

# Press Release:



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

**SUBJECT:** DIV

## **PRIME DIVIDEND CORP. Regular Monthly Dividend Declaration**

**TORONTO, ONTARIO – August 18, 2006 / CCN Matthews:** Prime Dividend Corp. (“Prime Dividend”) declares its regular monthly distribution of \$0.10000 (8.00% annualized) for each Class A share which reflects the distribution policy of prime rate in Canada (6.00% as at August 15th) plus 2% annually. Prime Dividend also declares its regular monthly distribution of \$0.05625 (6.75% annualized) for each Preferred share which reflects the distribution policy of prime rate plus 0.75% annually. Distributions are payable September 8, 2006 to shareholders on record as of August 31, 2006.

Since inception Class A shareholders have received a total of \$0.85 per share and Preferred shareholders have received a total of \$0.50 per share inclusive of this distribution, for a combined total of \$1.35.

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.

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 Inc. 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.*

### **Distribution Details:**

Class A Share (PDV):	\$0.10000
Preferred Share (PDV.PR.A)	\$0.05625
Ex-Dividend Date:	August 29, 2006
Record Date:	August 31, 2006
Payable Date:	September 8, 2006

For further information, please visit [www.primedividend.com](http://www.primedividend.com) or email [info@quadravest.com](mailto:info@quadravest.com).

Telephone 416.304.4443 or toll free at 1.877.478.2372