



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

	DFN	DFN.PR.A	Total
Total to Date	\$2.30	\$0.8085	\$3.1085
2005 YTD	\$1.40	\$0.39375	\$1.79375
2004 (8 months)	\$0.80	\$0.35	\$1.15
Apr 30/04	\$0.10	\$0.06473*	\$0.16473

*Initial distribution for the period Mar 16/04 to Apr 30/04.

Commentary

Royal Bank of Canada (RY-T), Bank of Montreal (BMO-T) Canadian Imperial Bank of Commerce (CM-T), The Toronto-Dominion Bank (TD-T) and The Bank of Nova Scotia (BNS-T) all reported 3rd quarter results in August 2005.

CM declared its quarterly dividend of \$0.68 per share.

BNS raised its quarterly dividend to \$0.34 per share

RY raised its quarterly dividend to \$0.64 per share, up 4.9% from \$0.61 per share last quarter.

TD raised its quarterly dividend to \$0.42 per share, up 5.0% from \$0.40 per share last quarter.

BMO raised its quarterly dividend to \$0.49 per share, up 6.5% from \$0.46 per share last quarter.

The average dividend yield on the five Canadian Banks is currently 3.3% per annum.

RY, BMO, CM, TD and BNS are holdings of Dividend 15 Split.

Details

Gross Proceeds:	\$210,000,000
Units Issued:	8,400,000
Inception Date:	March 16, 2004
Termination Date:	Dec 1, 2009
Net Asset Value:	\$27.28 (Sep 30/05)

Cash Weighting:	8%
Canadian Equity Weighting:	92%

DFN.PR.A Issue Price	\$10.00
Trading Price:	\$10.65 (Sep 30/05)
Current Yield:	4.9% annually

DFN Issue Price:	\$15.00
Trading Price:	\$17.68 (Sep 30/05)
Current Yield:	6.8% annually

Holdings Sorted By Weight

Holdings Sorted By Weight	Symbol
Canadian Imperial Bank of Commerce	CM
BCE Inc.	BCE
TransAlta	TA
Royal Bank	RY
National Bank of Canada	NA
Bank of Montreal	BMO
The Thomson Corporation	TOC
Falconbridge Ltd.	FAL
CI Fund Management	CIX
Telus Corporation	T
Toronto-Dominion Bank	TD
Enbridge Inc.	ENB
Manulife Financial	MFC
AGF Management	AGF
Sun Life Financial	SLF

Weightings subject to change at any time.