



## UPDATE

Dividend 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 high-yielding Canadian companies. Two types of shares are available, a Class A and a Preferred.

### Objectives

#### Preferred Shares (TSX: DFN.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, 2009 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares.

#### Class A Shares (TSX: DFN):

(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, 2009 (termination date), to pay the holders of Class A Shares at least the original issue price of those shares.

### Distributions

Record	DFN	DFN.PR.A	Pay
Total to Date	\$0.60	\$0.2835	\$0.8835
Sep 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
Jun 30/04	\$0.10	\$0.0438	July 9/04
May 31/04	\$0.10	\$0.0438	Jun 10/04
Apr 30/04 (Initial)	\$0.10	\$0.06473*	May 10/04

\*For the period Mar 16/04 to Apr 30/04.

### Commentary

Dividend 15 has been heavily weighted in Canadian life insurance companies that have performed well since inception of the fund.

### Details

Gross Proceeds:	\$210,000,000
Units Issued:	8,400,000
Inception Date:	March 16, 2004
Termination Date:	Dec 1, 2009
Net Asset Value:	\$23.79 (Sep 30/04)

Cash Weighting:	7%
Canadian Equity Weighting:	93%

<b>DFN.PR.A</b> Issue Price	\$10.00
Trading Price:	\$10.49 (Sep 30/04)
Current Yield:	5.0% annually

<b>DFN</b> Issue Price:	\$15.00
Trading Price:	\$13.97 (Sep 30/04)
Current Yield:	8.6% annually

### Holdings Sorted By Weight

Holdings Sorted By Weight	Symbol
Canadian Imperial Bank of Commerce	CM
BCE Inc.	BCE
Brascan Corporation	BNN
Bank of Montreal	BMO
The Thomson Corporation	TOC
Toronto-Dominion Bank	TD-T
National Bank of Canada	DFS
Manulife Financial	MFC
Royal Bank	RY
Bank of Nova Scotia	BNS
Enbridge Inc.	ENB
Noranda Inc.	NRD
Sun Life Financial	SLF
TransCanada Corporation	TRP
TransAlta	TA

Weightings subject to change at any time.