this report.

Investors may also obtain a copy of the Company's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure by visiting our website at www.financial15.com or by writing to the Company at Investor Relations, Royal Trust Tower, 77 King Street West, P.O. Box 341, Toronto, Ontario, M5K 1K7.

These reports are available to view and download at www.financial15.com or www.sedar.com.

INVESTMENT OBJECTIVES AND STRATEGIES

US Financial 15 Split Corp. invests primarily in a portfolio of commons shares, which will include each of the following U.S. financial services companies listed below:

American Express Company
Bank of America Corp.
Bank of New York Mellon
Citigroup Inc.
CME Group
Fifth Third Bancorporation
Goldman Sachs Group Inc.
J.P. Morgan Chase & Co.

Morgan Stanley
PNC Financial Services
Regions Financial Corp.
State Street Corp.
Suntrust Banks
US Bancorp
Wells Fargo Company

The Company may also invest up to 20% of the Net Asset Value in equity securities of issuers other than the 15 financial services companies listed above. In order to supplement the dividends received on the Portfolio and to reduce risk, the Company will from time to time write covered call options in respect of some or all of the common shares in the portfolio.

The Company offers two types of shares:

Preferred Shares

The investment objectives with respect to the Preferred Shares are as follows:

1. To provide holders 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
2. On or about December 1, 2012 (the termination date) to pay holders the original issue price (\$10) of the Preferred shares.

Class A Shares

The investment objectives with respect to the Class A shares are as follows:

1. To provide holders with regular monthly cash dividends initially targeted to be \$0.10 per Capital Share to yield 8% per annum on the original issue price; and
2. On or about December 1, 2012 (the termination date), to pay holders at least the original issue price of those shares (\$15).

Risk

The risks of investing in the Company remain as discussed in the Annual Information form dated February 22, 2009. In addition, Note 3 of the semi-annual financial statements ("Management of Risk") contains disclosure on specific types of risks related to the financial investments held by the Company.

The overall risk environment for all financial assets continues to remain at above average levels as further explained in the Results of the Operation section below. This environment has created a much higher degree of uncertainty as to the outlook for the market prices of the companies held in the portfolio.

RESULTS OF OPERATIONS

The six month period ending May 31, 2009 was one of the most tumultuous periods in financial market history.

Global financial and economic conditions worsened in the first quarter of 2009 as business, investor and consumer confidence hit record lows and governments were required to take extraordinary and unprecedented actions to stabilize the financial system and stimulate economic activity.

On the monetary side, the U.S. Federal Reserve decreased rates to near zero levels and central banks around the world followed in a synchronized easing of interest rates. The Federal Reserve also engaged in a massive program of quantitative monetary easing in an attempt to drive down mid to longer term interest rates to help boost private lending, mortgage financing and small businesses activity.

Governments around the world led by the U.S. engaged in various programs designed to strengthen financial institutions including direct capital injections, backstopping and guaranteeing loans, purchasing toxic assets and taking direct equity stakes in many large financial institutions including Citigroup and Bank of America.

In early March, pessimism about the global financial crisis and the global recession appeared to reach extreme levels and broad based stock markets declined to index levels not seen since the 1990s. In early March, the S&P 500 Financial index had declined a staggering 84% from the

2007 highs. However, the markets after reaching these new depths began a modest recovery as government sponsored initiatives to stabilize the banking system began to take traction and market participants appeared to conclude that the more extreme potential negative outcomes would not come to fruition. From these March lows, markets across the world staged an impressive recovery. However, despite this impressive rebound, the S&P 500 Financial index still remained 68% below the 2007 highs as at May 31, 2009.

By the end of the Company's reporting period of May 31, the markets had improved significantly as investors became more focused on fundamentals of financial companies rather than whether they would survive. Critical to this marked change in approach was the confidence inspired by the significant re-capitalization efforts of the major U.S. banks through both government and private sources and the view that the financial system was going to improve. The steep upwards sloping yield curve and the ability of major financial institutions to access capital at low rates provided potentially strong lending revenues going forward. It was hoped that earnings from these activities and an increase in economic growth could over time help these Companies "earn" their way out of their recent financial problems.

Against this backdrop, the market prices of the financial services stocks in the portfolio mirrored this activity reaching lows in early March but recovering significantly by the end of May. The net asset value as at May 31 ended \$1.16 lower to \$5.78 per unit over the six month period. On February 18, 2009, the Company announced that it was suspending its regular monthly dividends on the Preferred shares in order to preserve cash and to assist in rebuilding the net asset value in an attempt to achieve longer term objectives. Since the dividends on the Preferred shares are cumulative, the February, March, April and May suspended dividends (and all subsequent dividends not paid) will be accrued to the benefit of the Preferred shareholders and are recorded as a liability in the Company's net asset value. Such amounts will be included as part of the retraction price paid on any Preferred shares redeemed. The Company maintained its required foreign exchange hedging throughout the period in which a minimum of 50% of U.S. exposure is hedged through Canadian/U.S. dollar foreign exchange forward contracts.

Subsequent to the end of the period, the Company announced that it had added CME Group Inc., State Street Corp., Regions Financial and Bank of New York Mellon (previously held in the "other" financial services component of the portfolio) as core replacements for Merrill Lynch Inc., Wachovia Corporation and Washington Mutual Inc. and American International Group. It expected that the four added names will add further diversification to the other 11 core names in the portfolio. A brief description of each of the Companies is provided below.

The CME Group is a grouping of three exchanges which include CME, CBOT, and NYMEX. CME Group allows market participants the opportunity to trade futures and options on a broad range of asset classes including interest rates, commodities, currencies, indices, real estate, weather, metals, economic events and single stocks. Along with their U.S. operations, CME Group has locations across the globe to serve its international customers.

State Street is a financial holding company that has been in existence for over 200 years and provides a broad range of services primarily to institutional investors. These services include research, investment management, custody, trading services and investment servicing. Its customers include mutual funds, collective investment funds and pools, retirement plans, insurance companies, foundations, endowments, and investment managers.

Regions Financial is a regional bank that provides a wide range of banking services across the South, Midwest, and Texas. Regions Financial provides traditional commercial, retail and mortgage banking services, mutual funds, as well as other financial services. Its subsidiary, Morgan Keegan & Company Inc, provides brokerage, trust and asset management. Regions Insurance Services, another subsidiary, provides insurance coverage for both personal and business use.

Bank of New York Mellon was established in 2007 from the merger of Mellon financial Corporation and The Bank of New York Company, Inc. Bank of New York Mellon is a leading asset management and securities services company, with \$19.5 trillion in assets under custody or administration and \$881 billion under management. Its clients include institutions and corporations, private clients, and consultants and advisors.

Although, an improved level of stability had entered the financial system and equity markets by the end of the Company's reporting period of May 31, North American economic conditions continue to remain challenging as unemployment rates continue to increase, housing markets remain under pressure and corporate earnings, consumer spending and business spending remain at very low levels. After the longest and deepest financial crisis and recession since the Great Depression, it still remains difficult to anticipate the nature and timing of the expected economic recovery and the impact that this will have on financial services companies held in the portfolio.

DISTRIBUTIONS

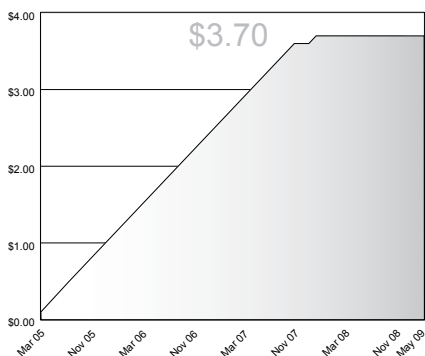
Class A Shares - Distributions

Class A shareholders are entitled to receive 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. Due to the decline in the net asset value to below \$15 per unit, no monthly distributions were made during the period.

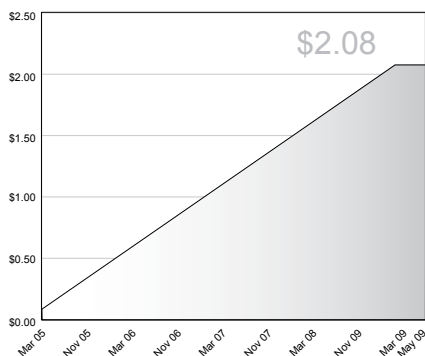
Preferred Shares - Distributions

Preferred shareholders are entitled to 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. Two monthly distributions were paid at the fixed rate for a cumulative total \$0.0875 per share. The remaining 4 monthly distributions have been accrued.

Cumulative Distributions since inception



Cumulative Distributions since inception



RECENT DEVELOPMENTS

Amendment to section 3862-Financial Instrument Disclosure

In March 2009, the International Accounting Standards Board issued amendments to IFRS 7, Financial Instruments: Disclosures ("IFRS") intended to improve disclosures about fair value and liquidity risk. The Canadian accounting Standards Board announced in its March 25-26 Decision Summary that it will adopt the amendments into Canadian generally accepted accounting principles ("GAAP") section 3862, Financial Instruments-Disclosures ("Section 3862"). The amendments apply to fiscal years ending after September 30, 2009 and will be implemented in the Company's November 30, 2009 annual financial statements. These changes affect disclosure only and will not have any impact on the Company's net asset value.

RELATED PARTY TRANSACTIONS

The Investment Manager and Manager earn fees from the Company as described below in the Management Fees section.

MANAGEMENT FEES

The Investment Manager is entitled to a base management fee payable monthly in arrears at an annual rate equal to 0.65% of the Company's Net Asset Value calculated as at the last Valuation Date in each month

The Manager is entitled to an administration fee payable monthly in arrears at an annual rate equal to 0.2% of the Company's Net Asset Value calculated as at the last Valuation Date in each month.

Total management fees of \$76,805 paid for the period ended May 31, 2009 include the base management fee and the administration fee. The base management fee was used by the Investment Manager to pay costs associated with the managing of the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of securities including the covered call writing program. The administration fee was used to provide or arrange administrative services required by the Company, which includes all operational, financial accounting, shareholder reporting and regulatory reporting requirements.

SUMMARY OF INVESTMENT PORTFOLIO

All holdings as at May 31, 2009

Name	Weighting (%)
Morgan Stanley	9.8
Wells Fargo & Co.	9.1
CME Group Inc.	8.6
Bank of America Corp.	8.1
US Bancorp.	8.0
J.P. Morgan Chase & Co.	8.0
Goldman Sachs Group Inc.	7.8
State Street Corp	6.3
PNC Financial Services Group Inc.	6.1
Fifth Third Bancorp.	5.4
SunTrust Banks Inc.	5.1
American Express Company	4.7
Metlife Inc.	3.4
Regions Financial Corp.	3.1
Citigroup Inc.	2.7
BB&T Corporation	2.4
Bank of New York Mellon Corp.	1.5
Washington Mutual Inc.	0.2
Total long positions as a percentage of net assets	100.3
Other net assets	-0.3

The summary of investment portfolio may change due to ongoing portfolio transactions of the Company. Updates are available quarterly.

FINANCIAL HIGHLIGHTS

The following tables show selected financial information about the Company and are intended to help you understand the Company's financial performance. This information is derived from the Company's semi-annual financial statements and previous annual audited financial statements. For May 31, 2009 and November 30, 2008, the Net Assets included in the Net Assets per unit table is from the Company's financial statements and calculated using bid prices while the Net Asset Value included in the Ratios/Supplemental data Table is for Transactional pricing purposes and calculated using closing prices (see Note 2 in the financial statements).

The Company's Net Asset Value (NAV) per unit

	May 31, 2009	Periods ended November 30			
		2008	2007	2006 ⁽²⁾	2005 ⁽²⁾
Net asset value per unit, beginning of period ⁽¹⁾	6.94	18.61	24.27	23.23 ⁽³⁾	23.69 ⁽³⁾
Increase (decrease) from operations					
Total revenue	0.08	0.46	0.50	0.51	0.51
Total expenses	(0.05)	(0.16)	(0.30)	(0.30)	(0.25)
Realized gains (losses) for the period	(3.10)	(5.17)	1.33	0.87	0.37
Unrealized gains (losses) for the period	1.66	(5.83)	(5.45)	1.69	0.22
Total increase (decrease) from operations ⁽⁴⁾	<u>(1.41)</u>	<u>(10.70)</u>	<u>(3.92)</u>	<u>2.77</u>	<u>0.85</u>
Distributions ⁽⁵⁾					
Taxable Dividends	(0.09)	(0.93)	(0.52)	(0.83)	(0.63)
Capital Gains	-	-	(1.20)	(0.90)	(0.68)
Total annual distributions	<u>(0.09)</u>	<u>(0.93)</u>	<u>(1.72)</u>	<u>(1.73)</u>	<u>(1.31)</u>
Net asset value per unit at end of period	5.78	6.94	18.61	24.27	23.23
Net asset value per Preferred share	5.78	6.94	10.00	10.00	10.00
Net asset value per Class A share	-	-	8.61	14.27	13.23
Net asset value per unit at end of period	5.78	6.94	18.61	24.27	23.23

- (1) Net asset value per unit is the difference between the aggregate value of the assets of the Company and the aggregate value of the liabilities excluding the Preferred shares of the Company on that date divided by the number of units then outstanding
- (2) Results for the period February 15, 2005 (inception) to November 30, 2008
- (3) Initial net asset value per unit is after deducting all agents' fees and filing costs in connection with the initial public offering
- (4) Total increase (decrease) from operations is before the payment of Preferred and Class A share distributions and is calculated based on the weighted average number of units outstanding during the period
- (5) Distributions to Preferred shares and Class A shares are based on the number of Preferred shares and Class A shares outstanding on the record date for each distribution and were paid in cash. Characterization of distributions is based on the tax treatment that is received by investors.

RATIOS AND SUPPLEMENTAL DATA

	May 31, 2009	Periods ended November 30			
		2008	2007	2006	2005 ⁽¹⁾
Net assets (millions)	\$20.3	\$32.3	\$89.3	\$116.4	\$113.3
Number of units outstanding ⁽²⁾	3,516,877	4,625,200	4,795,700	4,795,700	4,875,000
Base Management expense ratio ⁽³⁾	2.18%	1.23%	1.36%	1.28%	1.39%
Management expense ratio including one time initial offering expenses ⁽⁴⁾	2.18%	1.23%	1.36%	1.28%	7.16%
Portfolio turnover rate ⁽⁵⁾	12.2%	16.5%	16.00%	12.1%	37.7%
Trading expense ratio ⁽⁶⁾	0.22%	0.17%	0.04%	0.03%	0.15%
Closing market price (TSX):					
Preferred shares	\$4.10	\$4.31	\$9.24	\$10.88	\$11.50
Closing market price (TSX):					
Class A shares	\$0.84	\$1.21	\$9.25	\$13.54	\$11.25

(1) Results for the period February 15, 2005 (inception) to November 30, 2005

(2) This information is provided as at May 31 or November 30, as applicable

(3) A separate base management expense ratio has been presented to reflect the normal operating expenses of the Company excluding the one time initial offering expenses. Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of average net assets during the period

(4) Share issue expenses, representing all Agents' fees and other offering expenses are one time initial expenses connected with the launch of the Company.

(5) The Company's portfolio turnover rate indicates how actively the Company's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Company buying and selling all of the securities in its portfolio once in the course of the year. The Company employs a covered call writing strategy which can cause the portfolio turnover rate to be higher than conventional mutual funds. The higher the Company's portfolio turnover rate in a year, the greater the trading costs payable by the Company in the year and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Company

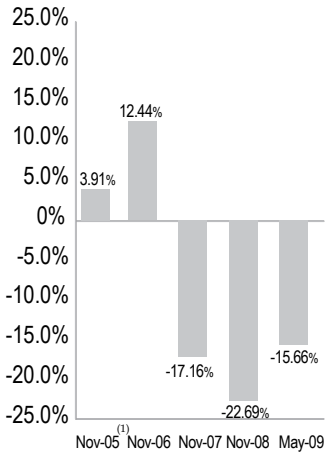
(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average net assets during the period.

PAST PERFORMANCE

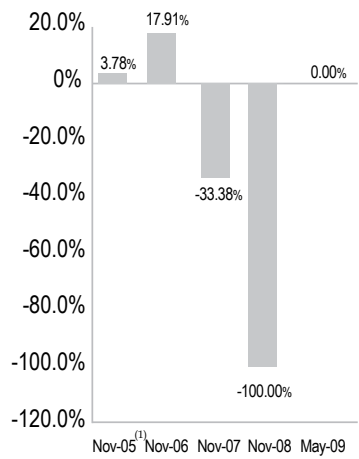
The past performance of 1) the net asset value per unit (1 Preferred share and 1 Class A share); 2) the Preferred share on net asset value basis; and 3) the Class A share on a net asset value basis for the six month period ended May 31, 2009 and for each 12 month period ended November 30 since inception are presented in the bar charts below. Each bar in the chart reflects the change in percentage terms of how a Unit, a Preferred share or a Class A share would have increased or decreased during the applicable period. In respect to the charts displayed below, please note the following:

- The performance information shown assumes that all cash distributions made by the Company during the periods shown were reinvested in the applicable additional securities of the Company,
- The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance; and,
- Past performance of the Company does not necessarily indicate how it will perform in the future.

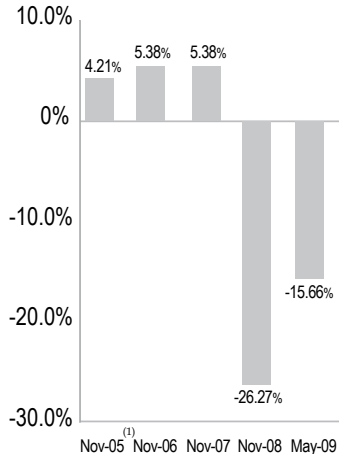
NET ASSET VALUE



CLASS A SHARE



PREFERRED SHARE



⁽¹⁾ Based on initial period from February 15, 2005 to November 14, 2005.

US FINANCIAL 15 SPLIT CORP.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of US Financial 15 Split Corp. (the "Company") and all the information in this semi-annual report are the responsibility of management and have been approved by the Board of Directors of the Company.

The Company maintains appropriate procedures to ensure that relevant and reliable financial information is produced. Statements have been prepared in accordance with Canadian generally accepted accounting principles and may include certain amounts that are based on estimates and judgments. The significant accounting policies applicable to the Company are described in Note 2 to the financial statements.

The Board of Directors of the Company is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements.

The Company's independent auditors have not performed a review of these semi annual financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

US FINANCIAL 15 SPLIT CORP.
STATEMENT OF FINANCIAL POSITION

AS AT MAY 31, 2009 AND NOVEMBER 30, 2008 (UNAUDITED)

	May 31, 2009 (\$)	November 30, 2008 (\$)
ASSETS		
Investments - at fair value (note 2)	20,308,985	31,105,614
Cash	940,743	607,035
Interest, dividends and other receivables	13,468	106,166
Receivable in respect of investments sold	1,100,390	1,064,019
Total Assets	<u>22,363,586</u>	<u>32,882,834</u>
LIABILITIES		
Fees and other accounts payable	28,609	46,857
Payable in respect of investments purchased	1,404,800	526,270
Dividends payable	615,453	202,353
Preferred shares (note 4 and 1b)	20,314,724	32,107,354
	<u>22,363,586</u>	<u>32,882,834</u>
SHAREHOLDERS' EQUITY		
Class A and Class B shares (note 5)	48,174,644	63,354,345
Deficit	<u>(48,174,644)</u>	<u>(63,354,345)</u>
	-	-
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	<u>22,363,586</u>	<u>32,882,834</u>
Number of units (1 Preferred share and 1 Class A share) outstanding	3,516,877	4,625,200
Net assets per unit (note 2)	\$5.78	\$6.94
Net assets per Preferred share (note 2)	\$5.78	\$6.94
Net assets per Class A share (note 2)	-	-

Approved on behalf of the Board of Directors



WAYNE FINCH
Chairman and
Chief Investment Officer



PETER CRUICKSHANK
Managing Director and
Chief Financial Officer

The accompanying notes are an integral part of these financial statements.

US FINANCIAL 15 SPLIT CORP.**STATEMENT OF OPERATIONS AND RETAINED EARNINGS (DEFICIT)**

FOR THE SIX MONTH PERIOD ENDED MAY 31 (UNAUDITED)

	2009	2008
	(\$)	(\$)
INCOME		
Dividends		
(net of foreign withholding taxes-\$56,189; 2008 - \$207,596)	318,291	1,176,375
Interest	149	2,482
	<u>318,440</u>	<u>1,178,857</u>
EXPENSES (note 6)		
Management fees	76,805	322,548
Service fees	-	9,262
Audit fees	10,631	9,048
Directors' and Independent Review Committee fees	11,278	11,302
Custodian fees	7,987	10,066
Legal fees	12,161	8,703
Shareholder reporting costs	7,418	7,928
Other operating expenses	18,895	53,081
Capital tax	62,080	32,761
Goods and services tax	7,254	21,133
	<u>214,509</u>	<u>485,832</u>
Net investment income		
before distributions on Preferred shares	103,931	693,025
Distributions on Preferred shares (note 4 and 7)	(993,853)	(1,254,339)
Net investment loss for the period	<u>(889,922)</u>	<u>(561,314)</u>
Realized and unrealized gain (loss)		
on investments and options and transaction costs		
Net loss on investments and options	(12,129,687)	(1,508,036)
Change in unrealized appreciation (depreciation) of investments	6,500,897	(19,076,625)
Change in unrealized depreciation of foreign exchange	(7,882)	(68,527)
Transaction costs on purchase and sale of investments	(43,069)	(7,640)
	<u>(5,679,741)</u>	<u>(20,660,828)</u>
Reduction in Value of Preferred shares	<u>4,068,055</u>	<u>-</u>
Decrease in net assets from operations for the period	<u>(2,501,608)</u>	<u>(21,222,142)</u>
Deficit - Beginning of period	<u>(63,354,345)</u>	<u>(24,414,514)</u>
Distributions on Class A shares (note 5 and 7)	-	(1,913,880)
Net allocation on retractions	<u>17,681,309</u>	<u>286,721</u>
Deficit - End of period	<u>(48,174,644)</u>	<u>(47,263,815)</u>
Increase (decrease) in net assets from operations		
per Class A share	(0.64)	(4.44)

The accompanying notes are an integral part of these financial statements.

US FINANCIAL 15 SPLIT CORP.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE SIX MONTH PERIOD ENDED MAY 31 (UNAUDITED)

	2009 (\$)	2008 (\$)
Shareholders' equity - Beginning of period	-	41,275,279
Decrease in net assets from operations for the period	(2,501,608)	(21,222,142)
Class A share redemptions	2,501,608	(160,279)
Distributions on Class A shares		
From net realized gains	-	-
From return of capital	-	(1,913,880)
	<u>-</u>	<u>(1,913,880)</u>
Decrease in net assets for the period	<u>-</u>	<u>(23,296,301)</u>
Shareholders' equity - End of period	<u>-</u>	<u>17,978,978</u>

The accompanying notes are an integral part of these financial statements.

US FINANCIAL 15 SPLIT CORP.**STATEMENT OF CASH FLOW**

FOR THE SIX MONTH PERIOD ENDED MAY 31 (UNAUDITED)

	2009	2008
	(\$)	(\$)
Cash flow from Operating activities		
Net investment loss for the period	(889,922)	(561,314)
Proceeds from sale of investments	7,564,791	1,722,886
Purchase of investments	(2,469,840)	(830,636)
Net change in receivable balances	56,327	(2,283,433)
Net change in payable balances	1,272,382	(21,074)
Change in unrealized (depreciation) of foreign exchange	(7,882)	(68,527)
Cash flow from operations	<u>5,525,856</u>	<u>(2,042,098)</u>
Cash flow from Shareholder activities		
Amount paid on redemption of Class A shares and Preferred shares	(5,192,148)	(458,279)
Distributions on Class A shares	-	<u>(1,913,880)</u>
Cash flow from Shareholder activities	<u>(5,192,148)</u>	<u>(2,372,159)</u>
Net increase (decrease) in cash for the period	333,708	(4,414,257)
Cash, beginning of period	607,035	6,458,163
Cash, end of period	<u>940,743</u>	<u>2,043,906</u>

The accompanying notes are an integral part of these financial statements.

US FINANCIAL 15 SPLIT CORP.
STATEMENT OF PORTFOLIO INVESTMENTS

AS AT MAY 31, 2009

No. of shares	Description	Average Cost (\$) (Premiums received)	Market Value (\$)
15 Core Holdings			
U.S. Common Equities			
35,000	American Express Company	979,829	952,300
132,981	Bank of America Corp.	8,537,689	1,642,262
10,000	Bank of New York Mellon Corp.	362,517	304,412
136,000	Citigroup Inc.	7,029,438	549,913
5,000	CME Group Inc.	1,724,847	1,755,463
146,419	Fifth Third Bancorp.	4,640,207	1,105,467
10,000	Goldman Sachs Group Inc.	1,708,051	1,584,080
40,000	J.P. Morgan Chase & Co.	1,819,051	1,616,954
60,000	Morgan Stanley	3,358,040	1,993,469
25,000	PNC Financial Services Group Inc.	1,869,994	1,242,905
140,000	Regions Financial Corp.	1,738,959	632,054
25,000	State Street Corp	1,185,486	1,271,121
72,100	SunTrust Banks Inc.	6,378,128	1,040,519
77,000	US Bancorp.	2,742,604	1,617,491
67,000	Wells Fargo & Co.	2,422,493	1,854,544
Total Foreign Common Equities in Core Holdings (94.4%)		46,497,333	19,162,954
Other U.S. Common Equity Holdings			
20,000	BB&T Corporation	827,002	491,135
80,000	Lehman Brothers Holdings Inc.	3,864,550	4,120
20,000	Metlife Inc.	1,002,855	690,131
258,300	Washington Mutual Inc.	6,179,639	28,304
Total U.S. Common Equities in Other (6.0%)		11,874,046	1,213,690
Total Foreign Common Equities		58,371,379	20,376,644
Call Options written (100 shares per contract)			
U.S. call options written			
(200)	Bank of America, June 2009 @ \$12	(9,204)	(10,081)
(50)	J.P. Morgan Chase & Co., June 2009 @ \$39	(4,999)	(5,643)
(100)	Morgan Stanley, June 2009 @ \$31	(12,382)	(13,698)
(200)	US Bancorp., June 2009 @ \$20	(10,519)	(14,245)
(200)	Wells Fargo & Co., June 2009 @ \$26	(20,383)	(25,202)
Total U.S. call options written (-0.3%)		(57,488)	(68,869)
Foreign exchange forward contracts (-1.2%)			
Sold CAD \$11,000,000, Bought USD \$12,048,740 @ 0.91296 - July 15, 2009			
		-	1,210
		58,313,891	20,308,985
less adjustment for transaction costs		(61,526)	
Total Investments (100%)		58,252,365	20,308,985

The accompanying notes are an integral part of these financial statements.

US FINANCIAL 15 SPLIT CORP.

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MAY 31, 2009 AND 2008 (UNAUDITED)

1. Incorporation

US Financial Split Corp. (the "Company") is a mutual fund corporation established under the laws of the Province of Ontario on December 17, 2004 and began investment operations on February 15, 2005. The manager of the Company is Quadravest Inc. (the "Manager") and the investment manager is Quadravest Capital Management Inc. ("Quadravest"). All shares outstanding on December 1, 2012, the termination date of the Company, will be redeemed by the Company on that date.

1b. Sufficiency of Assets

The Company has 3,516,877 Preferred shares outstanding as at May 31, 2009 with a principal repayment of \$10 per Preferred share for a total of \$35,168,770 due on the termination date, December 1, 2012. As at May 31, 2009, the Company has net assets equivalent to \$5.78 per Preferred share for a total of \$20,314,724. This represents a deficiency as at May 31, 2009 of \$4.22 per Preferred share for a total deficiency of \$14,854,046.

2. Summary of significant accounting policies

These financial statements, prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), include estimates and assumptions by management that affect the reported amount of assets, liabilities, income and expenses during the reporting years. The following is a summary of the significant accounting policies followed by the Company. Actual results could differ from these estimates.

Adoption of New Accounting standards

On December 1, 2007, the Company adopted three new accounting standards that were issued by the Canadian Institute of Chartered Accountants ("CICA"): Section 1535, Capital Disclosures; section 3862, Financial Instruments-Disclosures; and Section 3863, Financial Instruments-Presentation. These standards impact the Company's disclosure provided but does not affect the Company's results or financial position.

Section 1535-Capital Disclosures

On December 1, 2007, the Company adopted CICA section 1535, "Capital Disclosures" which requires that the Company disclose information about its objectives, policies and processes for managing capital, including disclosures of any externally imposed capital requirements and the consequences of non-compliance.

Section 3862-Financial Instruments-Disclosures

CICA section 3862, "Financial Instruments-Disclosures" requires enhanced disclosure of the nature and extent of the risks arising from financial instruments and how the Company manages those risks.

Section 3863-Financial Instruments-Presentation

CICA section 3863, "Financial Instruments-Recognition and Measurement," carries forward the presentation requirements of Section 3861 with respect to financial instruments.

US FINANCIAL 15 SPLIT CORP.

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MAY 31, 2009 AND 2008 (UNAUDITED)

Valuation of investments

In accordance with Accounting Guideline 18, Investment Companies, investments are deemed to be categorized as held for trading, and are required to be recorded at fair value as defined in CICA Handbook-Accounting Section 3855, Financial Instruments-Recognition and Measurement ("Section 3855"). The provisions of Section 3855 were applied retroactively without a restatement of prior periods. Accordingly, the opening net assets in the Statement of Changes in Shareholders Equity for the period ended November 30, 2007 have been adjusted.

The fair value of investments as at the financial reporting date is determined as follows:

- Shares or other securities for which market quotations are readily available are valued at the closing bid price
- Listed options are valued at closing bid prices as reported on recognized exchanges
- Fixed income investments are based on the average bid quotations from recognized dealers

Section 14.2 of amended National Instrument 81-106 ("NI-106") issued by the Canadian Securities Administrators, that came into force on September 8, 2008, requires an investment fund to calculate its net asset value for the purposes of any purchases or redemption of units to be based on the fair value of the investment fund's assets and liabilities (Net Asset Value or NAV). The Company has not changed its methodology in this respect.

The fair value of investments for purposes of calculating the bi monthly net asset value published on the Company's website and also used for the purposes of calculating the price paid on any redemptions received is determined as follows:

- Shares or other securities for which market quotations are readily available are valued at the last traded market price
- Listed options are valued at the last traded prices as reported on recognized exchanges
- Fixed income investments are based on the average bid quotations from recognized dealers

In accordance with Section 3.6 (1) 5 of NI-81-106, the Net Asset Value per unit is compared to the Net Assets per unit and a reconciliation between the differences, are required in the notes to the financial statements. The following table is presented to show the differences between the calculations of these amounts:

	Net Assets (GAAP NAV) per unit	Difference	Net Asset Value (Published NAV) per unit
May 31, 2009	\$5.78	\$0.01	\$5.79
May 31, 2008	\$13.77	\$0.02	\$13.79

US FINANCIAL 15 SPLIT CORP.

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MAY 31, 2009 AND 2008 (UNAUDITED)

Transaction costs

- Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Company are recognized as an expense in the Statement of Operations and Retained Earnings (Deficit). The transaction costs for investments held at May 31, 2009 is shown separately on the Statement of Portfolio Investments.

Investment transactions and income recognition

- Investment transactions are accounted for on the trade date.
- Realized gains and losses on investment sales and unrealized appreciation or depreciation in investment values are calculated on the average cost basis.
- Option fees paid or received are deferred and included in investments on the statements of financial position. Realized capital gains or losses are recognized in the statements of operations when options are exercised, expire or are closed out.
- Deferred gains and losses on options are recognized in investments and as a component of net unrealized appreciation (depreciation) in the statements of operations.
- Dividend income is recognized on the ex-dividend date. Interest income is recognized when earned.
- Net realized gains and losses on investments include net realized gains or losses from foreign currency changes.

Redeemable Preferred shares

Each redeemable Preferred share is valued for financial statement purposes at the lesser of: (i) \$10.00; and (ii) the net assets of the Company divided by the number of Preferred shares outstanding. The net assets is equal to the difference between the aggregate value of the assets of the Company and the aggregate value of the liabilities excluding Preferred shares of the Company on a particular date.

Recent Accounting Pronouncements

The Canadian Accounting Standards Board ("AcSB") has confirmed its plan to adopt all International Financial Reporting Standards, as published by the International Accounting Standards Board, on or by January 1, 2011. In accordance with Canadian GAAP and AcSB's plan, the Company will adopt the International Financial Reporting Standards (IFRS). The Manager has developed a changeover plan to meet the timetable published by the CICA for changeover to IFRS. The key elements of the plan include disclosures of the qualitative impact in the 2009 annual financial statements, the disclosure of the quantitative impact, if any, in the 2010 financial statements and the preparation of the 2012 financial statements in accordance with IFRS with comparatives. The Manager has presently determined that there will be no impact to net asset value per unit from the changeover to IFRS. The impact of IFRS on accounting policies and implementation decisions will mainly be in the areas of additional note disclosures and potentially different presentation of shareholder interests and other items in the financial statements of the Company.

Amendment to Section 3862- Financial Instruments Disclosure

In March 2009, the International Accounting Standards Board issued amendments to IFRS 7, Financial Instruments: Disclosures ("IFRS 7") intended to improve disclosures about

US FINANCIAL 15 SPLIT CORP.

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MAY 31, 2009 AND 2008 (UNAUDITED)

fair value and liquidity risk. The Canadian Accounting Standards Board announced in its March 25-26 Decision Summary that it will adopt the amendments into Canadian generally accepted accounting principles ("GAAP") section 3862, Financial Instruments-Disclosures ("Section 3862"). The amendments apply to fiscal years ending after September 30, 2009, under Canadian GAAP. The new disclosures required by Section 3862 are intended to provide users additional information about how an entity determined fair values and how much of those fair values are derived through estimation rather than objective evidence.

3. Management of Financial Risk

The Company's investment activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and currency risk), credit risk and liquidity risk.

Any sensitivity analysis presented below may differ from actual results and the difference could be material.

Market Price Risk

All securities investments present a risk of loss of capital. The 15 core stock holdings were selected because of their long term history of above average market price appreciation and dividend growth. These Portfolio Companies were selected from the financial services index of the S&P 500 index and are among the largest financial services companies in United States.

The market price risk is affected by three main components: price movements, interest rate risk and foreign currency movements.

Price risk

The Investment Manager manages market price risk by limiting investment in any one Portfolio company to no more than 10% of the net assets of the Company at the time of purchase. In addition, the supplemental covered call writing program which generates an additional stream of income to the portfolio may also help mitigate against market price declines during years in which a particular Portfolio company has a covered call option written against that position.

Since the 15 Portfolio companies are significant components of their corresponding financial services index, it would be reasonable to expect that the Company's Portfolio will exhibit market price movements that are reflective and generally highly correlated with those particular securities and to a lesser extent with the price movements of the S&P US financial services index based on the underlying composition of the portfolio.

A 10% increase/decrease in the portfolio would currently increase/decrease net assets by \$2,030,899.

Interest rate risk

The majority of the Company's financial assets and liabilities are non interest bearing. As a result, the Company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates and considers interest rate risk insignificant.

US FINANCIAL 15 SPLIT CORP.

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MAY 31, 2009 AND 2008 (UNAUDITED)

Currency risk

All portfolio holdings are listed on the New York stock exchange and trade in US dollars. As at May 31, 2009, 100% of the net assets are invested in US dollar denominated assets. As a result, the Company's net asset value will be affected by changes in the US dollar relative to the Canadian dollar which is the functional currency of the Company. The Company has entered into currency hedging contracts. As a result, if the Canadian dollar appreciated/depreciated by 5% against the US dollar, the net assets of the Company would currently decrease/increase by approximately \$416,001.

Other risks

Credit risks

Credit risk is defined as the risk that a counterparty will be unable to pay amounts in full when due. All of the Company's transactions are in listed securities and options and are settled and paid for using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on purchase once the securities have been received by the broker.

The Company enters into foreign currency forward contracts in order to hedge at least 50% of the US dollar exposure back into Canadian dollars. As at May 31, 2009, the Company has a US \$11 million dollar forward contract with Bank of Montreal, which has a R-1 (high) credit rating for its short term instruments from DBRS. The Company considers the risk of default as low.

Liquidity risk

The Company pays monthly dividends and is subject to redemption requests from time to time. The Company's Portfolio is invested in highly liquid large capitalization investments that trade on New York Stock Exchange ("NYSE"). As such, any requirement to raise cash beyond the Company's normal operating level can easily be satisfied through the sales of its Portfolio holdings. The Company receives adequate notice for all redemption requests. The Company considers liquidity risk as low.

Concentration risk

The Company's 15 core holdings are concentrated in the financial services sector and as such will be exposed to the specific factors that affect this sector. An individual Portfolio holding may represent no more than 10% of the net asset value of the Company at the time of purchase.

4. Preferred shares

The Company is authorized to issue an unlimited number of Preferred shares.

<u>Issued and outstanding</u>	May 31, 2009	May 31, 2008
3,516,877 Preferred shares (2008 - 4,765,900)	\$35,168,770	\$47,659,000
less reduction in value of Preferred shares	14,854,046	-
	<u>\$20,314,724</u>	<u>\$47,659,000</u>
<u>Preferred share transactions</u>		
Beginning of period	4,625,200	4,795,700
Redemptions during the period	<u>(1,108,323)</u>	<u>(29,800)</u>
End of period	3,516,877	4,765,900

US FINANCIAL 15 SPLIT CORP.

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MAY 31, 2009 AND 2008 (UNAUDITED)

Preferred shares were issued at \$10 per share.

Preferred shares are entitled to fixed, cumulative monthly cash dividends of \$0.04375 per Preferred share. All Preferred shares outstanding on December 1, 2012 will be redeemed by the Company on that date. For accounting purposes, the Preferred shares have been presented as liabilities in the financial statements in accordance with Section 3863 of the CICA Handbook.

Preferred shares trade under the symbol "FTU.PR.A" on the TSX. Preferred shares trading price on the TSX was \$4.10 as at May 31, 2009 (May 31, 2008-\$9.01). Preferred shares may be surrendered at any time for retraction at specified retraction amounts, but will be retracted only on the last day of each month. Shareholders who concurrently retract a Preferred share and a Class A share (together, a "unit") in the month of February in each year will be entitled to receive an amount equal to the transactional net asset value per unit on the last day of February. Preferred shares retracted in any other month will receive a retraction price based on a discounted specified retraction formula. Under the terms of a Recirculation Agreement, the Company may, but is not obligated to, require the Recirculation Agent to use its best efforts to find purchasers for any Preferred shares or Class A shares tendered for retraction.

The Preferred shares rank in priority to the Class A shares with respect to the payment of dividends. Preferred shares rank in priority to the Class A shares upon termination of the Company. Upon termination of the Company, Preferred shareholders will receive the lower of the net asset value or \$10 per Preferred share.

5. Class A shares and Class B shares

Authorized

An unlimited number of Class A shares

1,000 Class B shares

Issued and outstanding

3,516,877 Class A shares (2008- 4,765,900)

1,000 Class B shares

	May 31, 2009	May 31, 2008
	\$48,173,644	\$65,241,793
	\$1,000	\$1,000
	<u>\$48,174,644</u>	<u>\$65,242,793</u>

Class A share transactions

Beginning of period	4,625,200	4,795,700
Redemptions during the period	<u>(1,108,323)</u>	<u>(29,800)</u>
End of period	3,516,877	4,765,900

Class A shares were issued at \$15 per share. Class A share distributions are targeted at \$0.10 per month. All Class A shares outstanding on December 1, 2012 will be redeemed by the Company on that date.

Class A shares trade under the symbol "FTU" on the TSX. Class A shares trading price on the TSX was \$0.84 as at May 31, 2009 (May 31, 2008-\$4.41). Class A shares may be surrendered at any time for retraction at specified retraction amounts, but will be retracted only on the last day of each month. Shareholders who concurrently retract a Class A share and a Preferred share (together, a "unit") in the month of February in each year will be entitled to receive an amount equal to the transactional net asset value per unit on the last day of February. Class A shares retracted in any other month will receive a retraction price based on a discounted specified retraction formula. Under the terms of a Recirculation Agreement, the Company may, but is not obligated to, require

US FINANCIAL 15 SPLIT CORP.

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MAY 31, 2009 AND 2008 (UNAUDITED)

the Recirculation Agent to use its best efforts to find purchasers for any Preferred shares or Class A shares tendered for retraction.

The Preferred shares rank in priority to the Class A shares with respect to the payment of dividends. Upon the termination of the Company, Class A shareholders will receive an amount equal to the transactional net asset value per unit less \$10 (the redemption value of the Preferred shares).

The holders of Class B shares are not entitled to receive dividends. The Class B shares are retractable at a price of \$1.00 per share. Class B shareholders are entitled to one vote per share. On February 15, 2005, the Company issued 1,000 Class B shares to Quadrainvest Capital Management Inc., the Company's investment manager, for cash consideration of \$1,000.

6. Expenses

The Company is responsible for all expenses incurred in connection with the operation and administration of the Company, including, but not limited to, ongoing custodian, transfer agent, legal and audit expenses.

Pursuant to the administration agreement, the Manager is entitled to an administration fee payable monthly in arrears at an annual rate of 0.20% of the transactional net assets of the Company, which includes the outstanding Preferred shares, calculated as at each monthly valuation date and an amount equal to the service fee payable to dealers on the Class A Shares at a rate of 0.50% per annum.

Pursuant to the terms of the investment management agreement, Quadrainvest is entitled to a base management fee payable in arrears at an annual rate equal to 0.65% of the transactional net assets of the Company, which includes the outstanding Preferred shares, calculated as at each monthly valuation date. In addition, Quadrainvest is entitled to receive a performance fee subject to the achievement of certain pre-established total return thresholds.

Total management fees of \$76,805 (May 31, 2008-\$322,548), incurred during the year, include the administration fee and base management fee. No performance fees were paid in 2009 or 2008.

Total brokerage commissions paid during the year by the Company for its portfolio transactions was \$43,069 (May 31, 2008-\$7,640).

7. Distributions

The Company's investment objectives are to provide steady monthly distributions to both the Preferred and Class A shareholders while returning the original issue price to each shareholder on the termination date of the Company on December 1, 2012.

Distributions per share were as follows:

	May 31, 2009	May 31, 2008
Preferred shares	\$0.0875	\$0.2625
Class A shares	-	\$0.40

US FINANCIAL 15 SPLIT CORP.

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MAY 31, 2009 AND 2008 (UNAUDITED)

8. Capital Management

The Company considers its capital to consist of Class A, Class B and Preferred shares.

The Company's objectives in managing its capital are:

- i) to provide holders of Preferred shares with fixed cumulative preferential monthly cash dividends in an amount of \$0.04375 per Preferred share to yield 5.25% per annum on the original issue price and to return the original issue price to their holders on December 1, 2012; and
- ii) to provide holders of Class A shares with regular monthly cash distribution targeted to be \$0.10 per Class A share to yield 8.0% on the original issue price and return the original issue price to their holders on December 1, 2012

In order to manage its capital structure, the Company may adjust the amount of dividends paid to shareholders or return capital to shareholders.

9. Income Taxes

The Company is a mutual fund corporation as defined in the Income Tax Act (Canada) (the Act) and is subject to tax in respect of its net realized capital gains. This tax is refundable in certain circumstances. Also, the Company is generally subject to a tax of 33-1/3% under Part IV of the Act on taxable dividends received in the year. This tax is fully refundable upon payment of sufficient dividends.

The Company is also a financial intermediary corporation as defined in the Act and, as such, is not subject to tax under Part IV.1 of the Act on dividends received nor is it generally liable to tax under Part VI.1 on dividends paid on taxable preferred shares.

QUADRAVEST CAPITAL MANAGEMENT INC.

Quadravest Capital Management Inc. was formed in 1997 and is focused on the creation and management of enhanced yield products for retail investors. The investment strategy combines fundamental based equity investing with covered call writing. Guided by four key principles, Quadravest sets attainable investment objectives that allow the team to stay focused on a long-term investment strategy.

The four principles – innovation in financial products, discipline in investment management, solid results for investors, and excellence in client service – form the foundation of Quadravest. Each member of the firm’s tight-knit team is committed to upholding these principles, ensuring a coherence and dedication that is unique to the Company.

Quadravest has raised over \$2.5 billion in initial public offerings.

BOARD OF DIRECTORS

Wayne Finch,
Chairman and
Chief Investment Officer

Laura Johnson,
Managing Director and
Portfolio Manager

Michael W. Sharp
Blake, Cassels & Graydon LLP

Peter Cruickshank,
Managing Director and
Chief Financial Officer

William Thornhill,
President, William C.
Thornhill Consulting Inc.

John Steep
President, S. Factor Consulting Inc.

CORPORATE DETAILS

Auditors

PricewaterhouseCoopers LLP
77 King Street West, P.O. Box 82
Toronto, Ontario M5K 1G8

Transfer Agent

Computershare
100 University Avenue
Toronto, Ontario M5J 2Y1

Legal Counsel

Blake, Cassels & Graydon LLP
Commerce Court West
Toronto, Ontario M5L 1A9

Custodian

RBC Dexia
Royal Trust Tower, 77 King Street West
11th Floor, Toronto, Ontario M5W 1P9

US FINANCIAL  *15 SPLIT*

77 King Street West,
P.O. Box 341, Toronto, ON
M5K 1K7

Tel: 416.304.4443

Toll: 877.4QUADRA

or 877.478.2372

Fax: 416.304.4441

info@quadrainvest.com

www.quadrainvest.com