



# UPDATE

Canadian Life Companies Split Corp is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in a diversified, high quality portfolio consisting of four Canadian Life Insurance companies. Two types of shares are available, a Class A and a Preferred.

## Objectives

### Preferred Shares (TSX: LFE.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, 2012 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares.

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

(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, 2012 (termination date), to pay the holders of Class A Shares at least the original issue price of those shares.

## Distributions (by record date)

	LFE	LFE.PR.A	Total
Total to Date	\$1.90	\$0.8508	\$2.7508
2006 YTD	\$1.10	\$0.4813	\$1.5813
2005	\$0.80	\$0.3695*	\$1.1695

\*Initial distribution for the period Apr 18/05 to May31/05.

## Commentary

On November 20th Canadian Life Companies Split declared its regular monthly distribution for record Nov. 30, 2006, payable December 8, 2006. The LFE Class A share will be paid at the annual targeted rate of 8% and the LFE.PR.A will be paid at the fixed rate of 5.25% annually.

Sun Life Financial increased their dividend by 9% to \$1.20 per share annually (July 2006). Great West Life increased their dividend by 7% to \$0.96 per share annually (August 2006). Manulife increased their dividend 14% to \$0.80 per share annually (November 2006).

The average dividend yield earned on the net asset value is currently 2.4%.

## Details

Gross Proceeds:	\$207,551,950
Units Issued:	8,302,078
Inception Date:	April 18, 2005
Termination Date:	Dec 1, 2012
Net Asset Value:	\$26.59 (Nov 30/06)
Cash Weighting:	4%
Canadian Equity Weighting:	96%
<b>LFE.PR.A</b> Issue Price	\$10.00
Trading Price:	\$10.96 (Nov 30/06)
Current Yield:	4.8% annually
<b>LFE</b> Issue Price:	\$15.00
Trading Price:	\$15.45 (Nov 30/06)
Current Yield:	7.8% annually

## Core Holdings By Weight

## Symbol

Sun Life Financial	SLF
Manulife Financial	MFC
Great-West Lifeco	GWO
Industrial Alliance	IAG

Weightings subject to change at any time.