

## What is a Rights Offering?

It is the issuance of "Rights" to current Class A shareholders, allowing them to purchase additional Units at a given price within a fixed period of time, usually below trading price.

## What does a Unit consist of?

A Unit consists of one Dividend 15 Split Corp Class A Share (TSX: DFN) and one Preferred Share (TSX: DFN.PR.A).

## How many Rights will I receive?

You will receive one Right for every Class A Share held on the record date of October 21, 2009.

## What does each Right entitle me to?

Every Four Rights will entitle the holder to purchase a Unit consisting of one Class A Share and one Preferred Share for \$19.75.

## What is the subscription price for the Unit in the Rights Offering?

Units can be purchased at the subscription price of \$19.75 per unit. The subscription price is set at a premium to the most recently published net asset value per Unit (Oct 15, 2009). On that basis, if the exercise price remains above the most recently published net asset value, the exercise of the Rights would be accretive to existing shareholders.

## How long do I have to purchase Units under the Rights Offering?

The Rights will expire on November 16, 2009 at 4:00 p.m. local time but will cease trading at 12:00 noon (EST) on November 16, 2009.

## Am I obligated to exercise my right to purchase Units?

If a holder does not want to exercise they may sell their Rights in the open market as the Rights are fully transferable and will be listed for trading on the TSX. Lastly, a holder that does not wish to do anything has that option and the Rights will expire on November 16, 2009 with no value.

## Will the Rights trade on the TSX and if so, when will they begin trading?

Yes, the Rights will trade on the TSX under the symbol DFN.RT on October 19, 2009 until the expiration date on November 16, 2009.

## What are the maximum net proceeds anticipated to be raised from this offering?

If all Rights are exercised the Company will issue approximately 2,509,428 Units and will receive net proceeds of \$48,708,375.

## What will the fund do with the proceeds raised under the Rights Offering?

The proceeds will be invested in common stock of the 15 core holdings as per the guidelines outlined in the Company's Prospectus.

## May I purchase additional Units, above my initial subscription amount?

You may subscribe for additional Units at the Rights price and if after the expiry date there are excess Rights available, you will receive your requested allotment (or a portion of your request based on the number of units left over). To apply for additional units under the "Additional Subscription Privilege", holders of Rights must forward a request to their broker/advisor prior to expiration date. Please see the circular under "Additional Subscription Privilege"

## What is the reason for the Offering?

It allows management to capitalize on certain attractive investment opportunities that may arise over the next few months.

## How can a Rights Offering benefit the Company?

A Rights offering can benefit the Company and its existing shareholders in a number of ways. Any premium as a result of the exercise of Rights would go to the net asset value, the additional shares could increase liquidity, and the capital raised could decrease the MER.

## When do I have to pay for the Units if I exercise my Rights?

The full Subscription Price must be received by the CDS Participant sufficiently in advance of the Expiration Date of November 16, 2009 to permit the proper exercise of the Rights.

## Why would I exercise my right to buy a Unit, if I only want one of the two shares?

The Rights Offering gives investors the opportunity to buy both shares at a discount to the trading price. You may decide there are benefits to holding both shares. If not, you can sell either share on the TSX at a potential premium to the subscription price. It also allows you to buy units without paying commission in most cases.

## Can you tell me more about the Preferred share?

Preferred shareholders receive a fixed, cumulative monthly distribution at a rate of 5.25% a year on the \$10 issue price. Payment of the \$10 issue price takes priority over the Class A share at windup. Unlike most Preferred shares, the DFN.PR.A preferred shares are non-callable, so you won't be forced to surrender your shares for \$10 if they are trading higher in the market.

## Can you tell me more about the Class A share?

Class A shareholders receive a monthly distribution at a rate of 8% a year on the \$15 issue price, with potential to earn special monthly payments in addition to the regular monthly (to date special distributions total \$3.50 per share). At windup, Class A shareholders are entitled to the balance of the net asset value, after the \$10 Preferred shareholder obligation has been met. Therefore any growth in the portfolio goes to the Class A shareholder only.

## Why would I own Dividend 15 Split Corp. instead of buying the underlying common shares of the fund?

The Company is professionally managed and the investor will receive an increased distribution over just receiving the average dividend rate of the underlying Common shares. Also, in the event of an appreciation in the portfolio, holders of Class A Shares will experience greater capital appreciation than an investor who holds the Common shares directly due to the split share structure.

## How do I find out more information about the fund?

Please visit our website at [www.dividend15.com](http://www.dividend15.com) or call us at 416.304.4443.

**TSX: DFN.RT**