



August 2010

Monthly Update

TDb Split Corp is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in common shares of TD Bank, a leading Canadian Financial institution. Two types of shares are available, a Class A and a Preferred (Priority Equity Share).

Commentary

North American financial markets generally tracked lower during August as the preponderance of macro economic data pointed to slowing growth. Specifically, Q2 US GDP was revised downward and new data points pertaining to US housing and unemployment continued to point to a below average recovery.

The Canadian economy is clearly doing better than most other developed countries but will be adversely impacted if US growth remains below average since it remains Canada's most important trading partner.

As mentioned in previous commentaries, market participants will continue to carefully scrutinize every piece of economic data in order to try and ascertain the shape and durability of this economic recovery. Sustained economic growth will require a greater transition from government led growth to private economic growth.

The valuations of the companies in the portfolio generally remain at very reasonable levels when measured by price to earnings ratios and current dividend yields and this should continue to act as a major support at these current market prices.

| | One Month to Aug 31, 2010 | Year to Date Aug 31, 2010 |
|---------|------------------------------|------------------------------|
| TSX | 1.71% | 1.43% |
| S&P 500 | -4.75% | -5.90% |
| DJII | -4.31% | -3.96% |
| NASDAQ | -6.24% | -6.84% |

Distributions (by record date)

| | XTD | XTD.PR.A | Total |
|---------------|-------------------------|-------------------------|----------|
| Total to Date | \$1.2500 | \$1.6089 | \$2.8589 |
| 2010 YTD | \$0.3000 ⁽²⁾ | \$0.3500 | \$0.6500 |
| 2009 | \$0.1500 ⁽²⁾ | \$0.5250 | \$0.6750 |
| 2008 | \$0.5500 | \$0.5250 | \$1.0750 |
| 2007 | \$0.2500 | \$0.2089 ⁽¹⁾ | \$0.4589 |

(1) Initial distribution for the period Aug 7/07 to Dec 31/07.

(2) Please review the *Annual Information Form*.

Details

| | |
|-------------------|---------------------|
| Gross Proceeds: | \$35,000,000 |
| Units Issued: | 1,750,000 |
| Inception Date: | August 7, 2007 |
| Termination Date: | Dec 1, 2014 |
| Net Asset Value: | \$12.90 (Aug 31/10) |

| | |
|--------------------------------|-----|
| Cash & Fixed Income Weighting: | 5% |
| Canadian Equity Weighting: | 95% |

| | |
|--------------------------------|--------------------|
| XTD.PR.A Trading Price: | \$9.65 (Aug 31/10) |
| Current Yield: | 5.4%* annually |
| Market Capitalization: | \$16,089,059 |

| | |
|---------------------------|--------------------|
| XTD Trading Price: | \$4.04 (Aug 31/10) |
| Current Yield: | 14.8%* annually |
| Market Capitalization: | \$6,735,730 |

*Last distribution annualized.

Holding

Symbol

Toronto-Dominion Bank

TD



TD Company News

| | |
|-------------------------------------|-------|
| TD Bank % return for Aug 2010: | -1.4% |
| TD Bank % return year-to-date 2010: | 9.4% |
| Dividend Yield on TD Bank shares: | 3.38% |

77 King Street West, P.O. Box 341, Toronto, ON M5K 1K7 416-304-4443 1-877-478-2372

www.TDbSplit.com

info@quadravest.com