

GLOBAL ♦ DIGIT II

GLOBAL DIVERSIFIED INVESTMENT GRADE INCOME TRUST II, SERIES 2005-1

FUND OVERVIEW

- Global DIGIT II (TSX: GII.UN) is a trust providing investors with equity exposure to the credit performance of three globally diversified portfolios which, as of its most recent performance report, contained 569 securities. Any losses incurred as a result of defaults in the securities comprised in the portfolio will reduce the amount to be repaid to unitholders at maturity as well as the monthly distributions. The exposure represents respectively the first 0.95%, 1.25% and 1.50% of each portfolio, which means that they are the first at risk upon the occurrence of credit events. The portfolios are comprised of structured finance securities, mortgage-backed securities and asset-backed securities.
- In order to provide this exposure, Global DIGIT II entered into three credit default swaps (the "Financial Contracts") with Deutsche Bank (the "Bank"). Global DIGIT II granted security to the Bank in order to secure its obligations under the Financial Contracts.
- On November 24, 2009, Global DIGIT II received credit event notices from the Bank for seven reference obligations. Losses on such reference obligations when determined will reduce the notional amount of the affected credit exposure, thus resulting in a lower redemption price of the units at maturity.
- One of the objectives of Global DIGIT II was to provide investors with a monthly distribution which, starting in April 2010, would have been an amount equal to the five-year Government of Canada bond yield plus 4.0% to 4.5%. However, as a result of the amounts withheld by the Bank in relation to credit events notified to Global DIGIT II, distributions will be approximately equal to the five-year Government of Canada bond yield plus a spread of 1.1% to 1.7% instead of the targeted spread of 4.0% to 4.5%.
- The regular distributions paid by Global DIGIT II are treated as return of capital and as such, these distributions are not taxable. However, the net income realized by Global DIGIT II, if any, and paid out to unitholders will be taxable as part of the unitholders' income. Unitholders who dispose of their units prior to maturity will generally realize a capital gain or loss.
- Since January 1, 2009, the Bank cannot add additional securities to the portfolios. Therefore, the principal amount of the portfolios, to which Global DIGIT II is exposed, will decline as maturing securities will not be replaced. The Bank has the option, every five years starting March 2010, to terminate the Financial Contracts. On the first reset date of March 2, 2010, the Bank has not elected to terminate the Financial Contracts and, accordingly, the next applicable reset date is March 2, 2015.
- A distribution of \$0.035 per unit will be paid on April 14, 2011 to holders on record as at March 31, 2011.
- As of March 31, 2011, the Net Asset Value per Unit was \$0.22.

PORTFOLIO COMPOSITION (AS OF MOST RECENT PERFORMANCE REPORTS)

RATINGS DISTRIBUTION

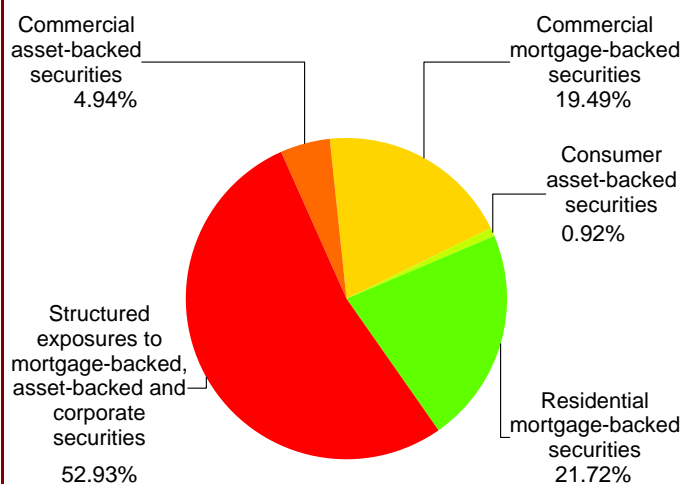
Standard & Poor's Rating *

The ratings below pertain to the full underlying portfolios; however unitholders exposures consist of one equity tranche in each portfolio detached at 0.95%, 1.25% and 1.50% respectively.

	Mar-11	Feb-11
AAA	11.5%	11.6%
AA+	4.9%	5.0%
AA	3.4%	3.5%
AA-	1.9%	1.9%
A+	4.7%	4.8%
A	6.6%	6.6%
A-	2.8%	2.7%
BBB+	4.8%	5.0%
BBB	2.6%	2.6%
BBB-	3.3%	3.3%
BB+	2.6%	2.6%
BB	2.7%	2.8%
BB-	1.1%	1.0%
B+	0.9%	1.0%
B	1.2%	1.2%
B-	1.2%	1.0%
CCC+	3.2%	3.2%
CCC	6.1%	5.8%
CCC-	10.6%	10.5%
CC	10.5%	10.3%
C	2.9%	2.8%
D	10.6%	10.6%
Total	100.0%	100.0%

* Or equivalent

BREAKDOWN BY ASSET CLASS



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See www.nbfincial.com under the "Individual Investor Services – Income Trusts" for further information

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