



MD Financial Management Inc.

MD Short-Term Bond Fund - Series A

FUND FACTS — June 17, 2019

This document contains key information you should know about MD Short-Term Bond Fund (the "Fund") Series A. You can find more details in the Fund's simplified prospectus. Ask your representative for a copy, contact MD Financial Management Inc., at 1 800 267-2332, mdfunds.simplifiedprospectus@md.ca, or visit md.ca.

Before you invest in any fund, consider how the fund would work with your other investments and your tolerance for risk.

On June 13, 2019, the management fee of Series A of the Fund changed from 0.85% to 0.84%.

Quick facts

Date series started:	October 1, 1995	Fund Manager:	MD Financial Management Inc.
Total value of the Fund on April 30, 2019:	\$292.6 million	Portfolio Manager(s):	Manulife Investment Management Limited; 1832 Asset Management L.P.
Management expense ratio (MER):	1.02%	Sub-Advisers:	Manulife Investment Management (US) LLC, Manulife Investment Management (Hong Kong) Limited; Manulife Investment Management (Europe) Limited
		Distributions:	Income — Several times per year Capital gains — Annually, after December 15
		Minimum investment:	Initial - \$3000 Additional - \$1000

What does the Fund invest in?

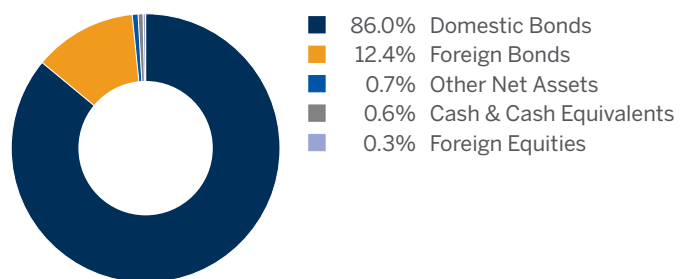
The Fund invests primarily in a variety of Government of Canada, provincial or municipal government bonds, corporate bonds, bonds of government backed crown corporations, National Housing Association (NHA) mortgages, conventional residential mortgages and NHA backed mortgages. The Fund may also invest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

The charts below give you a snapshot of the Fund's investments on April 30, 2019. The Fund's investments will change.

Top 10 investments (April 30, 2019)

1. Canada Housing Trust No. 1, 2.65%, 03/15/2022	3.3%
2. Province of Ontario, 3.15%, 06/02/2022	3.0%
3. Province of Quebec, 3.00%, 09/01/2023	2.3%
4. Province of British Columbia, 3.30%, 12/18/2023	2.2%
5. Government of Canada, 1.00%, 09/01/2022	2.0%
6. Province of Quebec, 3.75%, 09/01/2024	2.0%
7. Province of Alberta, 2.65%, 09/01/2023	1.9%
8. National Bank of Canada, 1.74%, 03/03/2020	1.7%
9. Province of Ontario, 2.85%, 06/02/2023	1.7%
10. The Toronto-Dominion Bank, 2.62%, 12/22/2021	1.6%
Total percentage of top 10 investments	21.7%
Total number of investments	472

Investment mix (April 30, 2019)



How risky is it?

The value of the Fund can go down as well as up. You could lose money.

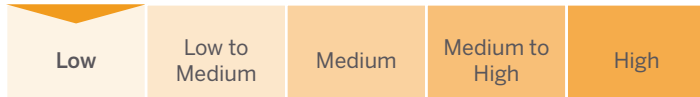
One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk Rating

MD Financial Management Inc. has rated the volatility of this Fund as **low**.

This rating is based on how much the Fund's returns have changed from year to year. It doesn't tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the Fund's returns, see "What Are the Risks of Investing in the Fund?" section of the Fund's simplified prospectus.

No guarantees

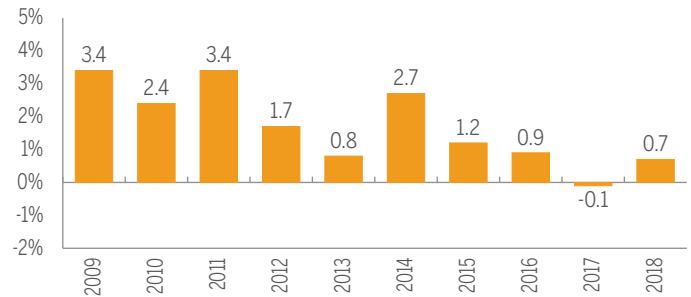
Like most mutual funds, this Fund does not have any guarantees. You may not get back the amount of money you invest.

How has the Fund performed?

This section tells you how Series A units of the Fund have performed over the past 10 years. Returns are after expenses have been deducted. These expenses reduce the Fund's returns.

Year-by-year returns

This chart shows how Series A units of the Fund performed in each of the past 10 calendar years. The Fund dropped in value in 1 of the 10 years. The range of returns and change from year to year can help you assess how risky the Fund has been in the past. It does not tell you how the Fund will perform in the future.



Best and worst 3-month returns

This table shows the best and worst returns for Series A units of the Fund in a 3-month period over the past 10 years to April 30, 2019. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	RETURN	3 MONTHS ENDING	IF YOU INVESTED \$1,000 AT THE BEGINNING OF THE PERIOD
Best return	2.2%	January 31, 2015	Your investment would rise to \$1,022
Worst return	(1.1)%	July 31, 2017	Your investment would drop to \$989

Average return

As at April 30, 2019, a person who invested \$1,000 in Series A units of the Fund 10 years ago would now have \$1,189. This works out to an annual compound return of 1.8%.

Who is this Fund for?

Investors who:

- Are looking for a core holding for the Canadian short-term fixed income component of a portfolio.
- Are seeking a fund that invests primarily in fixed income securities with short-term durations.
- Have an investment time horizon of over one year.

A word about tax

In general, you'll have to pay income tax on any money you earn on a fund. How much you pay depends on the tax laws where you live, the type of earnings (i.e., income or capital gains), and whether or not you hold the Fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your Fund in a non-registered account, taxable fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series A units of the Fund. The fees and expenses - including any commissions - can vary among series of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

1. Sales charges

There are no sales charges applicable to this Fund.

2. Fund expenses

You do not pay these expenses directly. They affect you because they reduce the Fund's returns.

As of December 31, 2018, the Fund's expenses were 1.02% of its value. This equals \$10.20 for every \$1,000 invested.

	ANNUAL RATE (AS A % OF THE FUND'S VALUE)
Management expense ratio (MER) This is the total of the Fund's management fee, administration fee and other operating expenses.	1.02%
Trading expense ratio These are the Fund's trading costs.	0.00%
Fund expenses	1.02%

More about trailing commissions

MD Financial Management Inc. does not pay any trailing commissions in respect of units of the Fund.

3. Other fees

You may have to pay other fees when you buy, hold, sell or switch units of the Fund.

FEE	WHAT YOU PAY
Early redemption fee	2% of the amount redeemed or switched within thirty (30) days from the date the units were purchased or switched.
Transfer-out fee	\$135 plus applicable taxes (for transfer of either an MD Registered plan or Non-registered account to another financial institution).

What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual funds within two business days after you receive a simplified prospectus or Fund Facts document, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

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

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

For more information

Contact MD Financial Management Inc. or your representative for a copy of the Fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

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To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at www.securities-administrators.ca.