

# Press Release:



**TSX SYMBOLS:** PDV, PDV.PR.A  
**SUBJECT:** OFR

## **PRIME DIVIDEND CORP. COMPLETES INITIAL PUBLIC OFFERING OF \$55,000,000**

**TORONTO, ONTARIO – November 16, 2005** / CCN Matthews: Prime Dividend Corp. (“Prime Dividend”) has completed its initial public offering of 2,200,000 Preferred Shares and 2,200,000 Class A Shares of the Corporation for aggregate gross proceeds of \$55,000,000. The shares have begun trading on the Toronto Stock Exchange under the symbols PDV (Class A shares) and PDV.PR.A (Preferred shares).

Prime Dividend’s **Floating Rate Preferred Shares** offer, cumulative preferential monthly cash dividends initially at a rate of 5.50% per annum. The dividend will float at the prime rate in Canada plus 0.75%, with the objective of repaying the original issue price upon termination on December 1, 2012. The Preferred shares have received a provisional rating of PFD-2 from DBRS.

Prime Dividend’s **Floating Rate Class A Shares** offer regular monthly cash distributions initially targeted to be 6.75% per annum. The dividend will float at the prime rate in Canada plus 2.00%, with the objective of repaying the original issue price upon termination on December 1, 2012. The Class A shares will also provide holders with any capital appreciation or dividend growth achieved in the investment portfolio.

The net proceeds from the proposed offering will be used by Prime Dividend to invest 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	AGF Management Ltd.	Great-West Lifeco Inc.	BCE Inc.
The Bank of Nova Scotia	CI Fund Management Inc.	Manulife Financial Corp.	TransAlta Corp
CIBC	IGM Financial Inc.	Sun Life Financial Inc.	TransCanada Corp
National Bank of Canada			Power Financial Corp.
Royal Bank of Canada			TSX Group Inc.
Toronto-Dominion Bank			

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

To supplement the dividends received on the portfolio and reduce risk, Prime Dividend will from time to time write covered call options.

CIBC and RBC Capital Markets are co-lead agents for the proposed offering. The other members of the syndicate are TD Securities Inc., BMO Nesbitt Burns, National Bank Financial, Desjardins Securities Inc., HSBC Securities (Canada) Inc., Canaccord Capital Corporation, Dundee Securities Corporation, Raymond James Ltd, Bieber Securities Inc., Blackmont Capital Inc., BLC Securities Inc., and Wellington West Capital Inc.

Please visit the Prime Dividend Corp. website at [www.primedividend.com](http://www.primedividend.com).

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### **For further information, please contact:**

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