MD ExO® Direct | MD Management Limited

MD ExO® Direct (MD Management Limited) annual fees

Account balance	Fee for each account balance range
< $500,000	0.475% (tiered)
$500,000–$750,000	0.450% (tiered)
$750,000–$2 million	0.400% (tiered)
$2 million–$3 million	0.350% (tiered)
$3 million–$5 million	0.300% (tiered)
$5 million–$10 million	0.200% (tiered)

For example, Dr. Jones's account totals $925,000, so the fee would be $4,200, calculated as follows:

- On the first $500,000, the fee is 0.475%, which equals $2,375.
- On the next $250,000, the fee is 0.45%, which equals $1,125.
- On the next $175,000, the fee is 0.40%, which equals $700.

The MD ExO® Direct fee schedule is tiered at the lower ranges, which means reduced fees for increasingly higher account balance amounts. Different rates are charged on each range within the same account.

Accounts with balances of more than $5 million are charged a flat rate fee, which means that the percentage shown in the relevant row above is applied to the entire account balance (from $0).

Trailing commissions (also known as ongoing service fees): An investment fund pays the asset manager a fee for managing your fund. This management fee is based on a percentage of the value of assets. The investment fund manufacturer pays a portion of this management fee to MD for the services and advice we provide to you on an ongoing basis. The amount MD receives is called a "trailing commission" and it is paid to MD for as long as you own the fund. These fees are paid on your behalf; you are not charged the trailing commission or the management fee directly. However, these fees do reduce your overall investment return.

The MD ExO® service provides financial products and guidance to clients, delivered through the MD Group of Companies (MD Financial Management Inc., MD Management Limited and MD Life Insurance Company). MD Financial Management provides financial products and services, the MD Family of Funds and investment counselling services through the MD Group of Companies and Scotia Wealth Insurance Services Inc. For more information on the MD Group of Companies, visit md.ca and visit scotiawealthmanagement.com for more information on Scotia Wealth Insurance Services Inc.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed. Their values change frequently, and past performance may not be repeated. To obtain a copy of the prospectus, please call your MD Advisor, or the MD Trade Centre at 1 800 267-2332. The MD Family of Funds is managed by MD Financial Management Inc.

MD Management Limited – Member – Canadian Investor Protection Fund