



MD Financial  
Management Inc.

MD Family of Funds

# 2022 Annual Financial Statements

# A Message Regarding Your Financial Statements

Dear MD Family of Funds Investor:

As part of our commitment to keeping you informed about your MD fund investments, please find attached the 2022 Annual Financial Statements.

The Annual Financial Statements are produced on a fund-by-fund basis, and your report only includes information on the funds you owned as of December 31, 2022.

If you have any questions regarding these documents, please contact your MD Advisor or the MD Trade Centre at 1 800 267-2332. We thank you for your continued investment in the MD Family of Funds.

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## **Audited Annual Financial Statements for the Year Ended December 31, 2022**

These audited Annual Financial Statements do not contain the Annual Management Report of Fund Performance ("MRFP") of the investment fund. If you have not received a copy of the Annual MRFP with this report, you may obtain a copy of the Annual MRFP at your request, and at no cost, by calling the toll-free number 1 800 267-2332, by writing to us at MD Financial Management Inc., 1870 Alta Vista Dr., Ottawa ON K1G 6R7, by visiting our website at [md.ca](http://md.ca) or by visiting the SEDAR website at [sedar.com](http://sedar.com). Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

MD Financial Management Inc. wholly owns or has a majority interest in the MD Group of Companies. It provides financial products and services, is the fund manager for the MD Family of Funds and offers investment counselling services. For a detailed list of the MD Group of Companies, visit [md.ca](http://md.ca).

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

# MD Family of Funds

## Management's Responsibility for Financial Reporting

Management acknowledges responsibility for the preparation and presentation of the financial statements of MD Money Fund, MD Bond Fund, MD Short-Term Bond Fund, MD Precision Canadian Balanced Growth Fund, MD Precision Canadian Moderate Growth Fund, MD Dividend Growth Fund, MD Equity Fund, MD Canadian Equity Fund, MD American Value Fund, MD American Growth Fund, MD International Value Fund, MD International Growth Fund, MD Growth Investments Limited, MD Strategic Yield Fund, MD Strategic Opportunities Fund, MD Precision Conservative Portfolio, MD Precision Moderate Balanced Portfolio, MD Precision Balanced Growth Portfolio, MD Precision Maximum Growth Portfolio, MD Precision Balanced Income Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Conservative Index Portfolio, MD Precision Moderate Balanced Index Portfolio, MD Precision Balanced Growth Index Portfolio, MD Precision Maximum Growth Index Portfolio, MDPIIM Canadian Equity Pool, MDPIIM US Equity Pool, MD Fossil Fuel Free Bond Fund™, MD Fossil Fuel Free Equity Fund™, MDPIIM S&P TSX Capped Composite Index Pool, MDPIIM S&P 500 Index Pool, MDPIIM International Equity Index Pool, and MDPIIM Emerging Markets Equity Pool (collectively "the funds"). The MDPIIM S&P TSX Capped Composite Index Pool, MDPIIM S&P 500 Index Pool, MDPIIM International Equity Index Pool and MDPIIM Emerging Markets Equity Pool are funds from the MDPIIM Family of Funds, offered under separate Prospectus to discretionary managed accounts clients of MD Private Investment Counsel, however these Pools offer Series F units which are available to clients of MD Management Limited. These financial statements have also been approved, in its capacity as trustee, by the Board of Directors of MD Financial Management Inc., with the exception of MD Growth Investments Limited, which has been approved by its own Board of Directors.

The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Management has, where required, made these judgments and estimates on a reasonable basis to ensure that the financial statements are presented fairly in all material respects. Management also maintains strong internal controls to provide reasonable assurance that the financial information provided is reliable and accurate, that the funds' assets are appropriately accounted for and safeguarded, and that any compliance requirements arising under corporate legislation, securities regulations and internal codes of business conduct are strictly adhered to.

The Board of Directors of MD Financial Management Inc. and MD Growth Investments Limited are responsible to ensure that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the respective financial statements as outlined above.

The Board of Directors for MD Financial Management Inc. and MD Growth Investments Limited ("the Boards"), meet with the external auditors periodically to discuss internal control, accounting and auditing matters and financial reporting issues in order to satisfy themselves that each party's Board of Directors has properly discharged its statutory responsibilities with regard to financial reporting. The Boards review unaudited semi-annual financial statements and audited annual financial statements including the external auditors' report thereon. The Boards consider these findings when making their ultimate approval of the financial statements for issuance. The Boards also review the appointment of the external auditors annually.

The financial statements have been audited by KPMG LLP, the external auditors, in accordance with Canadian generally accepted auditing standards. KPMG LLP has full and free access to the MD Financial Management Inc. and MD Growth Investment Limited Boards.

Signed on behalf of MD Growth Investments Limited.



Craig Maddock  
President and Chief Executive Officer  
MD Growth Investments Limited



Katie Shulha  
Chief Financial Officer  
MD Growth Investments Limited

Signed on behalf of MD Financial Management Inc., in its capacity as trustee for MD Money Fund, MD Bond Fund, MD Short-Term Bond Fund, MD Precision Canadian Balanced Growth Fund, MD Precision Canadian Moderate Growth Fund, MD Dividend Growth Fund, MD Equity Fund, MD Canadian Equity Fund, MD American Value Fund, MD American Growth Fund, MD International Value Fund, MD International Growth Fund, MD Strategic Yield Fund, MD Strategic Opportunities Fund, MD Precision Conservative Portfolio, MD Precision Moderate Balanced Portfolio, MD Precision Balanced Growth Portfolio, MD Precision Maximum Growth Portfolio, MD Precision Balanced Income Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Conservative Index Portfolio, MD Precision Moderate Balanced Index Portfolio, MD Precision Balanced Growth Index Portfolio, MD Precision Maximum Growth Index Portfolio, MDPIIM Canadian Equity Pool, MDPIIM US Equity Pool, MD Fossil Fuel Free Bond Fund and MD Fossil Fuel Free Equity Fund, MDPIIM S&P TSX Capped Composite Index Pool, MDPIIM S&P 500 Index Pool, MDPIIM International Equity Index Pool and MDPIIM Emerging Markets Equity Pool.



Pamela Allen  
President and Chief Executive Officer  
MD Financial Management Inc.



Rob Charters  
Chief Financial Officer  
MD Financial Management Inc.



KPMG LLP  
Bay Adelaide Centre  
333 Bay Street, Suite 4600  
Toronto ON M5H 2S5  
Canada  
Tel 416-777-8500  
Fax 416-777-8818

## INDEPENDENT AUDITOR'S REPORT

To the Unitholders and Trustee of

MD Money Fund	MD Equity Fund
MD American Growth Fund	MD Precision Balanced Growth Portfolio
MD International Value Fund	MD Canadian Equity Fund
MD Precision Moderate Growth Portfolio	MD Precision Maximum Growth Portfolio
MD Bond Fund	MD American Value Fund
MD Strategic Yield Fund	MD Precision Balanced Income Portfolio
MD International Growth Fund	MDPIM Canadian Equity Pool
MD Strategic Opportunities Fund	MDPIM US Equity Pool
MD Short-Term Bond Fund	MDPIM S&P TSX Capped Composite Index Pool
MD Fossil Fuel Free Equity Fund	MDPIM S&P 500 Index Pool
MD Precision Conservative Portfolio	MDPIM International Equity Index Pool
MD Fossil Fuel Free Bond Fund	MDPIM Emerging Markets Equity Pool
MD Dividend Growth Fund	MD Precision Conservative Index Portfolio
MD Precision Canadian Balanced Growth Fund	MD Precision Moderate Balanced Index Portfolio
MD Precision Moderate Balanced Portfolio	MD Precision Balanced Growth Index Portfolio
MD Precision Canadian Moderate Growth Fund	MD Precision Maximum Growth Index Portfolio

and

To the Shareholders of MD Growth Investments Limited  
(collectively, the "Funds")

### Opinion

We have audited the financial statements of the Funds, which comprise:

- the statements of financial position as at December 31, 2022
- the statements of comprehensive income for the year then ended
- the statements of changes in net assets attributable to holders of redeemable units or shares, as applicable, for the year then ended
- the statements of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").



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In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2022, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB).

### **Basis for Opinion**

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditor's Responsibilities for the Audit of the Financial Statements"** section of our auditor's report.

We are independent of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Matter - Comparative Information**

The financial statements for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on March 10, 2022.

### **Other Information**

Management is responsible for other information. Other information comprises:

- the information included in the Annual Management Reports of Fund Performance of the Funds, except for MD Precision Conservative Index Portfolio, MD Precision Moderate Balanced Index Portfolio, MD Precision Balanced Growth Index Portfolio and MD Precision Maximum Growth Index Portfolio.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Reports of Fund Performance of the Funds filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.



## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Funds' ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Funds.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Funds.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 9, 2023

# MD Short-Term Bond Fund

## Financial Statements

### Statements of Financial Position

(in \$000's except for units outstanding and per unit amounts)

	December 31, 2022	December 31, 2021
<b>Assets</b>		
<b>Current assets</b>		
Investments (Note 3, 8 and 9)	\$ 398,279	\$ 417,476
Cash	3,427	83,912
Dividends and interest receivable	2,670	2,210
Financial derivative instruments (Note 3)	32	272
Net margin and collateral due from broker on futures contracts	127	380
Receivable for investment transactions	391	20,900
Subscriptions receivable	11	125
	404,937	525,275
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accrued expenses (Note 4)	3	1
Payable for investment transactions	43	20,451
Deferred income taxes	1	8
Redemptions payable	51	103
Financial derivative instruments (Note 3)	1,865	408
	1,963	20,971
<b>Net assets attributable to holders of redeemable units</b>	<b>\$ 402,974</b>	<b>\$ 504,304</b>
<b>Net assets attributable to holders of redeemable units per series</b>		
Series A	\$ 30,995	\$ 43,338
Series D	\$ 111	\$ 301
Series F	\$ 39,731	\$ 44,711
Series I	\$ 332,137	\$ 415,954
<b>Number of redeemable units outstanding (see Fund Specific Notes)</b>		
Series A	3,190,624	4,168,725
Series D	11,756	29,660
Series F	4,221,556	4,440,814
Series I	33,811,384	39,571,769
<b>Net assets attributable to holders of redeemable units per unit, per series</b>		
Series A	\$ 9.71	\$ 10.40
Series D	\$ 9.47	\$ 10.15
Series F	\$ 9.41	\$ 10.07
Series I	\$ 9.82	\$ 10.51

Approved by the Board of Directors of MD Financial Management Inc., Trustee



Director  
(Signed by Pamela Allen)



Director  
(Signed by Brent Currie)

### Statements of Comprehensive Income

for the years ended December 31 (in \$000's except for per unit amounts)

	2022	2021
<b>Income</b>		
Net gain (loss) on investments		
Dividends	\$ 139	\$ 147
Interest for distribution purposes	12,134	11,322
Net realized gain (loss) on sale of investments	(14,034)	(4,652)
Change in unrealized appreciation (depreciation) of investments	(15,614)	(10,996)
Net gain (loss) on investments	(17,375)	(4,179)
Net gain (loss) on derivative instruments		
Net realized gain (loss) on derivative instruments	(646)	2,916
Change in unrealized appreciation (depreciation) of derivative instruments	(1,697)	(1,946)
Net gain (loss) on derivatives instruments	(2,343)	970
<b>Other Income</b>		
Foreign exchange gain (loss) on cash	170	(68)
Securities lending (see Fund Specific Notes)	46	23
Other	1	-
Total other income	217	(45)
Total income (loss)	(19,501)	(3,254)
<b>Expenses</b>		
Management fees (Note 4)	365	459
Administration fees (Note 4)	61	72
Interest expense	-	1
Withholding tax on foreign income	42	48
Capital Tax	1	-
Transaction costs (Note 5)	1	1
Total expenses	470	581
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	<b>\$ (19,971)</b>	<b>\$ (3,835)</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units per series</b>		
Series A	\$ (2,048)	\$ (788)
Series D	\$ (7)	\$ (3)
Series F	\$ (1,814)	\$ (341)
Series I	\$ (16,102)	\$ (2,703)
<b>Increase (decrease) in net assets attributable to holders of redeemable units per unit, per series</b>		
Series A	\$ (0.54)	\$ (0.18)
Series D	\$ (0.54)	\$ (0.12)
Series F	\$ (0.42)	\$ (0.08)
Series I	\$ (0.44)	\$ (0.07)

The accompanying notes are an integral part of these financial statements.



# MD Short-Term Bond Fund

## Financial Statements

### Statements of Changes in Net Assets Attributable to Holders of Redeemable Units ("Net Assets")

for the years ended December 31 (in \$000's)

	2022	2021
<b>SERIES A</b>		
<b>Net assets - beginning of year</b>	\$ 43,338	\$ 50,632
Add (deduct) changes during the year:		
<b>Operations</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	(2,048)	(788)
<b>Redeemable unit transactions</b>		
Proceeds from issue of redeemable units	1,228	7,372
Cash paid for redemption of redeemable units	(11,495)	(13,856)
Units issued on reinvestment of distributions	626	586
	(9,641)	(5,898)
<b>Distributions</b>		
From net investment income	(654)	(608)
	(654)	(608)
<b>Net assets - end of year</b>	\$ 30,995	\$ 43,338
<b>SERIES D</b>		
<b>Net assets - beginning of year</b>	\$ 301	\$ 159
Add (deduct) changes during the year:		
<b>Operations</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	(7)	(3)
<b>Redeemable unit transactions</b>		
Proceeds from issue of redeemable units	36	357
Cash paid for redemption of redeemable units	(219)	(212)
Units issued on reinvestment of distributions	3	5
	(180)	150
<b>Distributions</b>		
From net investment income	(3)	(5)
	(3)	(5)
<b>Net assets - end of year</b>	\$ 111	\$ 301

	2022	2021
<b>SERIES F</b>		
<b>Net assets - beginning of year</b>	\$ 44,711	\$ 44,837
Add (deduct) changes during the year:		
<b>Operations</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	(1,814)	(341)
<b>Redeemable unit transactions</b>		
Proceeds from issue of redeemable units	7,811	12,518
Cash paid for redemption of redeemable units	(10,967)	(12,296)
Units issued on reinvestment of distributions	1,088	973
	(2,068)	1,195
<b>Distributions</b>		
From net investment income	(1,098)	(980)
	(1,098)	(980)
<b>Net assets - end of year</b>	\$ 39,731	\$ 44,711
<b>SERIES I</b>		
<b>Net assets - beginning of year</b>	\$ 415,954	\$ 391,793
Add (deduct) changes during the year:		
<b>Operations</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	(16,102)	(2,703)
<b>Redeemable unit transactions</b>		
Proceeds from issue of redeemable units	15,955	38,015
Cash paid for redemption of redeemable units	(83,670)	(11,148)
Units issued on reinvestment of distributions	10,112	9,284
	(57,603)	36,151
<b>Distributions</b>		
From net investment income	(10,112)	(9,287)
	(10,112)	(9,287)
<b>Net assets - end of year</b>	\$ 332,137	\$ 415,954

The accompanying notes are an integral part of these financial statements.

# MD Short-Term Bond Fund

## Financial Statements

### Statements of Changes in Net Assets Attributable to Holders of Redeemable Units ("Net Assets") (Continued)

for the years ended December 31 (in \$000's)

	2022	2021
<b>TOTAL FUND</b>		
<b>Net assets - beginning of year</b>	\$ 504,304	\$ 487,421
Add (deduct) changes during the year:		
<b>Operations</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	(19,971)	(3,835)
<b>Redeemable unit transactions</b>		
Proceeds from issue of redeemable units	25,030	58,262
Cash paid for redemption of redeemable units	(106,351)	(37,512)
Units issued on reinvestment of distributions	11,829	10,848
	(69,492)	31,598
<b>Distributions</b>		
From net investment income	(11,867)	(10,880)
	(11,867)	(10,880)
<b>Net assets - end of year</b>	\$ 402,974	\$ 504,304

### Statements of Cash Flows

for the years ended December 31 (in \$000's)

	2022	2021
<b>Cash flows from (used in) operating activities</b>		
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	\$ (19,971)	\$ (3,835)
<b>Adjustments for:</b>		
Proceeds from sale of investments	620,233	1,255,100
Purchase of investments	(630,555)	(1,229,270)
Amortization income	(28)	(27)
Unrealized foreign exchange (gain) loss on cash	(4)	-
Net realized (gain) loss on sale of investments	14,034	4,652
Change in unrealized (appreciation) depreciation of investments	15,614	10,996
Change in unrealized (appreciation) depreciation of derivative instruments	1,697	1,946
Net change in non-cash working capital	(212)	(168)
<b>Net cash from (used in) operating activities</b>	808	39,394
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issue of redeemable units	22,460	55,501
Distributions to holders of redeemable units, net of reinvested distribution	(38)	(46)
Cash paid for redemption of redeemable units	(103,719)	(34,799)
<b>Net cash from (used in) financing activities</b>	(81,297)	20,656
<b>Unrealized foreign exchange gain (loss) on cash</b>	4	-
<b>Net increase (decrease) in cash during the year</b>	(80,485)	60,050
<b>Cash, beginning of year</b>	83,912	23,862
<b>Cash, end of year</b>	\$ 3,427	\$ 83,912
Interest received	11,656	11,401
Dividends received, net of withholding taxes	115	130

The accompanying notes are an integral part of these financial statements.

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
<b>DOMESTIC BONDS</b>					
<b>Corporate Bonds (44.7%)</b>					
1011778 B.C. Unlimited Liability Company / New Red Finance, Inc.	02/15/2029	3.50%	99 USD	120	115
1011778 B.C. Unlimited Liability Company / New Red Finance, Inc.	01/15/2028	3.88%	61 USD	78	74
1011778 B.C. Unlimited Liability Company / New Red Finance, Inc.	10/15/2030	4.00%	273 USD	360	300
407 International Inc.	05/04/2027	2.43%	2,000	1,806	1,853
Air Canada	07/01/2025	4.00%	85 USD	169	138
Alectra Inc.	05/17/2027	2.49%	500	465	462
AltaGas Ltd.	06/10/2025	2.16%	369	360	343
AltaGas Ltd.	01/15/2025	3.84%	772	803	749
AltaLink, LP	06/06/2024	3.40%	1,680	1,768	1,645
ARC Resources Ltd.	03/10/2026	2.35%	662	627	606
Bank of Montreal	03/26/2023	0.13%	100 EUR	154	144
Bank of Montreal	07/09/2024	0.63%	70 USD	89	89
Bank of Montreal	04/01/2027	3.65%	1,011	990	961
Bank of Montreal	06/01/2027	4.31%	3,000	3,000	2,925
Bank of Montreal	05/26/2082	5.63%	4,000	4,000	3,728
Bank of Montreal	10/27/2032	6.53%	212	212	220
BCI QuadReal Realty	03/03/2025	1.68%	88	88	82
BCI QuadReal Realty	06/24/2026	2.55%	220	220	204
bciMC Realty Corporation	03/31/2027	3.00%	500	505	466
Bell Canada Inc.	03/02/2026	3.55%	3,140	3,450	3,016
Brookfield Infrastructure Finance ULC	11/14/2027	5.62%	248	248	252
Bruce Power LP	06/21/2024	3.00%	2,250	2,291	2,182
Canadian Imperial Bank of Commerce	07/15/2026	1.70%	3,000	3,020	2,684
Canadian Imperial Bank of Commerce	05/26/2025	3.30%	4,620	4,909	4,475
Canadian Imperial Bank of Commerce	06/29/2027	4.95%	109	109	109
Canadian Imperial Bank of Commerce	10/07/2027	5.05%	372	371	372
Canadian Natural Resources Limited	06/03/2024	3.55%	1,320	1,418	1,298
Canadian Pacific Railway Company	12/02/2024	1.35%	40 USD	49	51
Canadian Western Bank	01/30/2025	2.61%	420	430	397
Canadian Western Bank	09/02/2027	5.15%	165	165	164
CARDS II Trust	05/15/2025	4.33%	279	279	274
CDP Financial Inc.	06/02/2027	3.80%	10,000	9,997	9,952
Cenovus Energy Inc.	02/07/2028	3.50%	115	118	109
Cenovus Energy Inc.	03/10/2027	3.60%	60	57	58
Cenovus Energy Inc.	04/15/2027	4.25%	34 USD	48	44
Cenovus Energy Inc.	06/15/2037	5.25%	16 USD	21	20
Cenovus Energy Inc.	11/15/2039	6.75%	43 USD	65	61
Central 1 Credit Union	01/29/2026	1.32%	350	350	310
Central 1 Credit Union	12/06/2023	2.58%	697	704	679
Central 1 Credit Union	09/29/2025	5.42%	170	170	170
CHIP Mortgage Trust	11/15/2046	1.50%	338	335	311
CHIP Mortgage Trust	12/15/2045	1.74%	65	61	58
Choice Properties Real Estate Investment Trust	01/10/2025	3.55%	2,520	2,635	2,427
Coast Capital Savings Federal Credit Union	04/21/2025	4.26%	401	401	387
Coast Capital Savings Federal Credit Union	11/25/2024	6.13%	108	108	108
Concentra Bank	05/17/2024	1.46%	128	128	120
CPPIB Capital Inc.	06/15/2028	3.00%	916	883	875
CPPIB Capital Inc.	09/08/2025	3.95%	10,000	9,997	9,964
CT Real Estate Investment Trust	02/05/2029	3.03%	606	606	529
CU Inc.	09/05/2051	3.17%	130	131	95
Daimler Trucks Finance Canada Inc.	09/19/2025	5.18%	113	113	112
Daimler Trucks Finance Canada Inc.	09/20/2027	5.22%	105	105	104

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$'000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
Dream Industrial Real Estate Investment Trust	12/22/2025	1.66%	703	701	627
Dream Industrial Real Estate Investment Trust	04/13/2026	3.97%	505	505	480
Eagle Credit Card Trust	07/17/2025	1.27%	237	237	215
Eagle Credit Card Trust	07/17/2027	4.78%	131	131	130
Enbridge Gas Inc.	09/11/2025	3.31%	2,500	2,574	2,410
Enbridge Inc.	09/21/2033	3.10%	65	65	53
Enbridge Inc.	11/15/2029	3.13%	150 USD	203	178
Enbridge Inc.	11/19/2024	3.95%	819	854	800
Enbridge Inc.	11/09/2027	5.70%	93	93	95
Enbridge Pipelines Inc.	09/29/2025	3.45%	2,500	2,516	2,403
Energir Inc.	11/19/2027	7.20%	206	270	226
Equitable Bank	09/21/2023	1.77%	210	212	204
Equitable Bank	03/10/2025	1.94%	277	277	255
Equitable Bank	05/09/2024	1.98%	460	460	436
Equitable Bank	12/04/2023	2.75%	376	376	366
Federation des caisses Desjardins du Quebec	09/10/2026	1.59%	442	403	392
Federation des Caisses Desjardins du Quebec	05/28/2031	1.99%	200	200	177
Federation des caisses Desjardins du Quebec	05/19/2027	4.41%	416	416	407
Federation des Caisses Desjardins du Quebec	08/23/2032	5.04%	443	441	431
Federation des caisses Desjardins du Quebec	10/01/2025	5.20%	177	177	178
First West Credit Union	11/29/2024	6.80%	186	186	186
Ford Auto Securitization Trust 2021-A Cl. A2	10/15/2025	1.16%	123	123	119
Ford Auto Securitization Trust 2021-A Cl. A3	01/15/2027	1.64%	150	150	139
Ford Auto Securitization Trust 2021-A Cl. B	06/15/2027	2.11%	150	150	136
Fortified Trust	10/23/2026	1.96%	3,000	2,898	2,674
Fortified Trust	03/23/2024	2.56%	585	594	566
Fortified Trust	06/23/2025	3.76%	585	585	566
Fortis Inc.	05/31/2029	4.43%	306	306	298
General Motors Financial of Canada, Ltd.	07/09/2025	1.70%	197	197	179
General Motors Financial of Canada, Ltd.	04/15/2026	1.75%	170	156	150
General Motors Financial of Canada, Ltd.	02/08/2027	3.15%	710	710	642
General Motors Financial of Canada, Ltd.	11/07/2023	3.25%	952	978	932
General Motors Financial of Canada, Ltd.	05/14/2024	5.95%	654	744	654
Glacier Credit Card Trust Series 22-1	09/20/2027	4.96%	490	490	487
Golden Credit Card Trust Series 2018-4A Cl. A	08/15/2025	3.44%	125 USD	174	168
Great-West Lifeco Inc.	12/31/2081	3.60%	3,000	3,000	2,251
Home Trust Company	06/13/2024	5.32%	100	100	98
Honda Canada Finance Inc.	03/17/2026	1.34%	87	87	78
Honda Canada Finance Inc.	06/04/2024	2.50%	1,027	1,064	989
Honda Canada Finance Inc.	08/28/2023	3.18%	821	846	811
HSBC Bank Canada	03/24/2025	3.40%	1,702	1,693	1,649
Hydro One Inc.	02/28/2025	1.76%	1,680	1,680	1,580
Hydro One Inc.	01/27/2028	4.91%	1,034	1,034	1,056
Hyundai Capital Canada Inc.	02/16/2027	3.20%	2,000	2,000	1,820
iA Financial Corporation Inc.	02/25/2032	3.19%	111	111	101
iA Financial Corporation Inc.	06/30/2082	6.61%	261	260	252
Industrial Alliance Insurance and Financial Services Inc.	09/15/2028	3.30%	180	184	177
Intact Financial Corporation	05/21/2024	1.21%	551	551	522
Intact Financial Corporation	03/31/2081	4.13%	170	168	142
Inter Pipeline Ltd.	04/18/2024	2.73%	670	674	648
Inter Pipeline Ltd.	06/01/2027	4.23%	1,742	1,697	1,668
Inter Pipeline Ltd.	02/17/2028	5.76%	154	154	156
Ivanhoe Cambridge II Inc.	06/27/2023	2.91%	259	259	256
John Deere Financial Inc.	04/09/2026	1.63%	5,000	4,582	4,518
John Deere Financial Inc.	06/20/2025	2.31%	355	355	334

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# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$'000's except for number of shares)

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John Deere Financial Inc.	01/14/2025	2.41%	1,260	1,260	1,198
Keyera Corp.	03/28/2032	5.02%	190	191	180
Laurentian Bank of Canada	06/03/2024	1.15%	243	243	229
Laurentian Bank of Canada	05/06/2026	1.60%	71	71	64
Laurentian Bank of Canada	03/17/2025	1.95%	164	164	152
Laurentian Bank of Canada	09/02/2025	4.60%	250	250	245
Manulife Financial Corporation	06/19/2081	3.38%	4,000	3,912	3,009
National Bank of Canada	02/03/2025	2.58%	3,960	3,940	3,763
National Bank of Canada	08/16/2032	5.43%	200	200	198
NAV Canada	02/09/2026	0.94%	2,924	2,924	2,632
North West Redwater Partnership / NWR Financing Company Ltd.	06/01/2027	2.80%	2,000	1,855	1,850
North West Redwater Partnership / NWR Financing Company Ltd.	06/01/2031	2.80%	90	82	77
North West Redwater Partnership / NWR Financing Company Ltd.	07/22/2024	3.20%	347	356	337
North West Redwater Partnership / NWR Financing Company Ltd.	06/01/2033	4.15%	100	100	92
OMERS Realty Corporation	10/04/2027	3.24%	1,700	1,602	1,590
PACCAR Financial Ltd.	05/14/2024	0.99%	811	811	766
Pembina Pipeline Corporation	06/01/2023	2.56%	211	211	209
Pembina Pipeline Corporation	06/15/2027	4.24%	1,000	963	968
Penske Truck Leasing Canada Inc.	12/08/2025	5.44%	869	869	872
Primaris Real Estate Investment Trust	03/30/2025	4.27%	689	689	663
Prime Structured Mortgage Trust	11/15/2024	1.86%	164	164	154
Prime Structured Mortgage Trust Series 2019-3R Cl. A	02/15/2023	1.97%	150	150	149
PSP Capital Inc.	06/15/2026	0.90%	5,000	4,995	4,507
PSP Capital Inc.	11/05/2025	3.00%	3,220	3,425	3,128
PSP Capital Inc.	04/04/2024	3.29%	2,551	2,702	2,513
PSP Capital Inc.	06/15/2029	3.75%	279	278	275
Reliance LP	08/01/2028	2.67%	477	477	411
Reliance LP	03/15/2025	3.84%	158	172	152
Rogers Communications Inc.	04/15/2025	3.10%	1,392	1,390	1,329
Rogers Communications Inc.	03/31/2027	3.65%	5,000	4,624	4,720
Royal Bank of Canada	11/01/2024	2.61%	1,476	1,534	1,412
Royal Bank of Canada	09/29/2025	3.37%	5,351	5,351	5,129
Royal Bank of Canada	05/06/2025	3.75%	100 AUD	90	90
Royal Bank of Canada	07/16/2025	4.93%	4,195	4,836	4,217
Scotia Capital Inc. Canadian Mortgage Pools	07/01/2024	1.90%	131	131	127
Sienna Senior Living Inc.	03/31/2027	2.82%	440	440	393
SmartCentres Real Estate Investment Trust	06/11/2027	3.19%	67	67	61
Sun Life Financial Inc.	11/18/2031	2.46%	107	107	96
Sun Life Financial Inc.	06/30/2081	3.60%	2,000	2,000	1,508
TELUS Corporation	04/01/2024	3.35%	2,185	2,257	2,139
Teranet Holdings LP	06/11/2025	3.54%	191	197	183
The Bank of Nova Scotia	11/02/2026	1.85%	8,500	7,934	7,588
The Bank of Nova Scotia	06/28/2024	2.29%	2,000	2,028	1,924
The Empire Life Insurance Company	09/24/2031	2.02%	140	140	123
The Toronto-Dominion Bank	09/09/2025	2.67%	615	605	579
The Toronto-Dominion Bank	01/26/2032	3.06%	180	174	164
The Toronto-Dominion Bank	04/22/2030	3.11%	1,400	1,443	1,327
The Toronto-Dominion Bank	07/24/2024	3.23%	6,000	6,401	5,845
The Toronto-Dominion Bank	06/01/2027	4.21%	240	240	233
The Toronto-Dominion Bank	01/27/2026	4.34%	157	157	154
The Toronto-Dominion Bank	10/21/2027	5.38%	354	354	360
The Toronto-Dominion Bank	10/31/2082	7.28%	4,000	4,000	3,976
Toronto Hydro Corporation	08/25/2026	2.52%	1,760	1,848	1,646
Toyota Credit Canada Inc.	10/23/2024	2.31%	375	378	357
Toyota Credit Canada Inc.	08/25/2025	2.73%	3,000	2,999	2,835

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# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
Toyota Credit Canada Inc.	07/12/2023	3.04%	128	128	127
TransCanada Pipelines Limited	10/12/2024	1.00%	80 USD	98	100
TransCanada Pipelines Limited	04/05/2027	3.80%	2,349	2,204	2,242
TransCanada Pipelines Limited	04/15/2030	4.10%	155 USD	232	193
TransCanada Pipelines Limited	05/15/2028	4.25%	50 USD	70	64
TransCanada Trust	03/04/2081	4.20%	100	83	80
Transcontinental Inc.	02/03/2025	2.67%	535	535	502
Vancouver Airport Fuel Facilities Corp.	06/23/2025	2.17%	291	288	271
Ventas Canada Finance Limited	09/30/2024	4.13%	22	23	21
VW Credit Canada, Inc.	12/10/2026	2.45%	3,500	3,338	3,146
VW Credit Canada, Inc.	11/15/2027	5.86%	63	63	64
Westcoast Energy Inc.	12/15/2027	6.75%	27	34	28
Total for Corporate Bonds				191,514	180,072
<b>Government of Canada Bonds (12.3%)</b>					
Canada Housing Trust No. 1	06/15/2026	1.25%	250	246	229
Canada Housing Trust No. 1	12/15/2026	1.55%	25,000	23,226	22,973
Canada Housing Trust No. 1	09/15/2023	2.35%	281	294	277
Canada Housing Trust No. 1	03/15/2025	2.55%	129	137	125
Canada Housing Trust No. 1	12/15/2027	3.60%	10,000	10,151	9,948
Government of Canada	04/01/2024	0.25%	179	176	170
Government of Canada	05/19/2026	0.75%	100 USD	120	121
Government of Canada	09/01/2026	1.00%	15,000	13,911	13,681
Government of Canada	06/01/2030	1.25%	243	216	211
Government of Canada	09/01/2024	1.50%	97	100	93
Government of Canada	01/22/2025	1.63%	55 USD	73	70
Government of Canada	09/01/2023	2.00%	71	74	70
Government of Canada	03/01/2024	2.25%	361	366	353
Government of Canada	06/01/2029	2.25%	850	825	800
Government of Canada	06/01/2024	2.50%	230	236	225
Total for Government of Canada Bonds				50,151	49,346
<b>Municipal Bonds (0.6%)</b>					
City of Montreal	09/01/2024	3.50%	45	47	44
City of Toronto	05/21/2024	3.40%	976	1,032	963
City of Toronto	09/29/2023	3.90%	632	657	629
Municipal Finance Authority of British Columbia	10/14/2024	2.95%	917	956	896
Total for Municipal Bonds				2,692	2,532
<b>Provincial Bonds (22.5%)</b>					
Province of Alberta	04/18/2025	0.63%	100 EUR	155	137
Province of Alberta	06/01/2027	2.55%	997	963	946
Province of British Columbia	06/18/2025	2.85%	70	75	68
Province of Manitoba	06/02/2026	2.55%	230	244	220
Province of New Brunswick	08/14/2025	1.80%	193	202	182
Province of Nova Scotia	06/01/2027	2.10%	823	779	766
Province of Ontario	12/15/2023	0.50%	100 GBP	169	158
Province of Ontario	09/08/2025	1.75%	631	661	594
Province of Ontario	09/08/2024	2.30%	10,000	10,218	9,684
Province of Ontario	06/02/2026	2.40%	850	809	809
Province of Ontario	09/08/2023	2.60%	25,000	24,696	24,664
Province of Ontario	06/02/2025	2.60%	20,000	20,043	19,329
Province of Ontario	06/02/2028	2.90%	235	253	224
Province of Ontario	06/02/2024	3.50%	22,547	23,698	22,281
Province of Ontario Generic Coupon Strip	06/02/2024	0.00%	428	415	403

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# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
Province of Quebec	04/07/2025	0.20%	100 EUR	155	135
Province of Quebec	09/01/2027	2.75%	10,000	9,713	9,552
Province of Quebec	09/01/2023	3.00%	111	114	110
Province of Quebec	03/10/2025	4.20%	65 AUD	62	60
Province of Saskatchewan	09/02/2025	0.80%	243	243	223
Total for Provincial Bonds				93,667	90,545
<b>Total for Domestic Bonds (80.1%)</b>				<b>338,024</b>	<b>322,495</b>

### FOREIGN BONDS

#### Australia (0.4%)

Australian Capital Territory	10/23/2031	1.75%	40 AUD	35	29
Export Finance & Insurance Corp.	01/29/2024	0.52%	50 AUD	48	44
FMG Resources (August 2006) Pty Limited	04/01/2031	4.38%	60 USD	78	68
Government of Australia	11/21/2024	0.25%	205 AUD	186	178
Government of Australia	11/21/2025	0.25%	175 AUD	153	147
Government of Australia	09/21/2026	0.50%	310 AUD	265	255
International Finance Corporation	09/18/2023	2.55%	420 CNY	83	82
New South Wales Treasury Corporation	03/20/2031	2.00%	145 AUD	115	110
New South Wales Treasury Corporation	05/20/2027	3.00%	240 AUD	204	212
Queensland Treasury Corporation	08/20/2027	2.75%	110 AUD	93	96
Sydney Airport Finance Company Property Limited	04/28/2026	3.63%	80 USD	105	102
Western Australian Treasury Corporation	07/23/2024	2.50%	185 AUD	194	167
Total for Australia				1,559	1,490

#### Austria (0.0%)

Republic of Austria	02/20/2029	0.50%	70 EUR	108	88
Total for Austria				108	88

#### Brazil (0.3%)

Federative Republic of Brazil	01/01/2025	10.00%	1,495 BRL	409	367
Federative Republic of Brazil	01/01/2027	10.00%	1,840 BRL	432	436
Natura Cosméticos SA	05/03/2028	4.13%	200 USD	246	221
Simpair Finance SARL	02/12/2028	10.75%	310 BRL	73	58
Total for Brazil				1,160	1,082

#### Cayman Islands (0.1%)

QNB Finance Ltd.	09/22/2025	1.63%	200 USD	237	248
Total for Cayman Islands				237	248

#### China (0.2%)

People's Republic of China	04/09/2025	1.99%	640 CNY	123	124
People's Republic of China	08/12/2026	2.69%	3,660 CNY	736	714
The Asian Infrastructure Investment Bank	12/15/2025	0.20%	18 GBP	31	26
The Asian Infrastructure Investment Bank	11/03/2023	4.50%	850 MXN	49	55
Total for China				939	919

#### Colombia (0.0%)

Ecopetrol SA	06/26/2026	5.38%	25 USD	34	32
Total for Colombia				34	32

#### Denmark (0.0%)

Nykredit Realkredit A/S	07/01/2025	1.00%	330 DKK	61	60
Realkredit Danmark A/S	01/01/2026	1.00%	500 DKK	91	91
Total for Denmark				152	151

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# MD Short-Term Bond Fund

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(in \$000's except for number of shares)

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<b>Finland (0.0%)</b>					
Kuntarahoitus OYJ	04/21/2028	0.01%	105 EUR	133	130
Republic of Finland	09/15/2028	0.50%	5 EUR	8	6
Total for Finland				141	136
<b>Germany (0.1%)</b>					
E.ON SE	09/29/2027	0.38%	95 EUR	152	121
Federal Republic of Germany	03/15/2024	0.01%	125 EUR	170	176
KfW	06/07/2023	0.13%	80 EUR	122	115
KfW	09/20/2024	0.50%	75 USD	95	95
KfW	08/28/2023	1.25%	40 NOK	6	5
Landwirtschaftliche Rentenbank	04/23/2024	5.38%	95 NZD	97	81
Total for Germany				642	593
<b>India (0.2%)</b>					
Indian Railway Finance Corporation Limited	02/13/2030	3.25%	200 USD	268	234
NTPC Limited	11/26/2024	4.38%	200 USD	260	264
Total for India				528	498
<b>Indonesia (0.5%)</b>					
Republic of Indonesia	07/18/2024	2.15%	100 EUR	157	142
Republic of Indonesia	04/15/2027	5.13%	781,000 IDR	63	66
Republic of Indonesia	04/15/2032	6.38%	5,592,000 IDR	489	469
Republic of Indonesia	06/15/2025	6.50%	5,513,000 IDR	513	484
Republic of Indonesia	05/15/2033	6.63%	262,000 IDR	23	22
Republic of Indonesia	05/15/2038	7.50%	1,520,000 IDR	143	136
Republic of Indonesia	05/15/2024	8.13%	3,618,000 IDR	332	325
Republic of Indonesia	09/15/2026	8.38%	4,035,000 IDR	403	376
Republic of Indonesia	05/15/2031	8.75%	1,317,000 IDR	141	128
Republic of Indonesia	03/15/2029	9.00%	520,000 IDR	58	50
Total for Indonesia				2,322	2,198
<b>Ireland (0.1%)</b>					
AerCap Ireland Capital DAC / AerCap Global Aviation Trust	10/29/2023	1.15%	150 USD	194	196
Republic of Ireland	05/15/2027	0.20%	135 EUR	176	175
Republic of Ireland	10/18/2030	0.20%	125 EUR	182	147
Republic of Ireland	05/15/2029	1.10%	60 EUR	91	78
Total for Ireland				643	596
<b>Italy (0.1%)</b>					
Republic of Italy	08/01/2031	0.60%	55 EUR	72	58
Republic of Italy	02/17/2026	1.25%	200 USD	261	236
Republic of Italy	07/01/2025	1.85%	40 EUR	66	56
Republic of Italy	08/01/2023	4.75%	21 EUR	36	31
Total for Italy				435	381
<b>Japan (0.2%)</b>					
Government of Japan	03/20/2027	0.01%	14,650 JPY	147	150
Government of Japan	12/20/2023	0.10%	55,450 JPY	676	573
Total for Japan				823	723
<b>Jersey (0.0%)</b>					
IDB Trust Services Limited	12/04/2024	0.04%	100 EUR	146	136
Total for Jersey				146	136

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<b>Liberia (0.0%)</b>					
Royal Caribbean Cruises Ltd.	04/01/2028	5.50%	135 USD	170	146
Royal Caribbean Cruises Ltd.	08/15/2027	11.63%	36 USD	47	49
Total for Liberia				217	195
<b>Luxembourg (0.2%)</b>					
European Financial Stability Facility	10/17/2023	0.13%	90 EUR	136	128
FS Luxembourg SARL	12/15/2025	10.00%	200 USD	274	272
ICON Luxembourg SARL Term Loan B	07/01/2028	7.00%	14 USD	17	19
JBS USA LUX SA / JBS USA Food Co. / JBS USA Finance Inc.	01/15/2032	3.63%	200 USD	224	220
Swiss Insured Brazil Power Finance SARL	07/16/2032	9.85%	532 BRL	200	120
Total for Luxembourg				851	759
<b>Malaysia (0.2%)</b>					
Federation of Malaysia	06/15/2028	3.73%	250 MYR	80	76
Federation of Malaysia	07/05/2034	3.83%	160 MYR	52	48
Federation of Malaysia	04/15/2033	3.84%	324 MYR	99	97
Federation of Malaysia	03/14/2025	3.88%	110 MYR	36	34
Federation of Malaysia	11/30/2026	3.90%	675 MYR	209	208
Federation of Malaysia	11/16/2027	3.90%	328 MYR	106	101
Federation of Malaysia	09/30/2024	4.06%	360 MYR	113	111
Total for Malaysia				695	675
<b>Mexico (0.5%)</b>					
Becle, SAB de CV	10/14/2031	2.50%	200 USD	244	211
CEMEX SAB de CV	07/11/2031	3.88%	200 USD	228	230
United Mexican States	03/06/2025	5.00%	4,240 MXN	237	267
United Mexican States	03/05/2026	5.75%	6,530 MXN	388	411
United Mexican States	06/03/2027	7.50%	5,070 MXN	358	332
United Mexican States	05/29/2031	7.75%	960 MXN	60	62
Total for Mexico				1,515	1,513
<b>Netherlands (0.1%)</b>					
BNG Bank NV	06/07/2024	0.25%	90 EUR	137	125
Kingdom of Netherlands	07/15/2024	2.00%	137 EUR	193	197
PPF Telecom Group BV	09/29/2027	3.25%	100 EUR	155	130
Total for Netherlands				485	452
<b>New Zealand (0.4%)</b>					
Asian Development Bank	01/13/2027	1.85%	65 AUD	59	54
Asian Development Bank	09/10/2027	3.40%	80 AUD	69	71
Asian Development Bank	08/18/2025	3.75%	85 NZD	69	70
Asian Development Bank	05/27/2027	4.00%	125 NZD	102	102
Government of New Zealand	05/15/2024	0.50%	100 NZD	82	81
Government of New Zealand	05/15/2026	0.50%	140 NZD	110	105
Government of New Zealand	04/15/2027	4.50%	120 NZD	100	103
Housing New Zealand Limited	06/12/2025	3.36%	80 NZD	64	66
International Bank for Reconstruction & Development	07/02/2025	0.75%	103	103	95
International Bank for Reconstruction & Development	01/19/2027	1.80%	85	85	78
International Bank for Reconstruction & Development	01/16/2025	1.90%	110	110	105
International Bank for Reconstruction & Development	11/30/2026	2.88%	95 NZD	84	75
International Bank for Reconstruction & Development	06/24/2025	4.25%	70 AUD	68	65
International Bank for Reconstruction & Development	07/29/2027	4.25%	143 NZD	115	118
International Bank for Reconstruction & Development	02/04/2024	6.75%	80 BRL	21	20
International Development Association	12/12/2024	0.75%	80 GBP	136	122

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
New Zealand Local Government Funding Agency Bond	04/15/2026	1.50%	10 NZD	8	8
New Zealand Local Government Funding Agency Bond	04/15/2024	2.25%	59 NZD	50	49
New Zealand Local Government Funding Agency Bond	05/15/2028	2.25%	130 NZD	111	96
New Zealand Local Government Funding Agency Bond	04/15/2025	2.75%	225 NZD	183	183
New Zealand Local Government Funding Agency Bond	04/15/2027	4.50%	125 NZD	113	104
Total for New Zealand				1,842	1,770
<b>Norway (0.5%)</b>					
Aker BP ASA	01/15/2030	3.75%	150 USD	199	180
Kingdom of Norway	02/19/2026	1.50%	1,755 NOK	257	231
Kingdom of Norway	03/13/2025	1.75%	3,595 NOK	464	483
Kingdom of Norway	02/17/2027	1.75%	2,070 NOK	270	272
Kingdom of Norway	05/24/2023	2.00%	570 NOK	86	78
Kingdom of Norway	05/18/2032	2.13%	1,340 NOK	154	170
Kommunalbanken AS	02/09/2027	2.88%	250 NZD	210	196
Kommunalbanken AS	04/17/2023	4.50%	85 AUD	88	79
Nordea Eiendoms kreditt AS	06/19/2024	3.56%	1,000 NOK	144	139
Total for Norway				1,872	1,828
<b>Philippines (0.0%)</b>					
Republic of the Philippines	03/12/2024	6.25%	4,405 PHP	117	107
Total for Philippines				117	107
<b>Portugal (0.1%)</b>					
Republic of Portugal	10/15/2027	0.70%	136 EUR	207	178
Republic of Portugal	10/15/2025	2.88%	90 EUR	158	130
Total for Portugal				365	308
<b>Qatar (0.1%)</b>					
Qatarenergy Trading LLC	07/12/2031	2.25%	435 USD	509	489
Total for Qatar				509	489
<b>Singapore (0.2%)</b>					
Medco Bell Pte Ltd.	01/30/2027	6.38%	55 USD	71	68
Republic of Singapore	11/01/2026	1.25%	150 SGD	132	143
Republic of Singapore	06/01/2025	2.38%	490 SGD	502	489
Total for Singapore				705	700
<b>South Korea (0.2%)</b>					
Republic of Korea	06/10/2027	2.13%	181,010 KRW	170	181
Republic of Korea	03/10/2027	2.38%	514,720 KRW	487	521
Republic of Korea	09/10/2024	3.13%	155,720 KRW	157	165
Total for South Korea				814	867
<b>Spain (0.1%)</b>					
Kingdom of Spain	07/30/2024	0.25%	140 EUR	217	195
Kingdom of Spain	07/30/2027	0.80%	80 EUR	127	105
Total for Spain				344	300
<b>Sweden (0.0%)</b>					
Kingdom of Sweden	04/24/2023	0.13%	70 EUR	106	101
Total for Sweden				106	101
<b>United Arab Emirates (0.1%)</b>					
Emirate of Abu Dhabi	03/02/2031	1.70%	200 USD	238	224

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
Emirate of Abu Dhabi	04/16/2030	3.13%	200 USD	250	252
Total for United Arab Emirates				488	476
<b>United Kingdom (0.2%)</b>					
United Kingdom Treasury	01/31/2024	0.13%	250 GBP	399	394
United Kingdom Treasury	01/31/2025	0.25%	110 GBP	183	167
Virgin Media Secured Finance PLC	05/15/2029	5.50%	73 USD	96	89
Vmed O2 UK Financing I PLC	01/31/2031	3.25%	100 EUR	156	116
Vmed O2 UK Financing I PLC	01/31/2031	4.25%	205 USD	270	225
Total for United Kingdom				1,104	991
<b>United States (13.0%)</b>					
AECOM	03/15/2027	5.13%	100 USD	134	131
Amalgamated Financial Corp.	11/15/2031	3.25%	15 USD	19	18
American Airlines Inc. / AAdvantage Loyalty IP Ltd.	04/20/2026	5.50%	145 USD	188	189
American Airlines Inc. / AAdvantage Loyalty IP Ltd.	04/20/2029	5.75%	55 USD	69	68
American Tower Corporation	01/15/2028	0.50%	130 EUR	184	155
American Tower Corporation	01/31/2028	1.50%	215 USD	253	242
American Tower Corporation	10/15/2030	1.88%	60 USD	72	63
American Tower Corporation	08/15/2029	3.80%	55 USD	66	68
Apple Inc.	08/19/2024	2.51%	1,260	1,283	1,217
Aramark Services, Inc. Term Loan B3	03/11/2025	6.04%	7 USD	9	9
Ardagh Metal Packaging Finance USA LLC / Ardagh Metal Packaging Finance PLC	09/01/2028	3.25%	200 USD	254	230
AT&T Inc.	03/25/2024	0.90%	40 USD	50	51
AT&T Inc.	11/25/2025	4.00%	71	78	69
Athene Global Funding	04/09/2024	1.25%	554	554	523
Athene Global Funding	09/24/2025	2.10%	470	469	427
Athene Global Funding	03/10/2025	3.13%	320	320	303
Atlantic Union Bankshares Corporation	12/15/2031	2.88%	35 USD	45	40
Avery Dennison Corporation	03/03/2025	1.25%	100 EUR	155	141
Ball Corporation	08/15/2030	2.88%	120 USD	148	130
Bank of America Corporation	06/14/2024	0.52%	95 USD	120	126
Bank of America Corporation	10/24/2026	1.20%	45 USD	59	54
Bank of America Corporation	03/16/2028	3.62%	81	79	76
Berkshire Hathaway Inc.	03/12/2025	0.01%	100 EUR	149	135
Berry Global, Inc.	07/15/2027	5.63%	70 USD	101	93
Blackstone Private Credit Fund	03/24/2025	4.70%	1,175 USD	1,483	1,527
BOCA Commercial Mortgage Trust Series 2022-BOCA Cl. A	05/15/2039	6.11%	100 USD	128	133
Boston Properties Limited Partnership	01/15/2025	3.20%	115 USD	151	149
Broadcom Inc.	11/15/2036	3.19%	35 USD	35	34
Broadcom Inc.	04/15/2029	4.75%	152 USD	214	197
BX Commercial Mortgage Trust Series 2019-XL Cl. A	10/15/2036	5.37%	128 USD	171	171
BX Commercial Mortgage Trust Series 2021-CIP Cl. A	12/15/2038	5.24%	100 USD	126	131
BX Commercial Mortgage Trust Series 2021-VOLT Cl. A	09/15/2036	5.02%	100 USD	127	131
BX Trust Series 2022-CLS Cl. A	10/13/2027	5.76%	75 USD	103	100
BX Trust Series 2022-GPA Cl. A	10/15/2039	6.50%	100 USD	130	135
BX Trust Series 2022-GPA Cl. B	10/15/2039	7.00%	60 USD	78	81
BX Trust Series 2022-GPA Cl. C	10/15/2039	7.55%	25 USD	32	34
CAMB Commercial Mortgage Trust Series 2019-LIFE Cl. A	12/15/2037	5.39%	100 USD	128	134
Capital One Multi-Asset Execution Trust Series 2017-A5 Cl. A5	07/15/2027	4.90%	60 USD	75	81
Carnival Corporation	03/01/2027	5.75%	190 USD	235	184
Carnival Corporation	12/01/2027	5.75%	115 USD	153	140
Caterpillar Financial Services Corporation	05/17/2024	0.45%	60 USD	74	77
CCO Holdings, LLC / CCO Holdings Capital Corp.	08/15/2030	4.50%	50 USD	68	56
CCO Holdings, LLC / CCO Holdings Capital Corp.	06/01/2033	4.50%	55 USD	69	57

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
CCO Holdings, LLC / CCO Holdings Capital Corp.	03/01/2030	4.75%	175 USD	233	203
CCO Holdings, LLC / CCO Holdings Capital Corp.	05/01/2027	5.13%	145 USD	194	183
CDW LLC / CDW Finance Corp.	04/01/2028	4.25%	180 USD	244	225
CEC Entertainment, LLC	05/01/2026	6.75%	25 USD	31	32
Centene Corporation	03/01/2031	2.50%	165 USD	205	175
Centene Corporation	10/15/2030	3.00%	185 USD	249	206
Centene Corporation	02/15/2030	3.38%	205 USD	277	235
Centene Corporation	12/15/2029	4.63%	25 USD	36	31
Charter Communications Operating, LLC / Charter Communications Operating Capital Corporation	04/01/2031	2.80%	85 USD	106	90
Charter Communications Operating, LLC / Charter Communications Operating Capital Corporation	03/30/2029	5.05%	120 USD	182	153
Cheniere Energy Partners, LP	03/01/2031	4.00%	140 USD	175	162
Cheniere Energy Partners, LP	10/01/2029	4.50%	45 USD	58	55
Citigroup Inc.	05/15/2024	1.68%	115 USD	155	154
Cleveland-Cliffs Inc.	03/01/2031	4.88%	115 USD	147	138
Cloud Software Group Holdings, Inc.	03/31/2029	6.50%	55 USD	61	63
COLT Mortgage Loan Trust Series 2022-5 Cl. A1	04/25/2067	4.55%	92 USD	118	121
Continental Resources, Inc.	01/15/2031	5.75%	100 USD	124	126
Credit Suisse Mortgage Trust Series 2019-ICE4 Cl. A	05/15/2036	5.30%	140 USD	179	188
Credit Suisse Mortgage Trust Series 2019-NQM1 Cl. A1	10/25/2059	2.66%	13 USD	18	17
Crown Castle Inc.	07/15/2025	1.35%	19 USD	23	23
Crown Castle Inc.	01/15/2031	2.25%	15 USD	20	16
Crown Castle Inc.	09/01/2027	3.65%	110 USD	147	139
DB Master Finance LLC Series 2019-1A Cl. A2II	05/20/2049	4.02%	48 USD	66	61
Delta Air Lines, Inc.	10/28/2024	2.90%	150 USD	191	193
Delta Air Lines, Inc.	04/19/2028	4.38%	178 USD	245	215
Delta Air Lines, Inc.	01/15/2026	7.38%	15 USD	21	21
Delta Air Lines, Inc. / SkyMiles IP Ltd.	10/20/2025	4.50%	55 USD	74	73
Delta Air Lines, Inc. / SkyMiles IP Ltd.	10/20/2028	4.75%	536 USD	744	684
Delta Air Lines, Inc. Pass Through Trust Series 2020-1 Cl. A	12/10/2029	2.50%	35 USD	47	40
Dime Community Bancshares, Inc.	05/15/2032	5.00%	20 USD	26	24
Domino's Pizza Master Issuer LLC Series 2015-1A Cl. A2II	10/25/2045	4.47%	89 USD	119	115
Driven Brands Funding, LLC Series 2018-1A Cl. A2	04/20/2048	4.74%	81 USD	109	103
Driven Brands Funding, LLC Series 2019-2A Cl. A2	10/20/2049	3.98%	58 USD	76	70
DTE Energy Company	06/01/2025	1.05%	45 USD	54	55
EQT Corporation	10/01/2027	3.90%	87 USD	114	109
Equinix, Inc.	11/18/2029	3.20%	170 USD	223	201
Expedia Group, Inc.	02/15/2028	3.80%	131 USD	166	163
Fannie Mae Connecticut Avenue Securities Series 2022-R01 Cl. 1M1	12/25/2041	4.93%	36 USD	45	48
Fannie Mae Connecticut Avenue Securities Series 2022-R03 Cl. 1M1	03/25/2042	6.03%	16 USD	20	22
Fannie Mae Connecticut Avenue Securities Series 2022-R04 Cl. 1M1	03/25/2042	5.93%	32 USD	40	43
Fannie Mae Connecticut Avenue Securities Series 2022-R05 Cl. 2M1	04/25/2042	5.83%	72 USD	93	97
Fannie Mae Pool	09/01/2052	4.50%	260 USD	333	342
Fannie Mae Pool	11/01/2052	5.00%	99 USD	137	134
Fannie Mae Pool	10/01/2052	5.50%	75 USD	104	103
Fannie Mae Pool	11/01/2052	5.50%	329 USD	451	449
Fannie Mae Pool	12/01/2052	5.50%	145 USD	202	198
Fidelity National Information Services, Inc.	05/21/2027	1.50%	100 EUR	157	130
Fifth Third Bancorp	01/28/2025	2.38%	90 USD	117	116
First Foundation Inc.	02/01/2032	3.50%	25 USD	31	29
FirstEnergy Corp.	09/01/2030	2.25%	80 USD	88	86
FirstEnergy Corp.	03/01/2030	2.65%	110 USD	125	122
FirstEnergy Corp.	07/15/2027	4.40%	95 USD	134	120
FirstEnergy Corp.	11/15/2031	7.38%	170 USD	297	260

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$'000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
FirstKey Homes Trust Series 2020-SFR2 Cl. A	10/19/2037	1.27%	99 USD	132	119
FirstKey Homes Trust Series 2022-SFR3 Cl. A	07/17/2026	4.25%	100 USD	125	128
Flushing Financial Corporation	12/01/2031	3.13%	20 USD	25	23
Flushing Financial Corporation	09/01/2032	6.00%	15 USD	19	19
Ford Motor Company	02/12/2032	3.25%	80 USD	100	81
Ford Motor Credit Company LLC	06/14/2024	2.75%	100 GBP	171	155
Ford Motor Credit Company LLC	06/17/2031	3.63%	200 USD	247	213
Ford Motor Credit Company LLC	08/17/2027	4.13%	200 USD	239	243
Ford Motor Credit Company LLC	05/28/2027	4.95%	200 USD	245	253
Freddie Mac Pool	08/01/2052	4.50%	167 USD	214	219
Freddie Mac Pool	08/01/2052	5.00%	70 USD	95	95
Freddie Mac Pool	10/01/2052	5.00%	102 USD	139	138
Freddie Mac Pool	11/01/2052	5.00%	248 USD	336	335
Freddie Mac Pool	11/01/2052	5.50%	93 USD	128	127
Freddie Mac STACR REMIC Trust Series 2022-DNA3 Cl. M1B	04/25/2042	6.83%	90 USD	114	121
Freddie Mac STACR REMIC Trust Series 2022-DNA4 Cl. M1A	05/25/2042	6.13%	108 USD	140	145
Freddie Mac STACR REMIC Trust Series 2022-DNA4 Cl. M1B	05/25/2042	7.28%	130 USD	169	177
Freddie Mac STACR REMIC Trust Series 2022-DNA7 Cl. M1A	03/25/2052	6.43%	75 USD	103	102
Freddie Mac STACR REMIC Trust Series 2022-HQA1 Cl. M1B	03/25/2042	7.43%	30 USD	39	40
Freddie Mac STACR REMIC Trust Series 2022-HQA3 Cl. M1A	08/25/2042	6.23%	24 USD	31	32
Freeport-McMoRan Inc.	03/01/2028	4.13%	95 USD	126	119
Freeport-McMoRan Inc.	08/01/2030	4.63%	105 USD	149	133
Gartner, Inc.	10/01/2030	3.75%	90 USD	110	105
General Motors Financial Company, Inc.	10/15/2024	1.20%	80 USD	98	100
General Motors Financial Company, Inc.	06/21/2030	3.60%	140 USD	191	160
GLP Capital, LP / GLP Financing II, Inc.	01/15/2032	3.25%	120 USD	129	130
HCA Inc.	09/01/2030	3.50%	385 USD	504	452
HCA Inc.	06/15/2029	4.13%	250 USD	372	310
HCA Inc.	09/01/2028	5.63%	38 USD	50	51
Heartland Financial USA, Inc.	09/15/2031	2.75%	15 USD	19	18
Hilton Domestic Operating Company Inc.	02/15/2032	3.63%	110 USD	136	120
Hilton Domestic Operating Company Inc.	01/15/2030	4.88%	20 USD	28	25
Hilton Grand Vacations Borrower Escrow LLC / Hilton Grand Vacations Borrower Esc	06/01/2029	5.00%	65 USD	78	76
Home BancShares, Inc.	01/30/2032	3.13%	35 USD	44	40
HomeStreet, Inc.	01/30/2032	3.50%	15 USD	19	17
Host Hotels & Resorts, LP	12/15/2029	3.38%	135 USD	171	154
Host Hotels & Resorts, LP	09/15/2030	3.50%	5 USD	6	6
Host Hotels & Resorts, LP	02/01/2026	4.50%	15 USD	21	19
Hyatt Hotels Corporation	04/23/2030	6.00%	132 USD	195	176
Inter-American Development Bank	01/29/2026	2.70%	77 AUD	72	68
INTOWN Mortgage Trust Series 2022-STAY Cl. A	08/15/2039	6.82%	100 USD	127	135
JPMorgan Chase & Co.	11/19/2026	1.05%	5 USD	6	6
JPMorgan Chase & Co.	03/13/2026	2.01%	65 USD	82	82
KFC Holding Co. / Pizza Hut Holdings LLC / Taco Bell of America LLC	06/01/2027	4.75%	75 USD	102	98
Kinder Morgan, Inc.	12/01/2034	5.30%	105 USD	146	134
Kraft Heinz Foods Company	06/01/2026	3.00%	227 USD	303	288
Kraft Heinz Foods Company	05/15/2027	3.88%	185 USD	255	240
Kraft Heinz Foods Company	03/01/2031	4.25%	175 USD	253	223
Lakeland Bancorp, Inc.	09/15/2031	2.88%	15 USD	19	17
Liberty Media Corporation	12/01/2050	0.50%	105 USD	154	142
Liberty Media Corporation	12/01/2049	2.75%	80 USD	104	99
Life Mortgage Trust Series 2022-BMR2 Cl. A1	05/15/2039	5.63%	155 USD	198	205
Life Mortgage Trust Series 2022-BMR2 Cl. B	05/15/2039	6.13%	145 USD	185	191
Life Mortgage Trust Series 2022-BMR2 Cl. C	05/15/2039	6.43%	100 USD	128	131
Marriott International, Inc.	06/15/2030	4.63%	40 USD	55	51

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# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$'000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
Marriott Vacations Worldwide Corporation	12/15/2027	3.25%	65 USD	89	87
Match Group Holdings II, LLC	08/01/2030	4.13%	55 USD	73	61
McDonald's Corporation	03/04/2025	3.13%	1,260	1,304	1,217
MetroNet Infrastructure Issuer LLC Series 2022-1A Cl. A2	10/20/2052	6.35%	80 USD	102	103
Metropolitan Life Global Funding I	03/20/2028	1.95%	43	43	37
MGM Resorts International	10/15/2028	4.75%	10 USD	13	12
Mileage Plus Holdings LLC Term Loan B	06/20/2027	10.00%	81 USD	109	113
MSCI Inc.	09/01/2030	3.63%	106 USD	125	120
MSCI Inc.	02/15/2031	3.88%	75 USD	104	85
MSCI Inc. Cl. A	11/01/2031	3.63%	151 USD	188	169
Navient Student Loan Trust Series 2018-A Cl. A2	02/18/2042	3.19%	5 USD	7	7
NBM US Holdings Inc.	05/14/2026	7.00%	200 USD	267	269
Nestle Holdings, Inc.	01/26/2029	2.19%	3,500	3,481	3,066
NextEra Energy Capital Holdings, Inc.	12/02/2026	2.20%	140 AUD	126	115
Nicolet Bankshares, Inc.	07/15/2031	3.13%	20 USD	25	24
Nissan Motor Acceptance Company LLC	09/16/2024	1.13%	75 USD	94	93
NRG Energy, Inc.	02/15/2029	3.38%	30 USD	39	33
Occidental Petroleum Corporation	08/15/2026	3.20%	15 USD	18	19
Occidental Petroleum Corporation	04/15/2026	3.40%	76 USD	94	97
Occidental Petroleum Corporation	01/01/2031	6.13%	125 USD	176	171
Occidental Petroleum Corporation	09/01/2030	6.63%	250 USD	364	351
Occidental Petroleum Corporation	05/01/2031	7.50%	30 USD	44	44
Ovintiv Inc.	08/15/2034	6.50%	30 USD	42	41
Patagonia Holdco LLC Term Loan B1	08/01/2029	9.96%	22 USD	23	24
PerkinElmer, Inc.	09/15/2023	0.55%	75 USD	93	98
Post Holdings, Inc.	09/15/2031	4.50%	80 USD	100	91
Post Holdings, Inc.	04/15/2030	4.63%	95 USD	130	111
Post Holdings, Inc.	12/15/2029	5.50%	85 USD	122	104
Post Holdings, Inc.	01/15/2028	5.63%	265 USD	366	338
PRA Health Sciences, Inc. Term Loan B	07/01/2028	7.00%	4 USD	4	5
Premier Entertainment Sub LLC / Premier Entertainment Finance Corp.	09/01/2029	5.63%	105 USD	114	105
Premier Entertainment Sub LLC / Premier Entertainment Finance Corp.	09/01/2031	5.88%	108 USD	119	104
Renasant Corporation	12/01/2031	3.00%	20 USD	25	23
Sandy Spring Bancorp, Inc.	03/30/2032	3.88%	20 USD	26	23
SBA Communications Corporation	02/01/2029	3.13%	145 USD	182	164
SBA Senior Finance II, LLC Term Loan B	04/11/2025	6.13%	5 USD	6	6
Sierra Bancorp	10/01/2031	3.25%	10 USD	13	12
Sirius XM Radio Inc.	07/15/2028	4.00%	230 USD	280	272
Sirius XM Radio Inc.	07/01/2030	4.13%	45 USD	53	50
Southwest Airlines Co.	05/01/2025	1.25%	95 USD	207	155
Southwestern Energy Company	01/23/2025	5.70%	2 USD	3	3
Starwood Property Trust, Inc.	01/15/2027	4.38%	45 USD	57	53
Stryker Corporation	12/01/2023	0.60%	24 USD	30	31
Stryker Corporation	06/15/2025	1.15%	80 USD	97	99
Taco Bell Funding, LLC Series 2016-1A Cl. A23	05/25/2046	4.97%	160 USD	217	208
Targa Resources Partners LP / Targa Resources Partners Finance Corp.	01/15/2032	4.00%	55 USD	70	63
The Boeing Company	02/04/2026	2.20%	127 USD	158	157
The Boeing Company	05/01/2023	4.51%	55 USD	71	74
The Boeing Company	05/01/2027	5.04%	110 USD	153	148
The Boeing Company	05/01/2030	5.15%	375 USD	555	498
The Goldman Sachs Group, Inc.	01/26/2028	0.25%	20 EUR	24	24
The Goldman Sachs Group, Inc.	05/15/2024	1.38%	66 EUR	102	94
The Goldman Sachs Group, Inc.	11/01/2028	2.00%	41 EUR	53	53
The Goldman Sachs Group, Inc.	11/30/2027	2.60%	730	729	660
The PNC Financial Services Group, Inc.	02/01/2023	8.12%	26 USD	35	35

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# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
The Williams Companies, Inc.	11/15/2030	3.50%	310 USD	420	369
Thermo Fisher Scientific Inc.	10/18/2023	0.80%	80 USD	99	105
Thermo Fisher Scientific Inc.	01/23/2026	1.40%	145 EUR	218	197
T-Mobile US Trust Series 2022-1A Cl. A	05/22/2028	4.91%	100 USD	135	135
T-Mobile USA, Inc.	02/15/2029	2.63%	50 USD	64	57
T-Mobile USA, Inc.	04/15/2029	3.38%	100 USD	121	119
T-Mobile USA, Inc.	04/15/2031	3.50%	85 USD	111	100
T-Mobile USA, Inc.	04/15/2030	3.88%	165 USD	209	203
Transcontinental Gas Pipe Line Company, LLC	05/15/2030	3.25%	50 USD	71	59
Travel + Leisure Co.	12/01/2029	4.50%	100 USD	126	111
Travel + Leisure Co.	07/31/2026	6.63%	49 USD	70	65
TWDC Enterprises 18 Corp.	10/07/2024	2.76%	3,732	3,886	3,593
U.S. Bancorp	06/07/2024	0.85%	200 EUR	303	280
U.S. Bancorp	01/15/2027	3.70%	77 USD	95	85
Uber Technologies Inc.	11/01/2026	8.00%	91 USD	126	124
United Airlines, Inc. Term Loan B	04/21/2028	8.11%	162 USD	201	217
United Parcel Service, Inc.	05/21/2024	2.13%	1,760	1,742	1,698
United Rentals (North America), Inc.	02/15/2031	3.88%	155 USD	184	176
United Rentals (North America), Inc.	07/15/2030	4.00%	185 USD	250	215
United Rentals (North America), Inc.	01/15/2028	4.88%	110 USD	145	141
United Rentals (North America), Inc.	05/15/2027	5.50%	52 USD	71	70
United States Treasury Note	04/15/2023	0.25%	290 USD	401	388
United States Treasury Note	05/31/2025	0.25%	110 USD	146	135
United States Treasury Note	01/31/2026	0.38%	70 USD	89	84
United States Treasury Note	02/28/2026	0.50%	145 USD	178	175
United States Treasury Note	11/15/2024	0.75%	815 USD	1,045	1,031
United States Treasury Note	05/31/2026	0.75%	125 USD	152	151
United States Treasury Note	09/30/2026	0.88%	670 USD	815	807
United States Treasury Note	08/31/2024	1.25%	220 USD	296	282
United States Treasury Note	01/31/2027	1.50%	440 USD	541	539
United States Treasury Note	11/30/2023	2.13%	220 USD	292	291
United States Treasury Note	03/31/2024	2.25%	985 USD	1,250	1,295
United States Treasury Note	05/31/2027	2.63%	255 USD	321	326
United States Treasury Note	05/15/2032	2.88%	130 USD	170	163
USB Capital IX	01/30/2023	5.10%	91 USD	98	97
Valley National Bancorp	06/15/2031	3.00%	30 USD	36	36
Verizon Communications Inc.	03/22/2024	0.75%	30 USD	38	39
Verizon Communications Inc.	05/06/2026	2.10%	70 AUD	63	59
Verizon Communications Inc.	02/17/2023	3.50%	40 AUD	40	37
VICI Properties LP / VICI Note Co. Inc.	02/15/2029	3.88%	35 USD	43	42
VICI Properties LP / VICI Note Co. Inc.	08/15/2030	4.13%	135 USD	163	160
WEC Energy Group Inc.	03/15/2024	0.80%	38 USD	47	49
Wells Fargo & Company	06/02/2024	1.65%	30 USD	38	40
Wells Fargo & Company	05/01/2026	2.57%	105	109	99
Wells Fargo & Company	05/19/2026	2.98%	1,029	1,110	959
Wells Fargo & Company	02/08/2024	3.18%	2,270	2,378	2,214
Wells Fargo & Company	05/21/2025	3.87%	575	558	555
Wesbanco, Inc.	04/01/2032	3.75%	25 USD	32	29
Western Alliance Bancorporation	06/15/2031	3.00%	42 USD	51	48
Western Midstream Operating, LP	02/01/2030	4.30%	140 USD	188	164
Westlake Corporation	08/15/2024	0.88%	60 USD	75	75
WMG Acquisition Corp.	02/15/2031	3.00%	240 USD	288	260
Wyndham Hotels & Resorts, Inc.	08/15/2028	4.38%	155 USD	193	189
YUM! Brands, Inc.	03/15/2031	3.63%	300 USD	371	341
YUM! Brands, Inc.	01/31/2032	4.63%	170 USD	213	204

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$'000's except for number of shares)

	Maturity Date	Coupon (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
YUM! Brands, Inc.	01/15/2030	4.75%	95 USD	133	118
Zimmer Biomet Holdings, Inc.	11/22/2024	1.45%	80 USD	99	101
Total for United States				55,366	52,277
<b>Total for Foreign Bonds (18.1%)</b>				<b>77,264</b>	<b>73,079</b>

	Coupon (%)	Number of Shares	Average Cost (\$)	Fair Value (\$)
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### FOREIGN EQUITIES

#### United States (0.4%)

2020 Cash Mandatory Exchangeable Trust Preferred	5.25%	60 USD	79	93
American Electric Power Company, Inc. Preferred	6.13%	2,100 USD	147	147
Becton, Dickinson and Company Series B Preferred	6.00%	2,400 USD	163	163
Enterprise Financial Services Corp. Series A Preferred	5.00%	500 USD	16	11
Midland States Bancorp, Inc. Preferred	7.75%	700 USD	23	25
NextEra Energy, Inc. Preferred	6.22%	2,850 USD	190	195
NextEra Energy, Inc. Preferred	6.93%	6,450 USD	416	438
Paramount Global Series A Preferred	5.75%	1,300 USD	74	44
Stifel Financial Corp. Series D Preferred	4.50%	3,625 USD	114	79
The AES Corporation Preferred	6.88%	1,300 USD	161	179
U.S. Bancorp Series A Preferred	5.10%	141 USD	149	156
U.S. Bancorp Series K Preferred	5.50%	3,175 USD	106	96
Washington Federal, Inc. Series A Preferred	4.88%	1,200 USD	38	29
Wells Fargo & Company Series Q Preferred	5.85%	3,441 USD	117	107
Western Alliance Bancorporation Series A Preferred	4.25%	850 USD	27	23
Total for United States			1,820	1,785
<b>Total for Foreign Equities (0.4%)</b>			<b>1,820</b>	<b>1,785</b>
<b>Total for Long-term Investments (98.6%)</b>			<b>417,108</b>	<b>397,359</b>

	Maturity Date	Yield (%)	Principal Amount in Currency of Issue	Average Cost (\$)	Fair Value (\$)
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### SHORT TERM INVESTMENTS

Zeus Receivables Trust	01/03/2023	2.90%	920	920	920
<b>Total for Short Terms Investments (0.2%)</b>				<b>920</b>	<b>920</b>
<b>Total for Investments (98.8%)</b>				<b>\$418,028</b>	<b>\$398,279</b>
<b>Cash and Other Net Assets (1.2%)</b>					<b>4,695</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units (100.0%)</b>					<b>\$402,974</b>

Percentages shown in brackets relate investments at fair value to net assets of the Fund.



# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's)

### Schedule of Derivative Instruments

#### FORWARD CURRENCY CONTRACTS

Contracts	Pay	Receive	Contract Rate	Due Date	Fair Value (\$)	Counterparty	Rating of the Counterparty*
1	786 Brazilian Real	208 Canadian Dollar	0.264	01/18/2023	6	Citibank NA	A+
1	38 Canadian Dollar	43 Australian dollar	1.119	01/18/2023	1	Citibank NA	A+
1	179 Canadian Dollar	717 Brazilian Real	3.998	01/18/2023	4	Citibank NA	A+
1	241 Canadian Dollar	180 Euro Currency	0.745	01/18/2023	20	Standard Chartered Bank	A+
1	241 Canadian Dollar	180 Euro Currency	0.744	01/18/2023	19	Goldman Sachs Bank USA	A+
1	242 Canadian Dollar	180 Euro Currency	0.743	01/18/2023	19	Goldman Sachs Bank USA	A+
1	243 Canadian Dollar	180 Euro Currency	0.739	01/18/2023	18	Goldman Sachs Bank USA	A+
1	244 Canadian Dollar	179 Euro Currency	0.736	01/18/2023	17	JPMorgan Chase Bank NA	A+
1	244 Canadian Dollar	179 Euro Currency	0.736	01/18/2023	17	Goldman Sachs Bank USA	A+
1	195 Canadian Dollar	143 Euro Currency	0.736	01/18/2023	13	Morgan Stanley Capital Services LLC	A+
1	195 Canadian Dollar	143 Euro Currency	0.736	01/18/2023	13	State Street Bank and Trust Co.	AA-
1	98 Canadian Dollar	72 Euro Currency	0.735	01/18/2023	6	Citibank NA	A+
1	52 Canadian Dollar	39 Euro Currency	0.748	01/18/2023	4	The Bank of New York Mellon	AA-
1	190 Canadian Dollar	132 Euro Currency	0.694	01/18/2023	1	Morgan Stanley Capital Services LLC	A+
1	135 Canadian Dollar	1,974 Mexican Peso	14.662	01/18/2023	2	Goldman Sachs Bank USA	A+
1	135 Canadian Dollar	1,967 Mexican Peso	14.613	01/18/2023	2	Canadian Imperial Bank of Commerce	A+
1	27 Canadian Dollar	197 Norwegian Krone	7.311	01/18/2023	-	Bank of America NA	A+
1	15 Canadian Dollar	10 Pound Sterling	0.682	01/18/2023	2	Bank of America NA	A+
1	467 Canadian Dollar	350 U.S. Dollar	0.750	01/18/2023	7	Canadian Imperial Bank of Commerce	A+
1	232 Canadian Dollar	175 U.S. Dollar	0.754	01/18/2023	5	Canadian Imperial Bank of Commerce	A+
1	539 Canadian Dollar	401 U.S. Dollar	0.745	01/18/2023	4	The Bank of New York Mellon	AA-
1	299 Canadian Dollar	223 U.S. Dollar	0.745	01/18/2023	3	Morgan Stanley Capital Services LLC	A+
1	240 Canadian Dollar	179 U.S. Dollar	0.745	01/18/2023	2	State Street Bank and Trust Co.	AA-
1	234 Canadian Dollar	174 U.S. Dollar	0.745	01/18/2023	2	Royal Bank of Canada	AA-
1	445 Canadian Dollar	329 U.S. Dollar	0.740	01/18/2023	1	Canadian Imperial Bank of Commerce	A+
1	233 Canadian Dollar	172 U.S. Dollar	0.740	01/18/2023	1	Citibank NA	A+
1	222 Canadian Dollar	165 U.S. Dollar	0.740	01/18/2023	1	HSBC Bank USA NA	A+
1	233 Canadian Dollar	172 U.S. Dollar	0.740	01/18/2023	-	JPMorgan Chase Bank NA	A+
1	222 Canadian Dollar	165 U.S. Dollar	0.740	01/18/2023	-	JPMorgan Chase Bank NA	A+
1	233 Canadian Dollar	172 U.S. Dollar	0.740	01/18/2023	-	Bank of Montreal	A+
1	445 Canadian Dollar	329 U.S. Dollar	0.739	01/18/2023	-	Citibank NA	A+
1	233 Canadian Dollar	172 U.S. Dollar	0.739	01/18/2023	-	HSBC Bank USA NA	A+
1	974,203 Colombian Peso	283 Canadian Dollar	-	01/18/2023	11	Goldman Sachs Bank USA	A+
1	33 New Zealand Dollar	29 Canadian Dollar	0.870	01/18/2023	-	UBS AG	A+
1	414 U.S. Dollar	576 Canadian Dollar	1.392	01/18/2023	16	The Bank of New York Mellon	AA-
1	333 U.S. Dollar	458 Canadian Dollar	1.374	01/18/2023	7	The Bank of New York Mellon	AA-
1	166 U.S. Dollar	231 Canadian Dollar	1.395	01/18/2023	7	Canadian Imperial Bank of Commerce	A+
1	166 U.S. Dollar	231 Canadian Dollar	1.394	01/18/2023	7	Morgan Stanley Capital Services LLC	A+
1	166 U.S. Dollar	231 Canadian Dollar	1.393	01/18/2023	6	Royal Bank of Canada	AA-
1	174 U.S. Dollar	242 Canadian Dollar	1.387	01/18/2023	6	Morgan Stanley Capital Services LLC	A+
1	333 U.S. Dollar	457 Canadian Dollar	1.371	01/18/2023	6	Toronto-Dominion Bank	AA-
1	333 U.S. Dollar	457 Canadian Dollar	1.371	01/18/2023	6	JPMorgan Chase Bank NA	A+
1	374 U.S. Dollar	512 Canadian Dollar	1.369	01/18/2023	5	State Street Bank and Trust Co.	AA-
1	179 U.S. Dollar	248 Canadian Dollar	1.384	01/18/2023	5	Royal Bank of Canada	AA-
1	179 U.S. Dollar	248 Canadian Dollar	1.383	01/18/2023	5	Bank of Montreal	A+
1	179 U.S. Dollar	248 Canadian Dollar	1.383	01/18/2023	5	State Street Bank and Trust Co.	AA-
1	167 U.S. Dollar	231 Canadian Dollar	1.384	01/18/2023	5	The Bank of New York Mellon	AA-
1	146 U.S. Dollar	203 Canadian Dollar	1.387	01/18/2023	5	JPMorgan Chase Bank NA	A+
1	374 U.S. Dollar	512 Canadian Dollar	1.367	01/18/2023	5	Barclays Bank PLC	A
1	167 U.S. Dollar	230 Canadian Dollar	1.382	01/18/2023	5	The Bank of New York Mellon	AA-
1	187 U.S. Dollar	258 Canadian Dollar	1.378	01/18/2023	4	JPMorgan Chase Bank NA	A+

# MD Short-Term Bond Fund

Schedule of Investment Portfolio as at December 31, 2022

(in \$000's)

## Schedule of Derivative Instruments (continued)

Contracts		Pay		Receive	Contract Rate	Due Date	Fair Value (\$)	Counterparty	Rating of the Counterparty*
1	233	U.S. Dollar	320	Canadian Dollar	1.373	01/18/2023	4	Goldman Sachs Bank USA	A+
1	187	U.S. Dollar	257	Canadian Dollar	1.375	01/18/2023	4	The Bank of New York Mellon	AA-
1	187	U.S. Dollar	257	Canadian Dollar	1.374	01/18/2023	4	Citibank NA	A+
1	332	U.S. Dollar	453	Canadian Dollar	1.365	01/18/2023	4	Barclays Bank PLC	A
1	187	U.S. Dollar	257	Canadian Dollar	1.372	01/18/2023	3	HSBC Bank USA NA	A+
1	187	U.S. Dollar	257	Canadian Dollar	1.371	01/18/2023	3	HSBC Bank USA NA	A+
1	163	U.S. Dollar	224	Canadian Dollar	1.373	01/18/2023	3	Morgan Stanley Capital Services LLC	A+
1	163	U.S. Dollar	224	Canadian Dollar	1.372	01/18/2023	3	Citibank NA	A+
1	187	U.S. Dollar	256	Canadian Dollar	1.369	01/18/2023	3	UBS AG	A+
1	163	U.S. Dollar	224	Canadian Dollar	1.371	01/18/2023	3	JPMorgan Chase Bank NA	A+
1	187	U.S. Dollar	256	Canadian Dollar	1.369	01/18/2023	3	The Bank of New York Mellon	AA-
1	163	U.S. Dollar	224	Canadian Dollar	1.370	01/18/2023	3	Canadian Imperial Bank of Commerce	A+
1	163	U.S. Dollar	224	Canadian Dollar	1.370	01/18/2023	3	The Bank of New York Mellon	AA-
1	144	U.S. Dollar	197	Canadian Dollar	1.371	01/18/2023	3	Bank of Montreal	A+
1	204	U.S. Dollar	279	Canadian Dollar	1.366	01/18/2023	3	JPMorgan Chase Bank NA	A+
1	143	U.S. Dollar	196	Canadian Dollar	1.371	01/18/2023	3	Royal Bank of Canada	AA-
1	204	U.S. Dollar	278	Canadian Dollar	1.366	01/18/2023	3	Royal Bank of Canada	AA-
1	163	U.S. Dollar	224	Canadian Dollar	1.369	01/18/2023	3	Toronto-Dominion Bank	AA-
1	204	U.S. Dollar	278	Canadian Dollar	1.366	01/18/2023	2	HSBC Bank USA NA	A+
1	143	U.S. Dollar	196	Canadian Dollar	1.370	01/18/2023	2	Toronto-Dominion Bank	AA-
1	106	U.S. Dollar	145	Canadian Dollar	1.372	01/18/2023	2	HSBC Bank Canada	A+
1	166	U.S. Dollar	227	Canadian Dollar	1.366	01/18/2023	2	The Bank of New York Mellon	AA-
1	166	U.S. Dollar	227	Canadian Dollar	1.366	01/18/2023	2	UBS AG	A+
1	100	U.S. Dollar	137	Canadian Dollar	1.373	01/18/2023	2	State Street Bank and Trust Co.	AA-
1	166	U.S. Dollar	227	Canadian Dollar	1.365	01/18/2023	2	Bank of Nova Scotia	A+
1	166	U.S. Dollar	227	Canadian Dollar	1.365	01/18/2023	2	Citibank NA	A+
1	115	U.S. Dollar	157	Canadian Dollar	1.369	01/18/2023	2	JPMorgan Chase Bank NA	A+
1	166	U.S. Dollar	226	Canadian Dollar	1.364	01/18/2023	2	Royal Bank of Canada	AA-
1	85	U.S. Dollar	116	Canadian Dollar	1.370	01/18/2023	1	Morgan Stanley Capital Services LLC	A+
1	85	U.S. Dollar	116	Canadian Dollar	1.370	01/18/2023	1	Bank of Nova Scotia	A+
1	81	U.S. Dollar	111	Canadian Dollar	1.369	01/18/2023	1	Canadian Imperial Bank of Commerce	A+
1	28	U.S. Dollar	39	Canadian Dollar	1.388	01/18/2023	1	HSBC Bank USA NA	A+
1	166	U.S. Dollar	226	Canadian Dollar	1.359	01/18/2023	1	The Bank of New York Mellon	AA-
1	332	U.S. Dollar	450	Canadian Dollar	1.356	01/18/2023	1	State Street Bank and Trust Co.	AA-
1	44	U.S. Dollar	60	Canadian Dollar	1.365	01/18/2023	-	Morgan Stanley Capital Services LLC	A+
1	44	U.S. Dollar	60	Canadian Dollar	1.365	01/18/2023	-	Royal Bank of Canada	AA-
1	22	U.S. Dollar	30	Canadian Dollar	1.365	01/18/2023	-	HSBC Bank USA NA	A+
							390		
1	180	Australian dollar	165	Canadian Dollar	0.921	01/18/2023	-	Royal Bank of Canada	AA-
1	36	Australian dollar	32	Canadian Dollar	0.893	01/18/2023	(1)	The Bank of New York Mellon	AA-
1	81	Australian dollar	71	Canadian Dollar	0.876	01/18/2023	(4)	Morgan Stanley Capital Services LLC	A+
1	323	Australian dollar	294	Canadian Dollar	0.909	01/18/2023	(5)	Citibank NA	A+
1	177	Australian dollar	159	Canadian Dollar	0.897	01/18/2023	(5)	Citibank NA	A+
1	100	Australian dollar	87	Canadian Dollar	0.869	01/18/2023	(5)	Morgan Stanley Capital Services LLC	A+
1	319	Australian dollar	286	Canadian Dollar	0.897	01/18/2023	(8)	Toronto-Dominion Bank	AA-
1	927	Australian dollar	825	Canadian Dollar	0.890	01/18/2023	(30)	National Australia Bank Ltd.	AA-
1	2,683	Brazilian Real	662	Canadian Dollar	0.247	01/18/2023	(24)	State Street Bank and Trust Co.	AA-
1	22	Canadian Dollar	78,080	Colombian Peso	3,589.001	01/18/2023	-	Goldman Sachs Bank USA	A+
1	18	Canadian Dollar	63,309	Colombian Peso	3,587.001	01/18/2023	-	Goldman Sachs Bank USA	A+
1	22	Canadian Dollar	78,000	Colombian Peso	3,584.000	01/18/2023	-	State Street Bank and Trust Co.	AA-
1	49	Canadian Dollar	176,284	Colombian Peso	3,582.500	01/18/2023	-	Goldman Sachs Bank USA	A+
1	22	Canadian Dollar	77,878	Colombian Peso	3,567.000	01/18/2023	-	Goldman Sachs Bank USA	A+

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's)

### Schedule of Derivative Instruments (continued)

Contracts		Pay		Receive	Contract Rate	Due Date	Fair Value (\$)	Counterparty	Rating of the Counterparty*
1	25	Canadian Dollar	89,059	Colombian Peso	3,563.999	01/18/2023	-	State Street Bank and Trust Co.	AA-
1	116	Canadian Dollar	411,592	Colombian Peso	3,557.500	01/18/2023	(1)	Goldman Sachs Bank USA	A+
1	219	Canadian Dollar	162	U.S. Dollar	0.739	01/18/2023	-	State Street Bank and Trust Co.	AA-
1	233	Canadian Dollar	172	U.S. Dollar	0.739	01/18/2023	-	Bank of Montreal	A+
1	234	Canadian Dollar	173	U.S. Dollar	0.738	01/18/2023	-	Citibank NA	A+
1	233	Canadian Dollar	172	U.S. Dollar	0.738	01/18/2023	-	Toronto-Dominion Bank	AA-
1	233	Canadian Dollar	172	U.S. Dollar	0.738	01/18/2023	-	Goldman Sachs Bank USA	A+
1	44	Canadian Dollar	32	U.S. Dollar	0.735	01/18/2023	-	Bank of America NA	A+
1	234	Canadian Dollar	173	U.S. Dollar	0.738	01/18/2023	-	Canadian Imperial Bank of Commerce	A+
1	110	Canadian Dollar	81	U.S. Dollar	0.736	01/18/2023	-	Bank of America NA	A+
1	220	Canadian Dollar	162	U.S. Dollar	0.736	01/18/2023	(1)	Citibank NA	A+
1	122	Canadian Dollar	90	U.S. Dollar	0.734	01/18/2023	(1)	Royal Bank of Canada	AA-
1	62	Canadian Dollar	45	U.S. Dollar	0.730	01/18/2023	(1)	State Street Bank and Trust Co.	AA-
1	125	Canadian Dollar	91	U.S. Dollar	0.734	01/18/2023	(1)	JPMorgan Chase Bank NA	A+
1	219	Canadian Dollar	161	U.S. Dollar	0.736	01/18/2023	(1)	Canadian Imperial Bank of Commerce	A+
1	146	Canadian Dollar	107	U.S. Dollar	0.734	01/18/2023	(1)	JPMorgan Chase Bank NA	A+
1	219	Canadian Dollar	161	U.S. Dollar	0.735	01/18/2023	(1)	HSBC Bank USA NA	A+
1	220	Canadian Dollar	162	U.S. Dollar	0.735	01/18/2023	(1)	HSBC Bank USA NA	A+
1	220	Canadian Dollar	162	U.S. Dollar	0.735	01/18/2023	(1)	Bank of America NA	A+
1	255	Canadian Dollar	187	U.S. Dollar	0.735	01/18/2023	(1)	Goldman Sachs Bank USA	A+
1	220	Canadian Dollar	162	U.S. Dollar	0.735	01/18/2023	(1)	Royal Bank of Canada	AA-
1	255	Canadian Dollar	187	U.S. Dollar	0.735	01/18/2023	(1)	Citibank NA	A+
1	224	Canadian Dollar	165	U.S. Dollar	0.735	01/18/2023	(1)	UBS AG	A+
1	220	Canadian Dollar	161	U.S. Dollar	0.735	01/18/2023	(1)	Canadian Imperial Bank of Commerce	A+
1	220	Canadian Dollar	162	U.S. Dollar	0.735	01/18/2023	(1)	Royal Bank of Canada	AA-
1	223	Canadian Dollar	164	U.S. Dollar	0.735	01/18/2023	(1)	Toronto-Dominion Bank	AA-
1	220	Canadian Dollar	161	U.S. Dollar	0.734	01/18/2023	(1)	The Bank of New York Mellon	AA-
1	255	Canadian Dollar	187	U.S. Dollar	0.735	01/18/2023	(1)	Toronto-Dominion Bank	AA-
1	220	Canadian Dollar	161	U.S. Dollar	0.734	01/18/2023	(1)	Citibank NA	A+
1	220	Canadian Dollar	161	U.S. Dollar	0.734	01/18/2023	(1)	Bank of America NA	A+
1	220	Canadian Dollar	161	U.S. Dollar	0.734	01/18/2023	(1)	Standard Chartered Bank	A+
1	271	Canadian Dollar	199	U.S. Dollar	0.735	01/18/2023	(1)	Canadian Imperial Bank of Commerce	A+
1	271	Canadian Dollar	199	U.S. Dollar	0.735	01/18/2023	(1)	Morgan Stanley Capital Services LLC	A+
1	285	Canadian Dollar	210	U.S. Dollar	0.735	01/18/2023	(2)	Bank of America NA	A+
1	509	Canadian Dollar	374	U.S. Dollar	0.735	01/18/2023	(3)	Barclays Bank PLC	A
1	541	Canadian Dollar	398	U.S. Dollar	0.735	01/18/2023	(3)	Citibank NA	A+
1	238	Canadian Dollar	174	U.S. Dollar	0.730	01/18/2023	(3)	Morgan Stanley Capital Services LLC	A+
1	238	Canadian Dollar	174	U.S. Dollar	0.730	01/18/2023	(3)	Goldman Sachs Bank USA	A+
1	238	Canadian Dollar	174	U.S. Dollar	0.729	01/18/2023	(3)	Toronto-Dominion Bank	AA-
1	361	Canadian Dollar	264	U.S. Dollar	0.732	01/18/2023	(3)	The Bank of New York Mellon	AA-
1	269	Canadian Dollar	196	U.S. Dollar	0.729	01/18/2023	(3)	Canadian Imperial Bank of Commerce	A+
1	269	Canadian Dollar	196	U.S. Dollar	0.729	01/18/2023	(4)	HSBC Bank USA NA	A+
1	269	Canadian Dollar	196	U.S. Dollar	0.729	01/18/2023	(4)	Citibank NA	A+
1	270	Canadian Dollar	196	U.S. Dollar	0.729	01/18/2023	(4)	State Street Bank and Trust Co.	AA-
1	270	Canadian Dollar	196	U.S. Dollar	0.728	01/18/2023	(4)	Toronto-Dominion Bank	AA-
1	270	Canadian Dollar	196	U.S. Dollar	0.728	01/18/2023	(4)	Royal Bank of Canada	AA-
1	270	Canadian Dollar	196	U.S. Dollar	0.727	01/18/2023	(4)	Canadian Imperial Bank of Commerce	A+
1	223	Canadian Dollar	162	U.S. Dollar	0.725	01/18/2023	(4)	Toronto-Dominion Bank	AA-
1	362	Canadian Dollar	264	U.S. Dollar	0.729	01/18/2023	(5)	Goldman Sachs Bank USA	A+
1	444	Canadian Dollar	324	U.S. Dollar	0.730	01/18/2023	(5)	Citibank NA	A+
1	445	Canadian Dollar	324	U.S. Dollar	0.729	01/18/2023	(6)	Citibank NA	A+
1	336	Canadian Dollar	243	U.S. Dollar	0.724	01/18/2023	(7)	Citibank NA	A+

# MD Short-Term Bond Fund

## Schedule of Investment Portfolio as at December 31, 2022

(in \$000's)

### Schedule of Derivative Instruments (continued)

Contracts		Pay		Receive	Contract Rate	Due Date	Fair Value (\$)	Counterparty	Rating of the Counterparty*
1	447	Canadian Dollar	324	U.S. Dollar	0.725	01/18/2023	(8)	Toronto-Dominion Bank	AA-
1	2,200	Canadian Dollar	1,615	U.S. Dollar	0.734	01/18/2023	(14)	The Bank of New York Mellon	AA-
1	786	Danish Krone	153	Canadian Dollar	0.195	01/18/2023	(1)	The Bank of New York Mellon	AA-
1	108	Euro Currency	149	Canadian Dollar	1.384	01/18/2023	(7)	Canadian Imperial Bank of Commerce	A+
1	89	Euro Currency	120	Canadian Dollar	1.348	01/18/2023	(9)	Citibank NA	A+
1	180	Euro Currency	249	Canadian Dollar	1.385	01/18/2023	(12)	Morgan Stanley Capital Services LLC	A+
1	180	Euro Currency	249	Canadian Dollar	1.385	01/18/2023	(12)	Standard Chartered Bank	A+
1	180	Euro Currency	248	Canadian Dollar	1.382	01/18/2023	(12)	Bank of America NA	A+
1	180	Euro Currency	248	Canadian Dollar	1.381	01/18/2023	(13)	Bank of America NA	A+
1	180	Euro Currency	248	Canadian Dollar	1.380	01/18/2023	(13)	Citibank NA	A+
1	180	Euro Currency	248	Canadian Dollar	1.379	01/18/2023	(13)	Goldman Sachs Bank USA	A+
1	178	Euro Currency	242	Canadian Dollar	1.366	01/18/2023	(15)	State Street Bank and Trust Co.	AA-
1	180	Euro Currency	244	Canadian Dollar	1.360	01/18/2023	(16)	The Bank of New York Mellon	AA-
1	178	Euro Currency	241	Canadian Dollar	1.359	01/18/2023	(16)	Morgan Stanley Capital Services LLC	A+
1	214	Euro Currency	293	Canadian Dollar	1.373	01/18/2023	(17)	Citibank NA	A+
1	179	Euro Currency	243	Canadian Dollar	1.357	01/18/2023	(17)	Standard Chartered Bank	A+
1	179	Euro Currency	243	Canadian Dollar	1.355	01/18/2023	(17)	Bank of America NA	A+
1	172	Euro Currency	229	Canadian Dollar	1.334	01/18/2023	(20)	Royal Bank of Canada	AA-
1	368	Euro Currency	507	Canadian Dollar	1.376	01/18/2023	(27)	Morgan Stanley Capital Services LLC	A+
1	849	Euro Currency	1,125	Canadian Dollar	1.325	01/18/2023	(107)	U.S. Bancorp	A+
1	851	Euro Currency	1,127	Canadian Dollar	1.325	01/18/2023	(107)	Goldman Sachs Bank USA	A+
1	17,374	Japanese Yen	160	Canadian Dollar	0.009	01/18/2023	(19)	Canadian Imperial Bank of Commerce	A+
1	141	Mexican Peso	10	Canadian Dollar	0.068	01/18/2023	-	JPMorgan Chase Bank NA	A+
1	501	Mexican Peso	34	Canadian Dollar	0.068	01/18/2023	(1)	Goldman Sachs Bank USA	A+
1	11,339	Mexican Peso	726	Canadian Dollar	0.064	01/18/2023	(60)	Goldman Sachs Bank USA	A+
1	145	New Zealand Dollar	122	Canadian Dollar	0.844	01/18/2023	(2)	Toronto-Dominion Bank	AA-
1	145	New Zealand Dollar	122	Canadian Dollar	0.841	01/18/2023	(3)	Bank of America NA	A+
1	109	New Zealand Dollar	91	Canadian Dollar	0.834	01/18/2023	(3)	Bank of America NA	A+
1	45	New Zealand Dollar	35	Canadian Dollar	0.775	01/18/2023	(4)	Bank of America NA	A+
1	91	New Zealand Dollar	74	Canadian Dollar	0.815	01/18/2023	(4)	The Bank of New York Mellon	AA-
1	181	New Zealand Dollar	148	Canadian Dollar	0.817	01/18/2023	(8)	Australia and New Zealand Banking Group Ltd.	AA-
1	923	New Zealand Dollar	729	Canadian Dollar	0.789	01/18/2023	(65)	U.S. Bancorp	A+
1	213	Norwegian Krone	27	Canadian Dollar	0.128	01/18/2023	(2)	Bank of America NA	A+
1	4,422	Norwegian Krone	578	Canadian Dollar	0.131	01/18/2023	(34)	State Street Bank and Trust Co.	AA-
1	631	Pound Sterling	957	Canadian Dollar	1.516	01/18/2023	(77)	National Australia Bank Ltd.	AA-
1	64	Singapore Dollar	62	Canadian Dollar	0.960	01/18/2023	(3)	HSBC Bank USA NA	A+
1	571	Singapore Dollar	534	Canadian Dollar	0.935	01/18/2023	(43)	HSBC Bank USA NA	A+
1	216	U.S. Dollar	291	Canadian Dollar	1.345	01/18/2023	(2)	Goldman Sachs Bank USA	A+
1	271	U.S. Dollar	364	Canadian Dollar	1.347	01/18/2023	(2)	Barclays Bank PLC	A
1	216	U.S. Dollar	291	Canadian Dollar	1.344	01/18/2023	(2)	Royal Bank of Canada	AA-
1	216	U.S. Dollar	291	Canadian Dollar	1.343	01/18/2023	(2)	JPMorgan Chase Bank NA	A+
1	275	U.S. Dollar	367	Canadian Dollar	1.336	01/18/2023	(5)	Canadian Imperial Bank of Commerce	A+
1	309	U.S. Dollar	413	Canadian Dollar	1.336	01/18/2023	(5)	Royal Bank of Canada	AA-
1	343	U.S. Dollar	459	Canadian Dollar	1.338	01/18/2023	(5)	Bank of Montreal	A+
1	343	U.S. Dollar	459	Canadian Dollar	1.337	01/18/2023	(6)	UBS AG	A+
1	1,556	U.S. Dollar	2,049	Canadian Dollar	1.317	01/18/2023	(57)	HSBC Bank USA NA	A+
1	3,414	U.S. Dollar	4,502	Canadian Dollar	1.319	01/18/2023	(121)	Morgan Stanley Capital Services LLC	A+
1	3,414	U.S. Dollar	4,501	Canadian Dollar	1.318	01/18/2023	(121)	Royal Bank of Canada	AA-
1	3,414	U.S. Dollar	4,497	Canadian Dollar	1.317	01/18/2023	(125)	Canadian Imperial Bank of Commerce	A+
1	3,414	U.S. Dollar	4,496	Canadian Dollar	1.317	01/18/2023	(127)	Citibank NA	A+
1	3,414	U.S. Dollar	4,495	Canadian Dollar	1.317	01/18/2023	(127)	Bank of America NA	A+

# MD Short-Term Bond Fund

Schedule of Investment Portfolio as at December 31, 2022

(in \$000's)

## Schedule of Derivative Instruments (continued)

Contracts	Pay	Receive	Contract Rate	Due Date	Fair Value (\$)	Counterparty	Rating of the Counterparty*
1	3,414 U.S. Dollar	4,487 Canadian Dollar	1.314	01/18/2023	(135)	Bank of Montreal	A+
1	3,414 U.S. Dollar	4,482 Canadian Dollar	1.313	01/18/2023	(140)	The Bank of New York Mellon	AA-
1	3,414 U.S. Dollar	4,482 Canadian Dollar	1.313	01/18/2023	(141)	JPMorgan Chase Bank NA	A+
1	3,414 U.S. Dollar	4,480 Canadian Dollar	1.312	01/18/2023	(142)	Standard Chartered Bank	A+
					(2,246)		
<b>Total Forward Currency Contracts</b>					(1,856)		

\* Source: Standard & Poor's Credit Rating Agency

### FUTURES CONTRACTS

Description	Type	Contracts	Expiration date	Notional Amount	Fair Value (\$)
Euro-Bund Futures	Short	(2)	03/08/2023	EUR (385)	23
<b>Total Futures Contracts</b>					23
<b>Total for Schedule of Derivative Instruments</b>					(1,833)

# MD Short-Term Bond Fund

## Fund Specific Notes

(in \$000's)

### Financial Instruments

MD Short-Term Bond Fund (the "Fund") invests in Government of Canada, provincial, municipal, corporate, asset-backed and foreign bonds and domestic and foreign preferred shares as shown in the Schedule of Investment Portfolio. The Fund may invest in mortgages, however, has not invested in mortgages during the year. These investments expose the Fund to risks associated with financial instruments. A description of the risks and how the Fund manages these risks is discussed in Note 8 of the Notes to the Financial Statements.

### Credit Risk

The Fund's credit risk is concentrated in investments in short term instruments, preferred shares, debt instruments and derivative instruments. The Fund's maximum exposure to credit risk is the carrying value of short term investments, preferred shares, domestic and foreign bonds as presented on the Schedule of Investment Portfolio as well as the cash presented on the Statements of Financial Position. The Fund's maximum exposure to credit risk from derivative instruments is the carrying value of financial derivative instrument asset as presented on the Statements of Financial Position.

As at December 31, 2022 and December 31, 2021, the Fund invested in short term investments, preferred shares, and debt instruments with the following credit ratings:

Credit Rating	% of Net Assets Attributable to Holders of Redeemable Units December 31, 2022	% of Net Assets Attributable to Holders of Redeemable Units December 31, 2021
<b>Debt Instruments</b>		
AAA / R-1 (High)	25.9%	27.1%
AA / R-1 (Mid)	37.6%	26.1%
A / R-1 (Low)	16.4%	14.8%
BBB / R-2 (High)	14.2%	9.2%
BB	2.8%	3.6%
B	0.7%	1.2%
CCC	-	0.0%
Unrated	0.8%	0.1%
	98.4%	82.1%
<b>Preferred Shares</b>		
Pfd-2	0.0%	0.1%
Pfd-3	0.3%	0.4%
Pfd-4	0.1%	-
Unrated	0.0%	0.1%
	0.4%	0.6%
<b>Total</b>	98.8%	82.7%

All credit ratings are from external credit rating agencies such as Dominion Bond Rating Service, Standard & Poor's and Moody's.

### Currency Risk

Exposures to foreign currencies as at December 31, 2022 and December 31, 2021 are presented in the table below. Short-term investments, which are monetary in nature, are included in the Investments at Fair Value column.

Currency	Cash and Other Net Assets Attributable to Holders of Redeemable Units	Investments at Fair Value	Derivative Exposure	Net Currency Exposure	% of Net Assets Attributable to Holders of Redeemable Units
<b>December 31, 2022</b>					
U.S. Dollar	\$ 1,522	\$ 41,860	\$ (40,595)	\$ 2,787	0.7%
European Euro	68	4,488	(4,348)	208	0.1%
Australian Dollar	25	1,935	(1,939)	21	0.0%
Brazilian Real	55	1,000	(704)	351	0.1%
Colombian Peso	(44)	-	44	-	0.0%
Danish Krone	1	152	(153)	-	0.0%
Indonesian Rupiah	21	2,056	-	2,077	0.5%
Japanese Yen	-	723	(180)	543	0.1%
Malaysian Ringgit	5	675	-	680	0.2%
Mexican Peso	16	1,128	(557)	587	0.1%
New Zealand Dollar	12	1,437	(1,437)	12	0.0%
Norwegian Krone	21	1,379	(614)	786	0.2%
Philippine Peso	-	107	-	107	0.0%
British Pound	3	1,023	(1,017)	9	0.0%
Singapore Dollar	1	632	(642)	(9)	0.0%
South Korean Won	6	867	-	873	0.2%
Yuan Renminbi	10	920	-	930	0.2%
<b>Total</b>	\$ 1,722	\$ 60,382	\$ (52,142)	\$ 9,962	2.4%
<b>December 31, 2021</b>					
U.S. Dollar	\$ 633	\$ 51,786	\$ (51,928)	\$ 491	0.1%
European Euro	112	6,057	(6,049)	120	0.0%
Australian Dollar	10	1,686	(1,075)	621	0.1%
Brazilian Real	127	1,057	(806)	378	0.1%
Colombian Peso	11	442	-	453	0.1%
Indonesian Rupiah	17	2,223	-	2,240	0.4%
Japanese Yen	-	612	(151)	461	0.1%
Malaysian Ringgit	5	687	-	692	0.1%
Mexican Peso	13	947	-	960	0.2%
New Zealand Dollar	7	606	(241)	372	0.1%
Norwegian Krone	14	1,159	(597)	576	0.1%
Philippine Peso	-	118	-	118	0.0%
British Pound	8	1,090	(1,094)	4	0.0%
Singapore Dollar	7	780	(780)	7	0.0%
Yuan Renminbi	4	199	-	203	0.0%
<b>Total</b>	\$ 968	\$ 69,449	\$ (62,721)	\$ 7,696	1.4%



# MD Short-Term Bond Fund

## Fund Specific Notes

(in \$000's)

As at December 31, 2022, if the Canadian Dollar had strengthened against all other currencies by 10%, the Net Assets Attributable to Holders of Redeemable Units of the Fund could have decreased by approximately \$996 or 0.2% of Net Assets Attributable to Holders of Redeemable Units (December 31, 2021 - \$770 or 0.2%). Conversely, had the Canadian Dollar weakened against all other currencies by 10%, the Net Assets Attributable to Holders of Redeemable Units of the Fund could have increased by approximately \$996 or 0.2% of Net Assets Attributable to Holders of Redeemable Units (December 31, 2021 - \$770 or 0.2%). These sensitivities are estimates. Actual results may vary and the variance may be material.

## Interest Rate Risk

The Fund's exposure to interest rate risk was concentrated in investments in domestic and foreign bonds as presented in the Schedule of Investment Portfolio. The amounts of these investments by term to maturity are presented in the table below. In general, longer terms to maturity result in increased interest rate risk.

The sensitivity represents the expected impact to Net Assets Attributable to Holders of Redeemable Units if interest rates for all maturities fluctuate by 25 basis points (parallel yield shift). If interest rates rise, Net Assets Attributable to Holders of Redeemable Units will decrease by the amount shown. Conversely, if interest rates fall, Net Assets Attributable to Holders of Redeemable Units will increase by the amount shown. These sensitivities are estimates. Actual results may vary and the variance may be significant.

As at December 31, 2022 and December 31, 2021, the Fund's exposures to debt instruments by maturity are presented in the table below:

Debt Instruments by Maturity Date	December 31, 2022		December 31, 2021	
	Fair Value	%	Fair Value	%
Less than 1 year	\$ 33,303	8.3%	\$ 19,076	3.8%
1 to 7 years	324,682	80.6%	359,254	71.2%
7 to 12 years	16,915	4.2%	24,030	4.8%
12 to 20 years	2,901	0.7%	826	0.1%
More than 20 years	18,693	4.6%	11,036	2.2%
Total	\$ 396,494	98.4%	\$ 414,222	82.1%
Sensitivity (+/-)	\$ 2,802	0.7%	\$ 2,138	0.4%

## Liquidity Risk

The Fund's financial liabilities are all due within one year. Redeemable units are redeemable on demand at the holder's option; however, the Fund does not expect the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

## Other Price Risk

The Fund holds minimal equity securities and therefore does not have significant exposure to price risk.

## Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category. The following table summarizes the Fund's concentration risk as a percentage of Net Assets Attributable to Holders of Redeemable Units:

Market Segment	December 31, 2022	December 31, 2021
<b>Domestic Bonds</b>		
Corporate Bonds	44.7%	32.3%
Government of Canada Bonds	12.3%	18.1%
Municipal Bonds	0.6%	0.5%
Provincial Bonds	22.5%	13.5%
<b>Foreign Bonds</b>		
Australia	0.4%	0.4%
Austria	0.0%	0.1%
Brazil	0.3%	0.2%
Cayman Islands	0.1%	-
Chile	-	0.0%
China	0.2%	0.0%
Colombia	0.0%	0.1%
Denmark	0.0%	-
Finland	0.0%	0.0%
France	-	0.3%
Germany	0.1%	0.1%
Hungary	-	0.0%
India	0.2%	0.1%
Indonesia	0.5%	0.5%
Ireland	0.1%	0.2%
Italy	0.1%	0.1%
Japan	0.2%	0.1%
Jersey	0.0%	0.0%
Liberia	0.0%	0.1%
Luxembourg	0.2%	0.3%
Malaysia	0.2%	0.1%
Mexico	0.5%	0.2%
Netherlands	0.1%	0.1%
New Zealand	0.4%	0.3%
Norway	0.5%	0.3%
Philippines	0.0%	0.0%
Portugal	0.1%	0.1%
Qatar	0.1%	0.2%
Singapore	0.2%	0.2%
South Korea	0.2%	-
Spain	0.1%	0.1%
Sweden	0.0%	0.0%
Switzerland	-	0.0%
United Arab Emirates	0.1%	0.0%
United Kingdom	0.2%	0.4%
United States	13.0%	11.5%
<b>Domestic Equities</b>		
Utilities	-	0.1%
<b>Foreign Equities</b>		
United States	0.4%	0.6%
<b>Short Term Investments</b>	0.2%	1.6%
<b>Cash and Other Net Assets (Liabilities)</b>	1.2%	17.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

# MD Short-Term Bond Fund

## Fund Specific Notes

(in \$000's)

### Fair Value Hierarchy

The following is a summary of the Fund's use of quoted market prices (Level 1), internal models using observable market information as inputs (Level 2), and internal models without observable market information (Level 3) in the valuation of the Fund's securities. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total*
<b>December 31, 2022</b>			
Domestic Bonds	\$ -	\$ 322,495	\$ 322,495
Foreign Bonds	-	73,079	73,079
Foreign Equities	1,785	-	1,785
Short-Term Investments	-	920	920
Financial Derivative Instruments – Assets	23	9	32
Financial Derivative Instruments – Liabilities	-	(1,865)	(1,865)
<b>Total</b>	<b>\$ 1,808</b>	<b>\$ 394,638</b>	<b>\$ 396,446</b>

<b>December 31, 2021</b>			
Domestic Bonds	\$ -	\$ 325,358	\$ 325,358
Foreign Bonds	-	80,705	80,705
Domestic Equities	242	-	242
Foreign Equities	3,012	-	3,012
Short-Term Investments	-	8,159	8,159
Financial Derivative Instruments – Assets	8	264	272
Financial Derivative Instruments – Liabilities	(55)	(353)	(408)
<b>Total</b>	<b>\$ 3,207</b>	<b>\$ 414,133</b>	<b>\$ 417,340</b>

\*The Fund does not hold any Level 3 investments.

There have been no significant transfers between Level 1 and Level 2 for the periods January 1, 2022 to December 31, 2022 and January 1, 2021 to December 31, 2021.



# MD Short-Term Bond Fund

## Fund Specific Notes

### Redeemable Unit Transactions

for the years ended December 31

	2022	2021
<b>SERIES A</b>		
Outstanding, beginning of year	4,168,725	4,729,053
Issued	185,204	752,015
Redeemed	(1,163,305)	(1,312,343)
<b>Outstanding, end of year</b>	<b>3,190,624</b>	<b>4,168,725</b>
<b>SERIES D</b>		
Outstanding, beginning of year	29,660	15,226
Issued	4,029	34,983
Redeemed	(21,933)	(20,549)
<b>Outstanding, end of year</b>	<b>11,756</b>	<b>29,660</b>
<b>SERIES F</b>		
Outstanding, beginning of year	4,440,814	4,325,098
Issued	922,075	1,318,212
Redeemed	(1,141,333)	(1,202,496)
<b>Outstanding, end of year</b>	<b>4,221,556</b>	<b>4,440,814</b>
<b>SERIES I</b>		
Outstanding, beginning of year	39,571,769	36,202,252
Issued	2,583,972	4,424,337
Redeemed	(8,344,357)	(1,054,820)
<b>Outstanding, end of year</b>	<b>33,811,384</b>	<b>39,571,769</b>

### Securities on Loan

(in \$000's)	December 31, 2022	December 31, 2021
Fair value of securities loaned	\$ 23,960	\$ 59,232
Fair value of collateral (non-cash)	\$ 25,168	\$ 62,212

State Street Bank and Trust Co. is entitled to receive payments out of the gross amount generated from the securities lending transactions of the Fund and bears all operational costs directly related to securities lending as well as the cost of borrower default indemnification.

The table below sets out a reconciliation of the gross amount generated from the securities lending transactions of the Fund to the revenue from securities lending disclosed under securities lending income in the Fund's Statements of Comprehensive Income.

for the years ended December 31 (in \$000's)	2022	2021
Gross amount generated from the securities lending transactions	\$ 57	\$ 29
Amounts paid to State Street Bank and Trust Co.	\$ (11)	\$ (6)
<b>Net securities lending income as reported in the Statements of Comprehensive Income</b>	<b>\$ 46</b>	<b>\$ 23</b>

### Amounts Subject to Master Netting Arrangements

(in \$000's)

In the normal course of business, the Fund enters into various enforceable master netting arrangements with its derivative counterparties.

The following tables present the Fund's financial assets and liabilities subject to enforceable master netting arrangements. The tables are presented by financial instrument type.

#### FINANCIAL ASSETS

	Gross Asset	Gross Liabilities Offset	Net Amounts Presented	Financial Instruments Eligible for Offset	Net
<b>December 31, 2022</b>					
Forward currency contracts	\$ 390	\$ 381	\$ 9	\$ -	\$ 9
Futures contracts	23	-	23	-	23
<b>Total</b>	<b>\$ 413</b>	<b>\$ 381</b>	<b>\$ 32</b>	<b>\$ -</b>	<b>\$ 32</b>

#### December 31, 2021

Forward currency contracts	\$ 372	\$ 108	\$ 264	\$ -	\$ 264
Futures contracts	8	-	8	8	-
<b>Total</b>	<b>\$ 380</b>	<b>\$ 108</b>	<b>\$ 272</b>	<b>\$ 8</b>	<b>\$ 264</b>

#### FINANCIAL LIABILITIES

	Gross Liability	Gross Asset Offset	Net Amounts Presented	Financial Instruments Eligible for Offset	Net
<b>December 31, 2022</b>					
Forward currency contracts	\$ 2,246	\$ 381	\$ 1,865	\$ -	\$ 1,865
<b>Total</b>	<b>\$ 2,246</b>	<b>\$ 381</b>	<b>\$ 1,865</b>	<b>\$ -</b>	<b>\$ 1,865</b>

#### December 31, 2021

Forward currency contracts	\$ 461	\$ 108	\$ 353	\$ -	\$ 353
Futures contracts	55	-	55	8	47
<b>Total</b>	<b>\$ 516</b>	<b>\$ 108</b>	<b>\$ 408</b>	<b>\$ 8</b>	<b>\$ 400</b>

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

## 1. Name and formation of the Funds

### ESTABLISHMENT OF THE FUNDS

The MD Family of Mutual Funds (individually a “Fund” and collectively the “Funds”) are unincorporated mutual fund trusts formed under the laws of the province of Ontario pursuant to the Declarations of Trust, and the creation dates are as follows:

	Series A	Series I	Series D	Series F2	Series F	Private Trust Units
MD Precision Canadian Balanced Growth Fund	September 9, 1992	October 30, 2009	March 19, 2018		May 10, 2017	
MD Bond Fund	April 6, 1988	October 30, 2009	March 19, 2018		May 10, 2017	
MD Short-Term Bond Fund	September 19, 1995	October 30, 2009	March 19, 2018		May 10, 2017	
MD Precision Canadian Moderate Growth Fund	September 9, 1992	October 30, 2009	March 19, 2018		May 10, 2017	
MD Equity Fund	March 1, 1966	October 30, 2009	March 19, 2018		May 10, 2017	
MD Dividend Growth Fund	January 4, 2007	October 30, 2009	March 19, 2018		May 10, 2017	
MD International Growth Fund	July 19, 2000	October 30, 2009	March 19, 2018		May 10, 2017	
MD International Value Fund	January 5, 2004	October 30, 2009	March 19, 2018		May 10, 2017	
MD Money Fund	July 12, 1983		March 19, 2018	May 24, 2017		
MD Canadian Equity Fund	October 29, 1993	October 30, 2009	March 19, 2018		May 10, 2017	
MD American Growth Fund	September 9, 1992	October 30, 2009	March 19, 2018		May 10, 2017	
MD American Value Fund	July 10, 2000	October 30, 2009	March 19, 2018		May 10, 2017	
MD Strategic Yield Fund	January 30, 2014	January 30, 2014	March 19, 2018		May 10, 2017	
MD Strategic Opportunities Fund	January 30, 2014	January 30, 2014	March 19, 2018		May 10, 2017	
MD Precision Conservative Portfolio	January 6, 2010		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Balanced Income Portfolio	March 27, 2012		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Moderate Balanced Portfolio	January 6, 2010		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Moderate Growth Portfolio	March 27, 2012		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Balanced Growth Portfolio	January 6, 2010		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Maximum Growth Portfolio	January 6, 2010		March 19, 2018	May 24, 2017	May 10, 2017	
MD Fossil Fuel Free Bond Fund	May 11, 2016	May 11, 2016	March 19, 2018		May 10, 2017	
MD Fossil Fuel Free Equity Fund	May 11, 2016	May 11, 2016	March 19, 2018		May 10, 2017	
MD Precision Conservative Index Portfolio				January 2, 2019		
MD Precision Moderate Balanced Index Portfolio				January 2, 2019		
MD Precision Balanced Growth Index Portfolio				January 2, 2019		
MD Precision Maximum Growth Index Portfolio				January 2, 2019		

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

	Series A	Series I	Series D	Series F2	Series F	Private Trust Units
MDPIM Canadian Equity Pool	June 16, 1999					August 9, 2000
MDPIM US Equity Pool	August 6, 1999					August 9, 2000
MDPIM Emerging Markets Equity Pool	April 11, 2014	March 19, 2018	March 19, 2018		March 19, 2018	
MDPIM S&P/TSX Capped Composite Index Pool	March 20, 2017				November 21, 2017	
MDPIM S&P 500 Index Pool	March 20, 2017				November 21, 2017	
MDPIM International Equity Index Pool	March 20, 2017				November 21, 2017	

MD Growth Investments Limited ("MD Growth") is a mutual fund corporation incorporated under the laws of Ontario pursuant to the Letters Patent and the series creation dates are as follows:

	Series A	Series I	Series D	Series F
MD Growth Investments Limited	July 18, 1969	October 30, 2009	May 16, 2018	May 10, 2017

MD Financial Management Inc. ("the Manager") is the Manager and Trustee of the Funds. The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). The address of the Funds' registered office is 1870 Alta Vista, Ottawa, Ontario.

Throughout these Notes to the Financial Statements, the shares of MD Growth Investments Limited have been referred to as "units" to simplify the presentation.

The financial statements of the Funds include the Statements of Financial Position as of December 31, 2022 and December 31, 2021, as applicable, and the Statements of Comprehensive Income, the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and the Statements of Cash Flows for the years ended December 31, 2022 and 2021, except for Funds established during either year, in which case the information provided relates to the year from creation date to December 31, 2022 or 2021. The Schedule of Investment Portfolio for each of the Funds is at December 31, 2022.

These financial statements were authorized for issue by the Manager on March 9, 2023.

## SERIES OF UNITS

"Series A" units are available to all MD Management Ltd. clients who are qualified eligible investors. The MDPIM Canadian Equity Pool and MDPIM US Equity Pool "Series A" units are closed to new subscribers. Investors holding "Series A" units of MDPIM Canadian Equity Pool and MDPIM US Equity Pool are allowed to hold their units, as well as subscribe for additional "Series A" units.

"Series D" units are available to all MD Management Ltd. clients who are qualified eligible investors and who have an MD Direct Trade™ account with MD Management Ltd.

"Series F" units are available to all MD Management Ltd. clients who are qualified eligible investors and who have a fee-based account with MD Management Ltd.

"Series F2" units are available only to qualified eligible investors who open an MD ExO® Direct account with MD Management Ltd.

"Series I" units were established to support the MD Precision Conservative Portfolio, the MD Precision Moderate Balanced Portfolio, the MD Precision Balanced Growth Portfolio, the MD Precision Maximum Growth Portfolio, the MD Precision Balanced Income Portfolio and the MD Precision Moderate Growth Portfolio. These units are only available to the six Funds listed above and certain institutional investors, and are not charged management fees.

MDPIM Canadian Equity Pool and MDPIM US Equity Pool offer "Private Trust Series" and MDPIM Emerging Markets Equity Pool, MDPIM S&P/TSX Capped Composite Index Pool, MDPIM S&P 500 Index Pool and MDPIM International Equity Index Pool offer "Series A" units which may be purchased by either MD Private Investment Counsel (an operating division of MD Financial Management Inc.) or MD Private Trust Company clients who have appointed MD Private Investment Counsel to provide discretionary portfolio management services and advice to them or MD Private Trust Company to provide trust services.

## 2. Basis of presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB). The preparation of these financial statements in accordance with IFRS requires the use of judgment in applying accounting policies and to make estimates and assumptions concerning the future. Significant accounting judgments and estimates made by the Manager are disclosed in Note 7.

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

## 3. Significant accounting policies

### FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Canadian dollars, which is the Funds' functional currency. Cash, investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on each valuation date. Transactions during the year in currencies other than Canadian dollars are translated into Canadian dollars at the rate of exchange prevailing on the trade date of the transaction. The difference in the foreign exchange rate between trade date and settlement date of a transaction is recognized in income on the Statements of Comprehensive Income. Foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are presented within net gains or losses on the sale of investments or derivatives.

All financial information is presented in Canadian dollars and has been rounded to the nearest thousand, unless otherwise stated.

### FINANCIAL INSTRUMENTS

The Funds classify and measure financial instruments in accordance with IFRS 9 "Financial Instruments" (IFRS 9). All financial assets and liabilities are recognized in the Statements of Financial Position when the Funds become party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Funds have transferred substantially all the risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date.

The Funds classify investments, including derivatives, as fair value through profit or loss (FVTPL). Investment classification is based on both the Funds' business model for managing those investments and their contractual cash flow characteristics. The portfolio of investments is managed and performance is evaluated on a fair value basis in accordance with the Funds' investment strategy. The Funds are primarily focused on fair value information and use that information to assess performance and to make decisions. The contractual cash flows of the Funds' debt securities are generally principal and interest, however, the collection of contractual cash flows is only incidental to achieving the Funds' business model's objective. Consequently, all investments are measured at FVTPL. Subsequent to initial recognition, investments, including derivatives, are measured at FVTPL. Gains and losses arising from changes in the fair value are included in the Statements of Comprehensive Income for the years in which they arise.

The Funds' obligation for net assets attributable to holders of redeemable units is measured at FVTPL, with fair value being the redemption amount at the reporting date.

Cash is measured at fair value upon recognition and subsequently at amortized cost.

Other financial assets and liabilities, such as accrued interest and dividends receivable, accounts receivable for investment transactions, subscriptions receivable, amounts receivable for securities lending transactions, distributions payable, accounts payable for investment transactions and redemptions payable are recognized initially at fair value, net of transaction costs, and subsequently stated at amortized cost using the effective interest rate method. Under this method, these financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contracts' effective interest rate.

### NET ASSETS VERSUS NET ASSET VALUE

The Funds' accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring the net asset value (NAV) for transactions with unitholders in accordance with Part 14 of National Instruments 81-106 Investment Funds for Continuous Disclosure ("NI 81-106").

### INCOME RECOGNITION

Gains and losses arising from changes in fair value of non-derivative financial assets are shown in the Statements of Comprehensive Income as "Change in unrealized appreciation (depreciation) of investments" and as "Net realized gain (loss) on sale of investments" when positions are sold.

Gains and losses arising from changes in fair value of derivatives are shown in the Statements of Comprehensive Income as "Change in unrealized appreciation (depreciation) on derivative instruments" and as Net realized gain (loss) on derivative instruments" when positions are closed out or have expired, where applicable.

The interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Funds, accounted for on an accrual basis. Dividend income and distributions to unitholders are recorded on the ex-dividend date. Distributions from underlying funds out of interest, foreign income and related withholding taxes, Canadian dividends and net realized capital gains are recognized when declared. Realized gains or losses from investment transactions and the unrealized appreciation or depreciation of investments are computed on an average cost basis, which exclude brokerage commissions and other trading expenses. Brokerage commissions and other trading expenses are charged to income as incurred.

### OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when the Funds currently have a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, the Funds may enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund Specific Notes.

Transactions with counterparties are governed by separate master netting agreements. Each agreement allows for net settlement of certain open contracts where the Fund and respective counterparty both elect to settle on a net basis. In the absence of such an election, contracts will be settled on a gross basis. However, each party to the master netting agreement will have the option to settle all open contracts on a net basis in the event of default of the other party.

### NON-CASH TRANSACTIONS

Non-cash transactions on the Statements of Cash Flows include reinvested distributions from the underlying mutual funds and stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income. In addition, reclassifications between series of the same fund are also non-cash in nature and have been excluded from "Proceeds from issue of redeemable units" and "Cash paid on redemption of redeemable units" on the Statements of Cash Flows.

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

## FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments are categorized as FVTPL and are recorded at fair value. In the case of securities traded in an active market, fair value is based on quoted market prices at the close of trading on the reporting date as provided by independent pricing services. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within the day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. In the case of investments not traded in an active market, or for those securities for which the Manager feels the latest market prices are not reliable, fair value is estimated based on valuation techniques established by the Manager. Valuation techniques established by the Manager are based on observable market data except in situations where there is no relevant or reliable market data. The value of securities estimated using valuation techniques not based on observable market data, if any, is disclosed in the Financial Instruments Risks section of the financial statements.

## FINANCIAL DERIVATIVES INSTRUMENTS

A derivative is a financial contract between two parties, the value of which is derived from the value of an underlying asset such as an equity, bond, commodity, interest rate or currency. Certain Funds 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 to protect a security price, currency exchange rate or interest rate from negative changes (hedging) or to provide exposure to securities, indices, or currencies without investing in them directly (non-hedging). Derivatives contain various risks including the potential inability for the counterparty to fulfil their obligations under the terms of the contract, the potential for illiquid markets and the potential price risk which may expose the Funds to gains and/or losses in excess of the amounts shown on the Statements of Financial Position. Derivatives with unrealized gains are reported as financial derivative instruments under current assets and derivatives with unrealized losses are reported as financial derivative instruments under current liabilities.

### Forward Currency Contracts

Certain Funds may enter into forward currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities. A forward currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. Investments in forward currency contracts are entered into with approved counterparties and are recorded at fair value. The fair value of a forward currency contract fluctuates with changes in foreign currency exchange rates. The fair value of forward currency contracts is reported as financial derivative instruments in the Statements of Financial Position. Forward currency contracts are marked to market daily and the changes in fair value of forward currency contracts are recorded in "Change in unrealized appreciation (depreciation) of derivative instruments". Upon closing of the contracts, the accumulated gains or losses are reported in "Net realized gain (loss) on sale of derivative instruments". The contractual amounts of open contracts are disclosed in the Schedule of Investment Portfolio in the Schedule of Derivative Instruments.

### Futures Contracts

Futures contracts are valued on each valuation day using the closing market price posted on the related public exchange. The fair value of future contracts is reported as "Financial Derivative Instruments" in the Statements of Financial Position. All gains or losses arising from futures contracts are recorded as part of "Change in unrealized appreciation (depreciation) of derivative instruments" in the Statements of Comprehensive Income until the contracts are closed out or expire, at which time the gains or losses are realized and reported as "Net realized gain (loss) on derivative instruments".

### Credit Default Swaps

Certain Funds may enter into credit default swap contracts, primarily to manage and/or gain exposure to credit risk where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities. A credit default swap is an agreement between the Fund and a counterparty whereby the buyer of the contract receives credit protection and the seller of the contract guarantees the credit worthiness of a referenced debt obligation. The underlying referenced debt obligation may be a single issuer of corporate or sovereign debt, a credit index, or a tranche of a credit index. The credit risk exposure of a Fund to the referenced asset is comparable to the exposure that would have resulted if the Fund were invested directly in the referenced debt obligation. If the Funds are buyers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) receive the notional amount of the credit default swap contract from the seller in exchange for the referenced debt obligation or (ii) receive a net settlement amount equal to the notional amount of the credit default swap contract less the recovery amount of value of the referenced debt obligation. If the Funds are sellers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. The maximum credit risk to the Fund as a seller of protection is the notional amount of the contract.

Over the term of the contract, the buyer pays the seller a periodic stream of payments, provided that no event of default has occurred. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Credit Default Swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a credit default swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the credit default swap contracts are closed out, gains or losses, including upfront premiums, are realized and included in the Statements of Comprehensive Income in "Net realized gain (loss) on derivative instruments". Pursuant to the terms of the credit default swap contract, cash or securities may be required to be deposited as collateral.

### Interest Rate Swaps

Certain Funds may enter into interest rate swap contracts, primarily to manage and/or gain exposure to fluctuations in interest rates. An interest rate swap is an agreement between the Fund and a counterparty whereby the parties agree to exchange a fixed payment for a floating payment that is linked to an interest rate and an agreed upon notional amount.



# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

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Over the term of the contract, each party will pay to the other party a periodic stream of payments. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Interest Rate Swaps are disclosed in the Schedule of Derivative Instruments. The change in value of an interest rate swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the interest rate swap contracts are closed out, gains or losses, as well as any upfront premiums, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

## **Total Return Swaps**

Certain Funds may enter into total return swap contracts primarily to manage and/or gain exposure to the underlying reference asset. A total return swap is an agreement between the Fund and a counterparty where single or multiple cash flows are exchanged based on the price of an underlying reference asset and based on a fixed or variable rate.

Over the term of the contract, the Funds will pay to the counterparty a periodic stream of payments based on fixed or variable rate. Such periodic payments paid are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a financing rate, if any. As a receiver, the Funds would receive payments based on any net positive total return and would owe payments in the event of a net negative total return. Total return swaps are disclosed in the Schedule of Derivative Instruments. The change in value of an total return swap contract is included in the Statements of Financial Position as Financial Derivative Instruments. When the total return swap contracts are closed out, gains or losses are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

## **Cross Currency Swaps**

Certain Funds may enter into cross currency swap contracts, primarily to manage and/or gain exposure to currency risk. A cross currency swap is an agreement between the Fund and a counterparty whereby the parties agree to exchange interest payments and principal on loans denominated in two different currencies.

Over the term of the contract, each party will pay to the other party a periodic stream of payments. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Cross currency swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a cross currency swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the cross currency swap contracts are closed out, gains or losses, as well as any upfront premiums, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

## **Foreign Currency Option Contracts**

Certain Funds may purchase foreign currency options. Purchasing foreign currency options gives the Fund the right, but not the obligation to buy or sell the currency and will specify the amount of currency and a rate of exchange that may be exercised by a specified date. These options may be used as a hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Foreign currency option contracts are disclosed in the Schedule of Derivative Instruments. The change in value of a foreign currency option contract and any premiums paid are included in the Statements of Financial Position as Financial Derivative Instruments. When the foreign currency option contracts are closed out, gains or losses, as well as any premiums paid, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

## **CAPITAL RISK MANAGEMENT**

Units issued and outstanding are considered to be the capital of the Funds. The Funds do not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription. The Funds' units are offered for sale on any business day and may be redeemed or issued at the Net Asset Value (NAV) per unit for the respective series on that business day. A business day refers to any day the Toronto Stock Exchange is open for business. The NAV for each series is computed daily by calculating the value of that series' proportionate share of net assets and liabilities of the Fund common to all series less liabilities attributable to that series. Expenses directly attributable to a series are charged to that series. Assets, common liabilities, revenues and other expenses are allocated proportionately to each series based upon the relative NAVs of each series. The NAV per unit is determined by dividing the NAV of each series of a Fund by the total number of units of that series outstanding.

## **INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT**

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the Statements of Comprehensive Income represents the increase or decrease in net assets attributable to holders of redeemable units attributable to each series of units for the year, divided by the weighted average units outstanding in that series during the year.

## **SECURITIES LENDING TRANSACTIONS**

A Fund may lend portfolio securities to earn additional income through a securities lending agreement with its custodian. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund receives collateral in the form of securities deemed acceptable under National Instrument 81-102, "Mutual Funds" ("NI81-102") of at least 102% of the fair value of securities on loan. Collateral held is typically government and corporate bonds.

Income from securities lending is recorded as "Securities lending" on a monthly basis when it is receivable. Securities lending details are listed in Securities on Loan included in the Fund Specific Notes to the financial statements. The securities lending agent earns 20% of the gross income generated through any securities lending transactions in the Funds.

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

## REDEEMABLE UNITS

Certain Funds issue different series of redeemable units, which are redeemable at the holder's option and do not have identical rights. Such units are classified as financial liabilities. Redeemable units can be put back to the Funds at any date for cash equal to a proportionate share of the Funds' net asset value attributable to the series. The redeemable units are carried at the redemption amount that is payable at the Statements of Financial Position date if the holder exercises the right to put the unit back to the Funds. Funds with only one series do not meet the criteria to be classified as equity as they impose on the Fund the obligation to deliver cash other than on redemption. Each such Fund must distribute its taxable income to unitholders annually and has provided unitholders the option to receive such distributions in cash.

## INVOLVEMENT IN UNCONSOLIDATED STRUCTURED ENTITIES

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

Certain Funds' investment strategy entails trading in other funds on a regular basis. The Funds consider all of their investments in other funds ("Investee Funds") to be investments in unconsolidated structured entities. The Funds invest in Investee Funds whose objectives range from conserving principal to maximizing dividend income to long-term capital growth and whose investment strategies do not include leverage. The Investee Funds finance their operations by issuing redeemable units which are puttable at the holder's option and entitle the holder to a proportionate stake in the respective Investee Fund's net assets. The Funds hold redeemable units in each of their Investee Funds and the Funds have the right to request redemption of their investment in Investee Funds daily. The Funds' investments in Investee Funds are subject to the terms and conditions of the respective Investee Fund's offering documentation. The change in fair value of each Investee Fund is included in the Statements of Comprehensive Income in "Change in unrealized appreciation (depreciation) of investments". The Funds' maximum exposure to loss from their interest in Investee Funds is equal to the fair value of their investments in Investee Funds. Once a Fund has disposed of its shares in an Investee Fund the Fund ceases to be exposed to any risk from that investee fund.

Certain Funds invest in Exchange Traded Funds ("ETFs") which are disclosed on the Schedule of Investment Portfolio and these Funds have determined that their investments in such ETFs are deemed unconsolidated structured entities. These ETFs replicate, to the extent possible, the performance of the applicable benchmark indices, or seek to provide long-term capital growth or income, as applicable, by investing primarily in and holding the constituent securities of the applicable benchmark indices in substantially the same proportion as they are reflected in the applicable benchmark indices or seek to track the investment results of applicable benchmark indices. The ETFs finance their operations by issuing redeemable shares which are puttable at the holder's option and entitle the holder to a proportional stake in the respective ETF's net asset value. The underlying ETFs are listed on a recognized public stock exchange.

Certain Funds invest in mortgage-related and other asset-backed securities ("MBS"). These securities include mortgage pass-through securities, collateralized mortgage obligations, commercial mortgage-backed securities, asset-backed securities, collateralized debt obligations and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. The debt and equity securities issued by these securities may include tranches with varying levels of subordination. These securities may provide a monthly payment which consists of both interest and principal payments. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. Asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans. The Funds' maximum exposure to loss from their interest in MBS is equal to the fair value of their investments in such securities as disclosed on the Schedule of Investment Portfolio.

A table has been included in the Fund Specific Notes which describes the types of structured entities that the Funds do not consolidate but in which they hold an interest.

## 4. Expenses

### MANAGEMENT FEES

Certain series of the Funds pay the Manager a management fee. The management fees cover the cost of managing the Funds, arranging for investment analysis, recommendations and investment decision making for the Funds, arranging for distribution of the Funds, marketing and promotion of the Funds and providing or arranging for others services for the Funds. The management fee is an annualized rate based on the net asset value of each series of the Funds. The management fees paid by the Funds are calculated and accrued daily and payable weekly.

No management fee is charged by the Manager of the Funds in respect of: the Private Trust Series of MDPIM Canadian Equity Pool and MDPIM US Equity Pool and Series A of MDPIM S&P/TSX Capped Composite Index Pool, MDPIM S&P 500 Index Pool, MDPIM International Equity Index Pool and MDPIM Emerging Markets Equity Pool, since investors in these units and series of units have agreed to pay a separate scaled managed account fee based on assets under management directly to MD Private Investment Counsel. No management fee is charged in respect of Series I. Management fees for Series I units are paid directly by investors.

There is no duplication of management fees between the Funds and the Underlying Funds held directly by them, if any. The Manager is entitled to an annual management fee, exclusive of sales taxes, as follows:

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MD Precision Canadian Balanced Growth Fund	1.24%	0.89%	0.29%	n/a	n/a
MD Bond Fund	0.84%	0.50%	0.04%	n/a	n/a
MD Short-Term Bond Fund	0.84%	0.45%	0.04%	n/a	n/a
MD Growth Investments Limited	1.24%	0.84%	0.29%	n/a	n/a
MD Precision Canadian Moderate Growth Fund	1.24%	0.89%	0.29%	n/a	n/a

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MD Equity Fund	1.24%	0.70%	0.29%	n/a	n/a
MD Dividend Growth Fund	1.24%	0.85%	0.29%	n/a	n/a
MD International Growth Fund	1.59%	0.87%	0.64%	n/a	n/a
MD International Value Fund	1.59%	0.87%	0.64%	n/a	n/a
MD Money Fund	0.49%	0.23%	n/a	0.04%	n/a
MD Canadian Equity Fund	1.24%	0.70%	0.29%	n/a	n/a
MD American Growth Fund	1.24%	0.72%	0.29%	n/a	n/a
MD American Value Fund	1.44%	0.72%	0.49%	n/a	n/a
MD Strategic Yield Fund*	1.39%	0.45%	0.44%	n/a	n/a
MD Strategic Opportunities Fund*	1.64%	0.46%	0.69%	n/a	n/a
MD Precision Conservative Portfolio	1.13%	0.52%	0.18%	0.18%	n/a
MD Precision Balanced Income Portfolio	1.18%	0.59%	0.23%	0.23%	n/a
MD Precision Moderate Balanced Portfolio	1.25%	0.68%	0.30%	0.30%	n/a
MD Precision Moderate Growth Portfolio	1.30%	0.72%	0.35%	0.35%	n/a
MD Precision Balanced Growth Portfolio	1.32%	0.80%	0.37%	0.37%	n/a
MD Precision Maximum Growth Portfolio	1.35%	0.81%	0.40%	0.40%	n/a
MD Fossil Fuel Free Bond Fund	0.84%	0.50%	0.04%	n/a	n/a
MD Fossil Fuel Free Equity Fund	1.24%	0.87%	0.29%	n/a	n/a
MD Precision Conservative Index Portfolio	n/a	n/a	n/a	0.06%	n/a
MD Precision Moderate Balanced Index Portfolio	n/a	n/a	n/a	0.12%	n/a
MD Precision Balanced Growth Index Portfolio	n/a	n/a	n/a	0.13%	n/a
MD Precision Maximum Growth Index Portfolio	n/a	n/a	n/a	0.14%	n/a

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MDPIM Canadian Equity Pool	1.25%	n/a	n/a	n/a	-
MDPIM US Equity Pool	1.25%	n/a	n/a	n/a	-
MDPIM Emerging Markets Equity Pool	-	1.08%	0.71%	n/a	n/a
MDPIM S&P/TSX Capped Composite Index Pool	-	n/a	0.04%	n/a	n/a
MDPIM S&P 500 Index Pool	-	n/a	0.07%	n/a	n/a
MDPIM International Equity Index Pool	-	n/a	0.19%	n/a	n/a

\*The fee disclosed for Series A and Series F is the maximum management fee as disclosed in the simplified prospectus. There was a discretionary reduction in fees for these series and the Manager charged the following: MD Strategic Yield Fund Series A: 0.99% and Series F: 0.04%, MD Strategic Opportunities Fund Series A: 0.99% and Series F: 0.04%.

## ADMINISTRATION FEES

The Manager pays certain operating expenses of the Funds in return for administration fees, calculated as a fixed annual percentage of the Funds' net asset value. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, audit fees, legal fees custodial fees, all expenses related to the prospectus and to meetings of unitholders, expenses related to fund accounting, fund valuation, unitholder reporting and record keeping, IRC fees and other expenses.

No administration fee is charged in respect of Series I. Administration fees for Series I units are paid directly by investors.

The administration fee are accrued daily and paid monthly. The annual rates of the administration fee, which are a percentage of the net asset value for each series of units of each Fund, are as follows:

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MD Precision Canadian Balanced Growth Fund	0.13%	0.13%	0.13%	n/a	n/a
MD Bond Fund	0.07%	0.07%	0.07%	n/a	n/a
MD Short-Term Bond Fund	0.07%	0.07%	0.07%	n/a	n/a
MD Growth Investments Limited	0.20%	0.20%	0.20%	n/a	n/a
MD Precision Canadian Moderate Growth Fund	0.13%	0.13%	0.13%	n/a	n/a
MD Equity Fund	0.15%	0.15%	0.15%	n/a	n/a
MD Dividend Growth Fund	0.15%	0.15%	0.15%	n/a	n/a
MD International Growth Fund	0.20%	0.20%	0.20%	n/a	n/a
MD International Value Fund	0.20%	0.20%	0.20%	n/a	n/a



# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MD Money Fund	0.05%	0.05%	n/a	0.05%	n/a
MD Canadian Equity Fund	0.15%	0.15%	0.15%	n/a	n/a
MD American Growth Fund	0.15%	0.15%	0.15%	n/a	n/a
MD American Value Fund	0.15%	0.15%	0.15%	n/a	n/a
MD Strategic Yield Fund	0.10%	0.10%	0.10%	n/a	n/a
MD Strategic Opportunities Fund	0.10%	0.10%	0.10%	n/a	n/a
MD Precision Conservative Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Balanced Income Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Moderate Balanced Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Moderate Growth Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Balanced Growth Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Maximum Growth Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Fossil Fuel Free Bond Fund	0.07%	0.07%	0.07%	n/a	n/a
MD Fossil Fuel Free Equity Fund	0.20%	0.20%	0.20%	n/a	n/a
MD Precision Conservative Index Portfolio	n/a	n/a	n/a	-	n/a
MD Precision Moderate Balanced Index Portfolio	n/a	n/a	n/a	-	n/a
MD Precision Balanced Growth Index Portfolio	n/a	n/a	n/a	-	n/a
MD Precision Maximum Growth Index Portfolio	n/a	n/a	n/a	-	n/a
MDPIM Canadian Equity Pool	-	n/a	n/a	n/a	-
MDPIM US Equity Pool	-	n/a	n/a	n/a	-
MDPIM Emerging Markets Equity Pool	-	0.20%	0.20%	n/a	n/a
MDPIM S&P/TSX Capped Composite Index Pool	-	n/a	-	n/a	n/a
MDPIM S&P 500 Index Pool	-	n/a	-	n/a	n/a
MDPIM International Equity Index Pool	-	n/a	-	n/a	n/a

## 5. Related Party Transactions

The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc. (which includes Scotia McLeod and Scotia iTRADE), an investment dealer.

The Manager, on behalf of the Funds, may enter into transactions or arrangements with other members of Scotiabank or certain companies that are related or connected to the Manager (each a "related party"). All transactions between the Funds and the related parties are in the normal course of business and are carried out at arm's length terms.

- The Manager earns management fees for acting as trustee and manager of the Funds, as applicable and an administration fee in return for paying certain operating expenses as detailed in Note 4. The management fee and administration fee are disclosed in separate lines in the Statements of Comprehensive Income.
- Decisions about the purchase and sale of each Fund's portfolio investments are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds by a related party to the Funds. In such cases, the related party will receive commissions from the Funds. Brokerage fees paid to related parties for the year ended December 31, 2022 and 2021 are as follows (in \$000's):

Fund	December 31, 2022	December 31, 2021
MD Precision Canadian Balanced Growth Fund	13	16
MD Precision Canadian Moderate Growth Fund	7	24
MD Equity Fund	73	82
MD Dividend Growth Fund	4	13
MD Canadian Equity Fund	54	25
MD Strategic Yield Fund	3	-
MD Strategic Opportunities Fund	1	-
MD American Growth Fund	5	6
MD American Value Fund	4	3
MDPIM Canadian Equity Pool	202	195
MDPIM Emerging Markets Equity Pool	3	4
MDPIM S&P/TSX Capped Composite Index Pool	2	2
MDPIM US Equity Pool	41	35

- The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest earned by the Funds is included in "Interest for distribution purposes" in the Statements of Comprehensive Income.

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

- The Funds may invest in investment funds managed by the Manager, which are disclosed in the Schedule of Investment Portfolio for the respective Funds.
- The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related parties, such as investments in securities of Scotiabank. Any related party securities held by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds. The Funds are also permitted to enter into derivative transactions with Scotiabank as counterparty.
- Distributions received from related party funds are included in "Income from Underlying Funds" in the Statements of Comprehensive Income.

## INDEPENDENT REVIEW COMMITTEE

The Manager has established an Independent Review Committee ("IRC") as required under National Instrument 81-107, "Independent Review Committee for Investment Funds" ("81-107"). The IRC reviews conflict of interest matters related to the operations of the Funds. In addition, in some circumstances, in place of obtaining unitholder approval, a Fund may be reorganized with or its assets transferred to another mutual fund managed by the Manager or an affiliate. This requires IRC approval, and that unitholders are sent a written notice at least 60 days before the effective date. The approval of the IRC is also required for a change of auditor.

The IRC is composed of five persons who are independent of the Manager, the Funds and entities related to the Manager.

The Manager pays all IRC fees on behalf of the Funds and allocates these fees equally across each Fund. The Manager recovers these costs via the administration fee charged to the Funds. For the year ended December 31, 2022, each Fund managed by the Manager paid approximately \$4,000 in IRC Fees.

## SHORT-TERM TRADING/EARLY REDEMPTION FEE

Clients who redeem or switch units or shares of an MD Fund are charged an early redemption fee equal to 2.00% 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. Redemption fees are recorded as income in the period of early redemption.

The early redemption fee does 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; or
- made as a result of the recommendation of an MD Financial Consultant or MD Portfolio Manager related to a financial plan.

## 6. Redeemable units

With the exception of MD Growth Investments Limited, the Funds' capital is represented by an unlimited number of authorized units without nominal or par value. All series of units are redeemable on demand by unitholders at the redemption amount represented by respective NAV of that series. Each unit entitles the unitholder to one vote at unitholder meetings and participates equally, with respect to other units of the same series, in any dividends or distributions, liquidation or other rights of that series. Distributions on units of a Fund are reinvested in additional units or at the option of the unitholder, paid in cash. The Funds' capital is managed in accordance with each of the Funds' investment objectives, policies and restrictions as outlined in the Funds' prospectus or offering documents, as applicable. The Funds have no specific restrictions or specific capital requirements on the subscription or redemption of units, other than minimum subscription requirements.

MD Growth Investments Limited is an incorporated company as opposed to a mutual fund trust and, as such, has issued share capital.

The units of each series of Funds are issued and redeemed at their net asset value per unit of each series which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The net asset value per unit is calculated by dividing the net asset value per series by the total number of outstanding units in each series. The number of units issued and redeemed are presented in the Fund Specific Notes.

## 7. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These estimates are based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

### INVESTMENT ENTITIES

In accordance with IFRS 10 "Consolidated Financial Statements", the Manager has determined that the Funds meet the definition of an Investment Entity which requires the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investment in subsidiaries, if any, but instead measure these at fair value through profit or loss, as required by the accounting standard.

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

## FAIR VALUE MEASUREMENT OF SECURITIES AND DERIVATIVES NOT QUOTED IN AN ACTIVE MARKET

The Funds may, from time to time, hold financial instruments that are not quoted in active markets. The fair value of such securities may be determined by the Funds using reputable pricing sources or indicative prices from market makers. Broker quotes obtained from pricing sources may be indicative but not executable or binding. Where no market data is available, the Fund may value positions using internal valuation models as determined appropriate by the Manager and based on valuation methods and techniques generally recognized as standard within the industry. Models use observable data to the extent practicable; however, the Manager may be required to make certain assumptions and/or estimates regarding risks, volatility and correlations as required. Changes in assumptions and estimates could affect the reported fair values of financial instruments. The Funds consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

## CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

In classifying and measuring financial instruments held by the Funds, the Manager is required to make judgments in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Funds' business model and considered that the Funds' investments, including derivatives, are managed and performance evaluated as a group on a fair value basis. The Manager has concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation for the Funds' investments.

## 8. Financial instrument risk

The Funds use financial instruments in order to achieve their respective investment objectives. The Funds' investments are presented in the respective Schedule of Investment Portfolio, which groups securities by asset type, geographic region and/or market segment.

The use of financial instruments subjects the Funds to a variety of financial instrument risks. The Funds' risk management practices include setting investment policies to limit exposures to financial instrument risks and employing experienced and professional investment advisors to invest the Funds' capital in securities within the constraints of investment policies. The Manager regularly monitors the Fund advisors' performance and compliance with the investment policies.

The conflict between Ukraine and Russia has and may continue to increase financial market uncertainty and volatility, and negatively impact regional and global economic markets including the value and liquidity of Russian securities. The longer term impact to global economies and investment valuation is uncertain. These events could negatively affect the valuation of investments in the Funds. The Manager continues to monitor the situation and the impact to the Funds.

The significant financial instrument risks, to which the Funds are exposed, along with the specific risk management practices related to those risks, are presented below. Fund specific disclosures are presented in the "Financial Instruments Risks" section of the financial statements.

## CREDIT RISK

Credit risk is the risk that a counterparty to a financial instrument will not honour its obligation under the terms of the instrument, resulting in a loss. The Funds are exposed to credit risk through domestic and foreign bonds, preferred shares, derivative contracts, cash and short-term investments, amounts due from brokers, dividends and interest receivable and other receivables. A Fund may engage in securities lending pursuant to the terms of an agreement which includes restrictions as set out in the Canadian Securities Legislation. Collateral held is in the form of highly rated fixed income instruments. All securities under lending agreements are fully collateralized.

Credit risks arising from short-term investments and fixed income securities, including domestic and foreign bonds and preferred shares, are generally limited to the fair value of the investments as shown in the Schedule of Investment Portfolio. The Funds limit exposure to individual issuers/sectors and credit quality ratings. The credit worthiness of issuers in which the Funds invest are reviewed regularly and the portfolios are adjusted as required to match the minimum requirement as set forth in each Fund's prospectus. Each individual Fund's exposure to credit risk, if any, is presented in the Financial Instruments Risk section of the Financial Statements.

Credit risks arising from cash are limited to the carrying value as shown on the Statements of Financial Position, except in the case of MD Money Fund, where the credit risk is limited to the fair value of investments as shown on the Schedule of Investment Portfolio. The Funds manage credit risk on cash and short-term investments by investing in high grade short-term notes with credit ratings of R-1 (low) or higher as well as limiting exposure to any single issuer.

Certain derivative contracts are subject to netting arrangements whereby if one party to a derivative contract defaults, all amounts with the counterparty are terminated and settled on a net basis. As such, the maximum credit loss on derivative contracts is the financial derivative instrument asset in the Statements of Financial Position. Each Fund manages credit risk on derivatives by only entering into agreements with counterparties that have an approved credit rating. Credit risk on amounts due from brokers is minimal since transactions are settled through clearinghouses where securities are only delivered for payment when cash is received.

Credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 102% of the fair value of the securities loaned. The collateral and loaned securities are marked to market each business day. The aggregate dollar value of portfolio securities lent and collateral held is presented in the Fund Specific Notes.

## LIQUIDITY RISK

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. All Funds' financial liabilities come due within one year, other than those derivatives with longer maturities as disclosed in the Schedule of Investment Portfolio. To manage this liquidity requirement, the Funds invest primarily in liquid securities that can readily be sold in active markets and each Fund may borrow up to 5% of its NAV. At year end, no Fund had borrowed against its respective line of credit.

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

## CURRENCY RISK

Currency risk is the risk that the values of financial assets and liabilities denominated in foreign currencies fluctuate due to changes in foreign exchange rates. To the extent the Funds hold assets and liabilities denominated in foreign currencies, the Funds are exposed to currency risk. The Funds may also use forward contracts at the discretion of the Manager. Each individual Fund's exposure to currency risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

## INTEREST RATE RISK

Interest rate risk is the risk that the fair value (measured as the present value) of cash flows associated with interest bearing financial instruments will fluctuate due to changes in the prevailing market rates of interest. In general, as interest rates rise, the fair value of interest bearing financial instruments will fall. Financial instruments with a longer term to maturity will generally have a higher interest rate risk.

The Funds' interest-bearing financial instruments that subject the Funds to interest rate risk include domestic and foreign bonds and mortgage related and other asset back securities. The Funds' may also be exposed indirectly to interest rate risk through their position in interest rate swaps presented in the Schedule of Derivative Instruments. Short-term money market instruments are also interest bearing and therefore subject to interest rate risk. However, due to the short-term nature of the securities, the interest rate risk is generally not significant.

Interest rate risk management practices employed by the Funds include setting target durations based on the appropriate benchmark indices and monitoring the Funds' durations relative to the benchmarks. If interest rates are anticipated to rise, the Funds' durations can be shortened to limit potential losses. Conversely, if interest rates are anticipated to fall, the durations can be lengthened to increase potential gains. Each individual Fund's exposure to interest rate risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

## OTHER PRICE RISK

Other price risk is the risk that the fair value of financial instruments may decline because of changes in market prices of the financial instruments, other than declines due to interest rate risk and currency risk. Other price risk stems from financial instruments' sensitivity to changes in the overall market (market risk) as well as factors specific to the individual financial instrument. Other price risk attributable to individual investments is managed through diversification of the portfolio and security selection and adjustments to fair value when there is significant volatility in international markets after markets are closed. Each individual Fund's exposure to other price risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

Details of each Fund's exposure to financial instruments risks including fair value hierarchy classification are available in the "Financial Instruments Risks" section of the financial statements of each Fund.

## FINANCIAL RISKS FROM UNDERLYING MUTUAL FUNDS

Certain Funds may invest in other mutual funds. The Funds' investments in mutual funds are subject to the terms and conditions of the respective mutual fund's offering documentation and are susceptible to the risks related to the underlying mutual funds' financial instruments. The Funds' maximum exposure to loss from their interests in mutual funds is equal to the total fair value of their investment in mutual funds. Once the Funds dispose of their shares in an underlying mutual fund, the Funds cease to be exposed to any risk from that mutual fund. The exposure to underlying mutual fund investments is disclosed in the "Financial Instruments Risks" section of the financial statements of each Fund.

## 9. Fair value measurement

The Funds classify fair value measurements within a hierarchy that prioritizes the inputs to Funds' valuation techniques used in measuring fair value. Under these provisions, an entity is required to classify each financial instrument into one of three fair value levels as follows:

- Level 1 - for unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - for inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,
- Level 3 - for inputs that are based on unobservable market data.

The classification of a financial instrument is based on the lowest level of input that is significant to the determination of fair value.

All fair value measurements are recurring. The carrying values of cash, receivable for investment transactions, dividends and interest receivable, subscriptions receivable, payable for investment transactions, redemptions payable, distributions payable and the Fund's obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature. Fair values of securities and derivatives are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 ceases to be actively traded, it is transferred out of Level 1. In such cases, fair value is determined using observable market data (eg. transactions for similar securities of the same issuer) and the instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Changes in valuation methods may result in transfers into or out of the assets' or liabilities' assigned levels. The level summary based on the hierarchy inputs is disclosed in the "Financial Instrument Risks" section of each Fund.

Level 3 financial instruments are reviewed by the Funds' fair valuation committee. The fair valuation committee considers the appropriateness of the valuation model inputs, as well as the valuation result, using valuation methods recognized as standard within the industry. Quantitative information about the unobservable inputs, sensitivity of the fair value measurements to changes in unobservable inputs and interrelationships between those inputs are disclosed in the Fund Specific Notes under "Fair value measurement" if significant unobservable inputs are used when valuing Level 3 financial instruments.



# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

## EQUITIES

The Funds' equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable. The Funds subscribe to the services of a third-party valuation service provider to provide fair value adjustments, when a defined threshold is met, to the prices of foreign securities due to changes in the value of securities in North American markets following the closure of the foreign markets. The parameters used to apply the fair value adjustments are based on observable market data. Where applicable, the foreign securities will be considered Level 2 priced securities.

## BONDS AND SHORT-TERM INVESTMENTS

Debt securities generally trade in the OTC market rather than on a securities exchange. Bonds including government, corporate, convertible and municipal bonds and notes, bank loans, US and Canadian treasury obligations, sovereign issues and foreign bonds are normally valued by pricing service providers that use broker-dealer quotations, reported trades and valuations from their internal pricing models. These internal pricing models use inputs which are observable including interest rate curves, credit spreads and volatilities. The inputs that are significant to valuation are generally observable and therefore the Funds' bonds and short-term investments have been classified as Level 2, unless the determination of fair value requires significant unobservable input, in which the measurement is classified as Level 3.

## INVESTMENTS IN MUTUAL FUNDS AND EXCHANGE TRADED FUNDS

The Funds' positions in the mutual funds and exchange traded funds are typically in positions that are actively traded and a reliable price is observable and as such is classified as Level 1.

## FINANCIAL DERIVATIVE INSTRUMENTS

Derivatives consisting of foreign currency forward contracts, interest rate swaps, credit default swaps and foreign currency options which are valued based primarily on the contract notional amount, the difference between the contract rate and the forward market rate for the same currency, interest rate and credit spreads. These derivative financial instruments have been classified as Level 2.

Futures contracts and options that are traded on a national securities exchange are stated at the last reported sale or settlement price on the day of valuation. To the extent these financial derivative instruments are actively traded they are categorized as Level 1.

## FAIR VALUATION OF INVESTMENTS (INCLUDING UNLISTED SECURITIES)

If the valuation methods described above are not appropriate, the Funds will estimate the fair value of an investment using established fair valuation procedures, such as consideration of public information, broker quotes, valuation models, discounts from market prices of similar securities or discounts applied due to restrictions on the disposition of securities, and external fair value service providers.

The extent of Funds' use of quoted market prices (Level 1), internal models using observable market information as inputs (Level 2), and internal models without observable market information (Level 3) in the valuation of securities is summarized in each Fund's "Financial Instruments Risks" section of the financial statements.

## 10. Income Taxes

Each of the Funds, except MD Growth, qualifies or expects to qualify as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income for the year, including net realized capital gains which are not paid or payable to its unitholders as at the end of the year. It is the intention of the Manager that all annual net investment income and sufficient net realizable taxable capital gains will be distributed to unitholders annually by December 31, such that there are no Canadian income taxes payable by the Funds. Accordingly, the Funds do not record Canadian income taxes in their financial statements.

MD Growth is a mutual fund corporation for federal income tax purposes and, accordingly, it is subject to tax at normal corporate rates applicable to mutual fund corporations on foreign dividends received and interest income, net of expenses. MD Growth is subject to a tax on taxable dividends received from taxable Canadian corporations. This tax is recorded as refundable income taxes on the Statements of Financial Position because it is refundable at a rate determined by a formula when taxable dividends are paid. MD Growth is subject to a tax on capital gains; however, this tax is refundable if sufficient capital gains are distributed to shareholders either as capital gains dividends or through the redemption of shares. The provision for income taxes in the Statements of Comprehensive Income is stated after deducting applicable refundable capital gains taxes. Income taxes are calculated using the liability method of tax accounting. Temporary differences between the carrying values of assets and liabilities for accounting and income tax purposes give rise to deferred income tax assets and liabilities. Deferred income tax liabilities or assets are calculated using substantively enacted tax rates expected to apply in the period that the temporary differences are expected to reverse.

## LOSSES CARRIED FORWARD

Capital losses can be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses for income tax purposes may be carried forward up to twenty years and applied against all sources of income. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses have not been reflected in the Statements of Financial Position. As of December 31, 2022, the following Funds have capital and non-capital losses available for carry forward as presented below (in \$'000's):

Fund	Year of expiry	Non-Capital Loss \$	Capital Loss \$
MD Bond Fund		-	38,969
MD Growth Investments Limited		-	244,653
MD Short-Term Bond Fund		-	33,088
MD Precision Canadian Moderate Growth Fund		-	-
MD Precision Canadian Balanced Growth Fund		-	-
MD Equity Fund		-	-
MD Dividend Growth Fund		-	26,980
MD International Growth Fund		-	21,224
MD International Value Fund		-	78,922

# Notes to Financial Statements

For 12 months ended December 31, 2022 and 2021

Fund	Year of expiry	Non-Capital Loss \$	Capital Loss \$
MD Money Fund		-	-
MD Canadian Equity Fund		-	-
MD American Growth Fund		-	113,756
MD American Value Fund		-	-
MD Strategic Yield Fund		-	17,868
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 Precision Maximum Growth Portfolio		-	-
MD Fossil Fuel Free Bond Fund		-	2,157
MD Fossil Fuel Free Equity Fund		370	-
MD Precision Conservative Index Portfolio		-	-
MD Precision Moderate Balanced Index Portfolio		-	-
MD Precision Balanced Growth Index Portfolio		-	-
MD Precision Maximum Growth Index Portfolio		-	-
MDPIM Canadian Equity Pool		-	-
MDPIM US Equity Pool		-	-
MDPIM S&P 500 Index Pool		-	190
MDPIM International Equity Index Pool		-	5,603
MDPIM S&P/TSX Capped Composite Index Pool		-	-
MDPIM Emerging Markets Equity Pool		-	206,461

## WITHHOLDING TAXES

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

## 11. Soft Dollar Commissions

Soft dollar commissions refers to the portion of total brokerage commissions paid to certain brokers that was available for payment to third party vendors for providing research, statistical or investment decision making services. These services assist the Manager and its sub-advisors with their investment decision making for the Funds. The ascertainable soft dollar commissions paid in connection with the investment portfolio transactions for the years ended December 31, 2022 and December 31, 2021 are set out below (in \$000's):

Fund	2022 \$	2021 \$
MD Precision Canadian Balanced Growth Fund	44	80
MD Growth Investments Limited	9	21
MD Precision Canadian Moderate Growth Fund	43	53
MD Equity Fund	222	335
MD Dividend Growth Fund	25	34
MD International Growth Fund	1	1
MD International Value Fund	6	3
MD Canadian Equity Fund	141	76
MD American Growth Fund	35	23
MD American Value Fund	45	18
MD Strategic Yield Fund	7	3
MD Strategic Opportunities Fund	4	5
MD Fossil Fuel Free Equity Fund	-	1
MDPIM Canadian Equity Pool	586	711
MDPIM US Equity Pool	317	214
MDPIM Emerging Markets Equity Pool	414	451
MDPIM S&P/TSX Capped Composite Index Pool	-	-
MDPIM S&P 500 Index Pool	-	-
MDPIM International Equity Index Pool	-	-

## 12. Exemption from filing

MD Precision Conservative Index Portfolio, MD Precision Moderate Balanced Index Portfolio, MD Precision Balanced Growth Index Portfolio and MD Precision Maximum Growth Index Portfolio are relying on an exemption in applicable securities regulation and do not file these financial statements with the securities regulators.







**MD Financial  
Management Inc.**