

**Dividend 15 Split Corp II** 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: DF.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, 2014 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares.

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

(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, 2014 (termination date), to pay the holders of Class A Shares at least the original issue price of those shares.

## Distributions (by record date)

	DF	DF (specials)	DF.PR.A	Total
Total to Date	\$1.70	-	\$0.7647	\$2.4647
2008 YTD	\$0.40	-	\$0.1750	\$0.5750
2007	\$1.20	-	\$0.5250	\$1.7250
2006 (initial)	\$0.10	-	\$0.06473 <sup>(1)</sup>	\$0.16473

(1) Initial distribution for the period Nov 16/06 to Dec 31/06.

## Commentary

Dramatic action was taken by the central banks around the world including the Bank of Canada which lowered the overnight lending rate another ½ percentage point. Lowering interest rates and providing liquidity to the market appears to have stabilized the credit crisis situation and allowed the market a confidence that has not been seen this year.

All major North American stock indices were up for the month of April by at least 4%. The TSX is positive year-to-date with a return of 0.7%

TD Bank (TSX: TD) increased its quarterly dividend to \$0.59 per share, a 3.5% increase from last quarter (Feb 08). AGF Management (TSX: AGF) declared its quarterly dividend to \$0.25 a share, a 25% increase (Mar 08). TSX Group Inc. (TSX: X) and Montreal Exchange Inc. (TSX: MX) announced the completion of their business combination to create TMX Group Inc. (May 08).

TD, AGF and X are holdings of Dividend 15 Split II.

The Dividend 15 Split II portfolio has a current dividend yield of approximately 4.0%.

## Details

Gross Proceeds:	\$139,750,000
Units Issued:	5,590,000
Inception Date:	Nov 16, 2006
Termination Date:	Dec 1, 2014
Net Asset Value:	\$20.94 (Apr 30/08)

Cash Weighting:	6%
Canadian Equity Weighting:	94%

<b>DF.PR.A</b> Trading Price:	\$10.16 (Apr 30/08)
Current Yield:	5.2% annually
Asset Coverage:	209%
Market Capitalization:	\$56,794,400

<b>DF</b> Trading Price:	\$11.60 (Apr 30/08)
Current Yield:	10.3% annually
Market Capitalization:	\$64,844,000

## Top Holdings (sorted by weight)

Bell Canada Inc.	BCE
TransAlta	TA
CI Fund Management	CIX
Canadian Imperial Bank of Commerce	CM
AGF Management	AGF
Sun Life Financial	SLF
Manulife Financial	MFC
TransCanada Corporation	TRP
Thomson Corp	TOC
Toronto-Dominion Bank	TD
Royal Bank	RY
Enbridge Inc.	ENB
Bank of Montreal	BMO
Telus Corporation	T
Bank of Nova Scotia	BNS

Weightings subject to change at any time.