



February 2008

# 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).

## Objectives

### Preferred Shares (TSX: XTD.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 by way of the Portfolio Protection Plan.

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

(i) to provide holders of the Class A Shares with regular monthly cash dividends initially targeted to be \$0.05 per Class A Share to yield **6.0% 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)

	XTD	XTD.PR.A	Total
Total to Date	\$0.3500	\$0.2964	\$0.6464
2008 YTD	\$0.1000	\$0.0875	\$0.1875
2007	\$0.2500	\$0.2089 <sup>(1)</sup>	\$0.4589

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

## Commentary

Overall financial markets during the last two quarters were adversely impacted by deteriorating credit conditions originating from the US sub-prime lending market. At February 29, 2008, the Company's portfolio remained invested in TD Bank common stock. The dividend income in the portfolio continues to be supplemented by a limited covered call writing program which provides some additional income to the portfolio.

TD Bank (TSX: TD) increased its quarterly dividend to \$0.59 per share, a 3.5% increase from last quarter (Feb 08).

## Details

Gross Proceeds:	\$35,000,000
Units Issued:	1,750,000
Inception Date:	August 7, 2007
Termination Date:	Dec 1, 2014
Net Asset Value:	\$17.46 (Feb 29/08)

Cash Weighting:	3%
Canadian Equity Weighting:	97%

<b>XTD.PR.A</b> Issue Price:	\$10.00
Trading Price:	\$10.05 (Feb 29/08)
Current Yield:	5.2% annually
Asset Coverage:	175%
Market Capitalization:	\$17,587,500

<b>XTD</b> Issue Price:	\$10.00
Trading Price:	\$7.75 (Feb 29/08)
Current Yield:	7.7% annually
Market Capitalization:	\$13,562,500

## Holding Symbol

Toronto-Dominion Bank	TD
-----------------------	----



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