



**MD Financial  
Management Inc.**

MD Financial Management Inc.

# Simplified Prospectus

May 27, 2022

*(Series A, Series I, Series F and Series D units unless otherwise indicated)*

**MD Precision Canadian Balanced Growth Fund  
MD Bond Fund  
MD Short-Term Bond Fund  
MD Precision Canadian Moderate Growth Fund  
MD Equity Fund  
MD Growth Investments Limited (Series A, Series I, Series F and Series D shares)  
MD Dividend Growth Fund  
MD International Growth Fund  
MD International Value Fund  
MD Money Fund (Series A and Series D units)  
MD Canadian Equity Fund  
MD American Growth Fund  
MD American Value Fund  
MD Strategic Yield Fund  
MD Strategic Opportunities Fund  
MD Fossil Fuel Free Bond Fund  
MD Fossil Fuel Free Equity Fund**

**MD Precision Conservative Portfolio (Series A, Series F and Series D units)  
MD Precision Balanced Income Portfolio (Series A, Series F and Series D units)  
MD Precision Moderate Balanced Portfolio (Series A, Series F and Series D units)  
MD Precision Moderate Growth Portfolio (Series A, Series F and Series D units)  
MD Precision Balanced Growth Portfolio (Series A, Series F and Series D units)  
MD Precision Maximum Growth Portfolio (Series A, Series F and Series D units)**

**MDPIM Canadian Equity Pool (Series A units)  
MDPIM US Equity Pool (Series A units)**

**(individually, an “MD Fund” and collectively, the “MD Funds”)**

No securities regulatory authority has expressed an opinion about these units and shares and it is an offence to claim otherwise.

The MD Funds and the securities of the MD Funds described under this simplified prospectus are not registered with the U.S. Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

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# Introductory Disclosure

## THE PROSPECTUS

This document contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor.

This document is divided into two parts. The first part, from pages 1 through 27, contains general information applicable to all of the MD Funds. The second part, from pages 28 through 89 contains specific information about each of the MD Funds described in this document.

Additional information about each MD Fund is available in the following documents:

- ♦ the most recently filed Fund Facts document;
- ♦ the most recently filed annual financial statements;
- ♦ any interim financial report filed after those annual financial statements;
- ♦ the most recently filed annual management report of fund performance;
- ♦ any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as a part of this document. You can get a copy of these documents, at your request, and at no cost, by calling toll-free 1 800 267-2332, or from your MD Management Advisor.

These documents are available on the MD Funds' designated website at [mdm.ca](http://mdm.ca), or by contacting us at [MDFunds.SimplifiedProspectus@md.ca](mailto:MDFunds.SimplifiedProspectus@md.ca).

These documents and other information about the MD Funds are available at [www.sedar.com](http://www.sedar.com).

## MD FINANCIAL MANAGEMENT INC. AND MD MANAGEMENT LIMITED

In this prospectus, "we," "us," and "our" mean MD Financial Management Inc. and MD Management Limited. "MD Financial Management" and "Manager" mean MD Financial Management Inc., and "MD Management" means MD Management Limited. "You" means purchasers of MD Funds.

# Responsibility for Mutual Fund Administration

## MANAGER

Pursuant to an agreement between MD Financial Management and the MD Funds dated February 3, 2011, as amended from time to time, MD Financial Management has been appointed as the manager of each MD Fund (the "Management Agreement").

MD Financial Management manages the overall business of the MD Funds, including setting investment objectives and strategies, selecting and monitoring the portfolio manager, providing fund accounting and administration services and promoting sales of the MD Funds' units/shares.

MD Financial Management performs various functions relating to the operation of the MD Funds under the Management Agreement, including but not limited to:

- a. the management and administration of the MD Funds, including the maintenance of the books and records of the MD Funds and perform administrative functions such as the valuation services, and maintenance of securityholder records in connection with the issuance, registration and redemption of securities;
- b. managing the portfolio of the MD Funds which may include obtaining the services of a portfolio manager (who may be an affiliate of the Manager) who would be responsible for management of the investment portfolio, providing investment analysis and recommendations, making investment decisions, the purchase and sale of the investment portfolio and brokerage arrangements;
- c. obtaining the services of one or more custodians of the MD Funds' portfolio securities;
- d. acting as registrar of the securityholders; and
- e. supplying the clerical, accounting and administrative staff and services required for the efficient day-to-day functioning of the MD Fund.

The Management Agreement has an initial term of three years and is renewable every second year at the option of MD Financial Management. The Management Agreement is non-assignable except by consent of the parties to it. The Management Agreement may be terminated with respect to a MD Fund upon at least 60 days written notice in the event of the commission by MD Financial Management of any fraudulent act or deliberate misrepresentation thereunder, the persistent failure of MD Financial Management to perform its duties and discharge its obligations thereunder or the continuing malfeasance or misfeasance of MD Financial Management in the performance of its duties thereunder, or if MD Financial Management becomes bankrupt or insolvent, makes a resolution for its winding-up or dissolution, is ordered dissolved or makes a general assignment for the benefit of its creditors. MD Financial Management may not terminate the Management Agreement during its term (except that it may be terminated by MD Financial Management upon not less than 60 days written notice in the event that the distribution agreement is terminated by the MD Funds) and must give the MD Funds at least six months' notice of its intention not to renew the Management Agreement.

## Directors and Officers of MD Financial Management

MD Financial Management is located at 1870 Alta Vista Drive, Ottawa, Ontario K1G 6R7, www.mdm.ca, and can be reached at 1 800 267-2332 or MDfunds.SimplifiedProspectus@md.ca.

The names, municipalities of residence, and current positions and offices of the directors and executive officers of MD Financial Management are as follows:

NAME AND MUNICIPALITY OF RESIDENCE	CURRENT POSITION(S) AND OFFICE(S) HELD WITH THE MANAGER
Daniel Labonté Gatineau, Québec	President, Chief Executive Officer, Ultimate Designated Person and Director
Rob Charters Toronto, Ontario	Chief Financial Officer
David Reeder Mississauga, Ontario	Chief Compliance Officer
Alex Besharat Toronto, Ontario	Director, Chair
Erin Griffiths Toronto, Ontario	Director
Brent Currie Milton, Ontario	Director
Pamela Allen Richmond, British Columbia	Director and VP, Client Value Delivery
Andy Nasr Richmond Hill, Ontario	Director
Laurence Levy Montréal, Québec	Director
Shilpa Verma Brampton, Ontario	Corporate Secretary and Legal Counsel, Subsidiary Governance

## Fund of Funds

Pursuant to the requirements of securities legislation, the Manager, on behalf of an MD Fund, will not vote any of the securities an MD Fund holds in underlying funds managed by the Manager or any of its affiliates or associates (as such terms are defined in the *Securities Act* (Ontario)). However, the Manager, in its sole discretion, may arrange for securityholders of an MD Fund to vote their share of those securities of the underlying fund.

## PORTFOLIO ADVISER

Pursuant to a portfolio management services agreement dated January 1, 2022 (the "Portfolio Management Agreement"), the Manager has appointed the Multi-Asset Management Team within 1832 Asset Management L.P. (the "Portfolio Manager") with its head office in Toronto, Ontario as the portfolio manager of each MD Fund. The Portfolio Manager and the Manager are affiliated companies, both being part of The Bank of Nova Scotia group. As portfolio manager of the MD Funds, the Portfolio Manager is responsible for providing investment management services to the MD Funds by managing or arranging to manage through sub-advisers, on a fully discretionary basis, such assets of the investment portfolio of the MD Funds. The Portfolio Management Agreement may be terminated by either party upon ninety days written notice to the other party.

## SUB-ADVISERS

The sub-adviser(s) of a MD Fund carry out the investment activities and research for the MD Fund's portfolio pursuant to investment management agreements (the "Investment Management Agreements"). The Portfolio Manager selects one or more sub-advisers to manage an MD Fund. Each sub-adviser has complete discretion to purchase and sell portfolio securities for its segment of an MD Fund, although each sub-adviser must operate within each MD Fund's investment objectives, restrictions and policies. The Manager and the Portfolio Manager may also set specific constraints within which a sub-adviser must operate. The Portfolio Manager monitors all sub-advisers on an on-going basis, and has the right to direct the individual security selections, although this is done only in unique circumstances. The Portfolio Manager may hire or terminate sub-advisers at any time. The Investment Management Agreements may be terminated by either party, typically upon 30 days written notice to the other party, though this notice period may be longer in certain cases. Although most of the decisions relating to the purchasing and selling of securities for the MD Funds are done by the sub-advisers, there are times in which the Portfolio Manager may be directing the purchasing or selling of securities for the MD Funds. For example, but not limited to such situations as when a sub-adviser is terminated, the Portfolio Manager may manage the transition from the previous sub-adviser to the new sub-adviser(s) and if necessary, manage the portfolio on an interim or continuous basis. The Portfolio Manager may also purchase or sell securities directly on behalf of the MD Funds.

The name of each sub-adviser that has been retained to provide management and investment advisory services to the applicable MD Fund, including making investment decisions and carrying out portfolio transactions, date of the Investment Management Agreement, and municipality of the sub-adviser's head office are set out below. None of the sub-advisers, except for 1832 Asset Management L.P. and Jarislowsky, Fraser Limited are affiliates of the Manager. 1832 Asset Management L.P. and Jarislowsky, Fraser Limited are affiliates of the Manager, as each are part of The Bank of Nova Scotia group.

### **MD Precision Canadian Balanced Growth Fund**

- Pursuant to an agreement dated June 13, 2019, Hillsdale Investment Management Inc. (Toronto, Ontario)
- Pursuant to an agreement dated June 13, 2019, Jarislowsky, Fraser Limited (Toronto, Ontario)
- Pursuant to an agreement dated June 13, 2019, Manulife Investment Management Limited (Toronto, Ontario), Manulife Investment Management (US) LLC (Boston, MA, USA), and Manulife Investment Management (Hong Kong) Limited (Causeway Bay, Hong Kong)
- Pursuant to an agreement dated June 13, 2019, 1832 Asset Management L.P. (Toronto, Ontario)
- Pursuant to an agreement dated June 13, 2019, Triasima Portfolio Management Inc. (Montréal, Québec)
- Pursuant to an agreement dated June 2, 2010, Walter Scott & Partners Limited (Edinburgh, Scotland)

### **MD Bond Fund**

- Pursuant to an agreement dated May 10, 2018, Manulife Investment Management Limited (Toronto, Ontario), Manulife Investment Management (US) LLC (Boston, MA, USA), and Manulife Investment Management (Hong Kong) Limited (Causeway Bay, Hong Kong)
- Pursuant to an agreement dated June 13, 2019, 1832 Asset Management L.P. (Toronto, Ontario)

**MD Short-Term Bond Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, 1832 Asset Management L.P. (Toronto, Ontario)
- ♦ Pursuant to an agreement dated May 10, 2018, Manulife Investment Management Limited (Toronto, Ontario), Manulife Investment Management (US) LLC (Boston, MA, USA), and Manulife Investment Management (Hong Kong) Limited (Causeway Bay, Hong Kong)

**MD Precision Canadian Moderate Growth Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, 1832 Asset Management L.P. (Toronto, Ontario)
- ♦ Pursuant to an agreement dated June 13, 2019, Montrusco Bolton Investments Inc. (Montréal, Québec)
- ♦ Pursuant to an agreement dated June 13, 2019, Manulife Investment Management Limited (Toronto, Ontario), Manulife Investment Management (US) LLC (Boston, MA, USA), and Manulife Investment Management (Hong Kong) Limited (Causeway Bay, Hong Kong)

**MD Equity Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, Hillsdale Investment Management Inc. (Toronto, Ontario)
- ♦ Pursuant to an agreement dated June 13, 2019, Triasima Portfolio Management Inc. (Montréal, Québec)
- ♦ Pursuant to an agreement dated January 1, 2022, Columbia Management Investment Advisers, LLC (Boston, Massachusetts, USA)
- ♦ Pursuant to an agreement dated January 1, 2022, Janus Henderson Investors US LLC (Denver, Colorado, USA)
- ♦ Pursuant to an agreement dated January 1, 2022, Jensen Investment Management Inc. (Lake Oswego, Oregon, USA)
- ♦ Pursuant to an agreement dated June 13, 2019, Jarislowsky, Fraser Limited (Toronto, Ontario)
- ♦ Pursuant to an agreement dated September 16, 2011, Fiduciary Management Inc. (Milwaukee, Wisconsin USA)

**MD Growth Investments Limited**

- ♦ Pursuant to an agreement dated June 13, 2019, Jarislowsky, Fraser Limited (Toronto, Ontario)
- ♦ Pursuant to an agreement dated August 27, 2003, Walter Scott & Partners Limited (Edinburgh, Scotland)

**MD Dividend Growth Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, 1832 Asset Management L.P. (Toronto, Ontario)
- ♦ Pursuant to an agreement dated March 23, 2016, Montrusco Bolton Investments Inc. (Montréal, Québec)

**MD International Growth Fund**

- ♦ Pursuant to an agreement dated November 26, 2015, Mawer Investment Management Ltd. (Calgary, Alberta)
- ♦ Pursuant to an agreement dated November 27, 2015, Walter Scott & Partners Limited (Edinburgh, Scotland)

**MD International Value Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, Jarislowsky, Fraser Limited (Toronto, Ontario)
- ♦ Pursuant to an agreement dated September 19, 2011, EARNEST Partners LLC (Atlanta, Georgia, USA)

- ♦ Pursuant to an agreement dated September 19, 2011, LSV Asset Management, (Chicago, Illinois, USA)

**MD Money Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, 1832 Asset Management L.P. (Toronto, Ontario)

**MD Canadian Equity Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, Jarislowsky, Fraser Limited (Toronto, Ontario)
- ♦ Pursuant to an agreement dated June 13, 2019, Triasima Portfolio Management Inc. (Montréal, Québec)
- ♦ Pursuant to an agreement dated July 12, 2012, Hillsdale Investment Management Inc. (Toronto, Ontario)

**MD American Growth Fund**

- ♦ Pursuant to an agreement dated April 21, 2016, Janus Henderson Investors US LLC (Denver, Colorado, USA)
- ♦ Pursuant to an agreement dated as of July 12, 2012, Jensen Investment Management Inc. (Lake Oswego, Oregon, USA)

**MD American Value Fund**

- ♦ Pursuant to an agreement dated September 16, 2011, Fiduciary Management Inc. (Milwaukee, Wisconsin USA)
- ♦ Pursuant to an agreement dated May 28, 2021, Columbia Management Investment Advisers, LLC (Boston, Massachusetts, USA)

**MD Fossil Fuel Free Bond Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, 1832 Asset Management L.P. (Toronto, Ontario)

**MD Fossil Fuel Free Equity Fund**

- ♦ Pursuant to an agreement dated June 13, 2019, Jarislowsky, Fraser Limited (Toronto, Ontario)
- ♦ Pursuant to an agreement dated May 26, 2016, Comgest Asset Management International Limited (Dublin, Ireland)

**MDPIM Canadian Equity Pool**

- ♦ Pursuant to an agreement dated June 13, 2019, Jarislowsky, Fraser Limited (Toronto, Ontario)
- ♦ Pursuant to an agreement dated June 13, 2019, Triasima Portfolio Management Inc. (Montréal, Québec)
- ♦ Pursuant to an agreement dated July 12, 2012, Hillsdale Investment Management Inc. (Toronto, Ontario)

**MDPIM US Equity Pool**

- ♦ Pursuant to an agreement dated April 21, 2016, Janus Henderson Investors US LLC (Denver, Colorado, USA)
- ♦ Pursuant to an agreement dated June 2, 2010, Jensen Investment Management Inc. (Lake Oswego, Oregon, USA)
- ♦ Pursuant to an agreement dated September 16, 2011, Fiduciary Management Inc. (Milwaukee, Wisconsin USA)
- ♦ Pursuant to an agreement dated May 28, 2021, Columbia Management Investment Advisers, LLC (Boston, Massachusetts, USA)

### Other Information About the Sub-Advisers

Some of the sub-advisers are corporate residents outside of Canada. By virtue of their residency status, these sub-advisers are not subject to a variety of requirements contained in the *Securities Act* (Ontario) applicable to advisers resident in the Province of Ontario. The name and address of the agent for service of process for each of these sub-advisers are as follows:

SUB-ADVISER	AGENT FOR SERVICE
Walter Scott & Partners LLP	Borden Ladner Gervais LLP Bay Adelaide Centre, East Tower 22 Adelaide St. W. Toronto Ontario M5H 4E3
Jensen Investment Management Inc.	Borden Ladner Gervais LLP Bay Adelaide Centre, East Tower 22 Adelaide St. W. Toronto Ontario M5H 4E3
Janus Henderson Investors US LLC	Borden Ladner Gervais LLP Bay Adelaide Centre, East Tower 22 Adelaide St. W. Toronto Ontario M5H 4E3
Fiduciary Management Inc.	Borden Ladner Gervais LLP Bay Adelaide Centre, East Tower 22 Adelaide St. W. Toronto Ontario M5H 4E3
LSV Asset Management	Gowling Lafleur Henderson LLP 1600-100 King St. W. Toronto Ontario M5X 1G5
EARNEST Partners LLC	Davis LLP 6000-1 First Canadian Place P.O. Box 367, 100 King St. W. Toronto Ontario M5X 1E2
Manulife Investment Management (US) LLC	Manulife Investment Management Limited 200 Bloor St. E., NT-5 Toronto Ontario M4W 1E5
Manulife Investment Management (Hong Kong) Limited	Manulife Investment Management Limited 200 Bloor St. E., NT-5 Toronto Ontario M4W 1E5
Comgest Asset Management International Limited	Borden Ladner Gervais LLP Bay Adelaide Centre, East Tower 22 Adelaide St. W. Toronto Ontario M5H 4E3
Columbia Management Investment Advisers, LLC	Osler, Hoskin & Harcourt LLP 6100-100 King St. W. Toronto Ontario M5X 1B8

The enforcement of legal rights against a sub-adviser resident outside of Canada may be impaired due to such foreign residency and the fact that a substantial portion of such adviser's assets may be situated outside of Canada.

Under each of the Investment Management Agreements, the sub-adviser is responsible for the management of the investment portfolio of the relevant MD Fund (or a portion thereof), providing investment analysis and recommendations, making investment decisions, and for the purchase and sale of the investment portfolio and brokerage arrangements. The day to day investment decisions made by the sub-advisers are not subject to the approval of the Manager, nor the oversight, approval or ratification of a committee. The Portfolio Manager receives a fee for its services, which fee is paid by the Manager rather than the relevant MD Fund, and each sub-adviser receives a fee for its services, which is paid by the Portfolio Manager. The services so provided are reviewed periodically by the Portfolio Manager. However, the Portfolio Manager remains wholly responsible for the management of the MD Funds' investment portfolios and advice provided by the sub-advisers.

The names and titles of the persons employed or associated with the investment teams who make investment decisions for the applicable Funds, and their roles in the investment decision-making process are set out below.

### Portfolio Manager – Multi-Asset Management Team within 1832 Asset Management L.P.

NAME	TITLE	ROLE IN INVESTMENT DECISION-MAKING PROCESS
Craig Maddock CFA, CFP, MBA	Vice-President, Senior Portfolio Manager and Head Multi-Asset Management	Leader of the portfolio management team with full investment decision-making authority.
Ian Taylor CFA	Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
Wesley Blight CFA, CIM, FCSI	Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
Mark Fairbairn CFA	Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
Richard Schmidt CFA	Associate Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.

## Sub-Advisers

NAME	TITLE	ROLE IN INVESTMENT DECISION-MAKING PROCESS
<b>Fiduciary Management Inc.</b>		
Patrick J. English CFA	Chairman, Chief Executive Officer and Chief Investment Officer	Leader of the investment team, working closely with the Director of Research on strategy, portfolio and equity investment decisions. Reviews investment ideas and recommendations and interacts with the analysts in the research process.
Jonathan T. Bloom CFA	Director of Research	Works closely with the CIO evaluating strategy, portfolio and equity investment decisions. Reviews investment ideas and recommendations and interacts with the analysts in the research process.
<b>LSV Asset Management</b>		
Josef Lakonishok Ph.D.	CEO, Chief Investment Officer, Founding Partner and Portfolio Manager	Responsible for the day-to-day management of the mandate. Investment decisions are generally made based on whether a buy or sell signal is received from the proprietary quantitative investment model.
Menno Vermeulen CFA	Partner, Portfolio Manager and Senior Systems Development	Responsible for the day-to-day management of the mandate. Investment decisions are generally made based on whether a buy or sell signal is received from the proprietary quantitative investment model.
Puneet Mansharamani CFA	Partner and Portfolio Manager	Responsible for the day-to-day management of the mandate. Investment decisions are generally made based on whether a buy or sell signal is received from the proprietary quantitative investment model.
Jason Karceski Ph.D.	Partner and Portfolio Manager	Responsible for the day-to-day management of the mandate. Investment decisions are generally made based on whether a buy or sell signal is received from the proprietary quantitative investment model.
Greg Sleight	Partner and Portfolio Manager	Responsible for the day-to-day management of the mandate. Investment decisions are generally made based on whether a buy or sell signal is received from the proprietary quantitative investment model.
Guy Lakonishok CFA	Partner and Portfolio Manager	Responsible for the day-to-day management of the mandate. Investment decisions are generally made based on whether a buy or sell signal is received from the proprietary quantitative investment model.
<b>EARNEST Partners LLC</b>		
Paul E. Viera	Chief Investment Officer	Member of the investment team. Responsible for strategy and fundamental research on the equity portfolio.
<b>Comgest Asset Management International Limited</b>		
Laure Négier	Portfolio Manager/Analyst	Member of the portfolio management team with full investment decision-making authority.
Zak Smerczak	Portfolio Manager/Analyst	Member of the portfolio management team with full investment decision-making authority.
Alexandre Narboni	Portfolio Manager/Analyst	Member of the portfolio management team with full investment decision-making authority.
Richard Mercado	Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
<b>Jensen Investment Management Inc.</b>		
Rob McIver	President; Managing Director – President and Portfolio Manager	Generalist/Business Responsibility for Private Clients.
Eric Schoenstein	Managing Director, Chief Investment Officer and Portfolio Manager	Chief Investment Officer/Generalist/Business Responsibility for Institutional and RIA Clients.
Kurt Havnaer	Portfolio Manager	Generalist and responsible for strategy and research of Consumer Staples and Industrials
Kevin Walkush	Portfolio Manager and Head of ESG	Head of ESG/Generalist and responsible for strategy and research of Information Technology
Adam Calamar	Portfolio Manager	Generalist and responsible for strategy and research of Consumer Discretionary
Allen Bond	Managing Director, Head of Research and Portfolio Manager	Head of Research/Generalist and responsible for strategy and research of Healthcare

NAME	TITLE	ROLE IN INVESTMENT DECISION-MAKING PROCESS
<b>Janus Henderson Investors US LLC</b>		
Doug Rao	Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
Nick Schommer	Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
Brian Recht	Portfolio Manager/Research Analyst	Member of the portfolio management team with full investment decision-making authority and research analyst that covers the communication and consumer sectors.
<b>Manulife Investment Management Limited</b>		
Roshan Thiru	Head of Canadian Fixed Income and Senior Portfolio Manager	Head of Fixed Income team with full investment decision-making authority.
Sivan Nair	Senior Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
Altaf Nanji	Senior Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
<b>Manulife Investment Management (US) LLC</b>		
Dan Janis	Senior Managing Director and Senior Portfolio Manager	Co-Head of Fixed Income team with full investment decision-making authority.
Tom Goggins	Senior Managing Director and Senior Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
Christopher Chapman	Senior Portfolio Manager	Co-Head of Fixed Income team with full investment decision-making authority.
<b>Manulife Investment Management (Hong Kong) Limited</b>		
Kisoo Park	Managing Director and Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
<b>Walter Scott &amp; Partners Limited</b>		
Jane Henderson	Managing Director	Member of the Investment Executive (IE). Investment decisions reached by the Research team are presented to the IE. The IE ratifies all new purchase decisions and determines portfolio allocations.
Roy Leckie	Executive Director – Investment & Client Service	Member of the Investment Executive (IE). Investment decisions reached by the Research team are presented to the IE. The IE ratifies all new purchase decisions and determines portfolio allocations. Roy is also a member of the Research team.
Charles Macquaker	Executive Director – Investment	Member of the Investment Executive (IE). Investment decisions reached by the Research team are presented to the IE. The IE ratifies all new purchase decisions and determines portfolio allocations. Charles is also a member of the Research team.
<b>Hillsdale Investment Management Inc.</b>		
Christopher Guthrie	President, Chief Executive Officer, Chief Investment Officer	Responsible for Portfolio Construction and Security Selection.
Alex Etsell	Senior Portfolio Manager	Responsible for Portfolio Construction and Security Selection.
Harry Marmer	Executive Vice-President	Does not directly participate in the investment decision-making process.
<b>Columbia Management Investment Advisers, LLC</b>		
Rich Rosen	Senior Portfolio Manager	Member of the equity team, responsible for fundamental research and analysis with generalist research responsibilities and ultimate decision making authority.
Rick Taft	Senior Portfolio Manager	Member of the equity team, responsible for fundamental research and analysis with generalist research responsibilities.
<b>Mawer Investment Management Ltd.</b>		
David Ragan	Portfolio Manager Director	Member of the portfolio management team with shared investment decision-making authority
Peter Lampert	Portfolio Manager	Member of the portfolio management team with full investment decision-making authority
<b>Montrusco Bolton Investments Inc.</b>		
John Goldsmith	Head of Canadian Equities	Lead member of the portfolio management & equity research team with full investment decision-making authority.
Kimberly Cheong	Portfolio Manager	Member of the portfolio management & equity research team with full investment decision-making authority.



NAME	TITLE	ROLE IN INVESTMENT DECISION-MAKING PROCESS
<b>1832 Asset Management L.P.</b>		
Romas Budd, MBA	Vice-President and Senior Portfolio Manager	Contributes to portfolio oversight. Develops and implements duration, yield curve, and sector positioning strategies.
Bill Girard, MBA, CFA	Vice-President and Portfolio Manager	Develops and implements credit selection strategies.
Kevin Pye, MA CFA	Vice-President and Portfolio Manager	Develops and implements credit selection strategies.
Oscar Belaiche, CFA	Senior Vice-President and Portfolio Manager	Member of the portfolio management team with an oversight role.
Jason Gibbs, CFA	Vice-President and Senior Portfolio Manager	Member of the portfolio management team with an oversight role.
Thomas Dicker, CFA	Vice-President and Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
William McLeod, MBA, CFA	Vice-President and Portfolio Manager	Member of the portfolio management team with full investment decision-making authority.
<b>Jarislowsky, Fraser Limited</b>		
Charles Nadim	Head of Equities & Portfolio Manager – Canadian Equities; Investment Strategy Committee member	Member of the Investment Strategy Committee and portfolio management team with investment decision-making authority and member of the equity team, responsible for fundamental research and analysis in equity portfolios.
Bernard Gauthier	Managing Director & Portfolio Manager – Canadian Equities; Investment Strategy Committee member	Member of the Investment Strategy Committee and portfolio management team with investment decision-making authority and member of the equity team, responsible for fundamental research and analysis in equity portfolios.
Kelly Patrick	Head of Equities & Portfolio Manager – International & Global Equities; Investment Strategy Committee member	Member of the Investment Strategy Committee and portfolio management team with investment decision-making authority and member of the equity team, responsible for fundamental research and analysis in equity portfolios.
Jeremy Schaal	Managing Director & Portfolio Manager, U.S. & Global Equities; Investment Strategy Committee member	Member of the Investment Strategy Committee and portfolio management team with investment decision-making authority and member of the equity team, responsible for fundamental research and analysis in equity portfolios.
Chad Van Norman	Managing Director (Institutional Portfolio Manager) & Co-Head, Institutional Management – Canada	Directly responsible for the day to day portfolio oversight and overall client relationship.
Chad Paparoni	Senior Portfolio Manager – Institutional Management	Directly responsible for the day to day portfolio oversight and overall client relationship.
<b>Triasima Portfolio Management Inc.</b>		
André R. Chabot, CFA	Founder and CIO	Member of the portfolio management team with full investment decision-making authority.
Edward Antczak, CFA	Portfolio Manager	Member of the equity team, responsible for fundamental research and analysis in Canadian equity portfolios; has decision-making authority over the Fund's investments.
Scott Collins, CFA	Founding Partner and Deputy CIO	Member of the portfolio management team with full investment decision-making authority.
Redouane Khireddine, CFA	Founding Partner and Portfolio Manager	Contributes to the quantitative and trend analysis. Does not have decision-making authority over the Fund.

## BROKERAGE ARRANGEMENTS

MD Financial Management, as manager of the MD Funds, may instruct the Portfolio Manager or the sub-advisers retained for the MD Funds to direct brokerage transactions to a particular entity.

Decisions as to the purchase and sale of portfolio securities and decisions as to the execution of portfolio transactions, including selection of market, dealer or broker and the negotiation, where applicable, of commissions called “order execution goods and services”, are made by the Portfolio Manager or each individual sub-adviser. In effecting portfolio transactions, the Portfolio Manager or the sub-adviser has a duty to seek best execution. To the extent that the executions and prices offered by more than one dealer or broker are comparable, the Portfolio Manager or the sub-adviser may, in its discretion, choose to effect portfolio transactions with dealers and brokers who provide investment decision-making services to the MD Funds through the Portfolio Manager or the sub-adviser.

In addition to order execution goods and services, dealers or third parties may provide research goods and services to the Portfolio Manager or the sub-adviser, which include: (i) advice as to the value of the securities and the advisability of effecting transactions in securities; and (ii) analyses and reports concerning securities, issuers, industries, portfolio strategy or economic or political factors and trends that may have an impact on the value of securities. Such research goods and services may be provided by the executing dealer directly (known as proprietary research) or by a party other than the executing dealer (known as third party research).

In the event of the provision of a good or service that contains an element that is neither research goods and services nor order execution goods and services (“mixed-use goods and services”), such as data analysis, software applications and data feeds, brokerage commissions will only be used to pay for the portion of such goods and services which would qualify as either research goods and services or order execution goods and services.

The Portfolio Manager or the sub-adviser makes a good faith determination that the MD Fund, on whose behalf it directs to a dealer any brokerage transactions involving client brokerage commissions, in return for research and order execution goods and services from such dealer or third party, receives reasonable benefit, considering both the use of the goods or services and the amount of the client brokerage commissions paid.

Since the date of the last simplified prospectus, the Portfolio Manager and the sub-advisers for the MD Funds have received order execution and research services from brokers, dealers or third parties in connection with the execution of brokerage transactions on behalf of the MD Funds. In addition to the Portfolio Manager and the sub-advisers for the MD Funds, as of the date of this simplified prospectus, the Manager may also receive order execution and research services from brokers, dealers or third parties in connection with the execution of brokerage transactions on behalf of the MD Funds.

Where brokerage transactions involving client brokerage commissions of the MD Funds have been or might be directed to a dealer in return for the provision of any good or service by the dealer or third party other than order execution, the names of such dealers or third parties will be provided upon request by contacting the Manager at 1 800 267-2332 or by email at [MDFunds.SimplifiedProspectus@md.ca](mailto:MDFunds.SimplifiedProspectus@md.ca).

Where the investment objectives and policies of an MD Fund and other clients for which the Portfolio Manager or the sub-adviser provides its services are substantially similar and the Portfolio Manager or the sub-adviser has determined to buy or sell the same security for an MD Fund and for one or more other entities, the orders for all securities will be placed for execution by methods determined by the Portfolio Manager or the sub-adviser to be impartial and fair in order to seek favourable results for all of its clients. Generally, the Portfolio Manager or the sub-adviser pro-rates each client’s participation in an investment opportunity based upon the amount each client otherwise would have invested, taking into consideration each client’s investment portfolio and other factors present at the time.

## PRINCIPAL DISTRIBUTOR

Pursuant to a distribution agreement dated June 27, 2007, as amended from time to time, between the MD Funds and MD Management, MD Management has been appointed the sole and exclusive distributor of the securities of the MD Funds (the “Distribution Agreement”). The Distribution Agreement is non-assignable except by consent of both parties to it. The Distribution Agreement may be terminated by mutual consent of both parties at any time, or unilaterally by any party upon giving at least 90 days written notice to the other party. The term of the appointment is for a period of three years from the date of the original appointment and will thereafter be renewed automatically for periods of two years. The principal office of MD Management is located at 1870 Alta Vista Drive, Ottawa, Ontario K1G 6R7.

As principal distributor, MD Management markets units of the MD Funds through its offices throughout Canada to Qualified Investors as defined in any account opening documentation. MD Management is a wholly owned subsidiary of MD Financial Management.

## DIRECTORS, EXECUTIVE OFFICERS AND TRUSTEE

### Directors and Officers of MD Growth Investments Limited

The affairs of MD Growth Investments Limited are the responsibility of the directors and executive officers. Pursuant to the Management Agreement, MD Financial Management which provides all the general management and administrative services required by MD Growth Investments Limited. The directors oversee these management and administrative services. The names, municipalities of residence, current positions and offices, and the relationship to the Manager, of the directors and executive officers of MD Growth Investments Limited are as follows:

NAME AND MUNICIPALITY OF RESIDENCE	POSITION(S) AND OFFICE(S) HELD WITH MD GROWTH INVESTMENTS LIMITED	RELATIONSHIP TO THE MANAGER
Craig Maddock Ottawa, Ontario	President, Chief Executive Officer and Director	Vice-President, Senior Portfolio Manager and Head – Multi-Asset Management of 1832 Asset Management L.P. (affiliate of the Manager)
Katie Shulha Greely, Ontario	Chief Financial Officer	Senior Manager, Financial Reporting of the Manager
Neil Macdonald Toronto, Ontario	Director	Managing Director, Canadian Asset Management, Global Wealth Management, The Bank of Nova Scotia (parent of the Manager)

NAME AND MUNICIPALITY OF RESIDENCE	POSITION(S) AND OFFICE(S) HELD WITH MD GROWTH INVESTMENTS LIMITED	RELATIONSHIP TO THE MANAGER
George Vasic Toronto, Ontario	Director and Chair	None
Frank Penny Toronto, Ontario	Director	None
Andy Nasr Richmond Hill, Ontario	Director	Chief Investment Officer, Scotia Wealth (affiliate of the Manager)
Shilpa Verma Brampton, Ontario	Corporate Secretary	Legal Counsel, Subsidiary Governance of the Manager

### Trustee of MD Funds

Other than MD Growth Investments Limited, which is organized as a corporation, the MD Funds are organized as trusts. When you invest in these MD Funds you purchase units of these trusts. MD Financial Management is the trustee of the MD Funds and receives compensation from the MD Funds under the Management Agreement. The trustee holds actual title to the property in the MD Funds – the cash and securities that the MD Funds invest in – on your behalf.

### CUSTODIAN

State Street Trust Company Canada (“State Street”), a Canadian trust company, located in Toronto, Ontario, acts as the custodian of each MD Fund’s portfolio securities pursuant to a custodial agreement dated December 31, 2009 (the “Custodian Agreement”). The Custodian Agreement may be terminated on 90 days prior notice. All of the portfolio securities will be held by the Custodian in the Province of Ontario or an approved sub-custodian or in an approved book-based system. All fees and expenses in connection with custodial services rendered to the MD Funds will be paid by the Manager.

The custodian has physical custody of the securities that make up the MD Funds’ portfolios. The custodian is authorized to act in all matters in accordance with the written instructions received from two officers of MD Financial Management. The custodian pays for and receives securities or other evidence of ownership for the account of an MD Fund and makes or causes delivery of securities which an MD Fund has sold or exchanged. For these services, the MD Funds pay those fees and charges prevailing from time to time and normally charged for such services, together with all expenses paid or incurred by the custodian on behalf of such MD Funds. The custodian is independent of the Manager.

### AUDITOR

The auditors of the MD Funds are KPMG LLP of Toronto, Ontario. Effective April 1, 2022, KPMG LLP replaced PricewaterhouseCoopers LLP as the MD Funds’ auditor. PricewaterhouseCoopers LLP audited each MD Fund’s 2021 annual financial statements in accordance with Canadian generally accepted auditing standards, and expressed an opinion thereon.

### REGISTRAR

Pursuant to the Management Agreement, MD Financial Management acts as registrar and transfer agent of the securityholders of each MD Fund. The securityholders’ register for the MD Funds is located at the head office of MD Financial Management, 1870 Alta Vista Drive, Ottawa, Ontario K1G 6R7. MD Financial Management acts as transfer agent for the MD Funds.

The registrar keeps track of the owners of units of the MD Funds and processes purchase, transfer and redemption orders, issues investor account statements and issues annual tax reporting information.

### SECURITIES LENDING AGENT

MD Financial Management in its capacity as manager of MD Growth Investments Limited and as trustee and manager of the other applicable MD Funds has entered into a written securities lending agreement with State Street, who acts as the securities lending agent on behalf of the MD Funds. State Street is not affiliated with MD Financial Management. State Street’s head office is located in Toronto, Ontario.

State Street operates an established securities lending program wherein for a fee certain brokers/dealers and financial institutions borrow securities owned, or held on behalf of clients, by State Street. In exchange for the lending of securities to Canadian or foreign broker/dealers and financial institutions State Street receives acceptable collateral for the loaned securities as per the regulatory guidelines applicable to securities lending by federally regulated trust companies as well as the Canadian Securities Administrators requirements applicable to securities lending by mutual funds as set out in National Instrument 81-102 *Investment Funds* (“NI-81-102”).

Under the securities lending agreement for the MD Funds, State Street assesses the creditworthiness of, and approves, each borrower to which it will permit the MD Funds’ securities to be lent. Securities of the MD Funds will be lent from time to time subject to the availability of willing and qualified borrowers in a manner considered appropriate to achieving the particular MD Fund’s investment objectives. The securities lending agreement provides for the indemnification of an MD Fund by State Street, through the purchase of replacement securities or by providing an amount equal to the market value of the loaned securities, in the event of the default by a borrower which has not returned the loaned securities to the MD Fund.

State Street is responsible for ensuring its lending activities on behalf of MD Funds are in compliance with the restrictions and limits described in the section entitled “Securities Lending” as well as any additional restrictions established by MD Financial Management. State Street regularly provides to MD Financial Management a list of approved borrowers and MD Financial Management has the right upon receipt of the updated listing to delete any borrower appearing on the approved list upon written notification to State Street. State Street also provides MD Financial Management a periodic accounting of the securities lending activity of each MD Fund, to establish the market value of the collateral held for the loaned securities and to pursue any request for additional collateral should the value of the collateral drop below 102% of the value of the loaned securities.

State Street’s securities lending program for the MD Funds is operated independently from State Street’s own securities lending activities. State Street has agreed to the control of credit loss through the application of strict lending criteria and limits on exposure to individual securities dealers and financial institutions.

MD Financial Management has the right to terminate the securities lending arrangement with respect to one or more of the MD Funds upon thirty days' notice of termination, upon receipt of which State Street shall terminate all outstanding loans relating to the applicable MD Fund pursuant to the loan agreement and upon repayment thereunder to MD Financial Management the securities lending agreement with respect to the applicable MD Fund shall be deemed terminated. MD Financial Management shall also have the right to terminate any particular loan to any borrower in accordance with the applicable loan agreement.

## OTHER SERVICE PROVIDERS

### Promoter of the MD Funds

MD Financial Management is the entity that is responsible for the ongoing management and administration of the MD Funds and, accordingly, may reasonably be considered as being the "promoter" of the MD Funds for the purposes of securities legislation in certain provinces of Canada. MD Financial Management is the trustee and manager of the MD Funds and receives compensation from the MD Funds under the Management Agreement.

## INDEPENDENT REVIEW COMMITTEE AND FUND GOVERNANCE

### The Independent Review Committee

The Independent Review Committee ("IRC") is currently composed of five persons who are independent of the Manager, the MD Funds and entities related to the Manager. The current members of the IRC are, Stephen Griggs (Chair), Simon Hitzig, Jennifer L. Witterick, Heather Hunter and Steven Donald.

The IRC has been established to oversee certain investments, with a view to ensuring that each MD Fund's investment decisions are based on the best interests of the MD Fund and are made free from any influence by a related underwriter, related party, or associates or affiliates of the Manager. In fulfilling their responsibilities, each member of the IRC is required to act honestly, in good faith and in the best interest of the MD Funds. In so doing, each IRC member must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

Before proceeding with a conflict of interest matter or any other matter that securities legislation requires the Manager to refer to the IRC, the Manager is required to establish policies and procedures that it must follow on that matter or on that type of matter, having regard to its duties under securities legislation and refer such policies and procedures to the IRC for its review and input. The Manager has developed written policies and procedures relating to investments by the mutual funds it manages, including the MD Funds, in securities involving related parties, such as The Bank of Nova Scotia, an affiliate of the Manager, and Scotia Capital Inc., a related underwriter to the Manager. These policies and procedures were prepared and reviewed by senior management of the Manager, and were further reviewed and approved by the IRC, including, where applicable, to ensure compliance with the conditions of any exemptive relief. Subject to the oversight by the IRC, the decision by an MD Fund to trade securities of, or involving a related party, is made by senior portfolio managers of the Manager or, as applicable, the sub-advisers to the MD Funds, and reviewed and monitored as part of the Manager's ongoing compliance procedures and risk control measures.

The IRC reviews conflict of interest matters related to the operations of the MD Funds. The Manager may not proceed with any of the following proposed transactions without IRC approval:

- ♦ the purchase or sale of a security of any issuer from or to another investment fund managed by the Manager or an affiliate of the Manager;
- ♦ the making or holding of an investment in a security of an issuer related to the MD Fund, the Manager or an entity related to the Manager;
- ♦ an investment in a class of securities of an issuer underwritten by an entity related to the Manager;
- ♦ a change in the auditors of the MD Fund;
- ♦ the reorganization of the MD Fund with or the transfer of its assets to another mutual fund.

Before the Manager may proceed with a matter related to the MD Fund giving rise to a conflict of interest (other than those noted above) the IRC must provide a recommendation to the Manager as to whether the proposed action provides a fair and reasonable result for the MD Funds. The Manager must consider the recommendation of the IRC and in the event that the Manager intends to proceed with the matter, in circumstances where the IRC has not given a favourable recommendation, the Manager must notify the IRC in writing of this intention before proceeding with the action. In such circumstances the IRC can require the Manager to notify the MD Fund's securityholders of its decision.

For recurring conflict of interest matters the IRC can provide the Manager with standing instructions. On an annual basis the Manager must report to the IRC describing each instance that it acted in reliance on a standing instruction. In addition, the IRC will review and assess, at least once every calendar quarter, the adequacy and effectiveness of: (a) any standing approvals granted by it for the mutual funds managed by the Manager; and (b) the Manager's written policies and procedures to ensure compliance with applicable laws for related party transactions and the conditions of any exemptive relief.

No member of the IRC has a direct or indirect material relationship with the Manager, the MD Funds, or any of their affiliates or associates, and they each meet the independence requirements set forth in National Instrument 81-107 *Independent Review Committee for Investment Funds* ("NI 81-107"). The members and any substitute member(s) of the IRC receive an annual retainer and additional compensation for attending meetings as a member of the IRC. Compensation is paid from the assets of the MD Funds, and is allocated among the MD Funds and the other mutual funds managed by the Manager in a manner considered by the IRC to be fair and reasonable.

The IRC has adopted a written charter that includes its mandate, responsibilities and functions, and the policies and procedures it will follow when performing its functions.

The IRC prepares, at least annually, a report of its activities for securityholders and makes such reports available on the MD Funds' designated website at [mdm.ca](http://mdm.ca), or at a securityholder's request at no cost by contacting the Manager at [MDFunds.SimplifiedProspectus@md.ca](mailto:MDFunds.SimplifiedProspectus@md.ca).

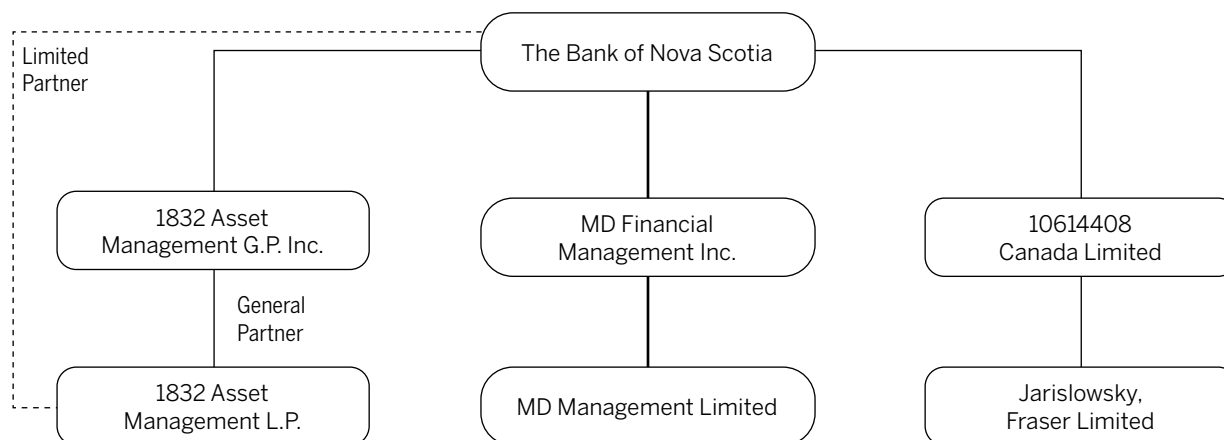
## Fund Governance

Responsibility for fund governance rests with the board of directors of the Manager (See “Directors and Officers of MD Financial Management”). A Business Conduct Review Committee of the board of the Manager reviews the activities of the directors’ particularly with respect to conflicts of interest, related party transactions, corporate governance, and business ethics and policy initiatives. In addition, the Manager has an Audit Committee which reviews any public disclosure documents and regulatory filings. As well, an Investment Oversight Committee (“IOC”) reviews the investment policies of the MD Funds and to ensure compliance with these policies.

The Manager does not have a separate policy related to liquidity risk management, however, the Manager does have a robust risk management process in place pertaining to liquidity risks within the MD Funds. Each MD Fund has an investment guideline that ensures proper diversification, and the Manager performs regular risk reviews for each fund and monitors the exposure and investment risk which ultimately addresses the ongoing need for liquidity.

## AFFILIATED ENTITIES

The following diagram shows the relationship between the Manager and affiliated entities that provide services to the MD Funds and/or to the Manager. All entities below are wholly owned by The Bank of Nova Scotia, directly or indirectly, unless otherwise indicated. Management fees received from the MD Funds by the below noted companies are disclosed in the audited financial statements of the MD Funds.



## DEALER MANAGER DISCLOSURE

The MD Funds are “dealer managed” mutual funds. Each MD Fund is subject to certain investment restrictions and practices contained in securities legislation, including that set out in Section 4.1 of NI 81-102 which are applicable to all dealer-managed funds.

As such the MD Funds cannot knowingly make an investment (other than those issued or fully and unconditionally guaranteed by the government of Canada or the government of a jurisdiction in Canada) during, or for 60 days after, the period in which an affiliate or associate of the Manager, such as Scotia Capital Inc., acts as an underwriter or agent in an offering of equity securities, unless the offering is being made under a prospectus or under an exemption from the prospectus requirement and such purchases are made in compliance with the approval requirements of NI 81-107.

An MD Fund may also not knowingly make an investment in any series of securities of any issuer (other than those issued or fully and unconditionally guaranteed by the government of Canada or the government of a jurisdiction in Canada) of which a partner, director, officer or employee of MD Management or of any affiliate or associate of MD Management is a director or officer, provided that the prohibition shall not apply where any such partner, director, officer or employee does not:

- participate in the formulation of investment decisions on behalf of the MD Fund;
- have access, prior to implementation, to investment decisions made on behalf of the MD Fund; and
- influence (other than through research, statistical and other reports generally available to clients) the investment decisions made on behalf of the MD Fund.

As described under “Investment Restrictions”, each MD Fund may, in certain circumstances, invest in securities offerings where a related underwriter is involved or trade securities of related parties or trade with related parties.

## POLICIES AND PRACTICES

### Use of Derivatives

All the MD Funds may invest in or use derivative instruments that are consistent with the investment objectives of the particular MD Fund to the extent and for the purposes permitted by the Canadian Securities Administrators. These MD Funds may only make use of “specified derivatives” within the meaning of NI 81-102. The objectives and goals of derivatives used are described for the MD Funds in this simplified prospectus.

The MD Funds may use derivatives rather than direct investments to reduce transaction costs, reduce risks associated with an investment or group of investments, achieve greater liquidity, create effective exposure to international financial markets or increase speed and flexibility in making portfolio changes. Derivatives may be used to position the relevant investment portfolio so that it may profit from declines in financial and currency markets. Derivatives will not be used to create a portfolio with excess leverage, and cash equivalents will be held to fully support all futures positions. The MD Fund’s ability to trade in specified derivatives is subject to the Portfolio Manager or the relevant sub-adviser to the MD Fund meeting and maintaining applicable registration and proficiency requirements for advising with respect to such trading. The Portfolio Manager and all sub-advisers to the MD Funds, currently satisfy such requirements.

In the case of futures and forward contracts, or other derivative instruments, there can be no assurance that a liquid exchange or over-the-counter market will exist to permit the MD Funds from realizing profits or limiting losses when buying or selling the contracts. The MD Funds will be subject to the credit risk that its counterparty (whether a clearing corporation in the case of exchange traded instruments, or other third party in the case of over-the-counter instruments) may be unable to meet its obligations. In addition, there is the risk of loss by the MD Funds of margin deposits in the event of bankruptcy of a dealer with whom the MD Funds have an open position in an option or futures or forward contract. Derivative instruments traded in foreign markets may offer less liquidity and greater credit risk than comparable instruments traded in North American markets. The ability of the MD Funds to close out positions may also be affected by exchange-imposed daily trading limits on futures contracts. If the MD Funds are unable to close out a position, it will be unable to realize its profits or limit its losses until such time as the futures or forward contract terminates, as the case may be. The inability to close out futures and forward positions also could have an adverse impact on the MD Funds’ ability to use derivative instruments to effectively hedge its portfolio or implement its investment strategy. Derivatives can decline in value similar to other investments; the decline in value may be greater than the decline in the value of the underlying security. A derivatives price can be impacted by factors other than its underlying security. These factors, such as speculative investing by other parties, may negatively impact the value of an MD Fund.

While there are no specific trading limits, the Manager, through the Derivatives Committee, which is a sub-committee of the IOC, sets and reviews the investment policies and procedures for the MD Funds relating to the use of derivatives and short selling, and has controls to monitor the trading of derivatives and short selling. The Portfolio Manager is responsible for authorizing all the trading and ensuring appropriate controls are in place, so that any derivative trading and short selling is aligned with the applicable MD Fund’s Investment Guidelines. The Derivatives Committee is comprised of at least two individuals from the Manager’s finance and compliance team and members of the Portfolio Manager. The policies and procedures, including the

MD Fund Investment Guidelines are reviewed periodically by the senior management of the Manager. Risk measurements or simulations are not used to test the portfolio under stress conditions.

### Short Selling

Each of the MD Funds may, from time to time, engage in short selling as permitted by applicable securities regulation. Where an MD Fund engages in short selling, it will sell securities short and provide a security interest over fund assets with dealers as security in connection with such transactions, subject to certain conditions including:

- a. the securities are sold short only for cash;
- b. the securities sold short will not be:
  - i. a security that an MD Fund is otherwise not permitted by securities legislation to purchase at the time of the transaction,
  - ii. “illiquid assets” as such term is defined in NI 81-102; or
  - iii. a security of an investment fund (other than an index participation unit);
- c. at the time an MD Fund sells the security short:
  - i. the MD Fund has pre-arranged to borrow the securities from a lender for the purpose of such short sale;
  - ii. the aggregate market value of all securities of the issuer of the securities sold short by an MD Fund does not exceed 5% of the total net assets of the MD Fund; and
  - iii. the aggregate market value of all securities sold short by an MD Fund does not exceed 20% of the total net assets of the MD Fund;
- d. the MD Fund will hold cash cover (as defined in NI 81-102) in an amount, including the MD Fund assets deposited with dealers as security in connection with the short sale, that is at least 150% of the aggregate market value of all securities sold short by the MD Fund on a daily marked-to-market basis; and
- e. no proceeds from any short sale by the MD Fund will be used by the MD Fund to purchase long positions in securities other than cash cover.

### Securities Lending

Mutual funds may lend their securities as permitted by Canadian securities regulatory authorities. All of the MD Funds other than MD Precision Conservative Portfolio, MD Precision Balanced Income Portfolio, MD Precision Moderate Balanced Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Balanced Growth Portfolio and MD Precision Maximum Growth Portfolio (the “MD Portfolios”), are authorized to engage in securities lending. The mutual funds in which the MD Portfolios invest are authorized to engage in securities lending. In securities lending transactions, MD Funds will, for a fee, lend securities they hold for a set period of time to borrowers who post acceptable collateral.

The Manager has a written Securities Lending Policy with an objective of overseeing and monitoring the security lending activities of the securities lending agent. While the Manager retains overall accountability for the Policy, the Portfolio Manager establishes and maintains securities lending parameters and guidelines commensurate with the level of risk outlined within

the Policy and aligned with the Investment Guidelines for the MD Funds. The Portfolio Manager provides the Manager with reports on a semi-annual basis of their compliance with the Policy and applicable MD Fund Investment Guidelines.

To engage in securities lending, MD Financial Management as manager of the MD Funds has appointed a qualified agent under a written agreement which addresses, among other requirements, the responsibility for administration and supervision of the securities lending program.

There is a risk that the other party in the securities lending transaction may not live up to its part of the transaction leaving the MD Fund holding collateral which could be worth less than the loaned securities if the value of the loaned securities increases relative to the value of the cash or other collateral, resulting in a loss to the MD Fund. To limit this risk:

- a. an MD Fund will hold collateral equal to no less than 102% of the value of the loaned securities (where the amount of the collateral is adjusted each trading day to make sure that the value of the collateral does not go below the 102% minimum level);
- b. the collateral to be held may only consist of cash, qualified securities and securities that can be immediately converted into securities identical to those securities that are on loan;
- c. an MD Fund cannot loan more than 50% of the net asset value of the MD Fund (not including the collateral held by the MD Fund) through securities lending transactions.

At this time, MD Financial Management does not mathematically measure the risk or test the investment portfolio of an MD Fund in relation to that MD Fund's securities lending activities. Rather, the Portfolio Manager establishes and applies conservative investment guidelines for all investment activities including securities lending. These guidelines may include additional restrictions to those stated above, such as higher minimum credit rating or capitalization thresholds for entities to be considered acceptable borrowers.

The securities lending agreement between State Street and MD Financial Management with respect to State Street's securities lending operations shall be reviewed at least annually by MD Financial Management, to ensure compliance with all applicable restrictions and limits noted above, the adequacy of State Street's internal controls and compliance with applicable securities legislation generally.

## **Proxy Voting Policy**

### ***Policies and Procedures***

The Manager has delegated the right to vote proxies to the Portfolio Manager, and the Portfolio Manager may, in certain circumstances, further delegate the right to vote proxies to the Fund's appointed sub-adviser as part of such sub-adviser's discretionary authority to manage the MD Fund's assets. Proxies provide shareholders voting rights on proposals brought forth by the issuer or other groups associated with the issuer. Proxies may include proposals on routine matters, such as the election of the board of directors and the approval of stock and compensation plans, as well as non-routine matters, such as mergers and acquisitions and certain ESG related issues.

In many cases, the issuer's management provides a voting recommendation for each proxy proposal. The Manager has retained the services of an independent firm to provide further analysis and recommendation on the proxies received from the issuers held by the MD Funds, and to provide such analysis and

recommendation to the Manager or its delegate. The Manager, the Portfolio Manager or other sub-adviser, as applicable, assess the recommendations of the independent proxy provider and votes such proxies in the best interests of the MD Funds.

On occasion, the Manager, the Portfolio Manager or other sub-adviser may abstain from voting a proxy or a specific proxy item when it is concluded that the potential benefit of voting the proxy of that issuer is outweighed by the cost of voting the proxy. In addition, the Manager, the Portfolio Manager and sub-advisers will not vote proxies received for issuers of portfolio securities which are no longer held in an MD Fund's account.

As part of the Portfolio Manager's active management approach, it believes that it is important to engage with sub-advisers and issuers on relevant ESG factors, which includes engagement through proxy voting. Accordingly, special or non-routine matters related to ESG issues are brought to the attention of portfolio manager(s) of the applicable MD Fund. Portfolio managers assess such matters within the context of their overall investment process and take appropriate action that they believe to be in the best interests of the MD Fund.

### ***Proxy Voting Conflicts of Interest***

In some cases proxy voting could give rise to a conflict of interest or perceived conflict of interest between the interests of securityholders of an MD Fund and the interests of the Manager, the Portfolio Manager, the sub-adviser or any affiliate or associate of the MD Fund. In those cases, the Manager, the Portfolio Manager or the sub-adviser, in order to balance the interest of an MD Fund in voting proxies with the desire to avoid the perception of a conflict of interest, has instituted procedures to help ensure that an MD Fund's proxy is voted in accordance with the business judgment of the person exercising the voting rights on behalf of the MD Fund, uninfluenced by considerations other than the best interests of the MD Fund.

The procedures for voting issuers' proxies where there may be a conflict of interest include escalation of the issue to members of the IRC, all of whom are independent of the Manager, for its consideration and advice, although the responsibility for deciding how to vote an MD Fund's proxies and for exercising the vote remains with the Manager.

### ***Disclosure of Proxy Voting Guidelines and Record***

A copy of the policies and procedures that the MD Funds follow when voting proxies relating to portfolio securities is available on request, at no cost, by calling us toll-free at 1 800 267-2332 or emailing us at MDfunds.SimplifiedProspectus@md.ca. An MD Fund's most recent proxy voting record for the period ended June 30 of each year will be available at any time after August 31st of that year on the MD Fund's designated website ([www.mdm.ca](http://www.mdm.ca)) or will be sent, at no cost, upon request.

## **REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEES**

### ***Trustee Compensation***

The directors and officers of the Manager, in its capacity as manager and trustee of the MD Funds, are not paid or otherwise compensated directly by the MD Funds.

### ***Employee Compensation***

The management functions of each MD Fund are carried out by employees of the Manager. The MD Funds do not have employees.

### ***Director Compensation***

The directors of MD Growth Investments Limited do not receive compensation from MD Growth Investments Limited.

## Independent Review Committee Compensation

The MD Funds do compensate the IRC members directly for their services. The compensation paid to the IRC is shared amongst all of the funds managed by MD Financial Management. Each member of the IRC receives an annual flat fee, and is reimbursed for reasonable expenses incurred. For the financial year ended December 31, 2021 members of the IRC were paid the following amounts:

NAME	AMOUNT
Simon Hitzig	\$23,500.67
Jennifer L. Witterick	\$23,500.67
Stephen Griggs (Chair)	\$28,501.00
Heather Hunter	\$23,500.67
Steven Donald	\$23,500.67

## MATERIAL CONTRACTS

The following are the only contracts entered into by the MD Funds which can reasonably be regarded as material to purchasers of securities:

- the Declarations of Trust for the MD Funds (see "Descriptions of the Securities Offered by the MD Funds");
- the Letters Patent for MD Growth Investments Limited and the Articles of Amendment (see "MD Growth Investments Limited and Description of Securities");
- the Management Agreement for the MD Funds (see "Manager");
- the Portfolio Management Agreement for the MD Funds (see "Portfolio Adviser");
- the Investment Management Agreements for each MD Fund (see "Sub-Advisers");
- the Distribution Agreement for the MD Funds (see "Principal Distributor"); and
- the Custodian Agreement for the MD Funds (see "Custodian").

A copy of the said agreements may be obtained during normal business hours at the offices of MD Financial Management, 1870 Alta Vista Drive, Ottawa, Ontario.

## LEGAL PROCEEDINGS

The Manager is not aware of any material legal proceedings outstanding, threatened or pending by or against the MD Funds, the Manager or the Principal Distributor.

## DESIGNATED WEBSITE

A mutual fund is required to post certain regulatory disclosure documents on a designated website. The designated website of the mutual funds this document pertains to can be found at [www.mdm.ca](http://www.mdm.ca).

## Valuation of Portfolio Securities

The following principles are applied in the determination of the value of the assets of an MD Fund for the purposes of determining the net asset value of such MD Fund. Except as is set out under the heading "Fair Valuation of the MD Funds and the Securities", neither the MD Funds nor MD Financial Management have the discretion to deviate from these principles:

- the value of cash on hand or on deposit, bills and demand note and accounts receivable, prepaid expenses, cash dividends or distributions received (or to be received and declared to unitholders of record on a date before the date as of which the net asset value of a Fund and any series net asset value are being determined) and interest, accrued and not yet received, shall be deemed to be the full amount thereof;
- the value of any security which is listed on a stock exchange will be the official closing sale price or if there is no such sale price, the average of the bid and the ask price at that time by the close of any trading of the Toronto Stock Exchange, generally 4:00 p.m. (Toronto time), all as reported by any report in common use or authorized as official by the stock exchange, provided that if such official closing sale price is not within the latest available bid and ask quotations on the Valuation Date (as defined below) then the Manager has the discretion to determine a value which it considers to be fair and reasonable (the "fair value") for the security based on market quotations the Manager believes most closely reflects the fair value of the investment. The trading hours for foreign securities that trade in foreign markets may end prior to 4:00 p.m. (Toronto time) and therefore may not take into account, among other things, events that occur after the close of the foreign market. In these circumstances, the Manager may determine what it considers to be a fair value for the foreign securities which may differ from such securities' most recent closing market prices. These adjustments are intended to minimize the potential for market timing strategies which are largely focused on mutual funds with significant holdings in foreign securities;
- the value of foreign cash and securities quoted in foreign currencies are translated to Canadian dollars at the 4:00 pm rate (Toronto time) on the relevant Valuation Date as determined by customary banking sources;
- units of each underlying mutual fund will be valued at their most recent net asset value quoted by the trustee or manager of each underlying mutual fund on the valuation date;
- each transaction of purchase or sale of portfolio securities effected by the MD Fund will be reflected in the computation of the net asset value of the MD Fund not later than the first computation of such net asset value made after the date on which such transaction becomes binding;
- the issue or redemption of securities will be reflected in the computation of the net asset value of the MD Fund not later than the next computation of such net asset value made after the time as at which the net asset value per security is determined for the purpose of the issue or redemption of the securities of the MD Fund; and
- the value of any security which is traded on an over-the-counter market will be the closing sale price on the Valuation Date or, if there is no such sale price, the average of the bid and the ask prices at that time, all as reported by the financial press;



- h. the value of long positions and short positions in clearing corporation options is based on the mid-price and the value of long positions and short positions in debtlike securities and warrants that are traded on a stock exchange or other markets will be the closing sale price on the Valuation Date or, if there is no such sale price, the average of the bid and ask prices at that time, all as reported by any report in common use or authorized as official by the stock exchange or, if no bid or ask price is available, the last reported closing sale price of such security;
- i. the value of long positions and short positions in clearing corporation options on futures is based on the daily settlement price determined by the respective exchange (if available); if no settlement price is available, the last reported closing sale price on the Valuation Date; or, if no closing sale price is available, the last reported settlement price of such security;
- j. where a covered clearing corporation option or over-the-counter option is written by the MD Fund the premium received by the MD Fund will be reflected as a deferred credit which will be valued at an amount equal to the value of the clearing corporation option or over-the-counter option which would have the effect of closing the position; any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; the deferred credit shall be deducted in arriving at the net asset value of the MD Fund; the securities, if any, which are the subject of a written clearing corporation option or over-the-counter option will be valued in a manner listed above for listed securities in paragraph (h) above;
- k. the value of any standardized futures contract or forward contract shall be the gain or loss, if any, that would arise as a result of closing the position in the standardized futures contract or forward contract, as applicable, on the Valuation Date, unless "daily limits" are in effect, in which case fair market value shall be based on the value of the underlying interest on the Valuation Date as determined in a manner by the Manager in its discretion;
- l. over-the-counter swap contracts are valued at the amount that the MD Fund would receive or pay to terminate the swap, based on the current value of the underlying interest on the Valuation Date; centrally cleared swaps listed or traded on a multilateral or trade facility platform, such as a registered exchange, are valued at the daily settlement price determined by the respective exchange (if available);
- m. forward currency contracts and currency futures contracts shall be valued on a marked to market basis on the Valuation Day based on reported quotations in common use provided cash is to be settled on maturity of the contracts;
- n. the value of any security or other asset for which a market quotation is not readily available or to which, in the opinion of the Manager, the above principles cannot be applied, will be its fair value on the Valuation Date determined in a manner by the Manager in its discretion;
- o. other assets of the MD Fund shall be valued in such manner as MD Financial Management considers proper;
- p. the liabilities of each MD Fund shall be deemed to include:
  - i. all bills and accounts payable;
  - ii. all administrative expenses payable and/or accrued;
  - iii. all contractual obligations for the payment of money or property, including the amount of any unpaid dividend or distribution credited to the securityholders on or before the day as of which the net asset value of the MD Fund is being determined;
  - iv. all allowances authorized or approved for taxes or contingencies; and
  - v. all other liabilities of the MD Fund of whatever kind and nature, except liabilities represented by outstanding Securities.

## **FAIR VALUATION OF THE MD FUNDS AND THE SECURITIES**

In addition to the principles applied in the determination of the value of the assets of an MD Fund for the purposes of determining the net asset value of such MD Fund, MD Financial Management may, directly or through its agent retained for this purpose, in its sole discretion and judgment fair value securities held by the MD Funds where:

- a. there is a halt on trading a security which is normally traded on an exchange;
- b. securities which trade on a market which has closed prior to the time of calculation of the net asset value of an MD Fund and for which there is sufficient evidence that the closing price on that market is not the most appropriate value at the time of the valuation of the MD Fund; or
- c. where there are investment or currency restrictions imposed by a country which affects the MD Fund's ability to liquidate the assets held in that market.

An example of when the closing market price of a security may not be appropriate would be when the exchanges are closed by the local respective governments or regulators. In this circumstance due regard may be given to the available evidence of value of these securities in North American markets and make an adjustment where appropriate. Whenever MD Financial Management considers any of the valuation principles are inappropriate, or it cannot value an investment according to these rules, it will determine a value which it considers fair and reasonable given the circumstances.

## Calculation of Net Asset Value

The net asset value of each series of units of each MD Fund (or series of shares in the case of MD Growth Investments Limited), or of an MD Fund where a single series of units is offered, (in either case the "Series Net Asset Value" or "Series NAV") is determined at 4:00 p.m. (Toronto time) on each day of the week on which the Toronto Stock Exchange is open (each such date being referred to herein as a "Valuation Date"). Series Net Asset Value is calculated by subtracting the liabilities of the MD Fund allocated to such series from that series' proportionate share of the assets of the particular MD Fund. To determine the Series NAV per unit, the Series Net Asset Value is divided by the total number of outstanding securities of the particular series of the fund, on the particular Valuation Date. For valuation purposes, the number of units of a particular series of an MD Fund, on a Valuation Date does not include securities of such series to be issued or redesignated as units of such series as at such date, but does include securities of such series for which the amounts payable for redemption are to be determined as at such date.

In the case of MD Money Fund, a money market fund, the Fund intends to maintain a constant Series Net Asset Value per security by crediting the income earned in the Fund to securityholders on each Valuation Date and distributing such income to securityholders monthly.

The Series NAV per unit is the price (adjusted to the nearest cent in Canadian dollars) at which securities of a particular MD Fund may be purchased or redeemed and will be determined by MD Financial Management based on the Series Net Asset Value of the particular MD Fund next determined after a purchase or redemption order is received.

MD Financial Management will make available the Series NAV per unit of the MD Funds on the MD Funds' website at [www.mdm.ca](http://www.mdm.ca). Such information will also be available on request, free of charge, by calling MD Financial Management toll free at 1 800 267-2332, by sending an email to [MDFunds.SimplifiedProspectus@md.ca](mailto:MDFunds.SimplifiedProspectus@md.ca) or by mailing MD Financial Management Inc. at 1870 Alta Vista Drive, Ottawa, Ontario K1G 6R7.

## Purchases, Switches, and Redemptions

### PURCHASES

#### Opening an Account

Each MD Fund has an agreement with MD Management appointing it the sole distributor of its securities. Before you can buy any MD Fund, you must open an account with MD Management. For an account opening package, call us at 1 800 267-2332 or pick one up at one of the MD Management branch offices.

#### Qualified Investors

Securities of the MD Funds may generally only be purchased by "Qualified Investors" as defined from time to time by MD Financial Management, and as set out in any Account opening agreement or documents related thereto.

Series A securities are available to all Qualified Investors without sales or redemption charges.

Series I securities are available to certain investors at our discretion, including:

- discretionary managed account clients of MD Private Investment Counsel, a division of MD Financial Management Inc. who have appointed MD Private Investment Counsel to provide discretionary portfolio management services and advice (referred to as "managed account clients").
- certain institutional investors as approved by MD Financial Management who enter into institutional investment agreements and negotiate a management fee directly with the Manager.\*
- other mutual funds managed by MD Financial Management that use a fund on fund structure.

\*For Institutional Investors to qualify to purchase Series I securities, you must also have entered into an institutional investment agreement with the Manager. We reserve the right to apply minimum investment requirements for the purchase of any Series of the MD Funds.

Series F securities are available to Qualified Investors who have a fee based account with MD Management.

Series D securities are available to Qualified Investors who acquire securities through an order execution only trading platform approved by MD Management Limited.

Private Trust Series units which may only be purchased by Qualified Investors who are clients of MD Private Trust Company or MD Private Investment Counsel, a division of MD Financial Management Inc. and who have appointed MD Private Investment Counsel to provide discretionary portfolio management services and advice.

#### Minimum Investment

Your first investment in any MD Fund must be at least \$3,000. After your first investment, the minimum investment you can make in an MD Fund is \$1,000. We may waive these minimum investment amounts or change these requirements at any time and in any single instance.

You must keep a minimum of \$1,000 invested in any MD Fund. If your investment falls below the minimum, MD Financial Management as Manager of the MD Funds may redeem the securities and pay the proceeds to you.

## Purchasing Securities

You can buy MD mutual fund securities by calling the MD Trade Centre at 1 800 267-2332, purchasing on-line at [mdm.ca](http://mdm.ca), mailing us your instructions and payment, or attending one of our offices.

The number of securities of an MD Fund to be issued for a given subscription will be determined on the next Valuation Date following receipt of the subscription by MD Management at its principal office. Subscriptions received at the principal office of MD Management in Ottawa prior to 4:00 p.m. (Eastern Time) on a Valuation Date are generally processed as at that Valuation Date. The offering price per security is the Series NAV per unit of the particular series on such Valuation Date. There is no acquisition charge payable with respect to subscriptions for securities of an MD Fund.

If payment of the total amount of the purchase order and all necessary documents are not received by the Manager within two business days of the date on which the issue price of the security is determined for the purchase order, the MD Fund, the securities of which are being purchased, will be deemed to have received and accepted on the next Valuation Date a redemption request for an equivalent number of securities purchased. The amount of the redemption proceeds will be used to reduce any amount owing to the MD Fund. Any excess proceeds will belong to the MD Fund. Any shortfall will initially be paid to the MD Fund by the Manager but the Manager will be entitled to collect such amount together with the charges or expenses incurred in so doing and interest thereon from the investor who placed the order.

Following the relevant Valuation Date when the securities of an MD Fund are issued, other than pursuant to a pre-authorized contribution plan, MD Management will provide the securityholder with a written statement showing the number of securities issued on the Valuation Date, the subscription price therefor and the total number of securities then beneficially owned by the securityholder. A certificate evidencing beneficial ownership of Securities of an MD Fund will only be issued by MD Financial Management upon the written request of the securityholder.

The money you and other investors pay to buy units of the Fund are tracked on a series-by-series basis in each MD Fund's records; however the assets of all series of an MD Fund are combined into a single pool to create one portfolio for investment purposes.

Pursuant to an agreement between MD Management Limited and each of the MD Funds, MD Management has been appointed principal distributor of the securities of each MD Fund to use its best efforts to effect the distribution and sale of the securities of each MD Fund. Securities of each MD Fund may be purchased through MD Management in jurisdictions where it is qualified to effect such sale. Securities of each MD Fund may currently be purchased in all provinces and territories of Canada.

MD Management retains the right not to sell you securities of any MD Fund. If we decide not to sell securities to you, we will make this decision within one business day of receiving your order at our office in Ottawa, and we will return any money you have given us for the order immediately.

All sales of securities are made through employees of MD Management. MD Management may pay yearly incentives, in varying amounts, as disclosed under "Dealer Compensation" to selected employees and/or teams of employees. Such incentives are based on the overall performance of the employee or team during the past year (which includes consideration of an employee's or team's sales activities), but they are not based on the sales of securities of any particular mutual fund distributed

by MD Management. Such performance is evaluated on several factors, which include the development of new client relationships and the maximization of assets maintained in MD Management accounts by clients allocated to a particular employee or team.

If you own units of the MD Funds, and you no longer qualify as a Qualified Investor, you will be restricted in purchasing additional units.

## Early Redemption Fee

An investment in the Funds is intended to be a long-term investment. Short-term trading can harm an MD Fund's performance and the value of other investors' holdings in an MD Fund because such trading can increase brokerage and other administrative costs of an MD Fund and interfere with the investment decision making of the MD Fund's portfolio manager.

Subject to the exceptions described below, clients who redeem or switch units or shares of an MD Fund will be charged an early redemption fee equal to 2% of the amount redeemed or switched if the redemption or switch occurs within thirty (30) days of the date that the units or shares were purchased or switched. Please refer to "Fees and Expenses Payable Directly by You" in the table under the heading "Fees and Expenses"

The early redemption fee may not apply to redemptions or switches:

- ♦ of units of MD Money Fund;
- ♦ made in connection with any systematic and scheduled withdrawal program;
- ♦ where the amount of the redemption or switch is less than \$10,000;
- ♦ made as a result of the recommendation of your MD Financial Advisor related to a financial plan; and
- ♦ made as a result of converting units from one series to another series of the same MD Fund.

MD Financial Management may reimburse you the early redemption fee in our discretion at any time.

Despite these restrictions and our procedures to detect and deter short-term trading, we cannot ensure that such trading will be completely eliminated.

## SWITCHES AND REDESIGNATIONS

You can switch among MD Funds by calling the MD Trade Centre at 1 800 267-2332 or alternatively online at [mdm.ca](http://mdm.ca). You can also contact your MD Financial Advisor or mail your instructions to MD Management's head office in Ottawa. There is no charge for switching between MD Funds, other than in circumstances where the early redemption fee described above applies.

When you switch, you are redeeming securities of one MD Fund and using the proceeds to buy securities of another.

Switching may thus trigger either a capital gain or loss, which could have tax implications. This is discussed in more detail in "Income Tax Considerations" at page 22 of this simplified prospectus.

## Re-designations by you

You may, at any time, re-designate your units in one series of a MD Fund to another series of the same MD Fund, provided that you are eligible to invest in the series of units into which you are converting. See "Qualified Investors".

If you own Series A units of MDPIM Canadian Equity Pool or MDPIM US Equity Pool, and you are either a client of MD Private Trust Company or a managed account client of MD Private Investment Counsel, a division of MD Financial Management, you may re-designate your Series A units to Private Trust Series units. If you own Private Trust Series units of MDPIM Canadian Equity Pool or MDPIM US Equity Pool, you may re-designate your Private Trust Series units to Series A units.

### **Re-designations by us**

If you own Series I, Series F or Series D units of an MD Fund and cease to qualify to hold Series I, Series F or Series D units, respectively, MD Financial Management may at our option re-designate your Series I, Series F or Series D units, respectively, to Series A units. See "Qualified Investors".

If you own Private Trust Series units of MDPIM Canadian Equity Pool or MDPIM US Equity Pool, and you cease to be a managed account client of MD Private Investment Counsel, a division of MD Financial Management, MD Financial Management may, at its option, re-designate your Private Trust Series units to Series A units.

Re-designations are made at the relative Series Net Asset Values per unit of the series involved in the re-designation. A re-designation of units of one series to units of another series of the same MD Fund will not, in itself, result in a capital gain or capital loss.

## **REDEMPTIONS**

You can redeem your MD Fund securities at any time. You can call the MD Trade Centre at 1 800 267-2332 or alternatively online at [mdm.ca](http://mdm.ca) to initiate the redemption process. You can also contact your MD Financial Advisor or mail us your instructions. Redeemed securities will be valued on the first Valuation Date occurring on or after MD Management has received at its principal office a request for the redemption of such Securities, together with any certificates that may have been issued in respect of such Securities duly endorsed for redemption. Redemption requests received at the principal office of MD Management in Ottawa prior to 4:00 p.m. (Eastern time) on a Valuation Date are generally processed as at that Valuation Date. Securities will be redeemed at the Series NAV per unit of the particular series as determined on such Valuation Date. The redemption price so determined will be paid in Canadian funds to the registered holder of Securities by cheque, or direct deposit where authorized, which will be mailed or deposited within two business days following such Valuation Date. Following such payments MD Management will mail to the securityholder a written statement showing the number of Securities redeemed on the Valuation Date, the redemption price therefor and the total number of Securities then beneficially owned by the securityholder. Upon the valuation of redeemed securities, the securityholder shall thereafter cease to have any rights with respect to such securities (other than the right to receive payment therefor), including the right to receive any distributions or dividends. Upon such payment, the MD Fund shall be discharged from all liability to the securityholder with respect to the Securities so redeemed and paid, other than any liability arising by reason of a breach by MD Financial Management of its duty of care as trustee or manager of the MD Fund. Redeeming may trigger either a capital gain or loss, which could have tax implications. Please see "Income Tax Considerations" for more detail.

There are no fees or charges applicable when you redeem your MD Fund securities, other than in circumstances where the early redemption fee described above applies.

If all necessary documents required to process the redemption request are not received by the Manager within two business days of the date on which the price of the Security is determined for the redemption order, the MD Fund, the Securities of which are being redeemed, will be deemed to have received and accepted on the next Valuation Date a purchase request for an equivalent number of Securities purchased. The amount of the redemption proceeds will be used to purchase Securities of the MD Fund which was redeemed. Any excess proceeds will belong to the MD Fund. Any shortfall will initially be paid to the MD Fund by the Manager but the Manager will be entitled to collect such amount together with the charges or expenses incurred in so doing and interest thereon from the investor who placed the order.

In extraordinary circumstances, we may suspend your right to redeem securities, suspend payment, or delay the date of payment. MD Financial Management may, in its sole discretion and judgment, suspend your right to redeem securities, suspend the payment of, or from time to time delay the date fixed for payment with respect to redeemed securities, of an MD Fund where:

- a. normal trading is suspended on any stock exchange, options exchange or futures exchange within or outside of Canada on which securities are listed and traded, or on which specified derivatives are traded if those securities or specified derivatives represent more than 50% by value, or underlying market exposure, of the total assets of such MD Fund, without allowance for liabilities and if those securities or specified derivatives are not traded on any other exchange that represents a reasonably alternative for the mutual fund; or
- b. the Ontario Securities Commission consents to such suspension or delay.

In addition, in the above-mentioned circumstances, MD Financial Management may cause an MD Fund to pay for redeemed securities pro rata from among those securityholders from whom requests for redemption have been received and delay or suspend the payment for their remaining securities.

If MD Financial Management decides to suspend or delay payment for redeemed securities of an MD Fund, MD Financial Management shall promptly send notice of the decision to the securities commissions or similar authority in each province and territory of Canada and, within 10 days after such decision, shall send notice of the decision to every securityholder of such MD Fund who has requested redemption.

## **TRANSFERS**

MD Management charges a transfer-out fee for each registered or non-registered MD Management Account that is transferred in whole or in part to another financial institution. (Please refer to "Fees and Expenses Payable Directly by You" in the table under the heading "Fees and Expenses").

## Optional Services

### REGISTERED TAX PLANS

You can set up a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), registered education savings plan (“RESP”), or tax free savings account (“TFSA”) through us by opening a MD Retirement Savings Plan (“MDRSP”), a MD Retirement Income Fund (“MDRIF”), an MD Registered Education Savings Plan (“MD RESP”) or an MD Tax Free Savings Account (“MD TFSA”). MD Management acts as the promoter of the MDRSP, MDRIF, MD RESP and MD TFSA and as such is responsible for the day to day administration and the tax reporting requirements under *Income Tax Act* (Canada) (the “Act”). We have arranged for The Bank of Nova Scotia Trust Company (“Scotiatrust”) to act as trustee and to register the plans under the provisions of the Act and, where applicable, the Taxation Act (Québec). We pay Scotiatrust a fee for these services. There is no charge for setting up or ending a MDRSP, MDRIF, MD RESP, or MD TFSA. Scotiatrust has retained us to administer and manage these plans.

Securities of the MD Funds are qualified investments for other tax-deferred income plans, such as Registered Disability Savings Plans (“RDSPs”), Deferred Profit Sharing Plans (“DPSPs”), Locked-In Retirement Accounts, Life Income Funds and Locked-In Retirement Income Funds.

### PRE-AUTHORIZED CONTRIBUTIONS

You can set up a pre-authorized contribution plan (“PAC plan”) to make regular, automatic withdrawals from your bank account to buy securities of one or more MD Funds. The PAC provides for regular equal monthly, bi-monthly or quarterly withdrawals to be made from a securityholder’s bank account to purchase securities of one or more Funds. You can end your PAC plan at any time by notifying us in writing or by calling the MD Trade Centre at 1 800 267-2332. A securityholder wishing to subscribe to an MD Fund using a PAC can do so by completing and providing the appropriate pre-authorized contribution plan form to MD Management. There is no charge for setting up, modifying or ending a PAC plan. The PAC will take effect for the month following the month in which the form is received by MD Management. An acknowledgement of the PAC effective date and the amount and frequency of each debit will be mailed to the securityholder by MD Management. A PAC may be amended or terminated by delivery to MD Management of written instructions to do so in the month prior to the next Plan Debit Date (as defined below). You may make a maximum of two contributions per month to a PAC plan. Contributions can be made on any day of the month as chosen by you (a “Plan Debit Date”). PAC plans can also be established for quarterly contributions. If the Plan Debit Date falls on a weekend or bank holiday, the contribution will be made on the next business day following the Plan Debit Date. PAC subscriptions are invested on a business date as described in the section titled “Purchases” and coinciding with or immediately following the Plan Debit Date. The minimum contributions that can be made through a PAC are subject to the minimum purchase requirements as set out in the section titled “Purchases”.

Securityholders will receive at least quarterly a statement describing all purchase transactions made pursuant to a PAC during such quarter (unless a transaction, other than a PAC deposit, has been processed in the securityholder’s account between quarterly statements, in which case, a statement will be mailed describing transactions processed since the last account statement was issued).

### SYSTEMATIC WITHDRAWALS

You can set up, free of charge, a systematic withdrawal plan to redeem enough securities monthly, bi-monthly or quarterly to provide you with fixed regular payments. We will pay you in Canadian funds either by cheque or direct deposit, depending on your instructions, and we will issue payment by cheque or via direct deposit within two business days of the date we determine the NAV of the securities you are redeeming for each payment. There is no fee charged for withdrawals to be made under such a plan. A systematic withdrawal plan may be amended or terminated at any time without charge upon request to MD Management.

You should be aware that, if the payments are higher than the income and net capital appreciation of the MD Fund or MD Funds from which the withdrawals are coming, you may deplete and ultimately exhaust your original investment.

Following any withdrawal under a systematic withdrawal plan, MD Management will mail to the securityholder a written statement showing the number of securities redeemed on the Valuation Date, the redemption price thereof and the total number of Securities beneficially owned by the securityholder. Regular withdrawals under a systematic withdrawal plan in excess of dividends or other distributions and net capital appreciation may result in encroachment on or ultimately exhaustion of a securityholder’s original capital.

# Fees and Expenses

The following illustrates the fees and expenses that you may have to pay if you invest in the MD Funds. You may have to pay some of these fees and expenses directly. The MD Funds may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the MD Funds. Other than as described below, securityholders will be sent a written notice at least 60 days before the effective date of a change which could result in an increase in management fee or administration fee charges to an MD Fund. In some circumstances we may waive all or a portion of a fee or expense that is otherwise payable by an MD Fund. In these circumstances, we may cease to waive such a fee or expense at any time and without notice to securityholders.

When an MD Fund invests in another investment fund, including exchange-traded funds (“ETFs”), (an “underlying fund”), the underlying fund may pay a management and incentive fee and other expenses in addition to the fees and expenses payable by the MD Fund. However, the MD Fund will not pay a management or incentive fee that, to a reasonable person would duplicate a fee payable by the underlying fund(s) for the same service. The MD Fund will not pay any sales charges or redemption fees for its purchase or redemption of securities of any underlying fund that, to a reasonable person, would duplicate a fee payable by an investor in any underlying fund. In addition, in calculating the management expense ratio (“MER”) of each series of such an MD Fund, the proportional MER for the underlying funds in which the MD Fund invests, is included in the MER calculation.

## FEES AND EXPENSES PAYABLE BY THE MD FUNDS

### MANAGEMENT FEES

Each MD Fund pays MD Financial Management an annual management fee based on a fixed percentage of the weekly average of the daily Series NAV of an MD Fund. In exchange for management fees, MD Financial Management manages the business of the MD Funds, which includes providing the following services:

- ◆ Processing orders for subscriptions and redemptions of units of the MD Funds,
- ◆ Setting the investment objectives and strategies of the MD Funds;
- ◆ Appointing and monitoring a portfolio manager for the MD Funds to manage the investment portfolios of the MD Funds, including investment analysis and recommendations, making investment decisions (subject to the ability of MD Financial Management to veto any investment decision), and effecting the purchase and sale of the investment portfolios of the MD Funds including brokerage arrangements;
- ◆ Arranging for custodial services; and
- ◆ Ensuring the MD Funds are operating in compliance with all applicable legislation and regulatory requirements.

The management fees are unique to each MD Fund and to each series of units of each such MD Fund. See the information specific to each MD Fund included in Part B of this Simplified Prospectus.

### OPERATING EXPENSES

MD Financial Management will pay certain operating expenses of the MD Funds, except for MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool, such as fees paid to the Securities Commissions, audit fees, custodial fees, all expenses related to the prospectus and to meetings of securityholders, expenses related to investment fund accounting and fund valuation, and securityholder servicing costs including securityholder reporting, record-keeping, IRC fees and expenses as well as MD Fund servicing costs.

The IRC fees and expenses are described under “Independent Review Committee Compensation”.

In return each of the series of securities issued by the MD Funds, except for the Series I securities\*, and MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool as noted below, will pay MD Financial Management the following administration fee, which is subject to applicable taxes, including HST, determined as a percentage of an MD Fund’s Series NAV instead of paying certain operating expenses:

MD Precision Canadian Balanced Growth Fund	0.13%	MD American Value Fund	0.15%
MD Bond Fund	0.07%	MD Strategic Yield Fund	0.10%
MD Short-Term Bond Fund	0.07%	MD Strategic Opportunities Fund	0.10%
MD Precision Canadian Moderate Growth Fund	0.13%	MD Fossil Fuel Free Bond Fund	0.07%
MD Equity Fund	0.15%	MD Fossil Fuel Free Equity Fund	0.20%
MD Growth Investments Limited	0.20%	MD Precision Conservative Portfolio	0.13%
MD Dividend Growth Fund	0.15%	MD Precision Balanced Income Portfolio	0.13%
MD International Growth Fund	0.20%	MD Precision Moderate Balanced Portfolio	0.13%
MD International Value Fund	0.20%	MD Precision Moderate Growth Portfolio	0.13%
MD Money Fund	0.05%	MD Precision Balanced Growth Portfolio	0.13%
MD Canadian Equity Fund	0.15%	MD Precision Maximum Growth Portfolio	0.13%
MD American Growth Fund	0.15%		

\*Series I securityholders pay a separate negotiated administration fee directly to MD Financial Management.

MD Financial Management reserves the right to waive some or all of the administration fee as it deems appropriate. The administration fee may be modified at the sole discretion of MD Financial Management upon providing securityholders with 60 days advance notice.

	<p>Each of the series of securities issued by the MD Funds also pays certain operating expenses directly, including, brokerage fees on the buying and selling of securities within the MD Fund portfolio, and transaction costs associated with futures and other permitted derivatives used by the MD Fund, interest and borrowing costs incurred by the MD Funds from time to time, taxes of all kinds to which an MD Fund is or might be subject and costs associated with compliance with any new governmental or regulatory requirement.</p> <p>The administration fee is included in the calculation of the MER of each MD Fund, as defined on page 37 of this simplified prospectus.</p> <p>MDPIM Canadian Equity Pool and MDPIM US Equity Pool each pays all operating expenses, as allowed by securities regulators, which relate to it. Operating expenses include, but are not limited to, brokerage fees on the buying and selling of securities, securities commission fees, transaction costs associated with futures and other permitted derivatives, audit fees, sales taxes, custodial fees, IRC fees and expenses, taxes, issue costs, all expenses related to the prospectus and to meetings of securityholders and securityholder servicing costs including securityholder reporting and record-keeping as well as MD Fund servicing costs.</p> <p>Operating expenses relate to MDPIM Canadian Equity Pool and MDPIM US Equity Pool as a whole and they are allocated on a pro-rata basis among the series of units to which they relate. The Manager may at any time waive or absorb any operating expense for which MDPIM Canadian Equity Pool or MDPIM US Equity Pool is responsible. The decision to absorb or waive expenses is reviewed annually and determined at the discretion of the Manager, without notice to securityholders.</p>
<b>FEES AND EXPENSES PAYABLE DIRECTLY BY YOU</b>	
<b>SALES CHARGES</b>	Not applicable
<b>EARLY REDEMPTION FEE</b>	2% of the amount redeemed or switched if the redemption or switch occurs within thirty (30) days of the date that the units or shares were purchased or switched. See section titled "Early Redemption Fee".
<b>SWITCH FEES</b>	Not applicable
<b>REDEMPTION FEES</b>	Not applicable
<b>REGISTERED TAX PLAN (RRSP, RRIF, DPSP, RESP, RDSP, TFSA) FEES</b>	If your units or shares are held in an RRSP, RRIF, DPSP, RESP, RDSP or TFSA established through us, we pay the plan trustee's administration fees for you. You pay an annual trustee administration fee only if you hold units or shares of the MD Fund in a RRSP, RRIF, DPSP, RESP, RDSP or TFSA that you did not set up through us.
<b>TRANSFER OUT FEES</b>	Transfer-out fee \$135 (plus HST). Applicable to both registered tax plans and non-registered MD Management account that is transferred in whole or in part to another financial institution.
<b>OTHER FEES AND EXPENSES</b>	Series I unitholders that are managed account clients, pay a scaled managed account fee to MD Private Investment Counsel, a division of MD Financial Management Inc., as set out in the discretionary investment counselling agreement entered into between such unitholders and MD Private Investment Counsel, a division of MD Financial Management Inc. Securityholders of Series F units of the MD Funds pay a scaled managed account fee to MD Management, as set out in the fee agreement entered into between such securityholders and MD Management.

## Dealer Compensation

### SALES PRACTICES

Series I securities of the MD Funds are sold to discretionary managed account clients of MD Private Investment Counsel, and are also sold by MD Management. The remaining series of the MD Funds are sold only by MD Management. MD Management receives no sales commissions, trailing commissions or other compensation for selling the MD Funds. MD Financial Management pays a fee to MD Management for the financial planning services MD Management provides to investors in Series A units of the MD Funds. This fee is paid to MD Management on all assets invested in the Series A units of MD Funds by MD Management clients.

MD Management may pay short-term incentives to MD Financial Advisors who are its salaried employees, based on their overall performance. Performance is evaluated by several criteria, including the development of new client relationships and the retention of assets in clients' accounts. For the year ended October 31, 2021, MD Management paid incentives of between 0% and 255% of an MD Financial Advisor's salary.

### EQUITY INTERESTS

MD Financial Management owns all the issued and outstanding Common Shares of MD Management. The Bank of Nova Scotia owns all the issued and outstanding Common Shares of MD Financial Management.

# Income Tax Considerations

The following general summary fairly presents the principal Canadian federal income tax considerations under the Act, as of the date hereof, for a securityholder who is an individual (other than a trust) and who, for the purposes of the Act, is resident in Canada, holds Securities of an MD Fund as capital property and deals at arm's length with the MD Fund. This summary is based upon the current provisions of the Act, the regulations thereunder, all specific proposals to amend the Act and such regulations publicly announced by the Minister of Finance prior to the date hereof (the "Tax Proposals") and the current administrative and assessing policies of the Canada Revenue Agency. This summary does not take into account or anticipate any other changes in the law whether by way of legislative, regulatory, administrative or judicial action nor does it take into account or anticipate any provincial, territorial or foreign tax considerations.

This summary is not exhaustive of all possible income tax considerations and is not intended to be, nor should it be considered to be, legal or tax advice to any particular investor. Accordingly, investors are advised to consult their own legal or tax advisers about their individual circumstances.

Each of the MD Funds, other than MD Growth Investments Limited, has qualified as a "mutual fund trust" under the Act at all material times and the Manager expects that these MD Funds will continue to so qualify. This summary assumes that each of the MD Funds, other than MD Growth Investments Limited, currently qualifies and will continue to qualify as a "mutual fund trust" under the Act at all material times.

MD Growth Investments Limited has qualified as a "mutual fund corporation" under the Act at all material times and the Manager expects MD Growth Investments Limited to continue to so qualify. This summary assumes that MD Growth Investments Limited currently qualifies and will continue to qualify as a "mutual fund corporation" under the Act at all material times.

## INCOME TAX CONSIDERATIONS FOR THE MUTUAL FUND TRUSTS

Each MD Fund that is a "mutual fund trust" under the Act will distribute to securityholders in each calendar year sufficient of its net income and net realized capital gains so that the MD Fund will not be liable for income tax, under Part I of the Act, after taking into account any available capital gains refunds and losses carried forward. In certain circumstances (which may be more prevalent for the MD Portfolios) losses realized by an MD Fund may be suspended or restricted and therefore would be unavailable to shelter capital gains or income.

The MD Funds are required to compute their net income and net realized capital gains in Canadian dollars for purposes of the Act and may, as a consequence, realize income or capital gains by virtue of changes in the value of foreign currencies relative to the Canadian dollar. Therefore, distributions made by certain of the MD Funds may include amounts in respect of foreign exchange gains realized by such MD Funds.

Fees received by an MD Fund with respect to a securities lending arrangement under the Act will be included in the income of the MD Fund as ordinary income. Generally, compensation payments received by an MD Fund from Canadian resident securities borrowers with respect to dividends that the MD Fund would have received on shares of a Canadian resident corporation, or interest that the MD Fund would have received on other securities, that are the subject of a securities lending arrangement under the Act will be treated for tax purposes as dividends received by

the MD Fund on the shares or interest received by the MD Fund, as the case may be. Gains and losses realized from derivatives used for non-hedging purposes will be treated for tax purposes as ordinary income, rather than capital gains and capital losses. Gains and losses realized from derivatives used for hedging purposes may be treated as income or capital, depending on the circumstances. The MD Funds may have to include amounts in computing their income with respect to investments in non-Canadian ETFs notwithstanding that the MD Funds did not receive any corresponding distribution from the ETF or realize a capital gain in the disposition of an interest in the ETF.

## Calculation of Fund Net Income

In the case of an MD Fund with more than one series of units, all of such MD Fund's revenues, deductible expenses, capital gains and capital losses in connection with all of such MD Fund's investment portfolios, and other items relevant to the tax position of such MD Fund (including the tax attributes of all of such MD Fund's assets), will be taken into account in determining the income or loss of such MD Fund and applicable taxes payable by such MD Fund as a whole including refundable capital gains taxes payable. For example, all deductible expenses of such MD Fund, both expenses common to all series of units of such MD Fund and expenses attributable to a particular series of units, will be taken into account in computing the income or loss of such MD Fund as a whole. Similarly, capital losses of such MD Fund in respect of any segment of such MD Fund's investment portfolio referable to a particular series may be applied against capital gains of such MD Fund in respect of any segment of such MD Fund's investment portfolio referable to another series in determining any refundable capital gains taxes payable by such MD Fund as a whole. In addition, any ordinary operating losses of such MD Fund (whether from the current or carried forward from prior years) attributable to a particular series may be applied against income or taxable income of such MD Fund attributable to the other series.

## INCOME TAX CONSIDERATIONS FOR INVESTORS OF MUTUAL FUND TRUSTS

Securityholders will be required to include in their income for tax purposes for a particular year the amount (computed in Canadian dollars) of net income and the taxable portion of the net capital gains of an MD Fund, if any, paid or payable to them in the year, whether or not such amounts are paid in cash, or reinvested in additional Securities of such MD Fund. To the extent that appropriate designations are made by an MD Fund, net taxable capital gains, taxable dividends (including eligible dividends) on shares of taxable Canadian corporations and income earned from sources in a foreign country paid or payable to securityholders will be included in the securityholders' income as if such income had been received by them directly. The dividend gross-up and the tax credit treatment normally applicable to taxable dividends (including eligible dividends) paid by a taxable Canadian corporation will apply to amounts designated as taxable dividends.

To the extent that distributions to a securityholder by an MD Fund in a year exceed the securityholder's share of the net income and net capital gains of the MD Fund allocated to the securityholder for the year, generally those distributions (except to the extent that they are proceeds of disposition) will be a return of capital and will not be taxable to the investor but will reduce the adjusted cost base of the securityholder's Securities in the MD Fund. If the adjusted cost base of a securityholder's Securities is reduced to less than zero, the securityholder will be deemed to have realized a capital gain equal to the negative amount, and the adjusted cost base will be reset to nil.



A securityholder will be taxed on distributions of income and capital gains, even if the distributions relate to income and capital gains accrued to the MD Fund or were realized by the MD Fund before the securityholder acquired the securities and were reflected in the purchase price of the securities. Any distributions of capital gains made by an MD Fund, other than MD Money Fund, will generally be made after December 15, and income distributions may be made several times a year. However, distributions can be made at any time in the calendar year at the discretion of the Manager. Securityholders should consider how this tax cost might affect them when they buy a fund.

#### **Alternative Minimum Tax**

Individuals and certain trusts and estates are subject to an alternative minimum tax. Such persons may be liable for this alternative minimum tax in respect of realized capital gains and/or certain distributions derived from an MD Fund.

### **INCOME TAX CONSIDERATIONS FOR MD GROWTH INVESTMENTS LIMITED**

MD Growth Investments Limited will generally be subject to tax at rates applicable to a mutual fund corporation on its taxable income. MD Growth Investments Limited may be entitled to tax credits in respect of foreign taxes paid on dividends from non-resident corporations. The taxable portion of realized capital gains (net of capital losses) are included in MD Growth Investments Limited's taxable income. However, taxes paid by MD Growth Investments Limited on realized capital gains will be refundable on a formula basis when Securities are redeemed or when MD Growth Investments Limited pays capital gains dividends. Taxable dividends received by MD Growth Investments Limited from taxable Canadian corporations will generally be subject to tax under Part IV of the Act in an amount equal to 38 1/3% of such dividends, which tax is refundable on a formula basis when dividends are paid by MD Growth Investments Limited to securityholders. MD Growth Investments Limited is required to compute its taxable income in Canadian dollars for the purposes of the Act and may, as a consequence, realize income by virtue of changes in the value of foreign currencies relative to the Canadian dollar.

Fees received by MD Growth Investments Limited with respect to a securities lending arrangement under the Act will be included in the income of MD Growth Investments Limited. Generally, compensation payments received by MD Growth Investments Limited from Canadian resident securities borrowers with respect to dividends that MD Growth Investments Limited would have received on shares of a Canadian resident corporation, or interest that MD Growth Investments Limited would have received on other securities, that are the subject of a securities lending arrangement under the Act will be treated for tax purposes as dividends received by MD Growth Investments Limited on the shares or interest received by MD Growth Investments Limited, as the case may be.

### **INCOME TAX CONSIDERATIONS FOR INVESTORS OF MD GROWTH INVESTMENTS LIMITED**

Dividends paid by MD Growth Investments Limited to a securityholder, other than capital gains dividends, must generally be included in computing such securityholder's income, whether or not such amounts are paid in cash or re-invested in additional Securities of the MD Fund. The dividend gross-up and tax credit treatment normally applicable to taxable dividends (including eligible dividends) paid by taxable Canadian corporations will apply.

MD Growth Investments Limited may also make distributions of realized capital gains to securityholders by way of capital gains dividends. Such dividends will be treated as realized capital gains in the hands of securityholders and will be subject to the general rules relating to the taxation of capital gains which are described below.

A securityholder will be taxed on dividends even if the dividends relate to income and capital gains that accrued to MD Growth Investments Limited before you acquired the securities and were reflected in the purchase price of the securities. Securityholders should consider how this tax cost might affect them when they buy securities of the Fund.

#### **Alternative Minimum Tax**

Individuals and certain trusts and estates are subject to an alternative minimum tax. Such persons may be liable for this alternative minimum tax in respect of realized capital gains and/or dividends derived from MD Growth Investments Limited.

### **DISPOSITION OF SECURITIES OF, AND SERIES I FEES PAID IN CONNECTION WITH, MUTUAL FUND TRUSTS OR MD GROWTH INVESTMENTS LIMITED HELD OUTSIDE REGISTERED TAX PLANS**

An MD Fund's portfolio turnover rate indicates how actively the MD Fund's Portfolio Manager or sub-adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the MD Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher an MD Fund's portfolio turnover rate in a year, the greater the trading costs payable by the MD Fund in the year, and the greater the chance of an investor receiving a distribution or dividend from the MD Fund in the year that must be included in determining a taxable investor's income for tax purposes. There is not necessarily a relationship between a high portfolio turnover rate and the performance of an MD Fund. The portfolio turnover rate may be unusually high during a year when the Portfolio Manager or a sub-adviser has been changed.

Upon the actual or deemed disposition of a security, including transfers (switches) and redemptions, (other than a re-designation between series of units, or a conversion between series of shares, within an MD Fund), a capital gain (or a capital loss) will generally be realized by the securityholder to the extent that the proceeds of disposition of the security exceed (or are exceeded by) the aggregate of the adjusted cost base to the securityholder of his security and any costs of disposition. The adjusted cost base of a security in an MD Fund generally will be determined by averaging the cost of all Securities in that MD Fund owned by a securityholder at a particular time.

In general, the adjusted cost base of securities of an MD Fund equals:

- ♦ the initial investment (including any sales charges paid)
- ♦ plus the cost of any additional investments (including any sales charges paid)
- ♦ plus reinvested distributions or dividends
- ♦ minus the capital returned in any distributions
- ♦ minus the adjusted cost base of any previous redemption

The adjusted cost base of a security in an MD Fund generally will be determined by averaging the cost of all Securities in that Fund owned by a securityholder at a particular time.

Generally, one half of a capital gain (or capital loss) is included in determining a securityholder's taxable capital gain (or allowable capital loss).

A re-designation of units, or a conversion of shares, of one series of an MD Fund as units or shares of the other series of the same MD Fund, as applicable, will not result in a disposition for tax purposes.

Securityholders should consult with their own tax advisers with respect to the deductibility of fees paid on Series I securities.

### **ELIGIBILITY FOR INVESTMENT BY REGISTERED TAX PLANS**

Securities of the MD Funds will be qualified investments under the Act for RRSPs, RRIFs, DPSPs, RDSPs, TFSA and RESP provided that the MD Funds, other than MD Growth Investments Limited, qualify as "mutual fund trusts" under the Act, and that MD Growth Investments Limited qualifies as a "mutual fund corporation" under the Act, effective at all times. Annuitants of RRSPs and RRIFs, holders of TFSA and RDSPs, and subscribers of RESP, should consult with their tax advisers as to whether Securities of an MD Fund would be prohibited investments under the Act in their particular circumstances. If Securities of an MD Fund are held in a RRSP, RRIF, DPSP, RDSP, TFSA or RESP, dividends and distributions from the MD Fund, and capital gains from a disposition of the Securities, are generally not subject to tax under the Act until withdrawals are made from the plan (withdrawals from TFSA are not subject to tax, and RESP and RDSPs are subject to special rules).

## What Are Your Legal Rights?

Under securities law in some provinces and territories, you have the right to withdraw from an agreement to buy mutual funds within two business days after you receive a simplified prospectus or Fund Facts document, or cancel your purchase within 48 hours of receiving confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limits set by law in the applicable province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

## Additional Information

### **ENHANCED TAX INFORMATION REPORTING**

Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-United States Tax Convention entered into between Canada and the U.S. on February 5, 2014 (the "IGA"), and related Canadian legislation, the MD Funds and/or MD Management are required to report certain information (including certain financial information) with respect to securityholders who are U.S. residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding registered tax plans such as RRSPs), to the Canada Revenue Agency ("CRA"). The CRA exchanges this information annually with the U.S. Internal Revenue Service. In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (the "CRS"), the MD Funds and/or MD Management are required under Canadian legislation to identify and report to the CRA certain information (including certain financial information) relating to securityholders in the MD Funds who are tax residents in a country outside of Canada and the U.S. (excluding registered tax plans such as RRSPs). The CRA exchanges this information annually to the relevant tax authority of any country that is a signatory of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information or that has otherwise agreed to a bilateral information exchange with Canada under the CRS.

## Exemptions and Approvals

Please see "Investment Restrictions" below for a description of all exemptions from, or approvals in relation to, NI 81-102, obtained by the MD Funds or the Manager that continue to be relied on by the MD Funds or the Manager.

# Certificate of the Funds, the Manager and the Promoter

of

**MD Precision Canadian Balanced Growth Fund, MD Bond Fund, MD Short-Term Bond Fund,  
MD Precision Canadian Moderate Growth Fund, MD Equity Fund, MD Growth Investments Limited,  
MD Dividend Growth Fund, MD International Growth Fund, MD International Value Fund,  
MD Money Fund, MD Canadian Equity Fund, MD American Growth Fund, MD American Value Fund,  
MD Strategic Yield Fund, MD Strategic Opportunities Fund, MD Fossil Fuel Free Bond Fund,  
MD Fossil Fuel Free Equity Fund, MD Precision Conservative Portfolio,  
MD Precision Balanced Income Portfolio, MD Precision Moderate Balanced Portfolio,  
MD Precision Balanced Growth Portfolio, MD Precision Moderate Growth Portfolio,  
MD Precision Maximum Growth Portfolio, MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool**

**(the “Funds”)**

This simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the Provinces and Territories of Canada, and do not contain any misrepresentations.

DATED: May 27, 2022

(signed) “Daniel Labonté”

Daniel Labonté  
Chief Executive Officer  
MD Financial Management Inc.

(signed) “Rob Charters”

Rob Charters  
Chief Financial Officer  
MD Financial Management Inc.

**On behalf of the Board of Directors of  
MD Financial Management Inc. as trustee, manager and promoter of the Funds**

(signed) “Alex Besharat”

Alex Besharat  
Director

(signed) “Brent Currie”

Brent Currie  
Director

# Certificate of MD Growth Investments Limited

This simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the Provinces and Territories of Canada, and do not contain any misrepresentations.

DATED: May 27, 2022

(signed) "Craig Maddock"

Craig Maddock  
Chief Executive Officer  
MD Growth Investments Limited

(signed) "Katie Shulha"

Katie Shulha  
Chief Financial Officer  
MD Growth Investments Limited

**On behalf of the Board of Directors of  
MD Growth Investments Limited**

(signed) "Neil Macdonald"

Neil Macdonald  
Director

(signed) "George Vasic"

George Vasic  
Director

# Certificate of the Principal Distributor

of

**MD Precision Canadian Balanced Growth Fund, MD Bond Fund, MD Short-Term Bond Fund,  
MD Precision Canadian Moderate Growth Fund, MD Equity Fund, MD Growth Investments Limited,  
MD Dividend Growth Fund, MD International Growth Fund, MD International Value Fund, MD Money Fund,  
MD Canadian Equity Fund, MD American Growth Fund, MD American Value Fund,  
MD Strategic Yield Fund, MD Strategic Opportunities Fund, MD Fossil Fuel Free Bond Fund,  
MD Fossil Fuel Free Equity Fund, MD Precision Conservative Portfolio,  
MD Precision Balanced Income Portfolio, MD Precision Moderate Balanced Portfolio,  
MD Precision Balanced Growth Portfolio, MD Precision Moderate Growth Portfolio,  
MD Precision Maximum Growth Portfolio, MDPIM Canadian Equity Pool and MDPIM US Equity Pool**

**(the “Funds”)**

To the best of our knowledge, information and belief, this simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the Provinces and Territories of Canada, and do not contain any misrepresentations.

DATED: May 27, 2022

**On behalf of MD Management Limited, the Principal Distributor of the Funds**

(signed) “Daniel Labonté”

Daniel Labonté  
Chief Executive Officer  
MD Management Limited

# Specific Information about Each of the Mutual Funds Described in this Document

## WHAT IS A MUTUAL FUND AND WHAT ARE THE RISKS OF INVESTING IN A MUTUAL FUND?

When you invest in a mutual fund, you're investing in a pool of investments. Mutual funds offer people with similar investment goals the advantage of professional management and diversification not normally available to them as individuals.

Mutual funds offer choice and flexibility. With MD Funds, you can choose from among several funds, each with different objectives, risks, and management strategies. You can easily switch among MD Funds when your financial objectives and circumstances change.

On occasion a mutual fund may be reorganized with or its assets may be transferred to another mutual fund. The MD Funds may undertake such a transaction with another mutual fund managed by MD Financial Management, as the Manager or an affiliate of the Manager, provided that the MD Fund's securityholders are sent a written notice at least 60 days before the effective date of the transaction. In addition, the MD Fund's independent review committee must approve the change and the transaction must comply with certain other requirements of applicable securities legislation.

### General Investment Risks

Mutual funds own different types of investments, depending upon the fund's investment objectives. The value of these investments will change from day to day, reflecting changes in interest rates, economic and financial conditions (whether as a result of global or regional political, economic, health and banking crises or otherwise), and market and company news. In addition, unexpected and unpredictable events such as war, a widespread health crisis or global pandemic, terrorism and related geopolitical risks may lead to increased market volatility in the short-term and may have adverse more general long-term effects on world economies and markets, including U.S., Canadian and other economies and securities markets. As a result, the value of a mutual fund's units or shares may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

The full amount of your investment in any MD Fund is not guaranteed.

Unlike bank accounts or GICs, mutual fund units and shares are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Under extraordinary circumstances, an MD Fund may suspend redemptions. Please see page 18 for details.

To help you make your choice, the MD Funds may be grouped into the following categories:

- ♦ Money Market funds
- ♦ Fixed Income funds
- ♦ Balanced funds
- ♦ Canadian equity funds
- ♦ US equity funds
- ♦ Global equity funds
- ♦ International equity funds
- ♦ Tactical balanced funds

All mutual funds entail risk, but some funds are less risky than others. Please see below for details on the particular MD Funds you are interested in.

In general, the value of less risky funds varies less widely from day to day and from week to week than the value of more risky funds. For example, the value of income funds usually varies less than the value of equity funds. Income funds usually provide more conservative but more stable returns than equity funds. In the short term, equities can expose an investor to lower returns and even losses because of dramatic fluctuations in value. But even though funds that invest in equities are riskier – their value changes more often and more dramatically than income funds – equities have historically provided higher returns over the long term.

Please speak with your MD Management Advisor to determine which types of MD Funds are appropriate for your investment portfolio.

### Specific Investment Risks

#### Commodities risk

Certain MD Funds may invest indirectly in commodities or commodity sectors, including gold, silver, energy, grains, industrial metals, livestock, precious metals and softs (e.g., cocoa, cotton, coffee and sugar) through exposure to these commodities using ETFs.

"Gold/Silver ETFs" are ETFs traded on a stock exchange in Canada or the United States that seek to replicate the performance of either gold and/or silver or an index that seeks to replicate the performance of gold and/or silver, whether on a leveraged (multiple of 200%) or unlevered basis. Gold/Silver ETFs may invest directly or indirectly in gold, silver or derivatives, the underlying interest of which is gold and/or silver.

"Other Physical Commodity ETFs" are ETFs traded on a stock exchange in Canada or the United States that seek to replicate the performance of either one or more physical commodities other than gold or silver on an index that seeks to replicate the performance of such physical commodities, but only on an unlevered basis. These physical commodities may include, without limitation, precious metals commodities (such as platinum, platinum certificates, palladium and palladium certificates), energy commodities (such as crude oil, gasoline, heating oil and natural gas), industrials and/or metals commodities (such as aluminum, copper, nickel and zinc) and agricultural commodities (such as coffee, corn, cotton, lean hogs, live cattle, soybeans, soybean oil, sugar and wheat).

Other Physical Commodity ETFs may invest directly or indirectly in the physical commodities or derivatives, the underlying interests of which are such physical commodities. As the MD Funds will be exposed to these commodities, they will be affected by changes in the prices of the commodities, which can fluctuate significantly in short time periods, causing volatility in the MD Funds' net asset value.

Commodity prices can change as a result of a number of factors, including supply and demand, speculation, central bank and international monetary activities, political or economic instability, changes in interest rates and currency values, new discoveries or changes in government regulations affecting commodities.

### **Concentration risk**

MD Funds are typically limited to holding less than 10% of securities in any one issuer at time of purchase.

Holding more than 10% of assets in a single issuer may provide less diversification which can impact fund volatility and returns. Similarly, concentrating investments in a particular region or sector will also impact fund volatility and returns.

### **Cybersecurity risk**

With the increased use of technologies such as the Internet to conduct business, the Manager and each MD Fund has become potentially more susceptible to operational and information security risks through breaches in cybersecurity.

In general, a breach in cybersecurity can result from either a deliberate attack or an unintentional event. Cybersecurity breaches may involve, among other things, infection by computer viruses or other malicious software code or unauthorized access to the Manager's or an MD Fund's digital information systems, networks or devices through "hacking" or other means, in each case for the purpose of misappropriating assets or sensitive information (including, for example, personal securityholder information), corrupting data or causing operational disruption or failures in the physical infrastructure or operating systems that support the Manager or the MD Fund. Cybersecurity risks also include the risk of losses of service resulting from external attacks that do not require unauthorized access to the Manager's or an MD Fund's systems, networks or devices.

Any such cybersecurity breaches or losses of service may cause the Manager or an MD Fund to lose proprietary information, suffer data corruption or lose operational capacity, which, in turn, could cause the Manager or the MD Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss.

While the MD Funds and the Manager have established business continuity plans and risk management systems designed to prevent or reduce the impact of cybersecurity attacks, there are inherent limitations in such plans and systems due in part to the ever changing nature of technology and cybersecurity attack tactics, and there is a possibility that certain risks have not been adequately identified or prepared for.

In addition, cybersecurity failures by or breaches of the Manager's or the MD Funds' third party service providers may disrupt the business operations of the service providers and of the Manager or the MD Fund. These disruptions may result in financial losses, the inability of MD Fund securityholders to transact business with the MD Fund and inability of the MD Fund to process transactions, the inability of the MD Fund to calculate its net asset value, violations of applicable privacy and other laws, rules and regulations, regulatory fines, penalties, reputational damage, reimbursement or other compensatory costs and/or additional compliance costs associated with implementation of any corrective measures.

An MD Fund and its securityholders could be negatively impacted as a result of any such cybersecurity breaches, and there can be no assurance that the MD Fund will not suffer losses relating to cybersecurity attacks or other informational security breaches affecting the Manager's or the MD Fund's third-party service providers in the future, particularly as the Manager and the MD Fund cannot control any cybersecurity plans or systems implemented by such service providers. Cybersecurity risks may also impact issuers of securities in which an MD Fund invests, which may cause the MD Fund's investments in such issuers to lose value.

### **Derivatives risk**

A derivative is a contract between two parties, the value of which is derived from an underlying asset such as a security or currency. Some examples of derivatives are options, futures, forward contracts and swap contracts. Options are instruments that grant owners the right, but not the obligation, to buy or sell an asset or commodity at a fixed price, either of a fixed date or up until a specific date. Futures and forward contracts represent an agreement to buy or sell an asset or commodity at a fixed price on a future date. Swap contracts are agreements between parties to exchange the returns on assets over a fixed period of time. Derivatives are used for two purposes: hedging and non-hedging purposes.

### **Hedging**

Hedging involves attempting to protect a security price, currency exchange rate, or interest rate from changes that negatively impact the value of the MD Fund.

For futures contracts, forward contracts and swap contracts, there is no guarantee that a market will exist when the MD Fund wants to buy or sell a contract. Therefore, there is a chance the MD Fund won't be able to realize its profits or limit its losses by converting its derivative investments to cash.

The other party to a derivative contract may not be able to honour its obligations under the contract.

If an MD Fund has deposited money with a derivatives dealer and that dealer goes bankrupt, the MD Fund may lose these deposits.

Derivatives used in foreign markets may be less liquid than derivatives used in Canada.

Investment exchanges can impose trading limits on derivatives which could prevent an MD Fund from carrying out the derivative contract.

There is no guarantee that an MD Fund's use of derivatives will be effective.

An MD Fund's total exposure to any issuer by direct investment or derivative transactions, other than for hedging purposes, or when an exception has been granted, is limited to 10% of the total market value of the MD Fund's assets.

### **Non-Hedging**

An MD Fund may use derivatives to gain exposure to an investment, rather than purchasing the investment directly, to provide lower transaction or custodial fees, improved liquidity, leveraged returns, or to enhance diversification. In addition to the risks detailed in the hedging section, derivatives used to gain effective exposure are also subject to the following risks:

- Derivatives can drop in value similar to other investments;
- A derivative's price may be more volatile than that of its underlying security; and
- A derivative's price can be impacted by factors, such as speculative investing, other than its underlying security.

### **Emerging markets risk**

In emerging market countries, securities markets may be smaller than in more developed countries, making it more difficult to sell securities in order to take profits or avoid losses. Companies in these markets may have limited product lines, markets or resources, making it difficult to measure the value of the company. Political instability and possible corruption, as well as lower standards of regulation for business practices increase the possibility of fraud and other legal problems. The value of these investments may rise and fall substantially.

### **Environmental policy risk**

MD Fossil Fuel Free Bond Fund and MD Fossil Fuel Free Equity Fund follow an environmental policy by avoiding certain types of investments, such as companies involved in the extracting, transporting, and processing of fossil fuels, as well as companies involved in the creation, manufacturing and servicing of core controversial weapons systems. Following this environmental policy may limit the type and number of investment opportunities available to the funds and may consequently result in the fund underperforming other funds that do not follow this environmental policy. Accordingly, this may result in the funds investing in securities or industry sectors that underperform the market as a whole, foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, or selling securities for environmental reasons when it might be otherwise disadvantageous to do so. In addition, investors can have differing views on what constitutes positive or negative environmental factors. As a result, a fund may invest in issuers that do not reflect the beliefs and values of any particular investor.

### **ESG factor risk**

Funds may consider environmental, social and corporate governance ("ESG") factors when making investment decisions. The ESG factors considered in a fund's investment process and the extent to which they are considered depend on the fund's particular investment objectives and strategies. Such factors are anticipated to evolve over time and one or more characteristics may not be relevant with respect to all issuers that are eligible for investment. The investment approach of the Portfolio Manager or sub-adviser, as applicable, may not eliminate the possibility of the fund having exposure to companies that exhibit perceived negative ESG characteristics. Investors can differ in their views of what constitutes positive or negative ESG factors. As a result, a fund may invest in issuers that do not reflect the beliefs and values of any particular investor.

### **Exchange-traded fund (ETF) risk**

A mutual fund may invest in an underlying fund whose securities are listed for trading on an exchange (an "exchange-traded fund" or "ETF"). ETFs aim to replicate the price movement of an index, commodity, or basket of assets. An ETF may suffer from tracking error, the difference between the price movement of the ETF and the price movement of the asset(s) it is tracking. ETFs may also be exposed to commodities risk, derivatives risk, foreign currency risk, and liquidity risk.

### **Fixed income investments risk**

In general, the value of a fixed-income investment moves inversely with interest rates. If interest rates rise, the value of a fixed-income investment will usually fall. If interest rates decline, the value of a fixed-income investment will generally increase. The magnitude of the decline will be greater for longer-term fixed-income securities than for shorter-term fixed-income securities.

In addition, to the extent that an MD Fund invests in instruments with a negative yield (e.g. where there are negative interest rates), its value could be impaired.

It is possible that some issuers of debt securities could default on their obligations under the security. Alternatively, an issuer may suffer adverse changes in financial condition that could lower the credit rating of its debt securities which can affect liquidity and make it more difficult for the MD Fund to sell the security.

Many types of debt securities are subject to prepayment risk. Prepayment risk occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment risk can offer less potential for gains when the credit quality of the issuer improves.

If there are changes in the market's perception of the issuers of debt securities, or in the creditworthiness of the parties involved, then the value of the securities may be affected. In addition, there is a risk that there may be a mismatch in timing between the cash flow of the underlying assets backing the security and the repayment obligation of the security upon maturity.

### **Foreign currency risk**

Where an MD Fund holds securities denominated in foreign currencies, the Canadian dollar value of these securities is affected by changes in the exchange rate. If the Canadian dollar declines in value against the foreign currency, the value of your investment, expressed in Canadian dollars, will increase. If the Canadian dollar rises in value against the foreign currency, there is a negative impact on the MD Fund's return.

### **Foreign securities risk**

The performance of an MD Fund investing in foreign markets will be affected by market conditions and by general economic and financial conditions in those countries where the MD Fund's investments are traded.

There may be less information available and less stringent regulatory requirements for issuers of securities in other countries, securities trading on foreign markets may be less liquid and their prices may change more dramatically than securities that trade in Canada and the United States, and they may be exposed to the effects of political or social instability.

Portfolios of foreign securities are subject to the law and regulations of foreign countries, which can affect foreign convertibility, repatriation of assets and the trading and settlement of securities transactions.

### **Fund of funds risk**

Certain MD Funds invest directly in, or obtain exposure to, other mutual funds as part of their investment strategy. These MD Funds will be subject to the risks of the underlying mutual funds. Also, the MD Fund will be unable to value part of its portfolio and may be unable to redeem securities if an underlying mutual fund suspends redemptions.

### **High-yield bond risk**

Issuers of high-yield bonds (typically categorized as below investment grade) may be less financially secure than issuers of higher rated fixed-income securities and have a corresponding greater chance of default, particularly in periods of economic downturn. Markets for high-yield bonds may be impacted by volatility and low liquidity.



### **IBOR transition risk**

Various regulators and industry bodies are working globally on transitioning from interbank offered rates (“IBORs”), including the London Interbank Offered Rate (LIBOR), to alternative rates. The effect of such a transition on an MD Fund and the securities in which it invests cannot yet be determined, and may depend on factors that include, but are not limited to: (i) existing fallback or termination provisions in individual contracts; and (ii) whether, how, and when industry participants develop and adopt new reference rates and fallbacks for both legacy and new products and instruments. Such transition may result in a reduction in the value of IBOR-based instruments held by an MD Fund and increased illiquidity and volatility in markets that currently rely on an IBOR to determine interest rates, any of which could adversely impact an MD Fund’s performance.

### **Income trust risk**

Income trusts generally hold debt and/or equity securities of an underlying active business or are entitled to receive a royalty on revenues generated by such business.

Returns on income trusts are neither fixed nor guaranteed. Returns will vary based on the performance of the underlying business of the income trust.

Risks related to specific income trusts will vary depending upon the business or sector in which the income trust invests. For example, oil and gas and other commodity-based royalty trusts, real estate trust and pipeline and power trusts will have varying degrees of risk related to its sector and the underlying asset or business. These may include business developments such as a decision to expand into a new type of business, the entering into of a favourable supply contract, the cancellation by a major customer of its contract or significant litigation.

Trust units are typically more volatile than bonds (corporate and government) and preferred shares.

It is possible that to the extent that claims against an income trust are not satisfied by that trust, investors, including a mutual fund investing in such a trust, could be held responsible for such obligations. Certain but not all jurisdictions have enacted legislation to protect investors from some of this potential liability.

### **Large capitalization companies risk**

Large capitalization companies are generally not nimble and may be unable to respond quickly to competitive challenges, such as changes in technology and consumer tastes.

### **Large investor risk**

Securities of the MD Funds may be purchased and redeemed by large investors, such as financial institutions, members of The Bank of Nova Scotia group or other mutual funds, including those funds managed by the Manager. These investors may purchase or redeem large numbers of securities of an MD Fund at one time. The purchase or redemption of a substantial number of securities of an MD Fund may require the MD Fund’s investment adviser to change the composition of a portfolio significantly or may force the investment adviser to buy or sell investments at unfavourable prices, which can affect the MD Fund’s performance and may increase realized capital gains of the MD Fund.

### **Liquidity risk**

Some companies are not well known, have few shares outstanding, or can be significantly affected by political and economic events. Securities issued by these companies may be difficult to buy or sell and the value of MD Funds that buy these securities may rise and fall substantially.

For example, smaller companies may not be listed on a stock market or traded through an organized market. They may be hard to value because they are developing new products or services for which there is not yet a developed market or revenue stream. They may have few shares outstanding, so a sale or purchase of shares will have a greater impact on the share price. Small company shares generally trade less often and in smaller amounts than larger companies, making them potentially more difficult to sell.

### **Market risk**

Companies issue equities, or stocks, to help finance their operations and future growth. Mutual funds that purchase equities become part owners in these companies. The company’s outlook, market activity and the larger economic picture influence the price of a stock. When the economy is expanding, the outlook for many companies will be good and the value of their stocks should rise. The opposite is also true. Usually, the greater the potential reward, the greater the risk.

For small companies, start-ups, resource companies and companies in emerging sectors, the risks and potential rewards are usually greater. Some of the products and services offered by technology companies, for example, can become obsolete as science and technology advance.

Equities (stocks) are affected by shifts in economic and financial market conditions and by changes within the industry sectors in which the MD Fund invests.

### **Securities lending risk**

All of the MD Funds other than the MD Portfolios may engage in securities-lending transactions to the extent permitted by the Canadian securities regulatory authorities from time to time. Although the MD Portfolios do not engage in securities lending the mutual funds in which they invest are authorized to engage in securities lending. In securities-lending transactions, a mutual fund lends securities it holds for a set period of time to borrowers who post acceptable collateral.

To engage in securities lending, the mutual fund appoints a qualified agent under a written agreement which addresses, among other requirements, the responsibility for administration and supervision of the securities-lending program.

There is a risk that the other party in the securities-lending transaction may not live up to its part of the transaction leaving the mutual fund holding collateral which could be worth less than the loaned securities if the value of the loaned securities increases relative to the value of the cash or other collateral, resulting in a loss to the fund.

To limit this risk:

- a. the fund must hold collateral equal to no less than 102% of the value of the loaned securities (where the amount of collateral is adjusted each trading day to make sure that the value of the collateral does not go below the 102% minimum level);
- b. the collateral to be held may consist only of cash, qualified securities or securities that can be immediately converted into identical securities to those that are on loan;
- c. a fund cannot loan more than 50% of the net asset value of the MD Fund (not including the collateral held by the fund) through securities-lending transactions.

### **Series risk**

The MD Funds offer for sale more than one series of securities. Each series will have its own fees and expenses which each MD Fund tracks separately. If an MD Fund cannot pay the expenses of one series using that series' proportionate share of the MD Fund's assets, the MD Fund will have to pay those expenses out of the other series' proportionate share of the assets, which could lower the investment return of those other series. The Manager of the MD Funds may at any time, and at its discretion waive or absorb any series expense.

### **Short selling risk**

Short selling involves borrowing securities from a lender and selling them on the open market.

Borrowed securities may rise in value or not fall enough to cover transaction costs resulting in a loss.

Poor liquidity for the borrowed security could impact the sale or repurchase prices. In addition, the lender of the borrowed securities could go bankrupt resulting in the loss of deposited collateral. At a future date, the securities are repurchased by the MD Fund and returned to the lender. While the securities are borrowed, the proceeds from the sale are deposited with the lender and the MD Fund pays interest to the lender. If the value of the securities declines between the time that the MD Fund borrows the securities and the time it repurchases and returns the securities to the lender, the MD Fund makes a profit on the difference (less any interest the MD Fund is required to pay the lender).

Short selling involves risk. There is no assurance that securities will decline in value during the period of the short sale and make a profit for an MD Fund. Securities sold short may instead appreciate in value creating a loss for an MD Fund.

An MD Fund may experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist.

The lender may also recall borrowed securities at any time.

The lender from whom an MD Fund has borrowed securities may go bankrupt and an MD Fund may lose the collateral it has deposited with the lender.

The MD Funds will adhere to controls and limits that are intended to offset these risks by short selling only liquid securities and by limiting the amount of exposure for short sales to the total market value of all securities of an issuer of the securities sold short by an MD Fund to 5% of the net asset value of the MD Fund and the total market value of all securities sold short by an MD Fund to 20% of the net asset value of the MD Fund.

The MD Funds will also deposit collateral only with Canadian lenders that are regulated financial institutions or regulated dealers and only up to certain limits.

### **Sovereign debt risk**

Government entities may refuse or be unable to make interest payments, repay principal, or abide by other debt covenants. Legal or formal institutional framework related to a sovereign default may not exist or favour government interests.

### **Tax risk**

The MD Funds may have to include amounts in computing their income with respect to investments in non-Canadian exchange-traded funds, notwithstanding that the MD Funds did not receive any corresponding distribution from the exchange-traded fund or

realize a gain on the disposition of an interest in the exchange-traded fund. Such deemed income inclusions could increase taxable distributions paid by the MD Funds to unitholders.

If an MD Fund that is structured as a trust experiences a "loss restriction event" (i) the MD Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the MD Fund's taxable income at such time to unitholders so that the MD Fund is not liable for income tax on such amounts), and (ii) the MD Fund will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, an MD Fund that is structured as a trust will be subject to a loss restriction event when a person becomes a "majority-interest beneficiary" of the MD Fund, or a group of persons becomes a "majority-interest group of beneficiaries" of the MD Fund, as those terms are defined in the affiliated persons rules contained in the Act, with appropriate modifications. Generally, a majority-interest beneficiary of an MD Fund will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, respectively, in the MD Fund. Generally, a person is deemed not to become a majority-interest beneficiary, and a group of persons is deemed not to become a majority-interest group of beneficiaries, of an MD Fund if the MD Fund meets the conditions to qualify as an "investment fund" under the Act, including complying with certain asset diversification requirements.

### **Underlying fund risk**

Some mutual funds are a "fund on fund" structure whereby the "top fund" invests all or a significant portion of its assets in a "bottom" or "underlying fund." Depending on the size of the investment being made by a top fund in an underlying fund and the timing of the redemption of this investment, an underlying fund could be forced to alter its portfolio assets significantly to accommodate a large redemption order. This could negatively impact the performance of an underlying fund as it may have to dispose prematurely of portfolio assets that have not yet reached a desired market value, resulting in a loss to the underlying fund.

## **INVESTMENT RESTRICTIONS**

### **Restrictions on Activities and Investments**

#### **a. Restrictions on Activities and Investments**

The investment practices of each MD Fund are subject to various restrictions and requirements imposed by applicable securities laws, including NI-81-102, which are designed in part to ensure that the investments of the mutual funds are diversified and relatively liquid and to ensure the proper administration of the mutual funds. Each MD Fund is managed in accordance with NI 81-102, as well as the additional restrictions and requirements set forth below. It is intended that MD Money Fund will invest its assets such that it will be a "money market mutual fund" pursuant to NI 81-102.

The MD Funds are "dealer managed" mutual funds and follow the dealer managed fund provisions by NI 81-102. As such the MD Funds cannot knowingly make an investment during, or for 60 days after, the period in which an affiliate or associate of the Manager, such as Scotia Capital Inc., acts as an underwriter or agent in an offering of equity securities, unless the offering is being made under a prospectus and such purchases are made in compliance with the approval requirements of NI 81-107.

The MD Funds are subject to certain restrictions when dealing with, or investing in, the Manager or parties related to the Manager.

The MD Funds have permission from securities regulatory authorities to deviate from certain provisions of NI 81-102 and from certain provisions of securities laws as described below.

**b. Additional Restrictions**

Each MD Fund may not purchase securities of companies that manufacture tobacco or tobacco related products or whose primary business is cannabis or cannabis related products. Primary business means that 25% or more of the company's revenue comes from cannabis or cannabis related products.

**c. Additional Restrictions applicable to MD Fossil Fuel Free Bond Fund and MD Fossil Fuel Free Equity Fund**

Both MD Fossil Fuel Free Bond Fund and MD Fossil Fuel Free Equity Fund will follow a fossil fuel free investment strategy.

**Regulatory Exemptions**

**Investments in Commodity ETFs**

The MD Funds have obtained an exemption from securities legislation that permits each MD Fund, subject to certain conditions, to invest indirectly up to 10% of its net assets, taken at market value at the time of purchase, in aggregate, in physical commodities through investments in gold and/or silver exchange-traded funds ("Gold/Silver ETFs") and/or Other Physical Commodity ETFs (collectively referred to as the "Commodity ETFs" and each, as a "Commodity ETF") (the "Commodity ETF Decision").

Gold/Silver ETFs are ETFs that seek to replicate the performance of gold and/or silver or an index that seeks to replicate the performance of gold and/or silver, whether on a leveraged (multiple of 200%) or unlevered basis. Gold/Silver ETFs may invest directly or indirectly in gold, silver or derivatives the underlying interest of which is gold and/or silver.

Other Physical Commodity ETFs are ETFs that seek to replicate the performance of either one or more physical commodities other than gold or silver or an index which seeks to replicate the performance of such physical commodities, but only on an unlevered basis. These physical commodities may include, without limitation, precious metals commodities (such as platinum, platinum certificates, palladium and palladium certificates), energy commodities (such as crude oil, gasoline, heating oil and natural gas), industrials and/or metals commodities (such as aluminum, copper, nickel and zinc) and agricultural commodities (such as coffee, corn, cotton, lean hogs, live cattle, soybeans, soybean oil, sugar and wheat). Other Physical Commodity ETFs may invest directly or indirectly in the physical commodities or derivatives, the underlying interest of which is such physical commodities.

Pursuant to the conditions of the Commodity ETF Decision:

- ♦ the MD Funds will not purchase gold, permitted gold certificates, securities of a Commodity ETF or enter into specified derivatives, the underlying interest of which is gold (the "Commodity Products"), if, immediately after the purchase, more than 10 percent of the net assets of the applicable MD Fund in aggregate, taken at market value at the time of purchase, would consist of Commodity Products;
- ♦ the MD Fund will not purchase Commodity Products if, immediately after the transaction, the market value exposure to all physical commodities (whether direct or indirect)

through the Commodity Products is more than 10 percent of the net assets of the applicable MD Fund in aggregate, taken at market value at the time of purchase;

- ♦ no more than 2.5% of the net asset value of the MD Fund may be invested in any one commodity sector, other than gold and/or silver, taken at market value at the time of purchase. For this purpose, the relevant commodity sectors are energy, grains, industrial metals, livestock, precious metals other than gold and silver, and softs (e.g., cocoa, cotton, coffee and sugar);
- ♦ the securities of the Commodity ETFs are treated as specified derivatives for the purposes of Part 2 of NI 81-102;
- ♦ the MD Funds will not short sell securities of a Commodity ETF; and
- ♦ the securities of the Commodity ETFs are traded on a stock exchange in Canada or the United States.

**Investments in Non-IPU ETFs**

MD Financial Management has obtained an exemption on behalf of the MD Funds from certain provisions of NI 81-102, which permit each MD Fund to invest up to 10% of its net assets in securities of ETFs that are not index participation units and are not reporting issuers in Canada, but whose securities are listed for trading on a stock exchange in the United States.

**Offerings Involving a Related Underwriter**

The MD Funds can rely on exemptive relief from the Canadian securities regulatory authorities from the requirements related to dealer managed mutual funds to:

- invest in private placement offerings of equity securities of an issuer during the 60 day period (the "Restricted Period") even if Scotia Capital Inc., an affiliate of the Manager or another related dealer, acts as underwriter in offerings of securities of the same class, provided the issuer is at the time a reporting issuer in at least one Canadian jurisdiction and the IRC of the MD Funds approves of the investment in accordance with the approval requirements of NI 81-107.
- purchase debt securities of an issuer that do not have an approved credit rating from an approved credit rating organization during the Restricted Period in a distribution for which a dealer related to the Manager, such as Scotia Capital Inc., acts as an underwriter or agent, provided such purchases are made in compliance with the approval requirements of NI 81-107 and certain other conditions are met.
- invest in equity securities of an issuer that is not a reporting issuer in Canada during the Restricted Period, whether relating to a private placement of the issuer in Canada or the United States or a prospectus offering of the issuer in the United States of securities of the same class even if an affiliate of the Manager acts as underwriter in the private placement or prospectus offering, provided the issuer is at the time a registrant in the United States and the IRC of the MD Funds approves of the investment in accordance with certain other conditions.

**Transactions with Related Parties**

The MD Funds can rely on exemptive relief from the Canadian securities regulatory authorities to:

- purchase long-term debt securities issued by The Bank of Nova Scotia, an affiliate of the Manager, and other related issuers in the primary and secondary markets, provided such purchases are made in compliance with the approval requirements of NI 81-107 and certain other conditions.

- b. purchase exchange and non-exchange traded debt securities from, or sell to, the account of an affiliate or associate of the Manager, such as Scotia Capital Inc., that is a principal dealer in the Canadian debt securities market, provided such trades are made in compliance with the approval requirements of NI 81-107 and certain other conditions.

### Change of Auditor

The Manager relied on the approval of the IRC to proceed with a change of auditor of the MD Funds from PricewaterhouseCoopers LLP to KPMG LLP effective April 1, 2022.

## DESCRIPTIONS OF SECURITIES OFFERED BY THE MUTUAL FUNDS

### General

Each MD Fund, other than MD Growth Investments Limited, is an unincorporated mutual fund trust created under the laws of the Province of Ontario and governed by declarations of trust.

The MD Funds offer the following series of securities:

- MD Precision Canadian Balanced Growth Fund: Series A, Series I, Series F and Series D units
- MD Bond Fund: Series A, Series I, Series F and Series D units
- MD Short-Term Bond Fund: Series A, Series I, Series F and Series D units
- MD Precision Canadian Moderate Growth Fund: Series A, Series I, Series F and Series D units
- MD Equity Fund: Series A, Series I, Series F and Series D units
- MD Growth Investments Limited: Series A, Series I, Series F and Series D shares
- MD Dividend Growth Fund: Series A, Series I, Series F and Series D units
- MD International Growth Fund: Series A, Series I, Series F and Series D units
- MD International Value Fund: Series A, Series I, Series F and Series D units
- MD Money Fund: Series A units and Series D units
- MD Canadian Equity Fund: Series A, Series I, Series F and Series D units
- MD American Growth Fund: Series A, Series I, Series F and Series D units
- MD American Value Fund: Series A, Series I, Series F and Series D units
- MD Strategic Yield Fund: Series A, Series I, Series F and Series D units
- MD Strategic Opportunities Fund: Series A, Series I, Series F and Series D units
- MD Fossil Fuel Free Bond Fund: Series A, Series I, Series F and Series D units
- MD Fossil Fuel Free Equity Fund: Series A, Series I, Series F and Series D units
- MD Precision Conservative Portfolio: Series A units, Series F and Series D units
- MD Precision Balanced Income Portfolio: Series A units, Series F and Series D units
- MD Precision Moderate Balanced Portfolio: Series A units, Series F and Series D units
- MD Precision Moderate Growth Portfolio: Series A units, Series F and Series D units
- MD Precision Balanced Growth Portfolio: Series A units, Series F and Series D units
- MD Precision Maximum Growth Portfolio: Series A units, Series F and Series D units
- MDPIM Canadian Equity Pool: Series A units
- MDPIM US Equity Pool: Series A units

Series A units of the MDPIM Canadian Equity Pool and MDPIM US Equity Pool are available to existing clients only. Offers for sale to new subscribers are prohibited. MDPIM Canadian Equity Pool and MDPIM US Equity Pool also offer units designated as Private Trust Series units through a separate simplified prospectus. Such units are available to Qualified Investors who are either clients of MD Private Trust Company or managed account clients of MD Private Investment Counsel, a division of MD Financial Management.

MD Money Fund, MD Precision Conservative Portfolio, MD Precision Balanced Income Portfolio, MD Precision Moderate Balanced Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Balanced Growth Portfolio and MD Precision Maximum Growth Portfolio also offer Series F2 units, which are not offered through a simplified prospectus. Such units are only be available to managed account clients of MD Management through MD ExO Direct.

Each of the series of units for the MD Funds and MDPIM Pools has fees and expenses separate and apart from each other within each respective fund. Units designated as Series A, I, F or D securities of the MD Funds are available to Qualified Investors.

See "Purchases" for more details on the different series of securities available.

The direct beneficiaries of the MD Funds are the registered owners of the Series A, I, F or D securities of all of the MD Funds, or, in the case of MDPIM Canadian Equity Pool and MDPIM US Equity Pool, the registered owners of the Series A units and Private Trust Series units (the "Securities"). The securityholders of each MD Fund are the registered owners of Securities, which includes the trustees of tax deferred income plans which own Securities. Securities of an MD Fund are redeemable and transferable among qualified securityholders on the records of such Fund. In addition, the securityholders of any of the series of securities issued by the MD Funds including MDPIM Canadian Equity Pool and MDPIM US Equity Pool, may redesignate such securities as securities of the other series of the same MD Fund upon meeting applicable eligibility requirements described below. The aggregate number of securities of an MD Fund which may be outstanding is unlimited. Securities of an MD Fund are issued as fully paid and non-assessable.

Other than with respect to distributions between series of Securities of the same MD Fund, no Security of an MD Fund has preference or priority over any other security. If assets of the MD Funds, including the MDPIM Canadian Equity Pool and MDPIM US Equity Pool, are distributed for the purposes of winding up its affairs, or for terminating a particular series of units, as the case may be, each registered holder of each series of units ranks equally with each other holder of the same series of units in that series' share of the assets of that MD Fund, after all of the MD Fund's liabilities allocated to each series, or the particular series being wound up, have been paid (See "Redemptions"). No registered or beneficial holder of Securities of the MD Funds shall have or shall be deemed to have individual ownership in any asset of such MD Fund.

### Voting Rights

The Declarations of Trust governing each MD Fund that is structured as a trust, and/or applicable securities legislation gives the securityholders the right to approve at a meeting of securityholders, or securityholders of a particular series of units, as the case may be, called for that purpose, and by a majority of the votes cast at such meeting, the following changes:

- a. a change in the fundamental investment objectives of an MD Fund;
- b. a change in the Manager (other than to an associate or affiliate of the Manager);
- c. any decrease in the frequency of calculating the net asset value of an MD Fund;
- d. a material re-organization of the MD Fund; or
- e. any other matter which is required by the declaration of trust or by applicable securities legislation or by any agreement to be submitted to a vote of the securityholders of an MD Fund.

In addition to the foregoing, any change in the Manager of an MD Fund (other than to an affiliate of the present Manager) requires the prior approval of the Canadian Securities Administrators.

At all meetings of the securityholders of an MD Fund, each securityholder shall be entitled to one vote in respect of each whole security held. Except as hereinbefore provided, securityholders of an MD Fund shall not be entitled to vote on any matter relating to such MD Fund.

Under NI 81-107, the MD Funds have the ability to make the following changes with the approval of the IRC, without obtaining securityholder approval (subject to compliance with corporate law, in the case of MD Growth Investments Limited):

- a. change the auditor of the MD Fund, provided that the IRC has approved the change and securityholders are sent a written notice at least 60 days prior to the change; and
- b. undertake a reorganization of the MD Fund with, or transfer its assets to another mutual fund managed by the MD Fund's manager or its affiliate, provided that the IRC has approved the transaction, securityholders are sent a written notice at least 60 days prior to the change and certain other conditions are met.

#### **Fractional Securities**

Each MD Fund may issue fractions of Securities (rounded down to the nearest thousandth of a Security) which shall not, except to the extent that they may represent in the aggregate one or more whole Securities, entitle the holders thereof to notice of or to attend or to vote at meetings of securityholders. Subject to the foregoing, such fractional Securities of an MD Fund shall have attached thereto the rights, restrictions, conditions and limitations attaching to whole Securities in the proportion that they bear to a whole security.

#### **Distribution by Series A, Series I, Series F and Series D Securities of Income and Capital Gains**

Each of the MD Funds, other than MD Growth Investments Limited, distributes its net income periodically and its net realized capital gains generally after December 15 annually. Each MD Fund, other than MD Growth Investments Limited, will distribute sufficient of its net income and net realized capital gains to ensure that the MD Fund will not be liable for tax under Part I of the Act.

MD Precision Canadian Balanced Growth Fund, MD Bond Fund, MD Short-Term Bond Fund, MD Precision Canadian Moderate Growth Fund, MD Dividend Growth Fund and MD Fossil Fuel Free Bond Fund generally distribute income on a monthly basis. Income earned by MD Equity Fund, MD Canadian Equity Fund, MD American Growth Fund, MD American Value Fund,

MD International Growth Fund, MD International Value Fund, MD Fossil Fuel Free Equity Fund, MDPIM Canadian Equity Pool and MDPIM US Equity Pool is generally distributed on a quarterly basis. Income earned within MD Money Fund is credited to securityholders on each Valuation Date and distributed to securityholders monthly.

Each of MD Strategic Yield Fund, MD Strategic Opportunities Fund, MD Precision Conservative Portfolio, MD Precision Balanced Income Portfolio, MD Precision Moderate Balanced Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Balanced Growth Portfolio and MD Precision Maximum Growth Portfolio generally distribute their income and capital gains annually after December 15 in each year, however, if circumstances warrant, MD Financial Management retains the discretion to distribute income and capital gains on a more frequent basis as it determines.

Distributions made by the MD Funds will be reinvested in additional securities of such MD Fund equal in value to the amount distributed. Securityholders may elect to receive distributions in cash (payable by cheque or electronic funds transfer) subject to a minimum payment amount established from time to time by MD Financial Management.

Information concerning distributions paid by each of the MD Funds is contained in the financial statements of each such MD Fund.

#### **Information and Reports**

Each securityholder of an MD Fund has the right to obtain a copy of the declarations of trust or Letters Patent (as the case may be) governing such MD Fund and shall have the right to inspect and, on payment of the reasonable charges, to procure a list of the securityholders for purposes connected with such MD Fund.

MD Financial Management will annually provide the securityholders of each MD Fund with the information required to be provided by a reporting issuer under the *Securities Act* (Ontario) and other jurisdictions. This information will include (except in the case of MD Fund securities held in registered tax plans) statements necessary to enable you to complete your income tax return for the preceding year.

Audited comparative financial statements as well as the most recently filed annual management report of fund performance will be provided, upon request, to securityholders of the MD Funds within 90 days after the end of the financial year reported on, or such other time as required by securities laws. Also, unaudited semi-annual financial statements will be provided, upon request, to securityholders of the MD Funds within 60 days after the end of the six-month period reported on, or such other time as required by securities laws.

#### **Amendments to Declaration of Trust**

The declaration of trust governing an MD Fund may be amended or altered from time to time. Certain amendments, including but not limited to changes in the fundamental investment objectives of an MD Fund, require approval by a majority of the votes cast at a meeting of the securityholders of an MD Fund called for such purpose, as well as the approval of MD Financial Management. MD Financial Management may, without the approval of or notice to the securityholders, make amendments to the declaration of trust governing each MD Fund for the purpose of:

- a. ensuring continued compliance with applicable laws, regulations and requirements of any governmental authorities having jurisdiction over the MD Fund or its status under the Act as a "unit trust" under Section 108(2)(a) or a

“mutual fund trust” under Section 132(6) thereof or applicable provincial legislation;

- b. providing added protection for the registered or beneficial owners of Securities;
- c. removing conflicts or inconsistencies between the declaration of trust and any applicable law or regulation if in the opinion of MD Financial Management, such amendments are not prejudicial to the interests of the registered or beneficial owners of Securities; or
- d. making such changes or corrections to the declaration of trust which legal counsel for the MD Fund advise are necessary or desirable.

MD Financial Management may make any other amendment to the declaration of trust governing an MD Fund provided that any such amendment shall take effect on a Valuation Date after not less than 60 days' notice of such amendment has been given by ordinary mail to each securityholder of record of the MD Fund at the time of the giving of such notice.

#### **Term**

Each MD Fund will continue until terminated in accordance with the terms of the declaration of trust governing such MD Fund.

## **MD GROWTH INVESTMENTS LIMITED AND DESCRIPTION OF SECURITIES**

### **General**

MD Growth Investments Limited is a mutual fund corporation incorporated pursuant to the laws of the Province of Ontario. MD Growth Investments Limited is authorized to issue an unlimited number of Class A Shares in series, of which Series A, Series S, Series I, Series F and Series D have been designated. The authorized capital of MD Growth Investments Limited also consists of 2,656 Common Shares. Effective September 27, 2018, the authorized capital of MD Growth Investments Limited was increased by the creation of an unlimited number of Voting Common Shares. Series A, Series I, Series F and Series D shares are currently available for purchase. Shares may only be issued by MD Growth Investments Limited as fully paid and non-assessable, so that shareholders will not be liable to further calls or assessments with respect to shares purchased. Holders of mutual fund securities of MD Growth Investments Limited are included in the term “securityholders” for the purposes of this simplified prospectus.

The Class A Shares and the Common Shares rank equally with respect to all payments to securityholders of MD Growth Investments Limited by way of dividend. The holders of Voting Common Shares are not entitled to receive dividends. If the assets of MD Growth Investments Limited are distributed among its securityholders for the purpose of winding up its affairs, holders of Class A Shares are entitled to receive the amount paid up on the Class A Shares held by them in priority to the repayment of the amount paid up on the Common Shares to the holders thereof, and thereafter the holders of the Class A Shares and holders of Common Shares rank equally with respect to all further distributions. Securityholders are not entitled to any pre-emptive right or any right to convert securities into any other security of MD Growth Investments Limited. A holder of one or more Class A Shares may require MD Growth Investments Limited to purchase securities for cancellation as described in “Redemption of Securities”.

### **Voting Rights**

Holders of Class A Shares are not entitled as such to receive notice of or to attend any meetings of shareholders of MD Growth Investments Limited and are not entitled to vote at any such meeting. Holders of Class A Shares are, however, entitled to receive notice of meetings of securityholders called for the purpose of authorizing the dissolution of the MD Fund or the sale of the undertaking of the MD Fund or a substantial part thereof and any modification to the rights and provisions attaching to the Class A Shares must be approved by at least two-thirds of the votes cast at a meeting of the securityholders duly called for that purpose. Holders of Common Shares and Voting Common Shares are entitled to receive notice of, attend and vote at meetings of the shareholders of MD Growth Investments Limited except those meetings where only holders of a specified class or particular series of shares are entitled to vote. In addition, MD Financial Management will convene a meeting of securityholders to consider and approve, by a majority of the votes cast at such meeting, those changes required to be approved by securityholders under applicable securities legislation as described under “Descriptions of the Securities Offered by the MD Funds Voting Rights”. At all meetings of securityholders, each shareholder shall be entitled to one vote in respect of each Share held.

### **Dividend Distributions**

The payment of dividends to securityholders is secondary to the primary objective of MD Growth Investments Limited of providing capital growth. The present policy of this MD Fund is to pay dividends only where necessary to entitle this MD Fund to refunds of income taxes payable by this MD Fund to the extent possible. Securityholders are not required to reinvest the proceeds of dividends in Securities of this MD Fund or to re-invest in the Securities of another MD Fund, however, such dividends are automatically reinvested in additional Securities unless a securityholder requests in writing that such amount be paid in cash or re-invested in another MD Fund. Dividend reinvestments are made at the net asset value per security on the Valuation Date following the date of payment of such dividend. Information concerning dividends paid by MD Growth Investments Limited is contained in the financial statements of MD Growth Investments Limited.

## **NAME, FORMATION AND HISTORY OF THE MD FUNDS**

MD Financial Management Inc. is the manager and trustee of each of the MD Funds that are organized as trusts. MD Precision Canadian Balanced Growth Fund, MD Bond Fund, MD Short-Term Bond Fund, MD Precision Canadian Moderate Growth Fund, MD Equity Fund, MD Money Fund, MD Canadian Equity Fund, MD American Growth Fund, MD American Value Fund, MD International Growth Fund, MD Dividend Growth Fund, MD International Value Fund, MD Strategic Yield Fund, MD Strategic Opportunities Fund, MD Precision Conservative Portfolio, MD Precision Balanced Income Portfolio, MD Precision Moderate Balanced Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Balanced Growth Portfolio, MD Fossil Fuel Free Bond Fund, MD Fossil Fuel Free Equity Fund and MD Precision Maximum Growth Portfolio were formed under various declarations of trust, but are now governed by an amended and restated master declaration of trust dated June 27, 2007, as further amended on September 14, 2007, September 21, 2007, October 17, 2007, October 26, 2009, January 6, 2019, October 25, 2010, March 27, 2012, June 9, 2012, January 30, 2014, June 21, 2014, December 15, 2014, May 11, 2016, May 10, 2017, March 19, 2018, January 2, 2019 and June 17, 2019, as may be further amended from time to time (the “MD Declaration of Trust”). MDPIM Canadian Equity Pool and MDPIM US Equity Pool were formed and are governed by an amended and restated master

declaration of trust dated December 28, 2000, as amended on February 27, 2001, October 30, 2002, and on December 12, 2002, October 25, 2010, June 21, 2014, January 13, 2015 and May 10, 2017, as may be further amended from time to time (the "MDPIM Declaration of Trust" and together with the MD Declaration of Trust, the "Declarations of Trust").

Effective June 21, 2014, the Declarations of Trust were amended to provide for fund distributions to occur on deemed taxation year ends of the MD Funds. Effective December 15, 2014, the Declarations of Trusts were amended to permit MD Financial Management Inc., in its sole discretion to treat all or a portion of redemption proceeds of an MD Fund on any redeemed Units during the fiscal year, as a distribution of realized capital gains.

Effective October 3, 2018, The Bank of Nova Scotia completed the acquisition of the Manager and all its subsidiaries, resulting in a change of control of the Manager.

Effective January 1, 2022, the Manager appointed the Multi-Asset Management Team within 1832 Asset Management L.P. as the portfolio manager of each MD Fund, resulting in a change of portfolio manager.

MD Growth Investments Limited is a mutual fund corporation incorporated pursuant to the laws of the Province of Ontario by letters patent dated July 18, 1969, as amended on July 26, 1994, September 28, 2007 to re-designate class A shares to Series A shares, October 30, 2009 to create Series I shares, March 16, 2015, May 16, 2018 to create Series D shares, May 31, 2018 to create Series F shares and September 27, 2018 to create Voting Common Shares.

Each MD Fund may use, or be referred to by, the English or French form of its name or by both forms.

The French name, any name changes in the last 10 years, and any major events affecting one MD Fund only in the last 10 years are described in the MD Fund's profile.

Each of the MD Funds are governed by the laws of the Province of Ontario. The principal office of the MD Funds and MD Financial Management is located at 1870 Alta Vista Drive, Ottawa, Ontario, K1G 6R7.

## EXPLANATORY INFORMATION

This part of the simplified prospectus provides specific information about each MD Fund, including the MD Fund's investment objectives and strategies and management fees.

The following explanations are provided to help you more easily understand the specific information about each of the MD Funds.

### Derivatives

A derivative is a contract between two parties the value of which is based on, or derived from an underlying asset such as a stock or currency. It is not a direct investment in the underlying asset itself. For more information on derivatives and their associated risks see "Specific Investment Risks" at page 28 in this prospectus. Some examples of derivatives are: options, futures contracts, forward contracts, and swap contracts. Options are instruments that grant owners the right, but not the obligation, to buy or sell an asset or commodity at a fixed price, either on a fixed date or up until a specific date. Futures and forward contracts represent an agreement to buy or sell an asset or commodity at a fixed price on a future date. Swap contracts are agreements between parties to exchange the returns on assets over a fixed period of time.

### Distributions

These are payments of the earnings of a mutual fund to the MD Fund's securityholders. An MD Fund's earnings can be income from interest, derivatives and dividends, or capital gains from the sale of securities. Distributions are usually reinvested in additional securities in the MD Fund, unless you elect to receive your distribution in cash. Generally, you must pay income tax on them whether you are paid in cash or the distributions are reinvested in additional securities, unless you hold the securities in an RRSP, RRIF, DPSP, RESP, RDSP or TFSA.

### ESG Considerations

The Portfolio Manager incorporates ESG factors into the investment process when making investment decisions for and monitoring the sub-advisers of certain MD Funds that indicate in their investment strategies that they consider ESG factors. ESG factors are taken into consideration when assessing the risk/reward merits of investments. All of the ESG factors listed below are considered for such MD Funds.

Environmental factors refer to issues impacting the natural environment, including climate change (a company's regulations on, or vulnerability or exposure to climate change, which is a long-term shift in temperature and weather pattern), greenhouse gas emissions, resource depletion and water scarcity, waste and pollution, biodiversity and deforestation. Social factors refer to issues centered around people and can include working conditions (including slavery and child labour), local communities (including indigenous communities), conflict (a company's exposure to broader geopolitical risk), health and safety (workplace safety and workplace safety standards in the industries and regions in which companies operate), employee relations, and diversity and inclusion (ability to ensure organization is comprised of diverse individuals where employees feel included). Governance factors refer to issues regarding how companies are managed and governed, including executive pay, bribery and corruption, political lobbying and donations, board diversity and structure, and tax strategy.

Third party research data and customized criteria used by third party providers that prioritizes ESG issues that the Portfolio Manager believes to be important are used to gain a full understanding of assets under oversight, as well as the overall contribution and impact the assets have on investment portfolios' ESG risk. Following the initial quantitative process, a qualitative review of companies that scored poorly is carried out by reviewing the companies' sustainability websites for context. It is at this point that a determination is made about the actual ESG risk exposure and how it will be considered in the investment decision making process. For example, poor employee engagement surveys may lead to a poor ESG score related to labour practices (an ESG factor), but is not evidence of actual bad practices. Instances where there is evidence of significant poor ESG practices with no apparent remedial plans to correct them would be more material, and the Portfolio Manager would actively engage with sub-advisors or directly with the companies in this instance.

Investments are not generally excluded based on ESG factors alone, with the exception of investment in companies that manufacture tobacco or tobacco-related products or whose primary business is cannabis or cannabis related products. Primary business means that 25% or more of the company's revenue comes from cannabis or cannabis related products.

### Management Expense Ratio (MER)

A common way of comparing the fees and expenses incurred by a mutual fund is the management expense ratio (MER). The MER is the ratio, expressed as a percentage, of the expenses of the mutual fund to its average net asset value, calculated in accordance with Part 15 of National Instrument 81-106 Investment Funds Continuous Disclosure.

## MD Management Account

An MD Management account offers the following types of investments:

- MD Funds;
- non-MD funds;
- Guaranteed term deposits from certain Canadian financial institutions;
- Fixed-income investments such as bonds, strip bonds, treasury bills and guaranteed term deposits;
- Stocks traded on major exchanges in North America.

## Realized Capital Gain or Loss

Generally, this is the difference between the amount you get when you redeem or sell mutual fund securities and the adjusted cost base of the securities. If the difference is positive, it is a capital gain and you have to pay tax on one half of it. If it is negative, it is a capital loss and you may be able to claim it against other capital gains.

## Redeem, Redeemable

Sell securities of a mutual fund back to the mutual fund. Mutual fund securities are redeemable at any time.

## Securities

Securities include stocks (also called shares or equities) which are ownership in a corporation, mutual fund trust units, rights to ownership such as options and warrants, and bonds which are loans to corporations and governments.

## Securityholder

In this prospectus, securityholder means, an owner of units of a mutual fund trust or shares of a mutual fund corporation. In general, this is an owner of any security.

## Securities Lending

Each of the MD Funds may engage in securities-lending transactions as permitted by the Canadian securities regulatory authorities from time to time. A securities-lending program will be serviced through the custodian and will be used in conjunction with the MD Fund's other investment strategies in a manner considered most appropriate to achieving the MD Fund's overall investment objectives, as it provides a way for the MD Fund to earn additional returns by lending portfolio securities to another person or entity (a borrower) in return for a fee. The MD Fund will also receive compensation payments from the borrower equal to all dividends paid on shares, and all interest paid on other

securities, that are the subject of any securities-lending transactions. The MD Fund will enter securities-lending transactions from time to time subject to the availability of willing and qualified borrowers. The MD Fund will hold collateral equal to not less than 102% of the value of the loaned securities and will lend no more than 50% of the net asset value of the MD Fund. There are certain risks associated with securities-lending transactions. In this regard, see "Specific Investment Risks" in Part B of this simplified prospectus.

## INVESTMENT RISK CLASSIFICATION METHODOLOGY

The investment risk level of each MD Fund is determined in accordance with the Canadian Securities Administrators standardized risk classification methodology using each MD Fund's historical volatility as measured by the 10-year standard deviation of the returns of each MD Fund. Historical volatility for any MD Fund with less than 10 years of performance history is calculated using a reference index that is expected to reasonably approximate the standard deviation of the MD Fund. Once an MD Fund has 10 years of performance history, the methodology will calculate the standard deviation of the MD Fund using the return history of the MD Fund rather than that of the reference index. In each case, the MD Funds are assigned an investment risk rating in one of the following categories: low, low to medium, medium, medium to high or high risk.

It is important to understand that other types of risk, both measurable and non-measurable, may exist. It is also important to note that an MD Fund's historical volatility may not be indicative of its future volatility.

A fund may be suitable for you as an individual component within your entire portfolio, even if the fund's risk rating is higher or lower than your personal risk tolerance level. When you choose investments, you should consider your whole portfolio, investment objectives, your time horizon, and your personal risk tolerance level.

The risk methodology used by the Manager to determine the risk level of each MD Fund is available on request, at no cost by calling toll-free 1 800 267-2332, by e-mail at [MDFunds.SimplifiedProspectus@md.ca](mailto:MDFunds.SimplifiedProspectus@md.ca), or by writing to MD Financial Management Inc., 1870 Alta Vista Drive, Ottawa ON K1G 6R7.

The following chart describes the reference indices used for each MD Fund that has a performance history of less than 10 years.

MD FUND	REFERENCE INDEX
MD Fossil Fuel Free Equity Fund	• MSCI World Index, which measures the aggregate common share returns of the world's largest companies
MD Fossil Fuel Free Bond Fund	• FTSE Canada Universe Bond Index, which measures the returns on Canadian bonds with greater than one year to maturity
MD Strategic Opportunities Fund	<ul style="list-style-type: none"> <li>• 8.65% S&amp;P Global excluding US Small Cap Index, which measures the performance of the lowest 15% of float-adjusted market cap in each developed and emerging country, except the US</li> <li>• 10.7% CRSP US Small Cap Index, which measures the performance of US small cap stocks</li> <li>• 5.0% Russell Microcap Index, which measures the performance of US microcap stocks</li> <li>• 1.6% Deutsche Bank DBIQ Optimum Yield Diversified Commodity Index, which measures the performance of broad-based commodities contracts</li> <li>• 1.1% Deutsche Bank DBIQ Diversified Agriculture Index, which measures the performance of agricultural commodities contracts</li> <li>• 0.8% Deutsche Bank DBIQ Optimum Yield Industrial Metals Index, which measures the performance of base metals commodities contracts</li> <li>• 2.2% Bloomberg Gold Tracker Index, which measures the performance of Gold commodity contracts</li> <li>• 2.0% Bloomberg Silver Sub-index, which measures the performance of Silver commodity contracts</li> <li>• 2.7% Solactive Global Silver Miners Index, which measures the performance of the largest international companies active in exploration, mining and/or refining of silver</li> </ul>



MD FUND	REFERENCE INDEX
MD Strategic Opportunities Fund (continued)	<ul style="list-style-type: none"> <li>◆ 5.9% NYSE Arca Gold Miners Index, which measures the performance of publicly traded global companies involved primarily in the mining of gold</li> <li>◆ 7.8% MSCI US REIT Index, which measures the performance of the most actively traded US real estate investment trusts</li> <li>◆ 9.9% S&amp;P Global Infrastructure Index, which measures the performance of global listed infrastructure stocks</li> <li>◆ 1.5% S&amp;P Global Water Index, which measures the performance of global stocks including water utilities, infrastructure, equipment, instruments, and materials</li> <li>◆ 1.2% NASDAQ OMX Global Water Index, which measures the performance of global listed companies that create products designed to conserve and purify water for homes, businesses and industries</li> <li>◆ 2.6% NASDAQ OMX US Water Index, which measures the performance of US listed companies that create products designed to conserve and purify water for homes, businesses and industries</li> <li>◆ 13.1% S&amp;P Global Natural Resources Index, which measures the performance of the largest publicly-traded companies in natural resources and commodities businesses</li> <li>◆ 4.8% MVIS Global Agribusiness Index, which measures the performance of the largest and most liquid companies active in the agribusiness sector</li> <li>◆ 1.55% S&amp;P Global Timber and Forestry Index, which measures the performance of global timber and forestry stocks</li> <li>◆ 6.9% MSCI World Index, which measures the performance of developed world equity markets</li> <li>◆ 6.4% Dow Jones Global ex-US Select Real Estate Securities Index, which measures the performance of global real estate securities, excluding the US, that serve as proxies for direct real estate investing</li> <li>◆ 1.3% Solactive Global Lithium Index, which measures the performance of the largest and most liquid companies involved in the exploration and/or mining of lithium or the production of lithium batteries</li> <li>◆ 1.3% ISE Water Index, which measures the performance of companies engaged in water distribution, water filtration, flow technology, and other water solutions</li> <li>◆ 1.0% FTSE Canada 91 Day T-Bill Index, which measures the performance of Canadian short-term money market rates</li> </ul>
MD Strategic Yield Fund	<ul style="list-style-type: none"> <li>◆ 8.5% JP Morgan EMBI Global Core Index, which measures the returns of emerging market corporate high yield bonds</li> <li>◆ 7.7% Bloomberg Barclays High Yield Index, which measures the returns of the liquid component of the USD-denominated, high yield, fixed-rate corporate bond market</li> <li>◆ 12.2% Bloomberg Barclays US Treasury Inflation-Linked Bond Index, which measures the performance of the US Treasury Inflation Protected Securities (TIPS) market</li> <li>◆ 12.2% Bloomberg Barclays US Aggregate Bond Index, which measures the returns of the investment grade, US dollar-denominated, fixed-rate taxable bond market</li> <li>◆ 3.3% S&amp;P Preferred Stock Total Return Index, which measures the performance of US preferred stocks</li> <li>◆ 7.2% S&amp;P/LSTA U.S. Leveraged Loan 100 Index, which measures the performance of the largest facilities in the US leveraged loan market</li> <li>◆ 10.0% Bloomberg Barclays US MBS Index, which measures the performance of US mortgaged backed securities</li> <li>◆ 5.5% Bloomberg Barclays U.S. Convertibles Liquid Bond Index, which measures the returns of US convertible bonds</li> <li>◆ 9.9% Bloomberg Barclays GLA x USD Float Adj RIC Capped Index, which measures the returns of the investment grade international bonds</li> <li>◆ 5.0% Bloomberg Barclays Global Treasury Index, which measures the returns of fixed-rate, local currency government debt of investment grade countries, including both developed and emerging markets</li> <li>◆ 1.7% FTSE International Inflation-Linked Securities Select Index, which measures the performance of international inflations linked securities</li> <li>◆ 1.0% FTSE Canada 91 Day T-Bill Index, which measures the performance of Canadian short-term money market rates</li> <li>◆ 0.4% ICE BofAML Global ex-US Issuers High Yield Constrained Index, which measures the returns of international corporate high yield bonds</li> <li>◆ 4.8% Bloomberg Barclays EM Local Currency Government Index, which measures the performance of local currency emerging markets government debt</li> <li>◆ 6.0% Bloomberg Barclays US FRN &lt; 5 yrs Index, which tracks the performance of US floating-rate notes with a maturity of less than 5 years</li> <li>◆ 3.1% ICE BofAML US Corporate Index, which tracks the performance of US dollar denominated investment grade corporate debt</li> <li>◆ 0.6% Wells Fargo Hybrid and Preferred Securities Floating and Variable Rate Index, which measures the performance of preferred and hybrid securities with a floating or variable rate</li> <li>◆ 0.9% Bloomberg Barclays USD EMG Govt RIC Capped Index, which measures the returns of US dollar-denominated government bonds from emerging markets</li> <li>◆ 50.0% USDCAD 1 Month FX Forward Rate Index, which measures the 1-month USD/CAD forward rate at UK closing</li> </ul>

# MD Precision Canadian Balanced Growth Fund

## FUND DETAILS

### Type of Fund

Canadian Equity Balanced

### Start Date of Fund

September 15, 1992 – Series A units

October 12, 2017 – Series I units

October 6, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario.

### Sub-Advisers

Hillsdale Investment Management Inc. of Toronto, Ontario

Jarislowsky, Fraser Limited of Montréal, Québec

Manulife Investment Management Limited of Toronto, Ontario,  
Manulife Investment Management (US) LLC of Boston,  
Massachusetts, USA, and Manulife Investment Management  
(Hong Kong) Limited of Causeway Bay, Hong Kong

1832 Asset Management L.P. of Toronto, Ontario

Triasima Portfolio Management Inc. of Montréal, Québec

Walter Scott & Partners Limited of Edinburgh, Scotland

### Securities offered

Mutual Fund Units - Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 1.24%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.24%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.29%

Series D – 0.89%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objectives are to achieve income and long-term capital growth in conjunction with capital conservation.

The Fund invests in a mixture of mid to large cap equities of Canadian and foreign companies as well as both corporate and government fixed-income securities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

Investments are made primarily in Canadian and foreign equities, as well as fixed income investments. The Fund emphasizes equities for capital appreciation plus income generation and has exposure to fixed income investments for capital preservation and income generation.

The Fund employs an active, multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skill, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

Using quantitative and qualitative techniques, the Fund's Portfolio Manager and sub-advisers complete a top-down and a bottom-up analysis to produce a well-diversified portfolio that seeks to deliver excess return (compared to its benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund may invest up to 30% of its net assets in foreign securities.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the equity portion of the assets of the Fund. For further details in this regard, see “ESG Considerations” in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk	•		
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk		•	
Large investor risk		•	
Liquidity risk			•
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk			•
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MD Fund was changed on March 19, 2018 from MD Balanced Fund to MD Precision Canadian Balanced Growth Fund.

The name of MD Precision Canadian Balanced Growth Fund in French is “Fonds canadien équilibré de croissance Précision MD”.

# MD Bond Fund

## FUND DETAILS

### Type of Fund

Canadian Fixed Income Fund

### Start Date of Fund

July 1, 1988 – Series A units

January 15, 2010 – Series I units

October 6, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

1832 Asset Management L.P. of Toronto, Ontario

Manulife Investment Management Limited of Toronto, Ontario, Manulife Investment Management (US) LLC of Boston, Massachusetts, USA, and Manulife Investment Management (Hong Kong) Limited of Causeway Bay, Hong Kong

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 0.84%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 0.84%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.04%

Series D – 0.50%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objectives are to conserve principal and produce income with capital appreciation as a secondary consideration.

The Fund invests in a variety of Government of Canada, provincial, municipal, corporate and asset-backed bonds with mid to long terms of maturity. The Fund may also invest in foreign securities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

## Investment Strategies

The Fund employs an active, multiple sub-adviser approach seeking to provide capital preservation, as well as elevated income. Using the unique strengths of each sub-adviser, the Fund seeks to deliver excess return (compared to the benchmark) via a combination of income and capital gain, as well as, diversified risk exposures. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skill, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

Primarily focused on Canadian investments, the Fund may invest in a wide range of fixed income securities, including, but not restricted to, high yield fixed income securities, emerging market debt, bank loans, mortgage backed securities, convertible bonds, real estate investment trusts, preferred shares and asset backed securities.

The Fund will typically not hold more than 25% of its portfolio in debt securities that are rated as non-investment grade.

The Fund will typically not hold more than 30% of its portfolio in non Canadian securities.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
Exchange-traded fund (ETF) risk			•
Fixed income investments risk	•		
Foreign currency risk		•	
Foreign securities risk		•	
Fund of funds risk			•
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk			•
Large investor risk	•		
Liquidity risk			•
Market risk			•
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk			•
Underlying fund risk		•	

As at April 30, 2022, MD Precision Moderate Growth Portfolio, MD Precision Balanced Growth Portfolio, and MD Precision Moderate Balanced Portfolio held approximately 13.96%, 13.92% and 25.24% of the units of the Fund, respectively. Please see “Large investor risk” for a description of the risks associated with possible redemption requests by either of these investors.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Bond Fund in French is “Fonds d’obligations MD”.

# MD Short-Term Bond Fund

## FUND DETAILS

### Type of Fund

Canadian Fixed Income Fund

### Start Date of Fund

October 1, 1995 – Series A units

January 15, 2010 – Series I units

October 13, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

1832 Asset Management L.P. of Toronto, Ontario

Manulife Investment Management Limited of Toronto, Ontario, Manulife Investment Management (US) LLC of Boston, Massachusetts, USA, and Manulife Investment Management (Hong Kong) Limited of Causeway Bay, Hong Kong

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 0.84%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 0.84%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.04%

Series D – 0.45%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objectives are to conserve capital and produce income.

The Fund invests in a variety of Government of Canada, provincial or municipal government bonds, corporate bonds, bonds of government backed crown corporations, National Housing Association (NHA) mortgages, conventional residential mortgages and NHA backed mortgages. The Fund may also invest in foreign securities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

## Investment Strategies

The Fund employs an active, multiple sub-adviser approach seeking to provide capital preservation, as well as elevated income. Using the unique strengths of each sub-adviser, the Fund seeks to deliver excess return (compared to the benchmark) via a combination of income and capital gain, as well as, diversified risk exposures. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skill, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

Primarily focused on Canadian investments, the Fund may invest in a wide range of fixed income securities including, but not restricted to, high yield fixed income securities, emerging market debt, bank loans, mortgage backed securities, convertible bonds, real estate investment trusts, preferred shares and asset backed securities.

The Fund will typically not hold more than 25% of its portfolio in debt securities that are rated as non investment grade.

The Fund will typically not hold more than 30% of its portfolio in non Canadian securities.

The sub-adviser or the Portfolio Manager may move up to 25% of the net assets of the Fund into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
Exchange-traded fund (ETF) risk			•
Fixed income investments risk	•		
Foreign currency risk			•
Foreign securities risk			•
Fund of funds risk			•
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk			•
Large investor risk	•		
Liquidity risk			•
Market risk			•
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk			•
Underlying fund risk		•	

As at April 30, 2022, MD Precision Balanced Income Portfolio and MD Precision Conservative Portfolio held approximately 18.73% and 61.13% of the units of the Fund, respectively. Please see “Large investor risk” for a description of the risks associated with possible redemption requests by either of these investors.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Short-Term Bond Fund in French is “Fonds d’obligations à court terme MD”.

# MD Precision Canadian Moderate Growth Fund

## FUND DETAILS

### Type of Fund

Canadian Equity Balanced Fund

### Start Date of Fund

September 25, 1992 – Series A units

October 12, 2017 – Series I units

October 2, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Manulife Investment Management Limited, Toronto, Ontario, Manulife Investment Management (US) LLC of Boston, Massachusetts, USA, and Manulife Investment Management (Hong Kong) Limited of Causeway Bay, Hong Kong

1832 Asset Management of Toronto, Ontario

Montrusco Bolton Investments Inc. of Montréal, Québec

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.24%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.24%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.29%

Series D – 0.89%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's investment objective is to maximize dividend income in a manner consistent with capital conservation.

The Fund invests primarily in high quality dividend producing preferred and common shares of Canadian corporations on a diversified industry basis. The Fund may also invest in bonds and short-term debt securities and income trusts.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

Investments are made in Canadian and foreign equities, as well as fixed income investments. The Fund emphasizes equities for capital appreciation plus income generation and maintains exposure to fixed income investments for capital preservation and income generation.

The Fund employs an active, multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of sub-adviser for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

Using quantitative and qualitative techniques, the Portfolio Manager and sub-advisers complete a top down and a bottom-up analysis to produce a well-diversified portfolio that seeks to deliver excess return (compared to its benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund may invest up to 30% of its net assets in foreign securities.

The Fund will typically not hold more than 25% of its portfolio in debt securities that are rated as non investment grade.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of the simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the equity portion of the assets of the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.



## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk		•	
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
ESG factor risk			•
Exchange-traded fund (ETF) risk			•
Fixed income investments risk	•		
Foreign currency risk		•	
Foreign securities risk		•	
Fund of funds risk			•
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk	•		
Large investor risk		•	
Liquidity risk			•
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk			•
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MD Fund was changed on March 19, 2018 from MD Dividend Income Fund to MD Precision Canadian Moderate Growth Fund.

The name MD Precision Canadian Moderate Growth Fund in French is “Fonds canadien de croissance modérée Précision MD”.

# MD Equity Fund

## FUND DETAILS

### Type of Fund

Canadian Equity Fund

### Start Date of Fund

February 28, 1966 – Series A units

January 15, 2010 – Series I units

October 3, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

For Canadian securities: Hillsdale Investment Management Inc. of Toronto, Ontario; Jarislowsky, Fraser Limited of Montréal, Québec; Triasima Portfolio Management Inc. of Montréal, Québec.

For foreign securities: Fiduciary Management Inc. of Milwaukee, Wisconsin, USA; Jarislowsky, Fraser Limited of Montréal, Québec; Jensen Investment Management Inc. of Lake Oswego, Oregon, USA; Janus Henderson Investors US LLC of Denver, Colorado, USA; Columbia Management Investment Advisers, LLC of Boston, Massachusetts, USA.

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 1.24%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.24%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.29%

Series D – 0.70%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objectives are to provide long-term capital growth, having due regard to the preservation of capital, with income production as a secondary consideration.

The Fund invests in a diversified portfolio of Canadian equity securities of small, mid and large cap companies.

The Fund may invest up to 30% of its portfolio in non-Canadian securities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund primarily invests in equity securities of quality Canadian companies at reasonable prices, across the market capitalization spectrum.

The Fund may invest up to 30% of its portfolio in non-Canadian securities.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus."

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk		•	
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk	•		
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Equity Fund in French is “Fonds d’actions MD”.

# MD Growth Investments Limited

## FUND DETAILS

### Type of Fund

Global Equity Fund

### Start Date of Fund

December 1, 1969 – Series A shares \*

January 15, 2010 – Series I shares

October 2, 2017 – Series F shares

June 25, 2018 – Series D shares

\*Prior to September 28, 2007, the Series A shares were called Class A shares

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Jarislowsky, Fraser Limited of Montréal, Québec

Walter Scott & Partners Limited of Edinburgh, Scotland

### Securities offered

Shares – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 1.24%

Series I – For institutional investors, the management fee is negotiated with and is paid by the shareholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.24%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.29%

Series D – 0.84%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objectives are to provide long-term capital growth, with due regard to the conservation of capital and with income production as a secondary consideration.

The Fund invests in a diversified portfolio of equity securities from around the world. Assets are invested in mainly mid to large cap companies in industrialized nations; however up to 15% of net assets may be invested in emerging markets.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

## Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-adviser's skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of the simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk	•		
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk	•		
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

This Fund usually retains its earnings, but may occasionally pay out earnings in the form of dividends. When the Fund pays a dividend, it is automatically reinvested in additional shares of the Fund, unless you elect to receive your dividend in cash. We will only pay cash if the dividend is at least \$15.

## NAME AND HISTORY

The name of MD Growth Investments Limited in French is “Placements d’avenir MD Limitée.

# MD Dividend Growth Fund

## FUND DETAILS

### Type of Fund

Canadian Dividend and Income Equity

### Start Date of Fund

January 22, 2007 – Series A units

February 10, 2012 – Series I units

October 3, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Montrusco Bolton Investments Inc. of Montréal, Québec

1832 Asset Management L.P. of Toronto, Ontario

### Securities Offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs TFSA and RESPs.

### Management Fee

Series A – 1.24%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.24%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.29%

Series D – 0.85%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's investment objectives are to produce a high level of consistent income while providing long-term capital appreciation by investing primarily in high quality dividend producing common shares, preferred shares, income trusts, and other income producing securities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of securityholders.

## Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-adviser's skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund invests in equity securities of quality companies, at reasonable prices, that have a high dividend yield and also demonstrated an ability to deliver a consistent and growing level of dividends over time, in income trusts that are expected to have stable and growing distributions over time, and may invest in other income paying securities.

The Fund may invest up to 30% of its portfolio in foreign securities.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
ESG factor risk			•
Exchange-traded fund (ETF) risk			•
Fixed income investments risk	•		
Foreign currency risk		•	
Foreign securities risk		•	
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk	•		
Large capitalization companies risk		•	
Large investor risk		•	
Liquidity risk			•
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MD Dividend Growth Fund in French is “Fonds croissance de dividendes MD”.

# MD International Growth Fund

## FUND DETAILS

### Type of Fund

International Equity Fund

### Start Date of Fund

August 11, 2000 – Series A units

January 15, 2010 – Series I units

October 12, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Walter Scott & Partners Limited of Edinburgh, Scotland and Mawer Investment Management Ltd. of Calgary, Alberta advise on the Fund's international (excluding North American) equity securities.

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.59%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.59%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.64%

Series D – 0.87%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objective is to achieve long-term capital growth.

The Fund invests in equity securities of companies in industrialized nations outside of Canada and the United States. It may also invest up to 15% of its net assets in emerging markets.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

## Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund may invest up to 25% of the net assets of into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of the simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.



## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk	•		
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk	•		
Large investor risk	•		
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk		•	

As at April 30, 2022, MD Precision Moderate Balanced Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Maximum Growth Portfolio and MD Precision Balanced Growth Portfolio held approximately 13.50%, 10.85%, 10.80% and 18.31% of the units of the Fund, respectively. Please see “Large investor risk” for a description of the risks associated with possible redemption requests by these investors.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD International Growth Fund in French is “Fonds international de croissance MD”.

# MD International Value Fund

## FUND DETAILS

### Type of Fund

International Equity Fund

### Start Date of Fund

January 29, 2004 – Series A units

January 15, 2010 – Series I units

October 4, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

EARNEST Partners LLC of Atlanta, Georgia, USA.

LSV Asset Management of Chicago, Illinois, USA.

Jarislowsky, Fraser Limited of Montréal, Québec.

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSA's and RESPs.

### Management Fee

Series A – 1.59%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.59%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.64%

Series D – 0.87%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objective is to achieve long-term growth of capital through investment in international equity markets. The Fund may hold one or more international equity mutual funds (the "Underlying Fund(s)") and/or international equity securities. The Fund may invest up to 20% of its net assets in emerging markets.

Any departure from these fundamental investment objectives requires the approval of MD Financial Management and the ultimate approval of the securityholders.

## Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-adviser's skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions as permitted by the Canadian securities regulatory authorities from time to time. There are certain risks associated with securities-lending transactions. In this regard, see "Securities Lending" in Part B at page 38 of the simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk	•		
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk	•		
Large investor risk	•		
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk		•	

As at April 30, 2022, MD Precision Moderate Growth Portfolio, MD Precision Balanced Growth Portfolio, MD Precision Moderate Balanced Portfolio and MD Precision Maximum Growth Portfolio held approximately 14.04%, 23.72%, 17.81% and 13.42% of the units of the Fund, respectively. Please see “Large investor risk” for a description of the risks associated with possible redemption requests by this investor.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD International Value Fund in French is “Fonds international de valeur MD”.

# MD Money Fund

## FUND DETAILS

### Type of Fund

Canadian Money Market Fund

### Start Date of Fund

September 1, 1983 – Series A units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Adviser

1832 Asset Management L.P., Toronto, Ontario

### Securities offered

Mutual Fund Units – Series A and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 0.49%

Series D – 0.23%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objectives are conservation of principal and income production, with appreciation of capital a secondary objective.

The Fund invests in a variety of short-term debt instruments including Government of Canada and Provincial Treasury bills, Residuals, Government of Canada Crown Corporation Paper and Term Deposits, Commercial Paper and Asset-Backed Securities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Fund will have a weighted term to maturity of not more than 180 days.

Efforts are made to maintain the NAV of the Fund at \$10 by crediting the net income earned in the Fund to Securityholders on each Valuation Date and distributing to Securityholders monthly.

The Portfolio Manager and sub-adviser monitor, among other data, expected changes in monetary policy and Bank of Canada activity, crediting market conditions, and the position of the domestic bond yield curve to position the Fund to take advantage of anticipated changes in the interest rate structure.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

There is a risk that in particular circumstances the NAV of the Fund could fall below \$10. This would mean that an investor seeking to withdraw his investment could lose a portion of his principal. While conservation of principal is one of MD Money Fund's objectives, the Fund is not guaranteed.

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk			•
Emerging markets risk			•
Exchange-traded fund (ETF) risk			•
Fixed income investments risk	•		
Foreign currency risk			•
Foreign securities risk			•
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk			•
Large investor risk		•	
Liquidity risk			•
Market risk			•
Securities lending risk		•	
Series risk			•
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk			•

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled "Investment Risk Classification Methodology" at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

The MD Fund credits net income to securityholders on each Valuation Date and distributes net income to securityholders monthly.

## NAME AND HISTORY

The name of MD Money Fund in French is "Fonds monétaire MD".

# MD Canadian Equity Fund

## FUND DETAILS

### Type of Fund

Canadian Equity Fund

### Start Date of Fund

November 19, 1993 – Series A units

January 15, 2010 – Series I units

October 12, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Hillsdale Investment Management Inc. of Toronto, Ontario.

Jarislowsky, Fraser Limited of Montréal, Québec.

Triasima Portfolio Management Inc. of Montréal, Québec.

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 1.24%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.24%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.29%

Series D – 0.70%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objective is to provide long-term capital growth with income production as a secondary consideration.

The Fund invests in a diversified portfolio of equities, with the primary focus on Canadian companies.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

## Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-adviser for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund primarily invests in equity securities of quality Canadian companies, at reasonable prices, across the market capitalization spectrum.

The Fund may invest up to 10% of its portfolio in non-Canadian securities.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk		•	
Foreign securities risk		•	
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk	•		
Large investor risk	•		
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk		•	

As at April 30, 2022, MD Precision Moderate Growth Portfolio, MD Precision Balanced Growth Portfolio, MD Precision Maximum Growth Portfolio and MD Precision Moderate Balanced Portfolio held approximately 13.05%, 23.19%, 13.24% and 17.26% of the units of the Fund, respectively. Please see “Large investor risk” for a description of the risks associated with possible redemption requests by any of these investors.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MD Fund was changed on June 17, 2019 from MD Select Fund to MD Canadian Equity Fund.

The name of MD Canadian Equity Fund in French is “Fonds d’actions canadiennes MD”.

# MD American Growth Fund

## FUND DETAILS

### Type of Fund

US Equity Fund

### Start Date of Fund

October 1, 1992 – Series A units

January 15, 2010 – Series I units

October 2, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Jensen Investment Management Inc. of Lake Oswego, Oregon, USA.

Janus Henderson Investors US LLC of Denver, Colorado, USA.

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 1.24%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.24%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.29%

Series D – 0.72%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's investment objective is to achieve long-term capital growth, with income production as a secondary consideration.

The Fund invests in a diversified portfolio of primarily US equity securities of large, mid and small cap companies.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the Fund's securityholders.

## Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.



## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk	•		
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk		•	

As at April 30, 2022, MD Precision Balanced Growth Portfolio held approximately 10.99% of the units of the Fund. Please see “Large investor risk” for a description of the risks associated with possible redemption requests by any of these investors.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD American Growth Fund in French is “Fonds américain de croissance MD”.

# MD American Value Fund

## FUND DETAILS

### Type of Fund

US Equity Fund

### Start Date of Fund

August 11, 2000 – Series A units

January 15, 2010 – Series I units

October 4, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Columbia Management Investment Advisers, LLC

Boston, Massachusetts, USA.

Fiduciary Management Inc. of Milwaukee, Wisconsin, USA.

### Securities Offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A - 1.44%

Series I - For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.44%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.49%

Series D – 0.72%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objectives are long-term capital growth with due regard for the conservation of capital, with income production as a secondary objective

The Fund invests in a diversified portfolio of primarily US equity securities of large, mid and small cap companies.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the Fund's securityholders.

## Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-adviser for the Fund, based on the Portfolio Manager's assessment of the sub-adviser's skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk	•		
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk		•	

As at April 30, 2022, MD Precision Balanced Growth Portfolio and MD Precision Moderate Balanced Portfolio held approximately 13.64% and 10.44% of the units of the Fund, respectively. Please see “Large investor risk” for a description of the risks associated with possible redemption requests by any of these investors.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD American Value Fund in French is “Fonds américain de valeur MD”.

# MD Strategic Yield Fund

## FUND DETAILS

### Type of Fund

Global Fixed Income

### Start Date of Fund

June 20, 2014 – Series A units

February 13, 2014 – Series I units

October 13, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.39%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.39%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.44%

Series D – 0.45%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objective is to provide income and long-term capital appreciation. The Fund invests primarily to obtain exposure to alternative or non-traditional asset classes or strategies that have a low correlation to traditional asset classes.

The Fund invests primarily in equity securities, exchange-traded funds ("ETFs") listed on a Canadian or U.S. stock exchange and fixed-income securities that emphasize alternative or non-traditional asset classes or strategies. The Fund will also have exposure to currencies and commodities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the Fund's securityholders.

## Investment Strategies

The Fund may invest in any one alternative or non-traditional asset category which is expected to complement or have a low correlation to traditional asset categories within the following ranges: 0% to 50% equities, 0% to 100% ETFs, 0% to 100% fixed-income securities, 0% to 10% Commodity and U.S. ETFs (defined below), and 0% to 25% cash equivalents or debt instruments with a remaining term to maturity of 365 days or less.

The Fund may allocate its assets among, but not limited to, the following alternative or non-traditional asset categories or investment strategies: international investment grade, high-yield and inflation-protected bonds, preferred equities, convertible bonds and emerging market bonds. There is no limit on the amount of foreign securities that the Fund may invest in.

The Fund may invest in ETFs that are index participation units as defined in applicable securities regulation that invest in securities of companies involved in one or more sectors. The Fund may invest up to 100% of its net assets in securities of any ETF (despite it not being an index participation unit), so long as it is a reporting issuer in Canada.

In connection with the Fund's investments in commodities, the Fund may invest, in aggregate, up to 10% of its net assets in specified derivatives of which the underlying interests of which are physical commodities. The Fund may also invest in precious metals – gold, silver, platinum or palladium (up to 10% of the net assets of the Fund).

In addition, the Fund has obtained regulatory relief from certain provisions of NI 81-102, which permits the Fund to invest up to 10% of its net assets in securities of U.S. ETFs. The Fund has also obtained regulatory relief to invest, in aggregate, up to 10% of its net assets indirectly in physical commodities through investments in Gold/Silver ETFs and/or Other Physical Commodity ETFs (collectively, "Commodity ETFs"), which are described under "Commodities Risk" on page 28 of this simplified prospectus.

No more than 10% of the net assets of the Fund (i) will be invested, in aggregate, in U.S. ETFs, Commodity ETFs, permitted precious metals, permitted precious metals certificates and in specified derivatives the underlying interest of which is commodities ("Commodity Products"); and (ii) will have, in aggregate, market value exposure to all these instruments (whether direct or indirect) through the Commodity Products and U.S. ETFs.

The Fund uses a top-down approach combined with tactical asset allocation and currency management to increase exposure to asset classes and currencies that the Portfolio Manager believes to be the most favourable for achieving its investment objective depending on business conditions and market risk aversion. MD Financial Management's process integrates quantitative investment models, global macro perspective, and qualitative fundamental analysis to seek diversification across multiple investment approaches and geographic perspectives. To develop those, we use economic data, risk factors and information in the derivatives markets to establish optimal portfolios depending on the investment cycle. A risk-budgeting optimization process provides a structure on the most efficient way to implement those views that incorporates volatility of each underlying asset, liquidity of the instrument, and costs in seeking to achieve the risk-adjusted return of the Fund.

The Fund may use derivatives such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" at page 37 of Part B of this simplified prospectus.

The Fund may sell securities short, by providing a security interest over fund assets in connection with the short sales and by depositing fund assets with a lender as security in connection with the short sale transaction. These transactions may be used in conjunction with the other investment strategies in a manner considered appropriate to achieving the Fund's investment objectives. The aggregate market value of all securities sold short by the Fund will not exceed 20% of its total net assets on a daily marked-to-market basis.

The Portfolio Manager will invest the Fund's assets in accordance with the investment objectives; however, the Portfolio Manager may temporarily invest any portion of the assets in cash or cash equivalents if it feels market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The underlying funds may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk	•		
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk	•		
Emerging markets risk	•		
Exchange-traded fund (ETF) risk	•		
Fixed income investments risk	•		
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk	•		
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk			•
Large investor risk	•		
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk		•	
Sovereign debt risk	•		
Tax risk	•		
Underlying fund risk			•

As at April 30, 2022, MD Precision Balanced Growth Portfolio, MD Precision Conservative Portfolio, MD Precision Moderate Growth Portfolio and MD Precision Moderate Balanced Portfolio held approximately 13.25%, 20.62%, 13.90% and 24.42% of the units of the Fund, respectively. Please see "Large investor risk" for a description of the risks associated with possible redemption requests by any of these investors.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled "Investment Risk Classification Methodology" at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Strategic Yield Fund in French is "Fonds stratégique de rendement MD."

# MD Strategic Opportunities Fund

## FUND DETAILS

### Type of Fund

Global Equity Fund

### Start Date of Fund

June 20, 2014 – Series A units

February 13, 2014 – Series I units

October 13, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.64%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.64%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.69%

Series D – 0.46%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objective is to provide long-term capital appreciation. The Fund invests primarily to obtain exposure to alternative or non-traditional asset classes or strategies that have a low correlation to traditional asset classes.

The Fund invests primarily in equity securities, exchange-traded funds (ETFs) listed on a Canadian or U.S. stock exchange and fixed-income securities that emphasize alternative or non-traditional asset classes or strategies. The Fund will also have exposure to currencies and commodities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the Fund's securityholders.

## Investment Strategies

The Fund may invest in any one alternative or non-traditional asset category which is expected to complement or have a low correlation to traditional asset categories within the following ranges: 0% to 100% equities, 0% to 100% ETFs, 0% to 25% fixed-income securities, 0% to 10% Commodity and U.S. ETFs (defined below), and 0% to 25% cash equivalents or debt instruments with a remaining term to maturity of 365 days or less.

The Fund may allocate its assets among, but not limited to, the following alternative or non-traditional asset categories or investment strategies: small and micro-cap equities, infrastructure equities, natural resource equities, and real estate investment trusts (REITs). There is no limit on the amount of foreign securities that the Fund may invest in.

The Fund may invest in ETFs that are index participation units as defined in applicable securities regulation that invest in securities of companies involved in one or more sectors. The Fund may invest up to 100% of its net assets in securities of any ETF (despite it not being an index participation unit), so long as it is a reporting issuer in Canada.

In connection with the Fund's investments in commodities, the Fund may invest, in aggregate, up to 10% of its net assets in specified derivatives of which the underlying interests of which are physical commodities. The Fund may also invest in precious metals – gold, silver, platinum or palladium (up to 10% of the net assets of the Fund).

In addition, the Fund has obtained regulatory relief from certain provisions of NI 81-102, which permits the Fund to invest up to 10% of its net assets in securities of U.S. ETFs. The Fund has also obtained regulatory relief to invest, in aggregate, up to 10% of its net assets indirectly in physical commodities through investments in Gold/Silver ETFs and/or Other Physical Commodity ETFs (collectively, "Commodity ETFs"), which are described under "Commodities Risk" on page 28 of this simplified prospectus.

No more than 10% of the net assets of the Fund (i) will be invested, in aggregate, in U.S. ETFs, Commodity ETFs, permitted precious metals, permitted precious metals certificates and in specified derivatives the underlying interest of which is commodities ("Commodity Products"); and (ii) will have, in aggregate, market value exposure to all these instruments (whether direct or indirect) through the Commodity Products and U.S. ETFs.

The Fund uses a top-down approach combined with tactical asset allocation and currency management to increase exposure to asset classes and currencies that the Portfolio Manager believes to be the most favourable for achieving its investment objective depending on business conditions and market risk aversion. MD Financial Management's process integrates quantitative investment models, global macro perspective, and qualitative fundamental analysis to seek diversification across multiple investment approaches and geographic perspectives. To develop those, we use economic data, risk factors and information in the derivatives markets to establish optimal portfolios depending on the investment cycle. A risk-budgeting optimization process provides a structure on the most efficient way to implement those views that incorporates volatility of each underlying asset, liquidity of the instrument, and costs in seeking to achieve the risk-adjusted return of the Fund.

The Fund may use derivatives such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" at page 37 of Part B of this simplified prospectus.

The Fund may sell securities short, by providing a security interest over fund assets in connection with the short sales and by depositing fund assets with a lender as security in connection with the short-sale transaction. These transactions may be used in conjunction with the other investment strategies in a manner considered appropriate to achieving the Fund's investment objectives. The aggregate market value of all securities sold short by the Fund will not exceed 20% of its total net assets on a daily marked-to-market basis.

The Portfolio Manager will invest the Fund's assets in accordance with the investment objectives; however, the Portfolio Manager may temporarily invest any portion of the assets in cash or cash equivalents if it feels market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk	•		
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk	•		
Emerging markets risk	•		
Exchange-traded fund (ETF) risk	•		
Fixed income investments risk		•	
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk			•
Large investor risk	•		
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk		•	
Sovereign debt risk			•
Tax risk	•		
Underlying fund risk			•

As at April 30, 2022, MD Precision Balanced Growth Portfolio, MD Precision Maximum Growth Portfolio, MD Precision Moderate Balanced Portfolio, and MD Precision Moderate Growth Portfolio held approximately 26.24%, 14.67%, 19.25% and 15.17% of the units of the Fund, respectively. Please see "Large investor risk" for a description of the risks associated with possible redemption requests by any of these investors.

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled "Investment Risk Classification Methodology" at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MD Strategic Opportunities Fund in French is "Fonds d'occasions stratégiques MD."

# MD Fossil Fuel Free Bond Fund

## FUND DETAILS

### Type of Fund

Canadian Fixed Income Fund

### Start Date of Fund

June 1, 2016 – Series A units

June 1, 2016 – Series I units

October 13, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Adviser

1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 0.84%

Series I – For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.64%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.69%

Series D – 0.46%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objectives are to conserve principal and produce income with capital appreciation as a secondary consideration. The Fund will follow a fossil fuel free investment strategy.

The Fund invests in a variety of Government of Canada, provincial, municipal, corporate and asset-backed bonds with mid to long terms of maturity. The Fund may also invest in foreign securities.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the security holders.

### Investment Strategies

The Fund seeks to earn an elevated income commensurate with capital preservation. The Fund seeks to deliver excess return (compared to the benchmark) via a combination of income and capital gain, as well as, diversified risk exposures.

Primarily focused on Canadian investments, the Fund may invest in a wide range of fixed income securities, including, but not restricted to, high yield fixed income securities, emerging market debt, bank loans, mortgage backed securities, convertible bonds, real estate investment trusts, preferred shares and asset backed securities.

The Fund will seek to avoid investment in companies involved in extracting, transporting, processing of fossil fuels, such as:

- ♦ companies involved in oil and gas refining, marketing, storage & transportation
- ♦ oil, gas, coal & consumable fuels producers
- ♦ energy equipment & energy services companies
- ♦ companies that have significant involvement in transporting fossil fuels and the fossil fuel transportation infrastructure (includes marine, marine ports and services, railroads and trucking)
- ♦ any companies in the utilities sector that have significant involvement in the fossil fuel industry

The Fund will seek to avoid investing in companies involved in the creation, manufacturing and servicing of core controversial weapons systems, such as but not limited to:

- ♦ anti-personnel mines
- ♦ cluster weapons
- ♦ depleted uranium
- ♦ nuclear weapons
- ♦ white phosphorus
- ♦ biological and chemical weapons

The Fund has detailed investment guidelines and regular compliance monitoring in place to ensure the fund avoids investment in the restricted securities.

The Fund may invest up to 30% of its portfolio in non-Canadian securities.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund will typically not hold more than 25% of its portfolio in debt securities that are rated as non-investment grade.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.



The Fund may engage in securities-lending transactions. For further details in this regard, see “Securities Lending” in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be “alternative mutual funds” under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see “ESG Considerations” in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
Environmental policy risk	•		
ESG factor risk			•
Exchange-traded fund (ETF) risk			•
Fixed income investments risk	•		
Foreign currency risk			•
Foreign securities risk		•	
Fund of funds risk			•
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk			•
Large investor risk		•	
Liquidity risk			•
Market risk			•
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk			•
Underlying fund risk			•

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive those earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MD Fossil Fuel Free Bond Fund in French is “Fonds d'obligations sans combustibles fossiles MD”.

# MD Fossil Fuel Free Equity Fund

## FUND DETAILS

### Type of Fund

Global Equity Fund

### Date of Establishment

June 1, 2016 - Series A units

June 1, 2016 – Series I units

October 13, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Jarislowsky, Fraser Limited of Montréal, Québec

Comgest Asset Management International Limited of Dublin, Ireland

### Units offered

Mutual Fund Units – Series A, Series I, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A - 1.24%

Series I - For institutional investors, the management fee is negotiated with and is paid by the unitholder directly to the Manager. Institutional investors must enter into an Institutional Investment agreement with the Manager. The maximum fee is 1.24%. For managed account clients, the management fee is 0% – however managed account clients pay a separate scaled managed account fee based on assets under management to MD Private Investment Counsel, a division of MD Financial Management Inc. The maximum fee is 1.56%.

Series F – 0.29%

Series D – 0.87%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objective is to provide long-term capital appreciation by investing primarily in a diversified portfolio of global equity securities that are appropriate for a fossil fuel free investment strategy. The Fund may also invest in companies that provide solutions to the problems caused by the use of fossil fuels.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the security holders.

### Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund will seek to avoid investment in companies involved in extracting, transporting, processing of fossil fuels, such as:

- ♦ companies involved in oil and gas refining, marketing, storage & transportation
- ♦ oil, gas, coal & consumable fuels producers
- ♦ energy equipment & energy services companies
- ♦ companies that have significant involvement in transporting fossil fuels and the fossil fuel transportation infrastructure (includes marine, marine ports and services, railroads and trucking)
- ♦ any companies in the utilities sector that have significant involvement in the fossil fuel industry

The Fund will seek to avoid investing in companies involved in the creation, manufacturing and servicing of core controversial weapons systems, such as but not limited to:

- ♦ anti-personnel mines
- ♦ cluster weapons
- ♦ depleted uranium
- ♦ nuclear weapons
- ♦ white phosphorus
- ♦ biological and chemical weapons

The Fund has detailed investment guidelines and regular compliance monitoring in place to ensure the fund avoids investment in the restricted securities.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may invest a maximum of 30% of its assets in emerging markets securities.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see “Securities Lending” in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be “alternative mutual funds” under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see “ESG Considerations” in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk	•		
Environmental policy risk	•		
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk	•		
Foreign securities risk	•		
Fund of Funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk			•
Large capitalization companies risk	•		
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk			•
Tax risk			•
Underlying fund risk			•

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive those earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MD Fossil Fuel Free Equity Fund in French is “Fonds d’actions sans combustibles fossiles MD”.

# MD Precision Conservative Portfolio

## FUND DETAILS

### Type of Fund

Global Fixed Income Balanced

### Start Date of Fund

January 13, 2010 – Series A units

October 2, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units - Series A, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.13%

Series F – 0.18%

Series D – 0.52%

There will be no duplication of Management fees between the Fund and the underlying mutual funds.

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

This is a strategic asset allocation Fund with the objective to preserve investment value and generate income.

The Fund will invest primarily in units of other mutual funds managed by MD Financial Management, with an emphasis on fixed income mutual funds for capital preservation and income generation with some exposure to equity mutual funds for potential capital growth.

The Fund may also invest in other non-affiliated mutual funds and directly in fixed-income securities, cash or cash equivalents.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Portfolio Manager uses strategic asset allocation as the principal investment strategy and allocates the Fund's assets among the underlying funds according to the target asset class weightings for the Fund as follows:

ASSET CLASS	TARGET WEIGHTING
Cash and Equivalents	0%
Fixed Income	64%
Canadian Equity	7%
US Equity	9%
International Equity	8%
Alternatives	9%
Emerging Market Equity	3%

From time to time the Portfolio Manager may, at its discretion, employ its current investment strategies, and change the asset weightings of the portfolio but remain within 15 percent above or below the target asset class weighting.

The Fund is continually monitored and periodically rebalanced to ensure alignment with the investment strategies of the Fund.

The Fund may invest all of its assets in funds managed by MD Financial Management, and may also include mutual funds managed by non-affiliated investment companies.

The Fund and underlying mutual funds may temporarily depart from their investment objectives by holding a portion of their assets in cash or short-term money market instruments and/or high quality fixed-income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions.

The Fund and underlying funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, to reduce a risk associated with currency or market fluctuations. In addition, the Fund and underlying funds may use derivatives rather than direct investments to reduce transactions costs, achieve greater liquidity, reduce risk and create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Derivatives will not be used to create a portfolio with leverage or to create exposures not allowed by the portfolio guidelines. Cash equivalents will be held to fully support all derivative positions. The Fund and underlying funds will only use derivatives as permitted by Canadian securities regulators.

The Fund, and underlying MD Funds, may not purchase securities of companies that manufacture tobacco or tobacco-related products, or whose primary business is cannabis or cannabis related products. As Manager, we can only monitor non-affiliated funds for securities in these sectors and we cannot guarantee that an underlying fund may not hold securities in these sectors from time to time.

The underlying funds may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk		•	
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk	•		
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk	•		
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk		•	
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk		•	
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled "Investment Risk Classification Methodology" at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Income and Capital gains are distributed annually after December 15 in each year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Precision Conservative Portfolio in French is "Portefeuille conservateur Précision MD".

# MD Precision Balanced Income Portfolio

## FUND DETAILS

### Type of Fund

Global Fixed Income Balanced

### Start Date of Fund

May 9, 2012 – Series A units

October 13, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units - Series A, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.18%

Series F – 0.23%

Series D – 0.59%

There will be no duplication of Management fees between the Fund and the underlying mutual funds.

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

This is a strategic asset allocation fund with the objective to preserve investment value, generate income and moderate capital growth by investing in fixed income and equity securities.

The Fund will invest primarily in units of mutual funds managed by MD Financial Management, with an emphasis on fixed income mutual funds for capital preservation and income generation, and in equity mutual funds for potential capital appreciation.

The Fund may also invest in other non-affiliated mutual funds and directly in fixed-income securities, cash or cash equivalents.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Portfolio Manager uses strategic asset allocation as the principal investment strategy and allocates the Fund's assets among the underlying funds according to the target asset class weightings for the Fund as follows:

ASSET CLASS	TARGET WEIGHTING
Cash and Equivalents	0%
Fixed Income	56%
Canadian Equity	10%
US Equity	11%
International Equity	10%
Alternatives	9%
Emerging Market Equity	4%

From time to time the Portfolio Manager may, at its discretion, employ its current investment strategies, and change the asset weightings of the portfolio but remain within 15 percent above or below the target asset class weighting.

The Fund is continually monitored and periodically rebalanced to ensure alignment with the investment strategies of the Fund.

The decision to invest in each underlying fund is based on our assessment of the underlying fund's ability to enable the portfolio to meet its stated investment objectives. We will monitor and review the underlying funds and may make changes from time to time.

The Fund may invest all of its assets in funds managed by MD Financial Management, and may also include mutual funds managed by non-affiliated investment companies.

The Fund and underlying mutual funds may temporarily depart from their investment objectives by holding a portion of their assets in cash or short-term money market instruments and/or high quality fixed-income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions.

The Fund and underlying funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, to reduce a risk associated with currency or market fluctuations. In addition, the Fund and underlying funds may use derivatives rather than direct investments to reduce transactions costs, achieve greater liquidity, reduce risk and create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Derivatives will not be used to create a portfolio with leverage or to create exposures not allowed by the portfolio guidelines. Cash equivalents will be held to fully support all derivative positions. The Fund and underlying funds will only use derivatives as permitted by Canadian securities regulators.

The Fund, and underlying MD Funds, may not purchase securities of companies that manufacture tobacco or tobacco-related products, or whose primary business is cannabis or cannabis related products. As Manager, we can only monitor non-affiliated funds for securities in these sectors and we cannot guarantee that an underlying fund may not hold securities in these sectors from time to time.

The underlying funds may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk		•	
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk	•		
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk	•		
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk		•	
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk		•	
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled "Investment Risk Classification Methodology" at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Income and realized capital gains are distributed annually after December 15 in each year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Precision Balanced Income Portfolio in French is "Portefeuille de revenu équilibré Précision MD".

# MD Precision Moderate Balanced Portfolio

## FUND DETAILS

### Type of Fund

Global Neutral Balanced

### Start Date of Fund

January 13, 2010 – Series A units

October 2, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units - Series A, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.25%

Series F – 0.30%

Series D – 0.68%

There will be no duplication of management fees between the Fund and the underlying mutual funds.

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

This is a strategic asset allocation fund with the objective to generate income and provide capital growth by investing in a balanced allocation of mutual funds invested in fixed income and equity securities.

The Fund will invest primarily in units of funds managed by MD Financial Management, with an even emphasis on fixed income funds for capital preservation and income generation, and in equity funds for potential capital appreciation.

The Fund may also invest in other non-affiliated mutual funds and directly in fixed-income securities, cash or cash equivalents.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Portfolio Manager uses strategic asset allocation as the principal investment strategy and allocates the Fund's assets among the underlying funds according to the target asset class weightings for the Fund as follows:

ASSET CLASS	TARGET WEIGHTING
Cash and Equivalents	0%
Fixed Income	45%
Canadian Equity	13%
US Equity	15%
International Equity	13%
Alternatives	9%
Emerging Market Equity	5%

From time to time the Portfolio Manager may, at its discretion, employ its current investment strategies, and change the asset weightings of the portfolio but remain within 15 percent above or below the target asset class weighting.

The Fund is continually monitored and periodically rebalanced to ensure alignment with the investment strategies of the Fund.

The decision to invest in each underlying fund is based on our assessment of the underlying fund's ability to enable the portfolio to meet its stated investment objectives. We will monitor and review the underlying funds and may make changes from time to time.

The Fund may invest all of its assets in funds managed by MD Financial Management, and may also include mutual funds managed by non-affiliated investment companies.

The Fund and underlying mutual funds may temporarily depart from their investment objectives by holding a portion of their assets in cash or short-term money market instruments and/or high quality fixed-income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions.

The Fund and underlying funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, to reduce a risk associated with currency or market fluctuations. In addition, the Fund and underlying funds may use derivatives rather than direct investments to reduce transactions costs, achieve greater liquidity, reduce risk and create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Derivatives will not be used to create a portfolio with leverage or to create exposures not allowed by the portfolio guidelines. Cash equivalents will be held to fully support all derivative positions. The Fund and underlying funds will only use derivatives as permitted by Canadian securities regulators.

The Fund, and underlying MD Funds, may not purchase securities of companies that manufacture tobacco or tobacco-related products, or whose primary business is cannabis or cannabis related products. As Manager, we can only monitor non-affiliated funds for securities in these sectors and we cannot guarantee that an underlying fund may not hold securities in these sectors from time to time.

The underlying funds may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.



## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk		•	
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk	•		
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk	•		
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk		•	
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk		•	
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled "Investment Risk Classification Methodology" at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Income and Capital gains are distributed annually after December 15 in each year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Precision Moderate Balanced Portfolio in French is "Portefeuille équilibré modéré Précision MD".

# MD Precision Moderate Growth Portfolio

## FUND DETAILS

### Type of Fund

Global Neutral Balanced

### Start Date of Fund

May 9, 2012 – Series A units

October 3, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units – Series A, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.30%

Series F – 0.35%

Series D – 0.72%

There will be no duplication of Management fees between the Fund and the underlying mutual funds.

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

This is a strategic asset allocation fund with the objective to generate income and provide capital growth by investing in a balanced allocation of mutual funds invested in fixed income and equity securities.

The Fund will invest primarily in units of mutual funds managed by MD Financial Management, with an emphasis on equity mutual funds for potential capital appreciation with exposure to fixed income mutual funds for capital preservation and income generation.

The Fund may also invest in other non-affiliated mutual funds and directly in fixed-income securities, cash or cash equivalents.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Portfolio Manager uses strategic asset allocation as the principal investment strategy and allocates the Fund's assets among the underlying funds according to the target asset class weightings for the Fund as follows:

ASSET CLASS	TARGET WEIGHTING
Cash and Equivalents	0%
Fixed Income	45%
Canadian Equity	13%
US Equity	15%
International Equity	13%
Alternatives	9%
Emerging Market Equity	5%

From time to time the Portfolio Manager may, at its discretion, employ its current investment strategies, and change the asset weightings of the portfolio but remain within 15 percent above or below the target asset class weighting.

The Fund is continually monitored and periodically rebalanced to ensure alignment with the investment strategies of the Fund.

The decision to invest in each underlying fund is based on our assessment of the underlying fund's ability to enable the portfolio to meet its stated investment objectives. We will monitor and review the underlying funds and may make changes from time to time.

The Fund may invest all of its assets in funds managed by MD Financial Management, and may also include mutual funds managed by non-affiliated investment companies.

The Fund and underlying mutual funds may temporarily depart from their investment objectives by holding a portion of their assets in cash or short-term money market instruments and/or high quality fixed-income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions.

The Fund and underlying funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, to reduce a risk associated with currency or market fluctuations. In addition, the Fund and underlying funds may use derivatives rather than direct investments to reduce transactions costs, achieve greater liquidity, reduce risk and create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Derivatives will not be used to create a portfolio with leverage or to create exposures not allowed by the portfolio guidelines. Cash equivalents will be held to fully support all derivative positions. The Fund and underlying funds will only use derivatives as permitted by Canadian securities regulators.

The Fund, and underlying MD Funds, may not purchase securities of companies that manufacture tobacco or tobacco-related products, or whose primary business is cannabis or cannabis related products. As Manager, we can only monitor non-affiliated funds for securities in these sectors and we cannot guarantee that an underlying fund may not hold securities in these sectors from time to time.

The underlying funds may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk		•	
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk	•		
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk	•		
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk		•	
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk		•	
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled "Investment Risk Classification Methodology" at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Income and realized capital gains are distributed annually after December 15 in each year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Precision Moderate Growth Portfolio in French is "Portefeuille de croissance modérée Précision MD".

# MD Precision Balanced Growth Portfolio

## FUND DETAILS

### Type of Fund

Global Equity Balanced

### Start Date of Fund

January 13, 2010 – Series A units

October 3, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units - Series A, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.32%

Series F – 0.37%

Series D – 0.80%

There will be no duplication of Management fees between the Fund and the underlying mutual funds.

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

This is a strategic asset allocation fund with the objective to provide growth of capital and income generation.

The Fund will invest primarily in units of funds managed by MD Financial Management, with an emphasis on equity funds for potential capital appreciation with some exposure to fixed income funds for capital preservation and income generation.

The Fund may also invest in other non-affiliated mutual funds and directly in fixed-income securities, cash or cash equivalents

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Portfolio Manager uses strategic asset allocation as the principal investment strategy and allocates the Fund's assets among the underlying funds according to the target asset class weightings for the Fund as follows:

ASSET CLASS	TARGET WEIGHTING
Cash and Equivalents	0%
Fixed Income	26%
Canadian Equity	18%
US Equity	21%
International Equity	19%
Alternatives	9%
Emerging Market Equity	7%

From time to time the Portfolio Manager may, at its discretion, employ its current investment strategies, and change the asset weightings of the portfolio but remain within 15 percent above or below the target asset class weighting.

The Fund is continually monitored and periodically rebalanced to ensure alignment with the investment strategies of the Fund.

The decision to invest in each underlying fund is based on our assessment of the underlying fund's ability to enable the portfolio to meet its stated investment objectives. We will monitor and review the underlying funds and may make changes from time to time.

The Fund may invest all of its assets in funds managed by MD Financial Management, and may also include mutual funds managed by non-affiliated investment companies.

The Fund and underlying mutual funds may temporarily depart from their investment objectives by holding a portion of their assets in cash or short-term money market instruments and/or high quality fixed-income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions.

The Fund and underlying funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, to reduce a risk associated with currency fluctuations. In addition, the Fund and underlying funds may use derivatives rather than direct investments to reduce transactions costs, achieve greater liquidity, reduce risk and create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Derivatives will not be used to create a portfolio with leverage or to create exposures not allowed by the portfolio guidelines. Cash equivalents will be held to fully support all derivative positions. The Fund and underlying funds will only use derivatives as permitted by Canadian securities regulators.

The Fund, and underlying MD Funds, may not purchase securities of companies that manufacture tobacco or tobacco-related products, or whose primary business is cannabis or cannabis related products. As Manager, we can only monitor non-affiliated funds for securities in these sectors and we cannot guarantee that an underlying fund may not hold securities in these sectors from time to time.

The underlying funds may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk		•	
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk	•		
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk	•		
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk		•	
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk		•	
Underlying fund risk		•	

### Underlying fund risk

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Income and Capital gains are distributed annually after December 15 in each year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Precision Balanced Growth Portfolio in French is “Portefeuille équilibré de croissance Précision MD”.

# MD Precision Maximum Growth Portfolio

## FUND DETAILS

### Type of Fund

Global Equity Balanced

### Start Date of Fund

January 13, 2010 – Series A units

October 3, 2017 – Series F units

June 25, 2018 – Series D units

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Securities offered

Mutual Fund Units – Series A, Series F and Series D

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 1.35%

Series F – 0.40%

Series D – 0.81%

There will be no duplication of Management fees between the Fund and the underlying mutual funds.

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

This is a strategic asset allocation fund with the objective to provide growth of capital.

The Fund will invest primarily in units of funds managed by MD Financial Management, with an emphasis on equity funds for potential capital appreciation and only a minor exposure to fixed income funds for income generation and capital preservation.

The Fund may also invest in other non-affiliated mutual funds and directly in fixed-income securities, cash or cash equivalents.

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Portfolio Manager uses strategic asset allocation as the principal investment strategy and allocates the Fund's assets among the underlying funds according to the target asset class weightings for the Fund as follows:

ASSET CLASS	TARGET WEIGHTING
Cash and Equivalents	0%
Fixed Income	17%
Canadian Equity	21%
US Equity	24%
International Equity	21%
Alternatives	9%
Emerging Market Equity	8%

From time to time the Portfolio Manager may, at its discretion, employ its current investment strategies, and change the asset weightings of the portfolio but remain within 15 percent above or below the target asset class weighting.

The Fund is continually monitored and periodically rebalanced to ensure alignment with the investment strategies of the Fund.

The decision to invest in each underlying fund is based on our assessment of the underlying fund's ability to enable the portfolio to meet its stated investment objectives. We will monitor and review the underlying funds and may make changes from time to time.

The Fund may invest all of its assets in funds managed by MD Financial Management, and may also include mutual funds managed by non-affiliated investment companies.

The Fund and underlying mutual funds may temporarily depart from their investment objectives by holding a portion of their assets in cash or short-term money market instruments and/or high quality fixed-income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions.

The Fund and underlying funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, to reduce a risk associated with currency or market fluctuations. In addition, the Fund and underlying funds may use derivatives rather than direct investments to reduce transactions costs, achieve greater liquidity, reduce risk and create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Derivatives will not be used to create a portfolio with leverage or to create exposures not allowed by the portfolio guidelines. Cash equivalents will be held to fully support all derivative positions. The Fund and underlying funds will only use derivatives as permitted by Canadian securities regulators.

The Fund, and underlying MD Funds, may not purchase securities of companies that manufacture tobacco or tobacco-related products, or whose primary business is cannabis or cannabis related products. As Manager, we can only monitor non-affiliated funds for securities in these sectors and we cannot guarantee that an underlying fund may not hold securities in these sectors from time to time.

The underlying funds may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk		•	
Concentration risk			•
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk		•	
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk	•		
Foreign currency risk	•		
Foreign securities risk	•		
Fund of funds risk	•		
High-yield bond risk		•	
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk		•	
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk			•
Sovereign debt risk		•	
Tax risk		•	
Underlying fund risk		•	

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled "Investment Risk Classification Methodology" at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Income and Capital gains are distributed annually after December 15 in each year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of MD Precision Maximum Growth Portfolio in French is "Portefeuille de croissance maximale Précision MD".

# MDPIM Canadian Equity Pool

## FUND DETAILS

### Type of Fund

Canadian Equity Fund

### Start Date of Fund

August 28, 2000\* - Series A units

\*Prior to this date the Fund was a private fund. Its units were not offered under a prospectus. The Fund was effectively established on June 16, 1999 as a private fund, but for the purposes of the offering of units under this prospectus we have indicated August 28, 2000, as the Start Date of Fund.

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Hillsdale Investment Management Inc. of Toronto, Ontario

Jarislowsky, Fraser Limited of Montréal, Québec

Triasima Portfolio Management Inc. of Montréal, Québec

### Securities offered

Mutual Fund Units – Series A and Private Trust Series\*\*

\*\*Only Series A units are offered in this prospectus. As of January 10, 2003, Series A units of this Fund are offered for sale to existing securityholders only. Offers for sale to new subscribers are prohibited.

Private Trust Series units of this Fund are offered for sale to discretionary managed account clients under a separate simplified prospectus.

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRIFFs, DPSPs, RDSPs, TFSAs and RESPs.

### Management Fee

Series A – 1.25%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objective is long-term capital growth.

The Fund invests in Canadian equity securities issued primarily by large cap companies.

Any other departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

## Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund primarily invests in equity securities of quality Canadian companies, at reasonable prices, across the market capitalization spectrum.

The Fund may invest up to 30% of its portfolio in non-Canadian securities.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.



## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk		•	
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk		•	
Foreign securities risk		•	
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk	•		
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk		•	
Sovereign debt risk			•
Tax risk			•
Underlying fund risk			•

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MDPIM Canadian Equity Pool in French is “Fonds collectif d’actions canadiennes GPPMD”.

# MDPIM US Equity Pool

## FUND DETAILS

### Type of Fund

US Equity Fund

### Start Date of Fund

April 2, 2001 – Private Trust Series units

August 28, 2000 – Series A units \*

\*Prior to this date the Fund was a private fund. Its units were not offered under a prospectus. The Fund was effectively established on June 16, 1999 as a private fund, but for the purposes of the offering of units under this prospectus we have indicated August 28, 2000, as the Start Date of Fund.

### Portfolio Manager

Multi-Asset Management Team within 1832 Asset Management L.P. of Toronto, Ontario

### Sub-Advisers

Columbia Management Investment Advisers, LLC of

Boston, Massachusetts, USA

Jensen Investment Management Inc. of Lake Oswego, Oregon, USA

Janus Henderson Investors US LLC of Denver, Colorado, USA

Fiduciary Management Inc. of Milwaukee, Wisconsin, USA

### Securities offered

Mutual Fund units – Series A and Private Trust Series\*\*

\*\*Only Series A units are offered in this prospectus.

Private Trust Series units of this Fund are offered for sale to discretionary managed account clients under a separate simplified prospectus.

### Eligibility for Registered Tax Plans

Qualified investment for RRSPs, RRRIFs, DPSPs, RDSPs, TFSA and RESPs.

### Management Fee

Series A – 1.25%

## WHAT DOES THE FUND INVEST IN?

### Investment Objectives

The Fund's objective is long-term capital growth through investment in U.S. equities with due regard to capital preservation.

The Fund invests primarily in equity securities of mid to large capitalization US companies. The Fund may also invest up to 25% of its net assets in Canadian or U.S. short-term money market instruments,

Any departure from the fundamental investment objectives requires the approval of MD Financial Management and ultimate approval of the securityholders.

### Investment Strategies

The Fund employs an active multiple sub-adviser approach to leverage the individual strengths of each sub-adviser. Fund assets are allocated to a combination of the sub-advisers for the Fund, based on the Portfolio Manager's assessment of the sub-advisers' skills, the expected capital market environment, and the anticipated risk inherent in each sub-adviser's strategy.

The sub-advisers aim to produce a well-diversified portfolio that seeks to deliver excess returns (compared to the benchmark) and to provide diversification (by avoiding overconcentration in any single style, sector or market trend).

The Fund will primarily invest in U.S. domiciled equity securities, by combining both a growth and value style of investing.

The Fund may not purchase securities of companies that manufacture tobacco or tobacco related products, or whose primary business is cannabis or cannabis related products.

The Fund may invest up to 25% of the net assets into cash if market conditions warrant.

The Fund may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used for hedging and non-hedging purposes or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies. Derivatives may also be used to manage risk. For further details in this regard, see "Derivatives" in Part B at page 37 of this simplified prospectus.

The Fund may engage in securities-lending transactions. For further details in this regard, see "Securities Lending" in Part B at page 38 of this simplified prospectus.

The Fund may invest up to 10% of its assets in other public mutual funds that follow an alternative strategy, including precious metals funds, funds with exposure to real estate and funds that are considered to be "alternative mutual funds" under applicable laws. This may include other funds managed by the Manager.

ESG factors are considered when investment decisions are made for the Fund. For further details in this regard, see "ESG Considerations" in Part B at page 37 of this simplified prospectus.

## WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

RISKS	MAIN RISK	SECONDARY RISK	MINIMAL RISK
Commodities risk			•
Concentration risk		•	
Cybersecurity risk		•	
Derivatives risk		•	
Emerging markets risk			•
ESG factor risk			•
Exchange-traded fund (ETF) risk		•	
Fixed income investments risk			•
Foreign currency risk		•	
Foreign securities risk		•	
Fund of funds risk			•
High-yield bond risk			•
IBOR transition risk			•
Income trust risk		•	
Large capitalization companies risk	•		
Large investor risk		•	
Liquidity risk		•	
Market risk	•		
Securities lending risk		•	
Series risk		•	
Short-selling risk		•	
Sovereign debt risk			•
Tax risk			•
Underlying fund risk			•

For the specific Fund risk-rating classification methodology used by the Manager, see the section titled “Investment Risk Classification Methodology” at page 38 of this simplified prospectus.

## DISTRIBUTION POLICY

Mutual funds earn income and capital gains. You receive these earnings through distributions. Capital gains are distributed annually after December 15 in each year. Income distributions may be made several times a year.

When any of the MD Funds makes a distribution, we automatically reinvest the distribution by issuing additional units of the MD Fund equal in value to the amount of the distribution, unless you elect to receive your distribution in cash. We will only pay cash if the distribution is at least \$15.

## NAME AND HISTORY

The name of the MDPIM US Equity Pool in French is “Fonds collectif d’actions américaines GPPMD”.

*(Series A, Series I, Series F and Series D units unless otherwise indicated)*

**MD Precision Canadian Balanced Growth Fund**

**MD Bond Fund**

**MD Short-Term Bond Fund**

**MD Precision Canadian Moderate Growth Fund**

**MD Equity Fund**

**MD Growth Investments Limited (Series A, Series I, Series F and Series D shares)**

**MD Dividend Growth Fund**

**MD International Growth Fund**

**MD International Value Fund**

**MD Money Fund (Series A and Series D units)**

**MD Canadian Equity Fund**

**MD American Growth Fund**

**MD American Value Fund**

**MD Strategic Yield Fund**

**MD Strategic Opportunities Fund**

**MD Fossil Fuel Free Bond Fund**

**MD Fossil Fuel Free Equity Fund**

**MD Precision Conservative Portfolio (Series A, Series F and Series D units)**

**MD Precision Balanced Income Portfolio (Series A, Series F and Series D units)**

**MD Precision Moderate Balanced Portfolio (Series A, Series F and Series D units)**

**MD Precision Moderate Growth Portfolio (Series A, Series F and Series D units)**

**MD Precision Balanced Growth Portfolio (Series A, Series F and Series D units)**

**MD Precision Maximum Growth Portfolio (Series A, Series F and Series D units)**

**MDPIM Canadian Equity Pool (Series A units)**

**MDPIM US Equity Pool (Series A units)**

MD Financial Management Inc.

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Additional information about the Funds is available in the Fund Facts document, management reports of fund performance and financial statements. These documents are incorporated by reference into this simplified prospectus, which means that they legally form part of this document just as if they were printed as a part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling toll-free 1 800 267-2332, or from your dealer or by e-mail at [MDFunds.SimplifiedProspectus@md.ca](mailto:MDFunds.SimplifiedProspectus@md.ca).

These documents and other information about the Funds, such as information circulars and material contracts, are also available on the MD Funds' designated website at [www.mdm.ca](http://www.mdm.ca) or at [www.sedar.com](http://www.sedar.com).