

PRESS RELEASE

G L O B A L ♦ D I G I T I I

For immediate release

STATUS OF THE DISENGAGEMENT TRANSACTION

Montréal, Québec, September 26, 2008 – Further to the recent decision by the Supreme Court of Canada on the proposed ABCP plan of arrangement, Global Diversified Investment Grade Income Trust II (“Global DIGIT II”) (TSX: GII.UN) is making an update on the status of its disengagement transaction with Silverstone Trust (“Silverstone”).

Assets of Global DIGIT II and Withholding of Payments by Silverstone

The assets of Global DIGIT II are partly comprised of three credit default swaps (“GD-II Swaps”) entered into with Silverstone and the related collateral to secure obligations under the GD-II Swaps. The GD-II Swaps are mirrored by back-to-back credit default swaps (the “Silverstone Swaps”) between Silverstone and Deutsche Bank A.G. (the “Bank”). Silverstone also entered into another swap with the Bank, pursuant to which and in order to secure its obligations toward the Bank, it issued asset-backed commercial paper (“ABCP”) to purchase collateral which was pledged to the Bank.

The payment provisions under the Silverstone Swaps are mirrored by those of the GD-II Swaps, such that for each payment obligation of the Bank to Silverstone under the Silverstone Swaps, there is a corresponding payment obligation from Silverstone to Global DIGIT II and vice versa. However, in certain circumstances, Silverstone’s position is that it has the right to withhold payments received from the Bank. Consequently, on August 14, 2007, as Silverstone had not rolled over its matured ABCP and ceased payments on such ABCP, it decided to withhold payments to Global DIGIT II. As a result of diverging views with respect to the rights of Silverstone and Global DIGIT II with respect to the amounts received from the Bank, the amounts withheld were segregated into an escrow account pursuant to a Standstill Agreement entered into between Global DIGIT II and Silverstone, in which an amount of about \$0.99 per unit has been accumulated as of September 15, 2008.

The Disengagement Transaction

On December 21, 2007, Global DIGIT II entered into an agreement with Silverstone in order to negotiate in good faith a transaction pursuant to which Silverstone would effectively be replaced by the Bank as counterparty to the GD-II Swaps that are presently in force between Global DIGIT II and Silverstone (the “Disengagement Transaction”) and would sever all relations

between Global DIGIT II and Silverstone and disengage Silverstone from Global DIGIT II's current structure.

The Plan

On March 20, 2008, noteholders members of the Pan-Canadian Investors Committee for Third-Party Structured Asset-Backed Commercial Paper (the "Committee") filed with the Ontario Superior Court of Justice a plan of compromise and arrangement (the "Plan") pursuant to the *Companies' Creditors Arrangement Act* in respect of the ABCP of certain issuer trustees, including the issuer trustee of Silverstone.

On June 5, the Plan was sanctioned by the Court and further to an appeal to the Court of Appeal of Ontario by certain dissident noteholders holding ABCP, this Court unanimously dismissed the appeal on August 18 and upheld the Plan as proposed. On September 2, 2008, the judgment of the Court of Appeal of Ontario was appealed to the Supreme Court of Canada by dissident noteholders and on September 19, 2008, the Supreme Court of Canada denied leave to appeal. Consequently, the Committee expects to be in a position to commence the process for implementation of the Plan by September 30, 2008 or shortly thereafter, with a view to completing implementation during the month of October 2008.

Completion of the Disengagement Transaction and the resumption of the distributions and redemptions depend on the successful implementation of the Plan and is expected to become effective on the date that the Plan is implemented. Further to the Disengagement Transaction, funds available to pay distributions and redemptions would flow directly from the Bank and would no longer be dependent on Silverstone's ability to renew or replace its outstanding indebtedness or otherwise be subject to any claim by Silverstone to withhold payments to Global DIGIT II. Thereafter, funds held in the escrow account under the Standstill Agreement would be released in full to Global DIGIT II. The amounts which have been accruing in respect of the residual amount that would otherwise have been payable to Global DIGIT II at the maturity date of the GD-II Swaps, would be released to Global DIGIT II; such amounts totaled approximately \$0.55 per unit as of September 15, 2008, but are subject to the costs of the Disengagement Transaction which cannot presently be assessed.

Assuming the Disengagement Transaction is completed, it is anticipated that:

1. the August 15, 2007 distribution (\$0.0687 per unit) that was previously declared but suspended on August 14, 2007, would be released to the holders of record at the close of business on July 31, 2007;
2. as soon as possible after the release of funds currently held in the escrow account, Global DIGIT II would declare a distribution of approximately \$0.89 per unit;
3. subject to losses upon the occurrence of Credit Events, monthly distributions would resume and generally be at the same level as was previously the case; and

4. annual and quarterly redemptions would resume and financial conditions of such redemptions would reflect the then current market environment for such financial instruments.

About Global DIGIT II

Global DIGIT II provides an economic interest in a equity tranche of credit default swap agreements in respect of portfolios of mortgage-backed securities, asset-backed securities, structured finance securities and synthetic corporate exposures,.

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