

# Press Release:



TSX SYMBOLS: PPL, PPL.PR.A  
SUBJECT: DIV

## PRIME RATE PLUS CORP.

### Dividends Set to Increase

**TORONTO, ONTARIO – May 24, 2006 / CCN Matthews:** As a result of the Bank of Canada's decision today to increase the bank rate in Canada by 0.25%, the Prime Rate has also increased by 0.25% to 6.00%. As a result, the June dividends payable to both Preferred Shares and Class A shares of Prime Rate Plus are each set to increase by 0.25%. This would result in the June Preferred share dividend being paid at an annualized rate of 6.75% (Prime Rate plus 0.75%) and the Class A share dividend being paid at an annualized rate of 8.00% (Prime Rate plus 2.0%).

Prime Rate Plus Corp. invests in a portfolio of six publicly traded Canadian Banks as follows:

Bank of Montreal	National Bank of Canada	Bank of Nova Scotia
Canadian Imperial Bank of Commerce	Royal Bank of Canada	Toronto-Dominion Bank

*Shares held within the Portfolio are expected to range between 5-20% in weight but may vary from time to time.*

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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