

# Press Release:



TSX SYMBOLS: PDV, PDV.PR.A

## PRIME DIVIDEND CORP.

### Dividend Rate Change

**TORONTO, ONTARIO – April 23, 2008** / Marketwire: As a result of the Bank of Canada's decision yesterday to decrease the bank rate in Canada by 0.50%, the Prime Rate has also decreased by 0.50% to **4.75%**. As a result, the May dividends payable to both Preferred Shares and Class A shares of Prime Dividend are each set to decrease by 0.50%. This would result in the May Preferred share dividend once declared being set at an annualized rate of 5.50% (Prime Rate plus 0.75%) and the Class A share dividend being set at an annualized rate of 6.75% (Prime Rate plus 2.0%).

Prime Dividend invests in a portfolio of high yielding Canadian Companies as follows:

<b>Banks</b>	<b>Investment Management</b>	<b>Life Insurance</b>	<b>Utilities &amp; Other</b>
Bank of Montreal The Bank of Nova Scotia CIBC National Bank of Canada Royal Bank of Canada Toronto-Dominion Bank	AGF Management Ltd. CI Financial IGM Financial Inc.	Great-West Lifeco Inc. Manulife Financial Corp. Sun Life Financial Inc.	BCE Inc. TransAlta Corp TransCanada Corp Power Financial Corp. TSX Group Inc.

*Shares held within the Portfolio will generally represent no less than 4% and no more than 8% of the net asset value.*

The fund's investment objectives are:

#### Floating Rate Preferred Shares:

- (i) to provide holders of the Preferred Shares with cumulative preferential floating rate monthly cash dividends at a rate per annum equal to the Prime Rate in Canada plus 0.75% (minimum 5%, maximum 7%) based on original issue price of \$10.00 per share
- (ii) on or about December 1, 2012 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares.

#### Floating Rate Class A Shares:

- (i) to provide holders of the Class A Shares with regular floating rate monthly cash distributions targeted to be at a rate per annum equal to the Prime Rate in Canada plus 2.0% (minimum 5%, maximum 10%) based on original issue price of \$15.00 per share
- (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.

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**For further information, please contact Investor Relations:**

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