

MDPIM

2011 Interim Financial Statements



PHYSICIAN
SERVICES INC.
A CMA COMPANY

Table of Contents

1	Interim Financial Statements: MDPIM Canadian Bond Pool
6	Interim Financial Statements: MDPIM Dividend Pool
11	Interim Financial Statements: MDPIM Canadian Equity Pool
17	Interim Financial Statements: MDPIM US Equity Pool
22	Interim Financial Statements: MDPIM International Equity Pool
32	Interim Financial Statements: MDPIM Canadian Long Term Bond Pool
36	Notes to Interim Financial Statements

Interim Unaudited Financial Statements for the Six-Month Period Ended June 30, 2011

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance ("MRFP") of the investment fund. If you have not received a copy of the Interim MRFP with this report, you may obtain a copy of the Interim MRFP at your request, and at no cost, by calling the toll-free number 1 800 267-2332, by writing to us at MD Physician Services Inc., 1870 Alta Vista Drive, Ottawa ON K1G 6R7, by visiting our website at md.cma.ca or by visiting the SEDAR website at sedar.com. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above. 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.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

MD Physician Services Inc., the Manager of the Fund, appoints independent auditors to audit the Fund's Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice. The Fund's independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

MD Physician Services Inc. either wholly owns or has a majority interest in its seven subsidiaries (the MD group of companies*), provides financial products and services, is the fund manager for the MD family of mutual funds, offers investment counselling services, and also provides practice management services (such as consulting, EMR and Health Portal solutions) and related billing services.

*For a detailed list of companies, visit md.cma.ca.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. The rate of return is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual fund or returns on investment in the mutual fund. Standard performance data assumes reinvestment of distributions only and does not take into account sales, redemption, distribution or optional charges payable by any security holder which would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the prospectus before investing. You may obtain a copy of the prospectus before investing by calling your MD advisor or the MD TradeCentre at 1 800 267-2332.

MDPIM Canadian Bond Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)		Number of Shares	Average Cost (\$)	Fair Value (\$)
Domestic Bonds							
Asset Backed Securities (7.61%)							
Algonquin Credit Card Trust 4.56% Jun 15/12	12,500	12,252	12,820	Canada Safeway Limited 3.00% Mar 31/14	9,000	8,993	9,064
BMW Canada Auto Trust 3.05% Sep 22/14	10,267	10,267	10,315	Canadian Capital Auto Receivables 2.00% Nov 17/12	3,431	3,431	3,436
CARD II Trust 1.84% May 15/12	16,000	16,000	16,019	Canadian Capital Auto Receivables Asset Trust II 2.63% Aug 17/14	10,000	10,000	10,073
CARD II Trust 3.10% Sep 15/15	20,000	20,000	20,130	Canadian Credit Card Trust 3.44% Jul 24/15	27,000	27,000	27,529
CARD II Trust 3.33% May 15/16	12,500	12,500	12,567	Canadian Imperial Bank of Commerce 3.40% Jan 14/16	24,050	24,019	24,380
Ford Auto Securitization Trust 2.75% Nov 15/13	6,508	6,508	6,559	Canadian Imperial Bank of Commerce 4.11% Apr 30/20	10,500	11,057	10,888
Ford Auto Securitization Trust 6.34% Jan 15/14	13,500	13,500	14,133	Canadian Tire Corporation, Limited 5.65% Jun 01/16	4,200	4,207	4,610
Genesis Trust 4.25% Sep 15/11	17,500	17,177	17,596	Canadian Western Bank 2.01% Apr 26/13	12,500	12,500	12,467
Glacier Credit Card Trust 3.16% Nov 20/15	11,000	11,000	11,039	Capital Desjardins Inc. 3.80% Nov 23/20	23,000	23,000	23,139
Golden Credit Card Trust 3.51% May 15/16	16,900	16,900	17,133	CDP Financial Inc. 1.74% Jul 15/15	10,400	10,400	10,422
Golden Credit Card Trust 3.82% May 15/15	17,000	17,000	17,603	CDP Financial Inc. 4.40% Nov 25/19	26,000	27,741	25,674
NBC Asset Trust 7.45% Jul 30/20	14,780	14,575	17,321	Chip Mortgage Trust 3.97% Feb 01/16	13,300	13,285	13,576
NHA Mortgage Backed Securities 2.30% Dec 01/14	17,227	16,889	17,238	CI Financial Corporation 3.30% Dec 17/12	15,000	14,999	15,181
NHA Mortgage Backed Securities 4.50% Feb 01/18	11,676	12,218	12,375	CI Financial Corporation 3.94% Dec 14/16	12,000	11,997	12,151
NHA Mortgage Backed Securities 5.30% May 01/24	9,139	9,781	10,161	Co-operators Financial Services Limited 5.07% Jul 20/12	5,750	5,749	5,887
NHA Mortgage Backed Securities 5.60% Jun 01/24	10,188	11,143	11,531	Daimler Canada Finance Inc. 3.16% Apr 14/14	19,800	19,798	20,005
Total for Asset Backed Securities		217,710	224,540	Emera Inc. 4.10% Oct 20/14	17,500	17,915	18,152
Collateralized Mortgage Obligations (0.72%)				Enbridge Pipelines Inc. 5.35% Nov 10/39	3,500	3,497	3,736
Claret Trust 4.71% May 15/33	804	804	816	Enbridge Pipelines Inc. 6.62% Nov 19/18	5,400	5,432	6,426
Schooner Trust 3.97% Sep 12/20	9,627	9,304	9,925	EnCana Corporation 5.80% Jan 18/18	17,150	17,134	19,193
Schooner Trust 4.71% Feb 12/21	3,700	3,691	3,892	EPCOR Utilities Inc. 5.75% Nov 24/39	10,600	10,585	11,509
Schooner Trust 4.76% Oct 12/38	4,400	4,391	4,618	Fairfax Financial Holdings Limited 6.40% May 25/21	10,900	10,856	10,860
Solar Trust 4.65% May 12/16	1,800	1,760	1,829	First Capital Realty Inc. 5.60% Apr 30/20	15,650	15,950	15,842
Total for Collateralized Mortgage Obligations		19,950	21,080	Greater Toronto Airports Authority 4.70% Feb 15/16	12,800	12,506	13,695
Corporate Bonds (41.38%)				Greater Toronto Airports Authority 5.26% Apr 17/18	14,110	14,093	15,503
407 International Inc. 3.88% Jun 16/15	17,400	17,397	18,092	Greater Toronto Airports Authority 5.96% Nov 20/19	6,300	7,150	7,224
407 International Inc. 4.65% Jan 20/12	15,700	15,684	15,956	Health Montreal Collective LP 6.72% Sep 30/49	10,000	10,000	10,261
Aerports de Montreal 5.47% Apr 16/40	3,700	3,700	3,963	HSBC Bank Canada 3.56% Oct 04/17	27,800	27,773	27,751
AltaLink LP 5.43% Jun 05/13	10,000	10,806	10,620	Husky Energy Inc. 5.00% Mar 12/20	5,000	4,982	5,211
American Express Canada Credit Corp 2.25% Jun 06/14	11,800	11,800	11,803	Hydro One Inc. 3.13% Nov 19/14	24,800	24,863	25,270
American Express Canada Credit Corp. 4.85% Oct 03/14	4,900	4,900	5,164	Loblaws Companies Limited 4.85% May 08/14	5,000	5,209	5,280
American Express Canada Credit Corp. 5.90% Apr 02/13	5,500	5,494	5,815	Manulife Financial Capital Trust II 7.41% Dec 31/2108	10,400	10,411	11,842
Arrow Lakes Power 5.52% Apr 05/41	1,250	1,250	1,289	Manulife Financial Corporation 4.90% Jun 02/14	26,000	26,000	27,272
Bank of Montreal 3.49% Jun 10/16	13,750	13,664	13,947	Manulife Financial Corporation 5.16% Jun 26/15	24,700	24,759	26,161
Bank of Montreal 3.98% Jul 08/16	61,800	62,222	62,695	Manulife Financial Corporation 7.77% Apr 08/19	12,200	12,238	14,704
Bank of Montreal 6.17% Mar 28/23	16,820	17,824	19,059	Master Credit Card Trust 3.50% May 21/16	16,200	16,200	16,411
BC Gas, Inc. 10.30% Sep 30/16	8,500	11,577	11,298	National Bank of Canada 3.58% Apr 26/16	12,500	12,500	12,714
bclMC Realty Corporation 3.38% Jan 29/15	6,750	6,750	6,877	National Bank of Canada 4.03% May 26/15	33,000	33,000	34,407
Bell Aliant Regional Communications LP 4.72% Sep 26/11	1,106	1,107	1,114	NAV CANADA 1.10% Apr 29/13	21,000	21,000	21,014
Bell Aliant Regional Communications LP 4.88% Apr 26/18	10,600	10,599	10,748	NAV CANADA 4.71% Feb 24/16	12,000	12,829	12,902
Bell Aliant Regional Communications LP 4.95% Feb 26/14	13,300	13,679	13,952	NAV CANADA 5.30% Apr 17/19	5,200	5,200	5,746
Bell Aliant Regional Communications LP 5.52% Feb 26/19	6,200	6,197	6,362	Plenary Properties LTAP LP 6.29% Jan 31/44	6,000	6,350	6,515
Bell Canada 3.60% Dec 02/15	22,850	22,789	23,122	PSP Capital Inc. 2.94% Dec 03/15	1,400	1,399	1,409
Bell Canada 4.85% Jun 30/14	9,900	10,424	10,475	RioCan Real Estate Investment Trust 4.50% Jan 21/16	2,350	2,419	2,399
Caisse Centrale Desjardins du Quebec 3.11% Dec 04/14	9,700	9,700	9,819	Rogers Communications, Inc. 4.70% Sep 29/20	17,500	17,515	17,062
Caisse Centrale Desjardins du Quebec 3.50% Oct 05/17	12,500	12,500	12,431	Rogers Communications, Inc. 5.80% May 26/16	12,000	11,972	13,118
				Rogers Communications, Inc. 6.56% Mar 22/41	10,000	10,000	10,061
				Royal Bank of Canada 1.65% Apr 15/14	17,400	17,400	17,388
				Royal Bank of Canada 5.00% Jun 06/18	17,700	17,695	18,596
				Shaw Communications Inc. 5.65% Oct 01/19	5,600	5,582	5,750
				Shaw Communications Inc. 6.75% Nov 09/39	11,400	11,440	11,051
				Sun Life Capital Trust II 5.86% Dec 31/2108	5,800	5,800	6,130
				Sun Life Financial Inc. 5.59% Jan 30/23	12,600	12,911	13,411
				Sun Life Financial Inc. 5.70% Jul 02/19	15,100	15,514	16,399
				TD Capital Trust IV 6.63% Jun 30/2108	6,000	6,000	6,709

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

MDPIM Canadian Bond Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
TELUS Corporation 3.65% May 25/16	13,000	12,952	13,063
Teranet Holdings LP 3.53% Dec 16/15	32,100	32,100	32,415
Teranet Holdings LP 4.81% Dec 16/20	22,000	21,614	22,169
Terasen Gas Inc. 6.00% Oct 02/37	5,000	5,415	5,782
The Bank of Nova Scotia 1.76% Apr 20/12	14,500	14,500	14,548
The Bank of Nova Scotia 4.99% Mar 27/18	11,250	11,232	11,776
The Bank of Nova Scotia 5.30% Jan 31/18	4,500	4,499	4,718
The Bank of Nova Scotia 6.00% Oct 03/18	14,500	14,496	15,613
The Toronto-Dominion Bank 4.85% Feb 13/13	8,000	8,403	8,383
The Toronto-Dominion Bank 5.83% Jul 09/23	17,300	17,332	19,327
Toronto Hydro Corporation 5.15% Nov 14/17	12,000	12,002	13,157
Toronto Hydro Corporation 6.11% Dec 30/11	18,400	19,663	18,809
Union Gas Limited 5.35% Apr 27/18	4,800	4,801	5,291
Vancouver International Airport Authority 5.02% Nov 13/15	6,000	6,007	6,516
Total for Corporate Bonds		1,187,334	1,219,734
Government of Canada Bonds (31.42%)			
Canada Housing Trust 1.42% Sep 15/15	60,000	60,000	60,278
Canada Housing Trust 1.66% Sep 15/14	21,300	21,566	21,568
Canada Housing Trust No 1 1.34% Sep 15/16	263,400	263,424	263,427
Canada Housing Trust No 1 2.75% Jun 15/16	97,800	98,713	98,596
Canada Housing Trust No 1 2.75% Jun 15/16	110,650	110,518	111,551
Government of Canada 1.00% Sep 01/11	110,600	110,294	110,602
Government of Canada 2.00% Dec 01/14	14,900	14,733	14,912
Government of Canada 2.50% Sep 01/13	20,400	20,748	20,773
Government of Canada 3.50% Jun 01/13	21,000	21,881	21,758
Government of Canada 3.50% Jun 01/20	116,350	118,768	120,670
Government of Canada 3.75% Jun 01/12	13,900	14,234	14,213
Government of Canada 4.00% Jun 01/17	45,650	49,291	49,315
Royal Office Finance LP 5.21% Nov 12/32	17,092	17,056	18,332
Total for Government of Canada Bonds		921,226	925,995
Municipal Bonds (3.00%)			
City of Montreal 5.00% Dec 01/18	8,750	8,681	9,493
City of Montreal 5.50% Dec 01/24	18,200	18,935	19,990
City of Toronto 4.50% Dec 02/19	8,200	8,199	8,583
City of Toronto 4.85% Jul 28/16	12,950	13,575	14,115
City of Toronto 5.05% Jul 18/17	17,500	18,151	19,226
Regional Municipality of York 5.00% Apr 29/19	15,800	16,856	17,131
Total for Municipal Bonds		84,397	88,538
Provincial Bonds (9.81%)			
Financement Quebec 1.27% Sep 16/13	27,000	26,717	26,967
Financement Quebec 3.25% Jun 01/14	23,500	23,757	24,257
Financement Quebec 5.25% Jun 01/34	8,500	8,687	9,386
Financement Quebec 1.57% Jun 02/16	26,000	25,769	26,016
Province of Ontario 4.20% Mar 08/18	81,860	81,336	86,762
Province of Ontario 4.65% Jun 02/41	10,120	10,527	10,623
Province of Quebec 4.50% Dec 01/18	24,000	24,431	25,693
Province of Quebec 4.50% Dec 01/20	74,600	76,979	78,555
Province of Quebec 5.00% Dec 01/41	800	886	877
Total for Provincial Bonds		279,089	289,136
Total for Domestic Bonds (93.94%)		2,709,706	2,769,023

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Foreign Bonds			
Australia (3.15%)			
Australia and New Zealand Banking Group Limited 3.75% Jan 22/15	11,900	11,869	12,058
Commonwealth Bank of Australia 3.63% Oct 14/14	21,500	21,508	21,806
Commonwealth Bank of Australia 5.15% Apr 09/20	15,500	15,452	15,862
National Australia Bank Limited 4.19% Jul 20/15	18,150	18,149	18,610
St George Bank Limited 4.65% Apr 23/17	11,000	10,993	11,155
Westpac Banking Corporation 3.75% Dec 01/14	13,250	13,212	13,478
Total for Australia		91,183	92,969
Netherlands (0.65%)			
Rabobank Nederland - Cooperatieve Centrale Raiffeisen - Boerenleenbank BA 3.13% Feb 05/15	19,000	18,965	19,142
Total for Netherlands		18,965	19,142
Norway (0.43%)			
Kommunalbanken AS 3.74% May 27/21	12,500	12,497	12,591
Total for Norway		12,497	12,591
South Korea (0.32%)			
Korea Gas Corporation 4.58% May 12/16	9,200	9,198	9,315
Total for South Korea		9,198	9,315
United Kingdom (0.37%)			
HBOS PLC 5.11% Jun 21/17	11,800	11,774	9,538
The Royal Bank of Scotland Group PLC 2.01% Mar 30/15	1,510	1,513	1,327
Total for United Kingdom		13,287	10,865
United States (1.14%)			
Bank of America Corporation 5.45% Sep 17/14	12,000	11,990	12,551
Metropolitan Life Global Funding I 4.45% Nov 08/13	12,200	12,234	12,648
New York Life Global Funding 4.30% Mar 19/14	8,000	7,914	8,309
Total for United States		32,138	33,508
Total for Foreign Bonds (6.06%)		177,268	178,390
Total for MDPIM Canadian Bond Pool (100.00%)		\$2,886,974	\$2,947,413

Schedule of Derivative Instruments

Forward Currency Contracts

Cur- rency	Credit Rating	Expiry Date	Contract Rate	Amounts Bought (Sold)	Amounts Bought (Sold) CAD \$	Current Amount CAD \$	Unrealized
							Gain (Loss) CAD \$
The Toronto-Dominion Bank							
CAD	AA-	09/1/11	1.000	26,581	26,581	26,581	—
USD	AA-	09/1/11	1.005	(26,459)	(26,581)	(26,459)	122

Net unrealized gain (loss) on spot and forward currency contracts

122

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

MDPIM Canadian Bond Pool

Financial Statements

Statement of Net Assets (unaudited)

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

	June 30, 2011	December 31, 2010
Assets		
Investments, at fair value	\$2,947,413	\$2,647,265
Cash and short-term investments	255,420	107,412
Dividends and interest receivable	17,584	18,806
Net unrealized gain on derivatives	122	2,551
Receivable for investment transactions	8,649	—
Subscriptions receivable	6,977	2,105
	<u>3,236,165</u>	<u>2,778,139</u>
Liabilities		
Payable for investment transactions	8,552	—
Distributions payable	9	32
Redemptions payable	1,113	859
	<u>9,674</u>	<u>891</u>
Net assets and unitholders' equity	<u>\$3,226,491</u>	<u>\$2,777,248</u>
Number of units outstanding (see Schedule of Fund Unit Transactions)	<u>303,544,308</u>	<u>262,237,469</u>
Net assets per unit (see Schedule of Net Assets per Unit and Net Asset Value per Unit)	<u>\$10.63</u>	<u>\$10.59</u>
Investments, at cost	<u>\$2,886,974</u>	<u>\$2,586,592</u>

Statement of Operations (unaudited)

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

Six months ended	June 30, 2011	June 30, 2010
Revenue		
Interest	\$52,744	\$49,760
Gain (loss) on foreign exchange	115	(355)
Securities lending	115	37
	<u>52,974</u>	<u>49,442</u>
Expenses		
Regulatory filing fees	154	44
Audit fees	28	5
Custodial fees	141	29
Securityholder reporting costs	36	26
Administration fees	391	720
Independent Review Committee (IRC) fees	46	5
Operating expenses absorbed by the Fund Manager (Note 3)	(796)	(829)
	<u>—</u>	<u>—</u>
Net investment income (loss)	<u>\$52,974</u>	<u>\$49,442</u>
Realized and unrealized gain (loss) on investments and transaction costs		
Net realized gain (loss) on sale of investments	\$11,162	1,254
Net realized gain (loss) on sale of derivative instruments	4,542	(144)
Change in unrealized appreciation (depreciation) of investments and derivatives	(2,488)	23,512
	<u>\$13,216</u>	<u>\$24,622</u>
Net gain (loss) on investments	<u>\$13,216</u>	<u>\$24,622</u>
Increase (decrease) in net assets from operations	<u>\$66,190</u>	<u>\$74,064</u>
Increase (decrease) in net assets from operations per unit, for the period	<u>\$0.23</u>	<u>\$0.30</u>

Statement of Changes in Net Assets (unaudited)

(in \$000's)

Six months ended	June 30, 2011	June 30, 2010
SERIES A		
Net assets—beginning of period	\$2,777,248	\$2,394,052
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	66,190	74,064
Unitholders		
Proceeds from issue of units	633,788	516,050
Consideration paid for redemption of units	(248,192)	(194,052)
Securities issued on reinvestment of distributions	52,259	49,397
	<u>437,855</u>	<u>371,395</u>
Distributions to unitholders		
From net investment income	(54,802)	(51,696)
Net assets—end of the period	<u>\$3,226,491</u>	<u>\$2,787,815</u>

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

MDPIM Canadian Bond Pool

Financial Statements - Supplementary Schedules (unaudited)

Schedule of Fund Unit Transactions

As at June 30

	2011	2010
SERIES A		
Outstanding, beginning of period	262,237,469	228,425,942
Issued	64,772,785	53,592,702
Redeemed	(23,465,946)	(18,408,482)
Outstanding, end of period	303,544,308	263,610,162

Schedule of Securities on Loan

As at June 30, 2011 and December 31, 2010 (in \$000's)

	2011	2010
Loaned	\$379,731	\$227,195
Collateral (non-cash)	\$389,868	\$233,242

Schedule of Net Assets per Unit and Net Asset Value per Unit

As at June 30, 2011 and December 31, 2010

	2011	2010
SERIES A		
Net asset value per unit	\$10.64	\$10.61
Bid price adjustment	(0.01)	(0.02)
Net assets per unit	\$10.63	\$10.59

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

MDPIM Canadian Bond Pool

Financial Risk Supplement (unaudited)

Financial Instruments

MDPIM Canadian Bond Pool (the "Fund") invests in Government of Canada, provincial, municipal, corporate, asset-backed and foreign bonds with short- to mid-terms to maturity as shown in the Statement of Investment Portfolio. The Fund invests excess cash in high grade short-term notes with maturities of less than 1 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 5 of the Notes to the Financial Statements. The Fund's significant exposure and sensitivity to each risk is presented below.

Credit Risk

The Fund's credit risk is concentrated in investments in debt instruments and forward currency contracts. The Fund's maximum exposure to credit risk is the carrying value of domestic and foreign bonds presented on the Statement of Investment Portfolio as well as the cash and short-term investments presented on the Statement of Net Assets which are invested in overnight deposits at schedule one chartered banks. As at June 30, 2011, the forward contracts were in an unrealized gain position of \$122 (December 31, 2010 - unrealized gain of \$2,551), which is the amount that is subject to credit risk exposure. All forward contracts are with counterparties with credit ratings of AA-

As at June 30, 2011 and December 31, 2010 the Fund invested in debt instruments with the following credit ratings:

Credit Rating	% of Net Assets June 30, 2011	% of Net Assets December 31, 2010
AAA / R-1 (High)	48.4%	39.5%
AA / R-1 (Mid)	20.8%	21.5%
A / R-1 (Low)	18.5%	24.7%
BBB	11.5%	9.6%
Unrated	—	3.8%
Total	99.2%	99.2%

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

Currency Risk

As at June 30, 2011 and December 31, 2010 the Fund's exposures to foreign currencies are presented in the table below.

	Cash and other Net Assets (\$000s)	Investments at Fair Value (\$000s)	Derivative Exposure (\$000s)	Net Currency Exposure (\$000s)	Percentage of Net Assets %
June 30, 2011					
US Dollar	412	25,674	(26,459)	(373)	-0.01%
December 31, 2011					
US Dollar	11,595	68,599	(79,669)	525	0.02%

Interest Rate Risk

The Fund's exposure to interest rate risk was concentrated in investments in domestic and foreign bonds presented in the Statement 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 accompanying notes are an integral part of these financial statements.

The sensitivity represents the expected impact to Net Assets if interest rates for all maturities fluctuate by 25 basis points. If interest rates rise, Net Assets will decrease by the amount shown, conversely, if interest rates fall, Net Assets will increase by the amount shown. These sensitivities are estimates, actual results may vary and the variance may be material.

As at June 30, 2011 and December 31, 2010 the Fund's exposures to debt instruments by maturity are presented in the table below:

Debt instruments by Maturity Date	June 30, 2011		December 31, 2010	
	Fair Value (\$000's)	Percentage (%)	Fair Value (\$000's)	Percentage (%)
Less than 1 year	208,857	6.5%	201,469	7.3%
1 to 4 years	649,462	20.1%	1,307,754	47.1%
4 to 7 years	1,320,510	40.9%	493,818	17.8%
7 to 9 years	333,271	10.3%	312,651	11.3%
9 to 12 years	210,664	6.5%	80,722	2.9%
12 to 20 years	61,008	1.9%	41,798	1.5%
More than 20 years	163,641	5.1%	209,053	7.5%
Total	2,947,413	91.3%	2,647,265	95.3%
Sensitivity (+/-)	26,748	0.8%	27,796	1.0%

* Excludes cash and short-term investments, as applicable.

Other Price Risk

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

Fair Value Hierarchy

The following is a summary of MDPIM Canadian Bond Pool'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*
June 30, 2011			
Domestic Bonds	\$—	\$2,769,023	\$2,769,023
Foreign Bonds	—	178,390	178,390
	—	2,947,413	2,947,413
Cash and Short-Term Investments	379	255,041	255,420
Derivative Instruments	—	122	122
Total	\$379	\$3,202,576	\$3,202,955
December 31, 2010			
Domestic Bonds	\$—	\$2,440,057	\$2,440,057
Foreign Bonds	—	207,208	207,208
	—	2,647,265	2,647,265
Cash and Short-Term Investments	84	107,328	107,412
Derivative Instruments	—	2,551	2,551
Total	\$84	\$2,757,144	\$2,757,228

*MDPIM Canadian Bond Pool does not hold any Level 3 investments.

There have been no significant transfers between Level 1 and Level 2 for the periods January 1, 2011 to June 30, 2011 and from January 1, 2010 to December 31, 2010.

MDPIM Dividend Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Domestic Equities			
Consumer Discretionary (12.15%)			
Cineplex, Inc.	32,300	561	859
Groupe Aeroplan, Inc.	990,800	10,706	13,178
New Flyer Industries Inc.	353,000	3,650	2,718
Reitmans (Canada) Limited Cl. A	645,300	9,987	9,886
Thomson Reuters Corporation	716,100	26,341	25,894
Total for Consumer Discretionary		51,245	52,535
Consumer Staples (0.49%)			
North West Company, Inc.	104,500	1,842	2,111
Total for Consumer Staples		1,842	2,111
Energy (20.47%)			
ARC Resources Ltd.	130,200	2,764	3,251
Baytex Energy Corporation	58,600	2,050	3,072
Bonavista Energy Corporation	83,400	1,911	2,371
Cathedral Energy Services Ltd.	137,600	664	982
Crescent Point Energy Corp.	118,400	4,362	5,257
Enbridge Inc.	411,000	9,512	12,852
Freehold Royalties Ltd.	108,500	1,836	2,126
Husky Energy Inc.	477,800	12,950	12,547
Just Energy Group, Inc.	234,200	3,171	3,326
Keyera Corp.	42,657	911	1,864
Mullen Group Limited	500,300	8,092	10,141
NAL Energy Corp.	312,000	3,523	3,438
Parkland Fuel Corporation	223,100	2,541	2,764
Pembina Pipeline Corporation	66,900	1,086	1,696
PHX Energy Services Corp.	98,900	1,171	1,077
TransCanada Corporation	441,100	15,822	18,614
Zargon Oil & Gas Ltd.	145,600	3,171	3,113
Total for Energy		75,537	88,491
Financials (35.33%)			
Bank of Montreal	254,500	14,572	15,583
Canadian Imperial Bank of Commerce	163,600	11,737	12,450
IGM Financial, Inc.	302,400	12,715	15,265
National Bank of Canada	33,100	1,889	2,586
Power Financial Corporation	689,800	20,352	20,494
Royal Bank of Canada	330,500	17,625	18,174
Sun Life Financial Inc.	360,100	11,166	10,425
The Bank of Nova Scotia	404,200	20,476	23,444
The Toronto-Dominion Bank	226,600	15,428	18,531
TMX Group Inc.	362,600	12,417	15,755
Total for Financials		138,377	152,707
Health Care (0.66%)			
CML Healthcare, Inc.	305,600	3,499	2,848
Total for Health Care		3,499	2,848
Industrials (4.80%)			
Badger Daylighting Ltd.	97,000	1,784	1,892
Bird Construction, Inc.	166,200	1,994	1,933
Davis + Henderson Income Corporation	94,600	1,565	1,853
Longview Oil Corporation	12,000	121	139
Morneau Shepell, Inc.	309,100	2,948	3,103
Russel Metals Inc.	431,900	8,766	10,586
Vicwest, Inc.	96,200	1,451	1,241
Total for Industrials		18,629	20,747

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Materials (3.06%)			
Methanex Corporation	357,200	7,460	10,777
Vermilion Energy, Inc.	47,800	1,706	2,431
Total for Materials		9,166	13,208
Telecommunication Services (10.56%)			
BCE Inc.	417,000	12,507	15,771
Rogers Communications, Inc. Cl. B	436,900	14,587	16,629
TELUS Corporation Non-Voting	261,800	10,178	13,260
Total for Telecommunication Services		37,272	45,660
Utilities (5.72%)			
Canadian Utilities Limited Cl. A	184,500	8,263	10,324
Fortis, Inc.	401,700	11,625	12,995
Northland Power Inc.	88,400	1,080	1,420
Total for Utilities		20,968	24,739
Total for Domestic Equities (93.24%)		356,535	403,046
Domestic Equities - Income Trusts			
Materials (0.57%)			
Canexus Income Fund	369,700	2,311	2,470
Total for Materials		2,311	2,470
Energy (0.37%)			
Inter Pipeline Fund L.P., Cl. A	100,600	1,039	1,593
Total for Energy		1,039	1,593
Real Estate (2.44%)			
Allied Properties REIT	104,000	2,274	2,472
Calloway Real Estate Investment Trust	43,400	764	1,092
Canadian Real Estate Investment Trust	44,200	1,244	1,467
Cominar Real Estate Investment Trust	113,900	1,975	2,508
Northern Property Real Estate Investment Trust	65,300	1,344	1,985
RioCan Real Estate Investment Trust	39,700	738	1,027
Total for Real Estate		8,339	10,551
Total for Domestic Equities - Income Trusts (3.38%)		11,689	14,614
Domestic Equities - Preferred			
Domestic Equities - Preferred Shares (2.71%)			
Husky Energy Inc 4.45% Preferred	61,200	1,549	1,567
Manulife Financial Corporation 6.60% Series 4 Preferred	215,700	5,867	5,845
Power Financial Corporation 5.75% Series H Preferred	38,000	950	951
Sun Life Financial Inc. 4.45% Series 4 Preferred	152,000	2,852	3,349
Total for Preferred		11,218	11,712
Domestic Equities - Straight (0.67%)			
Brookfield Asset Management Inc. 4.75% Preferred	132,700	2,756	2,881
Total for Straight		2,756	2,881
Total for Domestic Equities - Preferred (3.38%)		13,974	14,593
Total for Domestic Equities - Income Trusts (100.00%)		382,198	432,253

MDPIM Dividend Pool

Financial Statements

Statement of Net Assets (unaudited)

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

	June 30, 2011	December 31, 2010
Assets		
Investments, at fair value	\$432,253	\$389,443
Cash and short-term investments	16,636	10,612
Dividends and interest receivable	2,099	1,874
Other receivable	—	2
Subscriptions receivable	2,186	669
	453,174	402,600
Liabilities		
Payable for investment transactions	4,542	252
Redemptions payable	119	107
	4,661	359
Net assets and unitholders' equity	\$448,513	\$402,241
Net Assets per Series		
Series A	\$448,315	\$402,241
Series T	\$198	\$—
Number of units outstanding (see Schedule of Fund Unit Transactions)		
Series A	44,398,765	41,461,099
Series T	19,145	3
Net assets per unit (see Schedule of Net Assets per Unit and Net Asset Value per Unit)		
Series A	\$10.10	\$9.70
Series T	\$10.32	\$10.03
Investments, at cost	\$382,198	\$341,485

Statement of Operations (unaudited)

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

Six months ended	June 30, 2011	June 30, 2010
Revenue		
Dividends	\$8,254	\$4,233
Interest	75	1,119
Gain (loss) on foreign exchange	2	(2)
Securities lending	33	38
	8,364	5,388
Expenses		
Regulatory filing fees	20	10
Audit fees	4	7
Custodial fees	18	14
Securityholder reporting costs	5	3
Administration fees	51	88
Interest expense	18	—
Operating expenses absorbed by the Fund Manager (Note 3)	(98)	(122)
	18	—
Net investment income (loss)	\$8,346	\$5,388
Realized and unrealized gain (loss) on investments and transaction costs		
Net realized gain (loss) on sale of investments	\$11,668	1,086
Change in unrealized appreciation (depreciation) of investments and derivatives	2,096	(4,509)
Transaction costs	(168)	(41)
Net gain (loss) on investments	\$13,596	\$(3,464)
Increase (decrease) in net assets from operations	\$21,942	\$1,924
Increase (decrease) in net assets from operations per Series		
Series A	\$21,938	\$1,924
Series T	\$4	\$—
Increase (decrease) in net assets from operations per unit, for the period		
Series A	\$0.56	\$0.07
Series T	\$0.22	\$—

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

MDPIM Dividend Pool

Financial Statements

Statement of Changes in Net Assets (unaudited)

(in \$'000's)

Six months ended	June 30, 2011	June 30, 2010
SERIES A		
Net assets—beginning of period	\$402,241	\$210,576
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	21,938	1,924
Unitholders		
Proceeds from issue of units	122,689	65,457
Consideration paid for redemption of units	(98,182)	(28,914)
Securities issued on reinvestment of distributions	7,795	4,972
	32,302	41,515
Distributions to unitholders		
From net investment income	(7,943)	(5,051)
Return of capital	(223)	(125)
	(8,166)	(5,176)
Net assets—end of the period	\$448,315	\$248,839

SERIES T		
Net assets—beginning of period	\$—	\$—
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	4	—
Unitholders		
Proceeds from issue of units	478	—
Consideration paid for redemption of units	(279)	—
	199	—
Distributions to unitholders		
From net investment income	(2)	—
Return of capital	(3)	—
	(5)	—
Net assets—end of the period	\$198	\$—

Six months ended	June 30, 2011	June 30, 2010
TOTAL FUND		
Net assets—beginning of period	\$402,241	\$210,576
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	21,942	1,924
Unitholders		
Proceeds from issue of units	123,167	65,457
Consideration paid for redemption of units	(98,461)	(28,914)
Securities issued on reinvestment of distributions	7,795	4,972
	32,501	41,515
Distributions to unitholders		
From net investment income	(7,945)	(5,051)
Return of capital	(226)	(125)
	(8,171)	(5,176)
Net assets—end of the period	\$448,513	\$248,839

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

MDPIM Dividend Pool

Financial Statements – Supplementary Schedules (unaudited)

Schedule of Fund Unit Transactions

As at June 30

	2011	2010
SERIES A		
Outstanding, beginning of period	41,461,099	24,563,179
Issued	12,948,446	8,031,431
Redeemed	(10,010,780)	(3,279,568)
Outstanding, end of period	44,398,765	29,315,042
SERIES T		
Outstanding, beginning of period	3	—
Issued	46,051	—
Redeemed	(26,909)	—
Outstanding, end of period	19,145	—

Schedule of Securities on Loan

As at June 30, 2011 and December 31, 2010 (in \$000's)

	2011	2010
Loaned	\$28,037	\$27,580
Collateral (non-cash)	\$28,886	\$28,315

Schedule of Net Assets per Unit and Net Asset Value per Unit

As at June 30, 2011 and December 31, 2010

	2011	2010
SERIES A		
Net asset value per unit	\$10.12	\$9.72
Bid price adjustment	(0.02)	(0.02)
Net assets per unit	\$10.10	\$9.70
SERIES T		
Net asset value per unit	\$10.34	\$10.04
Bid price adjustment	(0.02)	(0.01)
Net assets per unit	\$10.32	\$10.03

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

MDPIM Dividend Pool

Financial Risk Supplement (unaudited)

Financial Instruments

MDPIM Dividend Pool (the "Fund") invests primarily in high quality dividend producing common shares, preferred shares and income trusts as shown in the Statement of Investment Portfolio. The Fund invests excess cash in high grade short-term notes with maturities of less than 1 year. These investments expose the Fund to risks associated with financial instruments. The Fund's exposure and sensitivity to these risks are presented below. A description of the risks and how the Fund manages these risks is discussed in Note 5 of the Notes to the Financial Statements.

Credit Risk

The Fund's credit risk is concentrated in investments in short-term debt instruments and preferred shares. The Fund's maximum exposure to credit risk is the carrying value of preferred shares presented on the Statement of Investment Portfolio as well as the cash and short-term investments presented on the Statement of Net Assets.

As at June 30, 2011 and December 31, 2010, the Fund invested in short-term debt instruments and preferred shares with the following credit ratings:

Credit Rating	% of Net Assets June 30, 2011	% of Net Assets December 31, 2010
Debt Instruments		
R-1 (High)	3.7%	2.6%
R-1 (Low)	—	0.4%
	3.7%	3.1%
Preferred Shares		
Pfd-1 (High)	1.0%	1.0%
Pfd-2 (Mid)	2.3%	1.4%
	3.3%	2.4%
Total	7.0%	5.5%

Currency Risk

The Fund does not have assets or liabilities denominated in foreign currencies and therefore does not have exposure to currency risk.

Interest Rate Risk

The majority of the Fund's financial assets are non-interest bearing. The maturity dates of the interest bearing assets held by the Fund are less than 1 year. Therefore, the Fund's exposure to interest rate risk is not significant.

Other Price Risk

As at June 30, 2011, 96.4% (December 31, 2010 - 96.8%) of the Fund's Net Assets were invested in equity financial instruments traded in active markets. If prices of securities traded on these markets decrease by 10%, with all other factors remaining constant, Net Assets could fall by approximately \$43,225 (December 31, 2010 - \$38,944). Conversely, If prices increase by 10%, Net Assets could rise by approximately \$43,225 (December 31, 2010 - \$38,944). These sensitivities are estimates, actual results may vary, and the variance may be significant.

Fair Value Hierarchy

The following is a summary of MDPIM Dividend Pool'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*
June 30, 2011			
Domestic Equities	\$417,660	\$—	\$417,660
Domestic Equities - Preferred	14,593	—	14,593
	432,253	—	432,253
Cash and Short-Term Investments	57	16,579	16,636
Total	\$432,310	\$16,579	\$448,889
December 31, 2010			
Domestic Equities	\$377,853	\$—	\$377,853
Domestic Equities - Preferred	11,590	—	11,590
	389,443	—	389,443
Cash and Short-Term Investments	120	10,492	10,612
Total	\$389,563	\$10,492	\$400,055

*MDPIM Dividend Pool does not hold any Level 3 investments.

There have been no significant transfers between Level 1 and Level 2 for the periods January 1, 2011 to June 30, 2011 and from January 1, 2010 to December 31, 2010.

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

MDPIM Canadian Equity Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Domestic Equities			
Consumer Discretionary (7.13%)			
Alimentation Couche-Tard Inc. Cl. B Sub. Voting	656,910	9,902	18,407
Canadian Tire Corporation, Limited Cl. A	237,600	13,851	14,993
Dorel Industries Inc. Cl. B Sub. Voting	518,036	16,234	13,883
George Weston Limited	93,000	6,572	6,474
Linamar Corporation	1,080,000	21,342	23,350
Magna International Inc. Cl. A Sub. Voting	196,800	9,350	10,243
Thomson Reuters Corporation	751,149	29,293	27,161
Total for Consumer Discretionary		106,544	114,511
Consumer Staples (2.38%)			
Loblaw Companies Limited	614,200	20,886	23,862
Maple Leaf Foods Inc.	158,100	1,660	1,874
Saputo Inc.	269,015	8,097	12,474
Total for Consumer Staples		30,643	38,210
Energy (27.70%)			
ARC Resources Ltd.	783,100	19,394	19,554
AuRico Gold Inc.	1,018,600	9,908	10,756
Birchcliff Energy Ltd.	616,900	7,428	8,014
BlackPearl Resources Inc.	934,700	7,023	6,356
Calfrac Well Services Ltd.	225,819	7,720	7,152
Canadian Natural Resources Limited	707,000	19,968	28,499
Canadian Oil Sands Ltd.	792,500	23,019	22,016
Enbridge Inc.	703,200	13,967	21,989
EnCana Corporation	968,570	27,780	28,767
Enerplus Corp.	325,700	9,856	9,914
Ensign Energy Services, Inc.	532,100	9,821	10,168
Flint Energy Services Ltd.	1,322,639	24,439	18,266
Imperial Oil Limited	481,100	22,129	21,577
Keyera Corp.	334,424	8,482	14,611
Nexen Inc.	821,900	21,450	17,811
Penn West Petroleum Ltd.	616,100	15,232	13,690
Precision Drilling Corporation	1,002,074	9,094	13,839
Progress Energy Resources Corp.	364,600	5,326	5,002
Savanna Energy Services Corp.	950,300	6,240	8,239
ShawCor Ltd. Cl. A Sub. Voting	826,000	18,304	24,334
Suncor Energy, Inc.	1,873,605	62,736	70,597
Talisman Energy Inc.	1,199,700	20,036	23,706
TransCanada Corporation	608,700	21,017	25,687
Trican Well Service Ltd.	617,662	9,488	13,984
Total for Energy		399,857	444,528
Financials (20.87%)			
Bank of Montreal	209,600	8,222	12,834
Canadian Imperial Bank of Commerce	395,700	28,086	30,113
Genworth MI Canada Inc.	940,722	20,916	23,753
GMP Capital, Inc.	232,400	3,536	2,958
Industrial Alliance Insurance and Financial Services Inc.	481,783	13,980	19,310
Intact Financial Corporation	162,700	8,381	8,976
Manulife Financial Corporation	1,980,195	36,001	33,723
National Bank of Canada	474,000	33,407	37,024
Power Financial Corporation	797,400	22,199	23,691
Royal Bank of Canada	1,320,800	71,588	72,631
Sun Life Financial Inc.	1,040,596	34,971	30,125
The Toronto-Dominion Bank	485,966	29,661	39,742
Total for Financials		310,948	334,880

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Health Care (1.67%)			
SXC Health Solutions Corporation	233,968	8,271	13,203
Valeant Pharmaceuticals International, Inc.	272,200	13,669	13,634
Total for Health Care		21,940	26,837
Industrials (9.25%)			
Bombardier Inc. Cl. B	2,807,345	15,360	19,427
CAE Inc.	1,759,700	14,921	22,841
Canadian National Railway Company	281,600	16,141	21,680
Canadian Pacific Railway Limited	385,900	20,704	23,173
Finnish International Inc.	377,906	8,562	10,774
Macdonald, Dettwiler and Associates Ltd.	129,200	7,366	7,012
Russel Metals Inc.	226,145	4,477	5,543
Sherritt International Corporation	2,344,539	15,718	14,372
Transcontinental Inc. Cl. A Sub. Voting	1,005,999	13,986	14,617
Westjet Airlines Ltd.	601,600	9,085	9,090
Total for Industrials		126,320	148,529
Information Technology (2.30%)			
CGI Group Inc. Cl. A Sub. Voting	903,700	18,212	21,463
Open Text Corporation	250,600	14,369	15,409
Total for Information Technology		32,581	36,872
Materials (23.83%)			
Agrium Inc.	505,700	34,139	42,757
Eastern Platinum Limited	8,119,800	11,872	6,415
First Majestic Silver Corp.	283,300	3,870	5,034
First Quantum Minerals Ltd.	114,500	13,905	16,093
Franco-Nevada Corporation	265,000	9,884	9,527
Goldcorp Inc.	1,071,800	42,939	49,860
IAMGOLD Corporation	1,954,700	34,084	35,380
Kinross Gold Corp.	750,100	11,334	11,402
Methanex Corporation	481,315	7,748	14,521
Minefinders Corporation Ltd.	372,024	4,686	4,639
Neo Material Technologies, Inc.	864,800	7,568	8,008
New Gold Inc.	599,001	4,257	5,942
North American Palladium Ltd.	1,489,900	7,850	5,900
Pan American Silver Corp.	222,800	6,031	6,624
Potash Corporation of Saskatchewan Inc.	1,007,414	43,415	55,317
Progressive Waste Solutions Ltd.	980,194	15,653	23,525
Silver Standard Resources Inc.	181,000	5,403	4,648
Silver Wheaton Corp.	273,743	6,276	8,710
Teck Resources Ltd. Cl. B Sub-Voting	848,664	35,053	41,466
Thompson Creek Metals Company, Inc.	960,300	9,871	9,238
Vermilion Energy, Inc.	122,955	6,110	6,253
West Fraser Timber Co. Ltd.	218,128	8,743	11,345
Total for Materials		330,691	382,604
Telecommunication Services (3.27%)			
Manitoba Telecom Services Inc.	300,600	10,159	9,806
Rogers Communications, Inc. Cl. B	398,429	12,896	15,164
TELUS Corporation Non-Voting	542,092	20,900	27,457
Total for Telecommunication Services		43,955	52,427
Utilities (0.43%)			
ATCO Ltd. Cl. I	109,969	5,392	6,862
Total for Utilities		5,392	6,862
Total for Domestic Equities (98.83%)		1,408,871	1,586,260

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

MDPIM Canadian Equity Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Domestic Equities - Income Trusts			
Energy (0.67%)			
Inter Pipeline Fund L.P., Cl. A	675,859	9,971	10,706
Total for Energy		9,971	10,706
Real Estate (0.50%)			
RioCan Real Estate Investment Trust	308,200	8,045	7,970
Total for Real Estate		8,045	7,970
Total for Domestic Equities - Income Trusts (1.17%)		18,016	18,676
Total for MDPIM Canadian Equity Pool (100.00%)		\$1,426,887	\$1,604,936

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

MDPIM Canadian Equity Pool

Financial Statements

Statement of Net Assets (unaudited)

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

	June 30, 2011	December 31, 2010
Assets		
Investments, at fair value	\$1,604,936	\$1,784,927
Cash and short-term investments	47,756	26,285
Dividends and interest receivable	3,511	3,907
Receivable for investment transactions	28,147	734
Subscriptions receivable	3,666	616
	<u>1,688,016</u>	<u>1,816,469</u>
Liabilities		
Payable for investment transactions	30,938	—
Distributions payable	1	—
Redemptions payable	1,014	1,020
	<u>31,953</u>	<u>1,020</u>
Net assets and unitholders' equity	\$1,656,063	\$1,815,449
Net Assets per Series		
Series A	\$18,322	\$20,112
Series T	\$743	\$668
Private Trust Series	\$1,636,998	\$1,794,669
Number of units outstanding (see Schedule of Fund Unit Transactions)		
Series A	971,339	1,041,900
Series T	77,473	66,517
Private Trust Series	87,604,486	93,424,620
Net assets per unit (see Schedule of Net Assets per Unit and Net Asset Value per Unit)		
Series A	\$18.86	\$19.30
Series T	\$9.59	\$10.04
Private Trust Series	\$18.69	\$19.21
Investments, at cost	\$1,426,887	\$1,450,981

Statement of Operations (unaudited)

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

Six months ended	June 30, 2011	June 30, 2010
Revenue		
Dividends	\$16,307	\$13,644
Interest	279	1,957
Gain (loss) on foreign exchange	2	(8)
Securities lending	100	80
Deduct: Withholding tax on foreign income	—	(1)
	<u>16,688</u>	<u>15,672</u>
Expenses		
Management fees (Note 3)	137	130
Regulatory filing fees	80	28
Audit fees	15	7
Custodial fees	73	29
Securityholder reporting costs	18	8
Administration fees	203	383
Independent Review Committee (IRC) fees	2	2
Interest expense	2	—
Operating expenses absorbed by the Fund Manager (Note 3)	(391)	(458)
	<u>139</u>	<u>129</u>
Net investment income (loss)	\$16,549	\$15,543
Realized and unrealized gain (loss) on investments and transaction costs		
Net realized gain (loss) on sale of investments	\$113,088	23,704
Change in unrealized appreciation (depreciation) of investments and derivatives	(155,897)	(58,713)
Transaction costs	(1,688)	(1,390)
Net gain (loss) on investments	\$(44,497)	\$(36,399)
Increase (decrease) in net assets from operations	\$(27,948)	\$(20,856)
Increase (decrease) in net assets from operations per Series		
Series A	\$(400)	\$(285)
Series T	\$(19)	\$—
Private Trust Series	\$(27,529)	\$(20,571)
Increase (decrease) in net assets from operations per unit, for the period		
Series A	\$(0.40)	\$(0.24)
Series T	\$(0.28)	\$—
Private Trust Series	\$(0.34)	\$(0.26)

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

MDPIM Canadian Equity Pool

Financial Statements

Statement of Changes in Net Assets (unaudited)

(in \$000's)

Six months ended	June 30, 2011	June 30, 2010
SERIES A		
Net assets—beginning of period	\$20,112	\$19,776
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	(400)	(285)
Unitholders		
Proceeds from issue of units	964	679
Consideration paid for redemption of units	(2,354)	(1,514)
Securities issued on reinvestment of distributions	—	49
	(1,390)	(786)
Distributions to unitholders		
From net investment income	—	(50)
Net assets—end of the period	\$18,322	\$18,655
SERIES T		
Net assets—beginning of period	\$668	\$—
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	(19)	—
Unitholders		
Proceeds from issue of units	404	—
Consideration paid for redemption of units	(295)	—
	109	—
Distributions to unitholders		
Return of capital	(15)	—
Net assets—end of the period	\$743	\$—

Six months ended	June 30, 2011	June 30, 2010
PRIVATE TRUST SERIES		
Net assets—beginning of period	\$1,794,669	\$1,267,107
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	(27,529)	(20,571)
Unitholders		
Proceeds from issue of units	351,562	222,955
Consideration paid for redemption of units	(480,990)	(143,304)
Securities issued on reinvestment of distributions	16,978	15,027
	(112,450)	94,678
Distributions to unitholders		
From net investment income	(17,692)	(15,531)
Net assets—end of the period	\$1,636,998	\$1,325,683
TOTAL FUND		
Net assets—beginning of period	\$1,815,449	\$1,286,883
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	(27,948)	(20,856)
Unitholders		
Proceeds from issue of units	352,930	223,634
Consideration paid for redemption of units	(483,639)	(144,818)
Securities issued on reinvestment of distributions	16,978	15,076
	(113,731)	93,892
Distributions to unitholders		
From net investment income	(17,692)	(15,581)
Return of capital	(15)	—
	(17,707)	(15,581)
Net assets—end of the period	\$1,656,063	\$1,344,338

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

MDPIM Canadian Equity Pool

Financial Statements – Supplementary Schedules (unaudited)

Schedule of Fund Unit Transactions

As at June 30

	2011	2010
SERIES A		
Outstanding, beginning of period	1,041,900	1,203,549
Issued	49,486	49,023
Redeemed	(120,047)	(90,749)
Outstanding, end of period	971,339	1,161,823
SERIES T		
Outstanding, beginning of period	66,517	—
Issued	39,949	—
Redeemed	(28,993)	—
Outstanding, end of period	77,473	—
PRIVATE TRUST SERIES		
Outstanding, beginning of period	93,424,620	77,038,629
Issued	19,087,295	14,243,522
Redeemed	(24,907,429)	(8,555,220)
Outstanding, end of period	87,604,486	82,726,931

Schedule of Securities on Loan

As at June 30, 2011 and December 31, 2010 (in \$000's)

	2011	2010
Loaned	\$100,185	\$70,724
Collateral (non-cash)	\$103,378	\$72,601

Schedule of Net Assets per Unit and Net Asset Value per Unit

As at June 30, 2011 and December 31, 2010

	2011	2010
SERIES A		
Net asset value per unit	\$18.92	\$19.33
Bid price adjustment	(0.06)	(0.03)
Net assets per unit	\$18.86	\$19.30
SERIES T		
Net asset value per unit	\$9.62	\$10.05
Bid price adjustment	(0.03)	(0.01)
Net assets per unit	\$9.59	\$10.04
PRIVATE TRUST SERIES		
Net asset value per unit	\$18.74	\$19.24
Bid price adjustment	(0.05)	(0.03)
Net assets per unit	\$18.69	\$19.21

Schedule of Fees

As at June 30

	2011
Maximum annualized management fee	
Series A	1.25%
Series T	0.00%
Private Trust Series	0.00%

Schedule of Tax Loss Carry Forwards

As at December 31 (in \$000's)

	2011
Capital loss carried forward	\$28,314
Non-capital losses expiring:	
2011	\$—
2012	—
in 2013 and thereafter	—
Total	\$—

The Fund qualifies 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 is not paid or payable to its unitholders as at the end of the year. It is the intention of management that all annual net investment income and sufficient net realized taxable capital gains will be distributed to unitholders annually by December 31, such that there are no Canadian income taxes payable by the Funds, or that these are otherwise minimized.

As of the taxation year ended December 2010, the Fund has accumulated net realized capital losses and non-capital losses available for utilization against net realized gains or net income for tax purposes in future years. Capital losses have no expiry. Non-capital losses realized before 2004 can be carried forward for up to seven years. Non-capital losses realized in 2004 and 2005 can be carried forward for up to ten years. Non-capital losses realized in 2006 and after can be carried forward for up to twenty years. No benefit has been recorded by the Funds in their financial statements in respect of their unused losses as at December 31, 2010.

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

MDPIM Canadian Equity Pool

Financial Risk Supplement (unaudited)

Financial Instruments

MDPIM Canadian Equity Pool (the "Pool") invests in Canadian equity securities as shown in the Statement of Investment Portfolio. The Pool invests excess cash in high grade short-term notes with maturities of less than 1 year. These investments expose the Pool to risks associated with financial instruments. The Pool's exposure and sensitivity to these risks are presented below. A description of the risks and how the Pool manages these risks is discussed in Note 5 of the Notes to the Financial Statements.

Credit Risk

The Pool's credit risk is concentrated in investments in short-term debt instruments. The Pool's maximum exposure to credit risk is the cash equivalents presented on the Statement of Net Assets.

As at June 30, 2011 and December 31, 2010, the Pool invested in short-term debt instruments with the following credit ratings:

Credit Rating	% of Net Assets June 30, 2011	% of Net Assets December 31, 2010
R-1 (High)	2.9%	1.4%

Currency Risk

The Pool does not have assets or liabilities denominated in foreign currencies and therefore does not have material exposure to currency risk.

Interest Rate Risk

The majority of the Pool's financial assets are non-interest bearing. The maturity dates of the interest bearing assets held by the Pool are less than 1 year. Therefore, the Pool's exposure to interest rate risk is not significant.

Other Price Risk

As at June 30, 2011, 96.9% (December 31, 2010 - 98.3%) of the Pool's Net Assets were invested in equity financial instruments traded in active markets. If prices of securities traded on these markets decrease by 10%, with all other factors remaining constant, Net Assets could fall by approximately \$160,494 (December 31, 2010 - \$178,493). Conversely, If prices increase by 10%, Net Assets could rise by approximately \$160,494 (December 31, 2010 - \$178,493). These sensitivities are estimates, actual results may vary, and the variance may be significant.

Fair Value Hierarchy

The following is a summary of MDPIM Canadian Equity Pool'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 Pool'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*
June 30, 2011			
Domestic Equities	\$1,604,936	\$—	\$1,604,936
Cash and Short-Term Investments	212	47,544	47,756
Total	\$1,605,148	\$47,544	\$1,652,692
December 31, 2010			
Domestic Equities	\$1,784,927	\$—	\$1,784,927
Cash and Short-Term Investments	205	26,080	26,285
Total	\$1,785,132	\$26,080	\$1,811,212

*MDPIM Canadian Equity Pool does not hold any Level 3 investments.

There have been no significant transfers between Level 1 and Level 2 for the periods January 1, 2011 to June 30, 2011 and from January 1, 2010 to December 31, 2010.

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

MDPIM US Equity Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Foreign Equities			
Consumer Discretionary (9.1%)			
General Motors Co.	900,000	31,242	26,356
Nike Inc. Cl. B	99,000	7,527	8,586
Omnicom Group Inc.	538,300	24,023	24,998
The Interpublic Group of Companies, Inc.	1,400,000	15,652	16,861
Time Warner Inc.	936,100	30,392	32,829
Viacom Inc. Cl. B	1,115,000	39,051	54,800
Total for Consumer Discretionary		147,887	164,430
Consumer Staples (6.3%)			
Colgate-Palmolive Company	170,900	12,882	14,399
CVS Caremark Corporation	870,000	29,387	31,501
PepsiCo, Inc.	371,200	24,723	25,191
Sysco Corp.	272,850	8,769	8,206
The Coca-Cola Company	195,900	11,118	12,709
The Procter & Gamble Company	356,600	23,023	21,841
Total for Consumer Staples		109,902	113,847
Energy (8.9%)			
Apache Corporation	442,000	41,981	52,567
Halliburton Company	451,400	15,603	22,194
Hess Corporation	325,000	20,996	23,425
Noble Energy, Inc.	334,700	20,311	28,924
Occidental Petroleum Corporation	337,000	29,061	33,802
Total for Energy		127,952	160,912
Financials (19.5%)			
AON Corporation	638,500	26,140	31,566
Citigroup Inc.	985,200	39,325	39,519
Genworth Financial Inc. Cl. A	2,700,085	44,622	26,739
JPMorgan Chase & Co.	620,300	27,192	24,469
Lincoln National Corporation	647,500	17,134	17,769
Loews Corporation	691,500	23,837	28,065
MetLife, Inc.	867,000	32,540	36,659
T. Rowe Price Group Inc.	373,300	20,287	21,712
The Goldman Sachs Group, Inc.	209,445	30,890	26,862
The Hartford Financial Services Group	1,193,800	47,498	30,332
UnumProvident Corporation	1,450,000	34,183	35,639
Wells Fargo & Company	1,163,900	35,624	31,480
Total for Financials		379,272	350,811
Health Care (13.2%)			
Abbott Laboratories	425,500	22,095	21,573
Amgen Inc.	795,000	45,058	44,715
Becton, Dickinson and Company	227,000	18,479	18,859
C.R. Bard Inc.	122,000	10,560	12,926
Medtronic, Inc.	566,500	24,111	21,031
Merck & Co., Inc.	766,300	26,021	26,061
Pfizer Inc.	2,800,000	49,348	55,591
Stryker Corporation	387,900	20,574	21,944
Waters Corporation	154,400	9,588	14,255
Total for Health Care		225,834	236,955
Industrials (12.6%)			
3M Co.	275,000	23,283	25,146
Automatic Data Processing, Inc.	293,300	13,671	14,893
C.H. Robinson Worldwide, Inc.	114,260	7,077	8,685
Ecolab Inc.	154,000	6,909	8,368
Emerson Electric Co.	415,700	20,362	22,539

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Equifax Inc.	487,200	17,204	16,301
Lockheed Martin Corp.	230,060	18,750	17,962
Paychex, Inc.	382,500	12,547	11,323
Pitney Bowes Inc.	667,500	20,285	14,784
Raytheon Company	375,000	19,219	18,018
Union Pacific Corporation	189,200	11,766	19,041
United Technologies Corporation	298,380	20,957	25,463
Waste Management, Inc.	700,000	25,396	25,150
Total for Industrials		217,426	227,673
Information Technology (14.4%)			
Adobe Systems Inc.	720,900	23,011	21,855
Amphenol Corp. Cl. A	252,610	9,739	13,144
CA Inc.	3,000,000	72,622	66,070
Cisco Systems, Inc.	1,325,000	21,261	19,931
Cognizant Technology Solutions Corp. Cl. A	218,700	9,318	15,466
Microsoft Corporation	1,782,800	48,843	44,661
Motorola Mobility Holdings Inc.	1,243,871	33,544	26,387
Motorola Solutions, Inc.	750,000	28,577	33,274
Oracle Corporation	585,390	14,723	18,565
Total for Information Technology		261,638	259,353
Materials (4.2%)			
Newmont Mining Corporation	663,700	34,031	34,526
Nucor Corp.	550,000	24,430	21,855
Praxair, Inc.	177,100	15,072	18,503
Total for Materials		73,533	74,884
Utilities (0.8%)			
NRG Energy, Inc.	602,000	16,926	14,257
Total for Utilities		16,926	14,257
Exchange Traded Fund (11.0%)			
SPDR Trust Series 1	1,552,500	197,233	197,469
Total for Exchange Traded Fund		197,233	197,469
Total for Foreign Equities (100.00%)		1,757,603	1,800,591
Total for MPPIM US Equity Pool (100.00%)		\$1,757,603	\$1,800,591

Cur- rency	Credit Rating	Expiry Date	Contract Rate	Amounts Bought (Sold)	Bought (Sold) CAD \$	Current Amount CAD \$	Unrealized
							Gain (Loss) CAD \$
The Toronto-Dominion Bank							
USD	AA-	07/5/11	0.964	1,723.00	1,660.00	1,661.00	1
CAD	AA-	07/5/11	1.000	(1,660.00)	(1,660.00)	(1,660.00)	—
Royal Bank of Canada							
SEK	AA-	07/14/11	0.153	16,050.00	2,455.00	2,456.00	1
CAD	AA-	07/14/11	1.000	(2,455.00)	(2,455.00)	(2,455.00)	—
Net unrealized gain (loss) on spot and forward currency contracts							2
Futures Contracts							
Counter party	Credit Rating	Description		Notional Amount	Unrealized Gain (Loss) CAD \$		
Newedge Canada Inc.	N/A	S&P 500 E-Mini Index Futures	USD	28,894	847		
Net unrealized gain (loss) futures contracts							847
Total for Schedule of Derivative Instruments							\$849

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

MDPIM US Equity Pool

Financial Statements

Statement of Net Assets (unaudited)

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

	June 30, 2011	December 31, 2010
Assets		
Investments, at fair value	\$1,800,591	\$1,225,380
Cash and short-term investments	74,438	58,556
Dividends and interest receivable	2,154	1,237
Net unrealized gain on derivatives	849	128
Net margin due from broker on future contracts	1,936	877
Receivable for investment transactions	5,392	—
Receivable for securities lending transactions	5	5
Other receivable	—	10
Subscriptions receivable	4,265	679
	1,889,630	1,286,872
Liabilities		
Payable for investment transactions	9,380	—
Redemptions payable	354	295
	9,734	295
Net assets and unitholders' equity	\$1,879,896	\$1,286,577
Net Assets per Series		
Series A	\$2,242	\$2,380
Series T	\$765	\$384
Private Trust Series	\$1,876,889	\$1,283,813
Number of units outstanding (see Schedule of Fund Unit Transactions)		
Series A	371,121	396,817
Series T	78,824	39,266
Private Trust Series	266,551,813	184,762,827
Net assets per unit (see Schedule of Net Assets per Unit and Net Asset Value per Unit)		
Series A	\$6.04	\$6.00
Series T	\$9.70	\$9.77
Private Trust Series	\$7.04	\$6.95
Investments, at cost	\$1,757,603	\$1,181,108

Statement of Operations (unaudited)

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

Six months ended	June 30, 2011	June 30, 2010
Revenue		
Dividends	\$14,187	\$8,225
Interest	18	26
Gain (loss) on foreign exchange	(3,028)	489
Securities lending	13	—
Deduct: Withholding tax on foreign income	(2,089)	(1,237)
	9,101	7,503
Expenses		
Management fees (Note 3)	20	18
Regulatory filing fees	89	17
Audit fees	16	6
Custodial fees	82	18
Securityholder reporting costs	21	16
Administration fees	227	286
Independent Review Committee (IRC) fees	3	2
Interest expense	3	—
Operating expenses absorbed by the Fund Manager (Note 3)	(438)	(345)
	23	18
Net investment income (loss)	\$9,078	\$7,485
Realized and unrealized gain (loss) on investments and transaction costs		
Net realized gain (loss) on sale of investments	5,874	7,611
Net realized gain (loss) on sale of derivative instruments	12,641	—
Change in unrealized appreciation (depreciation) of investments and derivatives	(798)	(60,354)
Transaction costs	(945)	(375)
Net gain (loss) on investments	\$16,772	\$(53,118)
Increase (decrease) in net assets from operations	\$25,850	\$(45,633)
Increase (decrease) in net assets from operations per Series		
Series A	\$35	\$(130)
Series T	\$2	\$—
Private Trust Series	\$25,813	\$(45,503)
Increase (decrease) in net assets from operations per unit, for the period		
Series A	\$0.09	\$(0.27)
Series T	\$0.03	\$—
Private Trust Series	\$0.10	\$(0.30)

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

MDPIM US Equity Pool

Financial Statements

Statement of Changes in Net Assets (unaudited)

(in \$000's)

Six months ended	June 30, 2011	June 30, 2010
SERIES A		
Net assets—beginning of period	\$2,380	\$2,834
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	35	(130)
Unitholders		
Proceeds from issue of units	67	118
Consideration paid for redemption of units	(240)	(328)
Securities issued on reinvestment of distributions	12	2
	(161)	(208)
Distributions to unitholders		
From net investment income	(12)	(2)
Net assets—end of the period	\$2,242	\$2,494
SERIES T		
Net assets—beginning of period	\$384	\$—
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	2	—
Unitholders		
Proceeds from issue of units	734	—
Consideration paid for redemption of units	(339)	—
	395	—
Distributions to unitholders		
Return of capital	(16)	—
Net assets—end of the period	\$765	\$—

Six months ended	June 30, 2011	June 30, 2010
PRIVATE TRUST SERIES		
Net assets—beginning of period	\$1,283,813	\$925,945
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	25,813	(45,503)
Unitholders		
Proceeds from issue of units	693,158	161,348
Consideration paid for redemption of units	(125,344)	(72,694)
Securities issued on reinvestment of distributions	10,638	6,303
	578,452	94,957
Distributions to unitholders		
From net investment income	(11,189)	(6,602)
Net assets—end of the period	\$1,876,889	\$968,797
TOTAL FUND		
Net assets—beginning of period	\$1,286,577	\$928,779
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	25,850	(45,633)
Unitholders		
Proceeds from issue of units	693,959	161,466
Consideration paid for redemption of units	(125,923)	(73,022)
Securities issued on reinvestment of distributions	10,650	6,305
	578,686	94,749
Distributions to unitholders		
From net investment income	(11,201)	(6,604)
Return of capital	(16)	—
	(11,217)	(6,604)
Net assets—end of the period	\$1,879,896	\$971,291

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

MDPIM US Equity Pool

Financial Statements - Supplementary Schedules (unaudited)

Schedule of Fund Unit Transactions

As at June 30

	2011	2010
SERIES A		
Outstanding, beginning of period	396,817	509,204
Issued	12,792	19,476
Redeemed	(38,488)	(57,971)
Outstanding, end of period	371,121	470,709
SERIES T		
Outstanding, beginning of period	39,266	—
Issued	73,517	—
Redeemed	(33,959)	—
Outstanding, end of period	78,824	—
PRIVATE TRUST SERIES		
Outstanding, beginning of period	184,762,827	143,445,863
Issued	99,465,792	25,715,004
Redeemed	(17,676,806)	(11,153,682)
Outstanding, end of period	266,551,813	158,007,185

Schedule of Securities on Loan

As at June 30, 2011 and December 31, 2010 (in \$000's)

	2011	2010
Loaned	\$17,251	\$12,656
Collateral (non-cash)	\$17,671	\$13,090

Schedule of Net Assets per Unit and Net Asset Value per Unit

As at June 30, 2011 and December 31, 2010

	2011	2010
SERIES A		
Net asset value per unit	\$6.04	\$6.00
Bid price adjustment	—	—
Net assets per unit	\$6.04	\$6.00
SERIES T		
Net asset value per unit	\$9.71	\$9.77
Bid price adjustment	(0.01)	—
Net assets per unit	\$9.70	\$9.77
PRIVATE TRUST SERIES		
Net asset value per unit	\$7.04	\$6.95
Bid price adjustment	—	—
Net assets per unit	\$7.04	\$6.95

Schedule of Fees

As at June 30

	2011
Maximum annualized management fee	
Series A	1.25%
Series T	0.00%
Private Trust Series	0.00%

Schedule of Tax Loss Carry Forwards

As at December 31 (in \$000's)

	2011	2010
Capital loss carried forward	\$151,312	\$151,312
Non-capital losses expiring:		
2011	\$—	\$—
2012	—	—
in 2013 and thereafter	—	—
Total	\$—	\$—

The Fund qualifies 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 is not paid or payable to its unitholders as at the end of the year. It is the intention of management that all annual net investment income and sufficient net realized taxable capital gains will be distributed to unitholders annually by December 31, such that there are no Canadian income taxes payable by the Funds, or that these are otherwise minimized.

As of the taxation year ended December 2010, the Fund has accumulated net realized capital losses and non-capital losses available for utilization against net realized gains or net income for tax purposes in future years. Capital losses have no expiry. Non-capital losses realized before 2004 can be carried forward for up to seven years. Non-capital losses realized in 2004 and 2005 can be carried forward for up to ten years. Non-capital losses realized in 2006 and after can be carried forward for up to twenty years. No benefit has been recorded by the Funds in their financial statements in respect of their unused losses as at December 31, 2010.

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

MDPIM US Equity Pool

Financial Risk Supplement (unaudited)

Financial Instruments

MDPIM US Equity Pool (the "Pool") invests in equity securities of U.S. companies as shown in the Statement of Investment Portfolio. The Pool invests excess cash in high grade short-term notes with maturities of less than 1 year. These investments expose the Pool to risks associated with financial instruments. The Pool's exposure and sensitivity to these risks are presented below. A description of the risks and how the Pool manages these risks is discussed in Note 5 of the Notes to the Financial Statements.

Credit Risk

As at June 30, 2011 and December 31, 2010 the Pool does not have investments in debt instruments and therefore, does not have material exposure to credit risk.

Currency Risk

Exposures to foreign currencies as at June 30, 2011 and December 31, 2010 are presented in the table below.

	Cash and other Net Assets (\$000s)	Investments at Fair Value (\$000s)	Derivative Exposure (\$000s)	Net Currency Exposure (\$000s)	Percentage of Net Assets %
June 30, 2011					
U.S. Dollar	74,436	1,800,591	2,509	1,877,536	99.87%
December 31, 2010					
U.S. Dollar	60,267	1,225,380	128	1,285,775	99.94%

If the Canadian Dollar had strengthened against the US Dollar by 10% then the Net Assets of the Pool could have decreased by approximately \$187,754 (December 31, 2010 - \$128,578). Conversely, had the Canadian Dollar weakened against the US Dollar by 10% then the Net Assets of the Pool could have increased by approximately \$187,754 (December 31, 2010 - \$128,578). These sensitivities are estimates. Actual results may vary and the variance may be significant.

Interest Rate Risk

The majority of the Pool's financial assets are non-interest bearing. The maturity dates of the interest bearing assets held by the Pool are less than 1 year. Therefore, the Pool's exposure to interest rate risk is not significant.

Other Price Risk

As at June 30, 2011, 95.8% (December 31, 2010 - 95.2%) of the Pool's Net Assets were invested in equity financial instruments traded in active markets. If prices of securities traded on these markets decrease by 10%, with all other factors remaining constant, Net Assets could fall by approximately \$180,059 (December 31, 2010 - \$122,538). Conversely, If prices increase by 10%, Net Assets could rise by approximately \$180,059 (December 31, 2010 - \$122,538). These sensitivities are estimates. Actual results may vary, and the variance may be significant.

Fair Value Hierarchy

The following is a summary of MDPIM US Equity Pool'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 Pool'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*
June 30, 2011			
Foreign Equities	\$1,800,591	\$—	\$1,800,591
Cash and Short-Term Investments	34,696	39,742	74,438
Derivative Instruments	847	2	849
Total	\$1,836,134	\$39,744	\$1,875,878
December 31, 2010			
Foreign Equities	\$1,225,380	\$—	\$1,225,380
Cash and Short-Term Investments	47,042	11,514	58,556
Derivative Instruments	128	—	128
Total	\$1,272,550	\$11,514	\$1,284,064

*MDPIM US Equity Pool does not hold any Level 3 investments.

There have been no significant transfers between Level 1 and Level 2 for the periods January 1, 2011 to June 30, 2011 and from January 1, 2010 to December 31, 2010.

Effective April 30, 2010, the Pool subscribes to the services of a third-party valuation service provider to provide fair value adjustments, where applicable, 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, and as such, the foreign securities are considered Level 2 priced securities.

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

MDPIM International Equity Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Foreign Equities			
Australia (4.74%)			
AMP Limited	354,582	1,944	1,802
Cochlear Ltd.	57,400	3,888	4,275
CSL Limited	223,300	7,437	7,636
Lend Lease Corp.	631,483	7,797	5,889
QBE Insurance Group Limited	601,474	12,365	10,773
Telstra Corporation Limited	3,587,580	11,424	10,748
Woodside Petroleum Limited	163,905	3,193	6,976
Total for Australia		48,048	48,099
Belgium (0.68%)			
Colruyt SA	143,600	7,495	6,936
Total for Belgium		7,495	6,936
Bermuda (0.92%)			
Bunge Limited	50,000	3,066	3,324
Credicorp Limited	24,500	2,671	2,035
Esprit Holdings Ltd.	1,322,461	8,808	3,972
Total for Bermuda		14,545	9,331
Brazil (3.46%)			
Companhia de Bebidas das Americas Preferred ADR	72,000	1,853	2,341
Companhia de Concessoes Rodoviaras	198,700	5,486	5,706
Companhia Siderurgica Nacional ADR	109,700	1,792	1,316
CPFL Energia SA ADR	23,400	1,722	1,959
Itausa - Investimentos Itau S.A.	4,088	25	30
Itausa - Investimentos Itau SA Preferred	434,100	3,442	3,199
JBS SA	1,030,000	3,928	3,413
JBS SA, Rights (Exp. 07/05/11)	199,400	—	—
Petroleo Brasileiro SA ADR	241,000	8,774	7,134
Petroleo Brasileiro SA Preferred	118,100	1,866	1,731
Redecard SA	209,800	3,439	3,042
Vale SA Preferred ADR	126,300	3,597	3,524
Weg SA	160,000	2,184	1,761
Total for Brazil		38,108	35,156
Cayman Islands (0.65%)			
Hengan International Group Company Limited	169,000	1,532	1,470
Tencent Holdings Limited	100,000	2,403	2,647
Want Want China Holdings Limited	2,608,000	2,416	2,443
Total for Cayman Islands		6,351	6,560
Chile (0.30%)			
Enersis SA	135,700	3,322	3,019
Total for Chile		3,322	3,019
China (1.85%)			
Beijing Enterprises Holdings Limited	499,500	3,504	2,520
China Construction Bank Corporation Cl. H	4,606,350	4,029	3,703
China Life Insurance Co., Limited Cl. H	500,000	2,272	1,662
China Shenhua Energy Company Limited Cl. H	1,393,000	6,272	6,467
China Shipping Development Company Limited	1,140,000	1,667	1,012
Industrial and Commercial Bank of China Cl. H	4,559,335	3,424	3,366
Total for China		21,168	18,730
Denmark (0.88%)			
Novo Nordisk A/S Cl. B	73,600	4,728	8,911
Total for Denmark		4,728	8,911

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Finland (0.19%)			
Kone OYJ Cl. B	32,501	1,874	1,971
Total for Finland		1,874	1,971
France (9.08%)			
Carrefour SA	258,948	13,020	10,271
Compagnie de Saint-Gobain SA	154,596	6,876	9,669
Essilor International SA	103,400	4,249	8,099
France Telecom SA	607,805	15,742	12,487
Groupe Danone	121,700	7,671	8,769
L'Oréal SA	61,700	6,253	7,739
Sanofi-Aventis SA	192,725	11,510	14,959
Societe Generale	97,292	6,670	5,569
Total SA	228,289	14,926	12,751
Vallourec SA	15,690	1,661	1,845
Total for France		88,578	92,158
Germany (2.64%)			
Adidas-Salomon AG	110,200	4,797	8,441
RWE AG	197,339	16,766	10,547
SAP AG	134,200	6,391	7,838
Total for Germany		27,954	26,826
Greece (0.20%)			
Coca-Cola Hellenic Bottling Company SA	80,000	2,112	2,070
Total for Greece		2,112	2,070
Hong Kong (3.59%)			
Cheung Kong (Holdings) Limited	130,000	2,149	1,843
China Merchants Holdings International Company Limited	344,000	1,321	1,290
China Mobile (Hong Kong) Limited	1,309,000	11,739	11,761
China Resources Power Holdings Company Limited	1,178,000	2,505	2,223
CLP Holdings Limited	887,000	6,080	7,593
CNOOC Limited	3,543,000	2,413	8,044
Hong Kong & China Gas Company Limited	1,679,920	2,774	3,686
Total for Hong Kong		28,981	36,440
India (1.29%)			
Axis Bank Limited GDR	132,063	4,408	3,707
Bharti Airtel Limited, Warrants (Exp. 06/29/12)	375,000	2,956	3,197
Cipla Ltd. Warrants (Exp. 09/19/15)	100,000	809	714
Infosys Technologies Ltd. ADR	25,500	1,757	1,603
NTPC Ltd. Warrants (Exp. 10/06/14)	450,000	1,879	1,814
Tata Motors Limited	93,800	2,346	2,035
Total for India		14,155	13,070
Indonesia (0.64%)			
PT Astra International Inc.	232,000	1,266	1,660
PT Perusahaan Gas Negara	6,949,500	3,077	3,152
PT Telekomunikasi Indonesia Tbk Series B	2,034,000	1,907	1,684
Total for Indonesia		6,250	6,496
Italy (1.85%)			
Eni SPA	396,384	8,754	9,075
Intesa Sanpaolo SPA	3,784,376	13,490	9,719
Total for Italy		22,244	18,794

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

MDPIM International Equity Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Japan (20.07%)			
AEON Mall Co., Ltd.	298,300	7,025	6,969
Canon Inc.	418,500	18,221	19,210
CHUGAI Pharmaceuticals Co., Ltd.	360,000	5,791	5,685
Daikin Industries, Ltd.	185,700	6,428	6,335
Daiko Trust Construction Company Ltd.	90,200	4,989	7,374
Denso Corp.	246,000	8,292	8,792
Fanuc Ltd.	55,000	5,029	8,828
Hirose Electric Co., Ltd.	50,700	6,729	5,002
Honda Motor Co., Ltd.	196,100	6,515	7,276
Hoya Corporation	294,000	9,610	6,273
INPEX Corporation	880	7,810	6,254
Kao Corporation	477,900	12,627	12,090
KDDI Corporation	1,221	7,434	8,456
Keyence Corporation	30,555	7,015	8,341
Mitsubishi Estate Company, Limited	399,000	6,811	6,742
Nintendo Co., Ltd.	27,800	8,222	5,039
Seven & I Holdings Co. Ltd.	494,900	12,886	12,816
Shimamura Co., Ltd.	75,200	7,264	6,922
Shin-Etsu Chemical Co., Ltd.	159,700	9,001	8,246
Takeda Pharmaceutical Company Limited	308,800	14,947	13,748
Terumo Corporation	134,200	7,139	6,981
Tokio Marine Holdings, Inc.	532,300	17,400	14,395
Toyota Motor Corporation	295,600	12,617	11,980
Total for Japan		209,802	203,754
Jersey (0.28%)			
Randgold Resources Limited	35,000	2,754	2,841
Total for Jersey		2,754	2,841
Kazakhstan (0.16%)			
KazMunaiGas Exploration Production - GDR	83,519	1,495	1,603
Total for Kazakhstan		1,495	1,603
Luxembourg (0.35%)			
Kernal Holding SA	68,246	1,769	1,829
MHP SA GDR	110,000	2,063	1,750
Total for Luxembourg		3,832	3,579
Malaysia (0.43%)			
Genting Berhad	710,000	2,428	2,550
Maxis Berhad	1,048,900	1,851	1,836
Total for Malaysia		4,279	4,386
Mexico (0.69%)			
Grupo Mexico SA	746,800	2,475	2,375
Grupo Televisa SA ADR	110,000	2,557	2,608
Wal-Mart de Mexico SA de CV Series V	720,000	1,994	2,053
Total for Mexico		7,026	7,036
Netherlands (1.88%)			
Koninklijke Ahold NV	893,155	11,783	11,590
Reed Elsevier NV	573,914	7,891	7,443
Total for Netherlands		19,674	19,033
Philippines (0.22%)			
Philippine Long Distance Telephone Company ADR	42,900	2,714	2,234
Total for Philippines		2,714	2,234

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Russia (0.77%)			
Gazprom ADR	132,190	1,438	1,855
LUKOIL ADR	28,000	1,644	1,714
Mobile Telesystems ADR	140,000	3,061	2,565
Novorossiysk Sea Trade Port	200,000	2,069	1,724
Total for Russia		8,212	7,858
Singapore (2.37%)			
DBS Group Holdings Limited	649,132	7,858	7,497
Singapore Telecommunications Limited	2,579,000	5,651	6,400
United Overseas Bank Ltd.	657,840	7,420	10,198
Total for Singapore		20,929	24,095
South Africa (1.69%)			
African Bank Investments Limited	312,148	1,602	1,535
AngloGold Ashanti Limited	70,000	3,457	2,845
Gold Fields Limited	220,000	3,759	3,106
MTN Group Limited	130,000	2,429	2,673
Naspers Limited	50,000	2,664	2,731
Sasol	38,895	1,793	1,978
Tiger Brands Limited	79,982	2,189	2,256
Total for South Africa		17,893	17,124
South Korea (0.89%)			
KB Financial Group, Inc. ADR	41,700	1,945	1,922
NHN Corp. Warrants (Exp. 01/04/12)	15,000	2,624	2,542
Samsung Electronics Co., Ltd.	3,512	2,773	2,632
SK Telecom Co., Ltd. ADR	105,900	1,941	1,909
Total for South Korea		9,283	9,005
Spain (3.62%)			
Banco Santander SA	447,646	6,430	4,988
Iberdrola SA	1,346,454	11,444	11,573
Industria de Diseno Textil SA	88,400	3,975	7,796
Telefonica SA	523,284	12,699	12,358
Total for Spain		34,548	36,715
Sweden (0.64%)			
Hennes & Mauritz AB Cl. B	195,400	4,108	6,517
Total for Sweden		4,108	6,517
Switzerland (4.65%)			
Nestlé SA	131,900	4,550	7,899
Novartis AG	371,931	20,345	21,953
SGS Societe Generale de Surveillance Holding SA	4,400	5,753	8,049
Zurich Financial Services AG	37,979	8,855	9,249
Total for Switzerland		39,503	47,150
Taiwan (2.80%)			
Acer Inc. Warrants (Exp. 07/15/14)	700,000	2,101	1,174
Chunghwa Telecom Co., Ltd. ADR	73,320	2,051	2,441
HTC Corporation Warrants (Exp. 09/06/12)	65,000	1,831	2,107
Taiwan Semiconductor Manufacturing Company Limited	1,936,000	3,816	4,725
Taiwan Semiconductor Manufacturing Company Limited ADR	1,477,239	16,391	17,934
Total for Taiwan		26,190	28,381

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

MDPIM International Equity Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Thailand (0.42%)			
Kasikornbank Public Company Limited	429,200	1,593	1,665
PTT Public Company Limited	249,400	2,551	2,614
Total for Thailand		4,144	4,279
Turkey (0.48%)			
Coca-Cola Icecek Uretim AS	70,000	918	997
Tupras-Turkiye Petrol Rafinerileri AS	70,243	1,733	1,664
Turkiye Garanti Bankasi A.S.	497,628	2,653	2,180
Total for Turkey		5,304	4,841
United Kingdom (15.39%)			
BG Group PLC	399,000	5,261	8,742
BP PLC	1,977,321	17,678	14,064
Burberry Group PLC	441,900	3,648	9,918
Cairn Energy PLC	1,165,470	6,223	7,491
Centrica PLC	1,372,900	6,674	8,877
GlaxoSmithKline PLC	683,135	14,112	14,120
HSBC Holdings PLC	673,300	8,357	6,448
Reckitt Benckiser Group PLC	130,900	5,890	6,977
Royal Dutch Shell PLC Cl. A	358,245	11,187	12,282
SABMiller PLC	67,000	2,208	2,342
Smith & Nephew PLC	804,200	6,975	8,283
Standard Chartered PLC	315,900	7,888	8,014
Tesco PLC	3,166,810	22,708	19,744
Unilever PLC	456,972	13,278	14,236
Vodafone Group PLC	4,201,806	9,824	10,780
William Morrison Supermarkets PLC	1,276,400	6,743	5,888
Total for United Kingdom		148,654	156,206
United States (9.24%)			
Avon Products, Inc.	90,000	2,603	2,427
iShares MSCI EAFE Index Fund	1,135,000	66,648	65,851
iShares MSCI Emerging Markets Index Fund	28,600	1,327	1,312
Synthes, Inc.	34,600	4,770	5,870
Vanguard Emerging Markets ETF	391,600	18,345	18,343
Total for United States		93,693	93,804
Total for Foreign Equities (100.00%)		999,950	1,015,007
Total for MDPIM International Equity Pool (100.00%)		\$999,950	\$1,015,007

Schedule of Derivative Instruments

Forward and Spot Currency Contracts

Cur- rency	Credit Rating	Expiry Date	Contract Rate	Amounts Bought (Sold)	Bought (Sold) CAD \$	Current Amount CAD \$	Unrealized Gain (Loss) CAD \$
State Street Bank and Trust Co.							
ZAR	AA-	07/01/11	0.142	3,309	471	472	1
BRL	AA-	07/01/11	0.619	(760)	(471)	(470)	1
THB	AA-	07/04/11	0.032	6,957	222	218	(4)
CAD	AA-	07/04/11	1.000	(222)	(222)	(222)	—
CAD	AA-	07/04/11	1.000	73	73	73	—
GBP	AA-	07/04/11	1.007	(73)	(73)	(73)	—
ZAR	AA-	07/04/11	0.143	210	30	30	—
CAD	AA-	07/04/11	1.000	(30)	(30)	(30)	—
CAD	AA-	07/04/11	1.000	219	219	219	—
GBP	AA-	07/04/11	0.998	(219)	(219)	(219)	—
CAD	AA-	07/04/11	1.000	64	64	64	—
BRL	AA-	07/04/11	0.997	(64)	(64)	(64)	—
CAD	AA-	07/05/11	1.000	95	95	95	—
USD	AA-	07/05/11	1.010	(94)	(95)	(94)	1
CAD	AA-	07/05/11	1.000	508	508	508	—
USD	AA-	07/05/11	1.002	(507)	(508)	(507)	1
CNY	AA-	07/06/11	0.149	292,695	43,541	43,663	122
USD	AA-	07/06/11	0.969	(44,910)	(43,541)	(43,306)	235
CZK	AA-	07/11/11	0.056	11,940	670	687	17
CAD	AA-	07/11/11	1.000	(670)	(670)	(670)	—
CAD	AA-	07/11/11	1.000	686	686	686	—
CZK	AA-	07/11/11	0.998	(687)	(686)	(687)	(1)
HUF	AA-	07/12/11	0.005	139,965	719	737	18
CAD	AA-	07/12/11	1.000	(719)	(719)	(719)	—
NZD	AA-	07/12/11	0.743	1,055	784	842	58
CAD	AA-	07/12/11	1.000	(784)	(784)	(784)	—
SEK	AA-	07/14/11	0.156	4,955	772	758	(14)
CAD	AA-	07/14/11	1.000	(772)	(772)	(772)	—
CAD	AA-	07/14/11	1.000	503	503	503	—
NOK	AA-	07/14/11	1.002	(502)	(503)	(502)	1
CAD	AA-	07/14/11	1.000	1,160	1,160	1,160	—
SEK	AA-	07/14/11	1.023	(1,134)	(1,160)	(1,134)	26
COP	AA-	07/15/11	0.001	2,800,100	1,470	1,524	54
USD	AA-	07/15/11	0.948	(1,550)	(1,470)	(1,495)	(25)
RUB	AA-	07/15/11	0.034	718,449	24,418	24,842	424
USD	AA-	07/15/11	0.959	(25,471)	(24,418)	(24,567)	(149)
CAD	AA-	07/15/11	1.000	2,138	2,138	2,138	—
TRY	AA-	07/15/11	1.056	(2,025)	(2,138)	(2,025)	113
CLP	AA-	07/18/11	0.002	5,360,820	10,897	11,035	138
USD	AA-	07/18/11	0.970	(11,232)	(10,897)	(10,834)	63
CAD	AA-	08/16/11	1.000	6,016	6,016	6,016	—
ZAR	AA-	08/16/11	0.989	(6,082)	(6,016)	(6,082)	(66)
GBP	AA-	08/17/11	1.571	485	762	752	(10)
CAD	AA-	08/17/11	1.000	(762)	(762)	(762)	—
GBP	AA-	08/17/11	1.612	1,030	1,661	1,597	(64)
CAD	AA-	08/17/11	1.000	(1,661)	(1,661)	(1,661)	—
CAD	AA-	08/17/11	1.000	735	735	735	—
GBP	AA-	08/17/11	1.030	(713)	(735)	(713)	22
GBP	AA-	08/17/11	1.559	1,175	1,832	1,821	(11)
CAD	AA-	08/17/11	1.000	(1,832)	(1,832)	(1,832)	—
KRW	AA-	08/24/11	0.001	41,624,128	36,963	37,526	563
USD	AA-	08/24/11	0.961	(38,452)	(36,963)	(37,123)	(160)
INR	AA-	08/24/11	0.021	671,150	14,413	14,363	(50)

Percentages shown in brackets relate investments at fair value to net assets of the Fund. The accompanying notes are an integral part of these financial statements.

MDPIM International Equity Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

Cur- rency	Credit Rating	Expiry Date	Contract Rate	Amounts Bought (Sold)	Bought (Sold) CAD \$	Current Amount CAD \$	Unrealized	Cur- rency	Credit Rating	Expiry Date	Contract Rate	Amounts Bought (Sold)	Bought (Sold) CAD \$	Current Amount CAD \$	Unrealized
							Gain (Loss) CAD \$								Gain (Loss) CAD \$
USD	AA-	08/24/11	0.975	(14,788)	(14,413)	(14,277)	136	USD	AA-	09/09/11	1.017	(1,796)	(1,828)	(1,796)	32
CAD	AA-	08/31/11	1.000	859	859	859	—	CAD	AA-	09/09/11	1.000	2,389	2,389	2,389	—
THB	AA-	08/31/11	1.022	(841)	(859)	(841)	18	USD	AA-	09/09/11	1.016	(2,352)	(2,389)	(2,352)	37
CAD	AA-	08/31/11	1.000	68,444	68,444	68,444	—	CAD	AA-	09/09/11	1.000	2,519	2,519	2,519	—
JPY	AA-	08/31/11	0.996	(68,697)	(68,444)	(68,697)	(253)	USD	AA-	09/09/11	1.009	(2,497)	(2,519)	(2,497)	22
JPY	AA-	08/31/11	0.012	198,886	2,430	2,382	(48)	CAD	AA-	09/09/11	1.000	845	845	845	—
CAD	AA-	08/31/11	1.000	(2,430)	(2,430)	(2,430)	—	USD	AA-	09/09/11	1.017	(831)	(845)	(831)	14
CAD	AA-	09/01/11	1.000	2,687	2,687	2,687	—	Royal Bank of Canada							
HKD	AA-	09/01/11	1.014	(2,651)	(2,687)	(2,651)	36	USD	AA-	07/06/11	0.957	368	352	355	3
CAD	AA-	09/01/11	1.000	5,074	5,074	5,074	—	CNY	AA-	07/06/11	0.148	(2,380)	(352)	(355)	(3)
HKD	AA-	09/01/11	1.009	(5,030)	(5,074)	(5,030)	44	USD	AA-	07/06/11	0.980	997	976	961	(15)
PHP	AA-	09/06/11	0.023	520,910	11,744	11,546	(198)	CNY	AA-	07/06/11	0.152	(6,440)	(976)	(961)	15
USD	AA-	09/06/11	0.977	(12,024)	(11,744)	(11,612)	132	USD	AA-	07/06/11	0.970	36,219	35,150	34,925	(225)
AUD	AA-	09/07/11	1.032	16,905	17,450	17,380	(70)	CNY	AA-	07/06/11	0.150	(234,155)	(35,150)	(34,930)	220
CAD	AA-	09/07/11	1.000	(17,450)	(17,450)	(17,450)	—	SEK	AA-	07/14/11	0.153	155,149	23,731	23,730	(1)
AUD	AA-	09/07/11	1.028	1,120	1,152	1,151	(1)	CAD	AA-	07/14/11	1.000	(23,731)	(23,731)	(23,731)	—
CAD	AA-	09/07/11	1.000	(1,152)	(1,152)	(1,152)	—	NOK	AA-	07/14/11	0.176	145,935	25,703	26,170	467
USD	AA-	09/09/11	0.986	52,436	51,686	50,644	(1,042)	CAD	AA-	07/14/11	1.000	(25,703)	(25,703)	(25,703)	—
CAD	AA-	09/09/11	1.000	(51,686)	(51,686)	(51,686)	—	DKK	AA-	07/14/11	0.188	840	158	158	—
USD	AA-	09/09/11	0.977	1,180	1,153	1,140	(13)	CAD	AA-	07/14/11	1.000	(158)	(158)	(158)	—
CAD	AA-	09/09/11	1.000	(1,153)	(1,153)	(1,153)	—	SEK	AA-	07/14/11	0.157	3,910	615	598	(17)
USD	AA-	09/09/11	0.976	2,385	2,329	2,304	(25)	CAD	AA-	07/14/11	1.000	(615)	(615)	(615)	—
CAD	AA-	09/09/11	1.000	(2,329)	(2,329)	(2,329)	—	NOK	AA-	07/14/11	0.181	3,750	677	672	(5)
USD	AA-	09/09/11	0.975	2,775	2,705	2,680	(25)	CAD	AA-	07/14/11	1.000	(677)	(677)	(677)	—
CAD	AA-	09/09/11	1.000	(2,705)	(2,705)	(2,705)	—	SEK	AA-	07/14/11	0.155	32,065	4,965	4,904	(61)
CAD	AA-	09/09/11	1.000	1,639	1,639	1,639	—	CAD	AA-	07/14/11	1.000	(4,965)	(4,965)	(4,965)	—
USD	AA-	09/09/11	1.019	(1,608)	(1,639)	(1,608)	31	NOK	AA-	07/14/11	0.180	3,560	642	638	(4)
CAD	AA-	09/09/11	1.000	4,214	4,214	4,214	—	CAD	AA-	07/14/11	1.000	(642)	(642)	(642)	—
USD	AA-	09/09/11	1.005	(4,192)	(4,214)	(4,192)	22	SEK	AA-	07/14/11	0.157	2,850	446	436	(10)
CAD	AA-	09/16/11	1.000	9,983	9,983	9,983	—	CAD	AA-	07/14/11	1.000	(446)	(446)	(446)	—
SGD	AA-	09/16/11	1.005	(9,933)	(9,983)	(9,933)	50	CAD	AA-	07/14/11	1.000	528	528	528	—
EUR	AA-	09/23/11	1.403	7,020	9,850	9,828	(22)	DKK	AA-	07/14/11	0.985	(536)	(528)	(536)	(8)
CAD	AA-	09/23/11	1.000	(9,850)	(9,850)	(9,850)	—	CAD	AA-	07/14/11	1.000	932	932	932	—
CAD	AA-	09/23/11	1.000	1,161	1,161	1,161	—	SEK	AA-	07/14/11	1.009	(924)	(932)	(924)	8
EUR	AA-	09/23/11	1.005	(1,155)	(1,161)	(1,155)	6	CAD	AA-	07/14/11	1.000	115	115	115	—
EUR	AA-	09/23/11	1.399	1,095	1,532	1,533	1	DKK	AA-	07/14/11	0.994	(115)	(115)	(115)	—
CAD	AA-	09/23/11	1.000	(1,532)	(1,532)	(1,532)	—	CAD	AA-	07/14/11	1.000	1,103	1,103	1,103	—
CZK	AA-	10/11/11	0.058	11,940	687	688	1	NOK	AA-	07/14/11	0.988	(1,116)	(1,103)	(1,116)	(13)
CAD	AA-	10/11/11	1.000	(687)	(687)	(687)	—	CAD	AA-	07/14/11	1.000	366	366	366	—
The Toronto-Dominion Bank								SEK	AA-	07/14/11	0.999	(366)	(366)	(366)	—
USD	AA-	07/05/11	0.964	778	750	751	1	CAD	AA-	07/14/11	1.000	331	331	331	—
CAD	AA-	07/05/11	1.000	(750)	(750)	(750)	—	NOK	AA-	07/14/11	0.979	(338)	(331)	(338)	(7)
USD	AA-	07/06/11	0.971	7,628	7,410	7,356	(54)	CAD	AA-	07/14/11	1.000	59	59	59	—
CNY	AA-	07/06/11	0.149	(49,720)	(7,410)	(7,417)	(7)	DKK	AA-	07/14/11	0.978	(60)	(59)	(60)	(1)
CAD	AA-	08/17/11	1.000	1,091	1,091	1,091	—	CAD	AA-	07/14/11	1.000	774	774	774	—
GBP	AA-	08/17/11	1.013	(1,077)	(1,091)	(1,077)	14	SEK	AA-	07/14/11	1.006	(769)	(774)	(769)	5
CAD	AA-	08/17/11	1.000	345	345	345	—	CAD	AA-	07/14/11	1.000	200	200	200	—
GBP	AA-	08/17/11	1.022	(338)	(345)	(338)	7	NOK	AA-	07/14/11	0.977	(204)	(200)	(204)	(4)
CHF	AA-	08/24/11	1.110	4,050	4,495	4,649	154	TRY	AA-	07/15/11	0.608	1,800	1,094	1,069	(25)
CAD	AA-	08/24/11	1.000	(4,495)	(4,495)	(4,495)	—	CAD	AA-	07/15/11	1.000	(1,094)	(1,094)	(1,094)	—
TWD	AA-	08/24/11	0.034	489,215	16,441	16,452	11	CAD	AA-	07/15/11	1.000	284	284	284	—
USD	AA-	08/24/11	0.949	(17,320)	(16,441)	(16,722)	(281)	TRY	AA-	07/15/11	1.050	(270)	(284)	(270)	14
JPY	AA-	08/31/11	0.012	194,100	2,375	2,325	(50)	CAD	AA-	07/15/11	1.000	121	121	121	—
CAD	AA-	08/31/11	1.000	(2,375)	(2,375)	(2,375)	—	TRY	AA-	07/15/11	1.046	(116)	(121)	(116)	5
CAD	AA-	09/09/11	1.000	1,274	1,274	1,274	—	CAD	AA-	07/15/11	1.000	814	814	814	—
USD	AA-	09/09/11	1.015	(1,256)	(1,274)	(1,256)	18	TRY	AA-	07/15/11	1.030	(790)	(814)	(790)	24
CAD	AA-	09/09/11	1.000	1,828	1,828	1,828	—								

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

MDPIM International Equity Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

Cur- rency	Credit Rating	Expiry Date	Contract Rate	Amounts Bought (Sold)	Bought (Sold) CAD \$	Current Amount CAD \$	Unrealized
							Gain (Loss) CAD \$
PEN	AA-	07/15/11	0.343	3,760	1,288	1,318	30
USD	AA-	07/15/11	0.966	(1,334)	(1,288)	(1,286)	2
ZAR	AA-	08/16/11	0.142	9,390	1,335	1,333	(2)
CAD	AA-	08/16/11	1.000	(1,335)	(1,335)	(1,335)	—
GBP	AA-	08/17/11	1.572	720	1,132	1,116	(16)
CAD	AA-	08/17/11	1.000	(1,132)	(1,132)	(1,132)	—
GBP	AA-	08/17/11	1.595	820	1,308	1,271	(37)
CAD	AA-	08/17/11	1.000	(1,308)	(1,308)	(1,308)	—
GBP	AA-	08/17/11	1.585	160	254	248	(6)
CAD	AA-	08/17/11	1.000	(254)	(254)	(254)	—
CAD	AA-	08/17/11	1.000	1,538	1,538	1,538	—
GBP	AA-	08/17/11	1.012	(1,519)	(1,538)	(1,519)	19
CAD	AA-	08/17/11	1.000	1,110	1,110	1,110	—
GBP	AA-	08/17/11	1.023	(1,085)	(1,110)	(1,085)	25
GBP	AA-	08/17/11	1.576	7,738	12,197	11,995	(202)
CAD	AA-	08/17/11	1.000	(12,197)	(12,197)	(12,197)	—
CAD	AA-	08/24/11	1.000	1,341	1,341	1,341	—
CHF	AA-	08/24/11	0.947	(1,416)	(1,341)	(1,416)	(75)
USD	AA-	08/24/11	0.977	1,957	1,912	1,889	(23)
KRW	AA-	08/24/11	0.001	(2,154,843)	(1,912)	(1,943)	(31)
CAD	AA-	08/24/11	1.000	4,981	4,981	4,981	—
CHF	AA-	08/24/11	0.959	(5,194)	(4,981)	(5,194)	(213)
USD	AA-	08/24/11	0.978	2,407	2,354	2,324	(30)
KRW	AA-	08/24/11	0.001	(2,625,405)	(2,354)	(2,367)	(13)
CAD	AA-	08/24/11	1.000	1,532	1,532	1,532	—
CHF	AA-	08/24/11	1.011	(1,515)	(1,532)	(1,515)	17
ILS	AA-	08/31/11	0.280	20,095	5,623	5,686	63
CAD	AA-	08/31/11	1.000	(5,623)	(5,623)	(5,623)	—
JPY	AA-	08/31/11	0.012	230,403	2,833	2,760	(73)
CAD	AA-	08/31/11	1.000	(2,833)	(2,833)	(2,833)	—
CAD	AA-	08/31/11	1.000	4,932	4,932	4,932	—
JPY	AA-	08/31/11	1.008	(4,894)	(4,932)	(4,894)	38
CAD	AA-	09/01/11	1.000	60,854	60,854	60,854	—
HKD	AA-	09/01/11	1.018	(59,783)	(60,854)	(59,783)	1,071
MYR	AA-	09/02/11	0.323	3,835	1,240	1,221	(19)
USD	AA-	09/02/11	0.987	(1,256)	(1,240)	(1,213)	27
BRL	AA-	09/02/11	0.612	15,098	9,238	9,222	(16)
USD	AA-	09/02/11	0.997	(9,261)	(9,238)	(8,943)	295
USD	AA-	09/06/11	0.969	1,639	1,588	1,583	(5)
IDR	AA-	09/06/11	0.000	(14,161,856)	(1,588)	(1,579)	9
AUD	AA-	09/07/11	1.029	470	484	483	(1)
CAD	AA-	09/07/11	1.000	(484)	(484)	(484)	—
USD	AA-	09/09/11	0.983	175	172	169	(3)
CAD	AA-	09/09/11	1.000	(172)	(172)	(172)	—
CAD	AA-	09/09/11	1.000	2,469	2,469	2,469	—
USD	AA-	09/09/11	1.011	(2,444)	(2,469)	(2,444)	25
CAD	AA-	09/09/11	1.000	1,423	1,423	1,423	—
USD	AA-	09/09/11	1.023	(1,391)	(1,423)	(1,391)	32
CAD	AA-	09/16/11	1.000	495	495	495	—
SGD	AA-	09/16/11	1.014	(488)	(495)	(488)	7
PLN	AA-	09/22/11	0.350	4,790	1,679	1,675	(4)
CAD	AA-	09/22/11	1.000	(1,679)	(1,679)	(1,679)	—
MXN	AA-	09/23/11	0.082	45,405	3,714	3,717	3
CAD	AA-	09/23/11	1.000	(3,714)	(3,714)	(3,714)	—
EUR	AA-	09/23/11	1.402	13,632	19,105	19,085	(20)
CAD	AA-	09/23/11	1.000	(19,105)	(19,105)	(19,105)	—
CAD	AA-	09/23/11	1.000	475	475	475	—
EUR	AA-	09/23/11	0.998	(476)	(475)	(476)	(1)

Cur- rency	Credit Rating	Expiry Date	Contract Rate	Amounts Bought (Sold)	Bought (Sold) CAD \$	Current Amount CAD \$	Unrealized
							Gain (Loss) CAD \$
CNY	AA-	10/13/11	0.150	234,155	35,159	35,084	(75)
USD	AA-	10/13/11	0.968	(36,326)	(35,159)	(35,115)	44
Net unrealized gain (loss) on spot and forward currency contracts							1,206
Futures Contracts							
Counter party	Credit Rating	Description	Currency	Notional Amount	Unrealized Gain (Loss) CAD \$		
Newedge Canada Inc.	N/A	MSCI EAFE E-Mini Index Futures	USD	22,296	416		
Newedge Canada Inc.	N/A	MSCI Emerging Market E-Mini Index Futures	USD	2,117	57		
Net unrealized gain (loss) futures contracts					473		
Total for Schedule of Derivative Instruments					\$1,679		

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

MDPIM International Equity Pool

Financial Statements

Statement of Net Assets (unaudited)

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

	June 30, 2011	December 31, 2010
Assets		
Investments, at fair value	\$1,015,007	\$978,107
Cash and short-term investments	43,106	38,921
Dividends and interest receivable	3,982	1,678
Net unrealized gain on derivatives	1,679	2,858
Net margin due from broker on future contracts	2,096	2,413
Receivable for investment transactions	4,166	112
Receivable for securities lending transactions	1	1
Subscriptions receivable	2,347	665
	<u>1,072,384</u>	<u>1,024,755</u>
Liabilities		
Payable for investment transactions	4,870	264
Redemptions payable	312	231
	<u>5,182</u>	<u>495</u>
Net assets and unitholders' equity	<u>\$1,067,202</u>	<u>\$1,024,260</u>
Net Assets per Series		
Series A	\$1,066,772	\$1,023,949
Series T	\$430	\$311
Number of units outstanding (see Schedule of Fund Unit Transactions)		
Series A	85,376,450	83,162,008
Series T	43,442	31,365
Net assets per unit (see Schedule of Net Assets per Unit and Net Asset Value per Unit)		
Series A	\$12.49	\$12.31
Series T	\$9.89	\$9.92
Investments, at cost	<u>\$999,950</u>	<u>\$956,829</u>

Statement of Operations (unaudited)

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

Six months ended	June 30, 2011	June 30, 2010
Revenue		
Dividends	\$18,981	\$18,029
Interest	98	81
Gain (loss) on foreign exchange	(168)	(92)
Securities lending	343	292
Deduct: Withholding tax on foreign income	(1,786)	(1,565)
	<u>17,468</u>	<u>16,745</u>
Expenses		
Management fees (Note 3)	1,693	—
Regulatory filing fees	52	16
Advisory fees (Note 3)	1,693	1,180
Audit fees	10	5
Custodial fees	48	89
Securityholder reporting costs	12	8
Administration fees	133	319
Independent Review Committee (IRC) fees	2	1
Interest expense	12	—
Operating expenses absorbed by the Fund Manager (Note 3)	(257)	(438)
	<u>1,705</u>	<u>1,180</u>
Net investment income (loss)	<u>\$15,763</u>	<u>\$15,565</u>
Realized and unrealized gain (loss) on investments and transaction costs		
Net realized gain (loss) on sale of investments	\$4,185	2,743
Net realized gain (loss) on sale of derivative instruments	14,631	—
Change in unrealized appreciation (depreciation) of investments and derivatives	(7,581)	(114,969)
Transaction costs	(283)	(320)
Net gain (loss) on investments	<u>\$10,952</u>	<u>\$(112,546)</u>
Increase (decrease) in net assets from operations	<u>\$26,715</u>	<u>\$(96,981)</u>
Increase (decrease) in net assets from operations per Series		
Series A	\$26,705	\$(96,981)
Series T	\$10	\$—
Increase (decrease) in net assets from operations per unit, for the period		
Series A	\$0.32	\$(1.26)
Series T	\$0.24	\$—

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

MDPIM International Equity Pool

Financial Statements

Statement of Changes in Net Assets (unaudited)

(in \$000's)

Six months ended	June 30, 2011	June 30, 2010
SERIES A		
Net assets—beginning of period	\$1,023,949	\$890,752
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	26,705	(96,981)
Unitholders		
Proceeds from issue of units	172,303	182,854
Consideration paid for redemption of units	(155,601)	(49,222)
Securities issued on reinvestment of distributions	11,416	11,873
	28,118	145,505
Distributions to unitholders		
From net investment income	(12,000)	(12,431)
Net assets—end of the period	\$1,066,772	\$926,845
SERIES T		
Net assets—beginning of period	\$311	\$—
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	10	—
Unitholders		
Proceeds from issue of units	338	—
Consideration paid for redemption of units	(216)	—
	122	—
Distributions to unitholders		
From net investment income	(4)	—
Return of capital	(9)	—
	(13)	—
Net assets—end of the period	\$430	\$—

Six months ended	June 30, 2011	June 30, 2010
TOTAL FUND		
Net assets—beginning of period	\$1,024,260	\$890,752
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	26,715	(96,981)
Unitholders		
Proceeds from issue of units	172,641	182,854
Consideration paid for redemption of units	(155,817)	(49,222)
Securities issued on reinvestment of distributions	11,416	11,873
	28,240	145,505
Distributions to unitholders		
From net investment income	(12,004)	(12,431)
Return of capital	(9)	—
	(12,013)	(12,431)
Net assets—end of the period	\$1,067,202	\$926,845

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

MDPIM International Equity Pool

Financial Statements – Supplementary Schedules (unaudited)

Schedule of Fund Unit Transactions

As at June 30

	2011	2010
SERIES A		
Outstanding, beginning of period	83,162,008	71,852,808
Issued	14,757,041	16,639,780
Redeemed	(12,542,599)	(4,189,258)
Outstanding, end of period	85,376,450	84,303,330
SERIES T		
Outstanding, beginning of period	31,365	—
Issued	33,758	—
Redeemed	(21,681)	—
Outstanding, end of period	43,442	—

Schedule of Securities on Loan

As at June 30, 2011 and December 31, 2010 (in \$000's)

	2011	2010
Loaned	\$41,020	\$26,397
Collateral (non-cash)	\$42,196	\$27,155

Schedule of Net Assets per Unit and Net Asset Value per Unit

As at June 30, 2011 and December 31, 2010

	2011	2010
SERIES A		
Net asset value per unit	\$12.50	\$12.32
Bid price adjustment	(0.01)	(0.01)
Net assets per unit	\$12.49	\$12.31
SERIES T		
Net asset value per unit	\$9.89	\$9.93
Bid price adjustment	—	(0.01)
Net assets per unit	\$9.89	\$9.92

Schedule of Fees

As at June 30

	2011
Maximum annualized advisory fee	
Series A	0.30%

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

MDPIM International Equity Pool

Financial Risk Supplement (unaudited)

Financial Instruments

MDPIM International Equity Pool (the "Fund") invests in a diversified portfolio of global equity securities as shown in the Statement of Investment Portfolio. The Fund invests excess cash in high grade short-term notes with maturities of less than 1 year. These investments expose the Fund to risks associated with financial instruments. The Fund's exposure and sensitivity to these risks are presented below. A description of the risks and how the Fund manages these risks is discussed in Note 5 of the Notes to the Financial Statements.

Credit Risk

The Fund's credit risk is concentrated in investments in short-term debt instruments and preferred shares. The Fund's maximum exposure to credit risk is the carrying value of preferred shares presented on the Statement of Investment Portfolio as well as the cash equivalents presented on the Statement of Net Assets.

As at June 30, 2011 and December 31, 2010, the Fund invested in preferred shares and short-term debt instruments with the following credit ratings:

Credit Rating	% of Net Assets June 30, 2011	% of Net Assets December 31, 2010
R-1 (High)	0.4%	1.9%
R-1 (Mid)	2.3%	—
	2.7%	1.9%
Preferred Shares		
Unrated	1.0%	0.5%
	1.0%	0.5%
Total	3.7%	2.4%

Currency Risk

Exposures to foreign currencies as at June 30, 2011 and December 31, 2010 are presented in the table below.

	Cash and other Net Assets (\$000s)	Investments at Fair Value (\$000s)	Derivative Exposure (\$000s)	Net Currency Exposure (\$000s)	Percentage of Net Assets %
June 30, 2011					
U.S. Dollar	30,566	171,737	(117,908)	84,396	7.91%
European Euro	1,327	216,784	28,815	246,926	23.14%
Australian Dollar	—	48,098	19,015	67,113	6.29%
Brazilian Real	576	18,882	8,687	28,145	2.64%
British Pound	1,767	144,422	13,776	159,965	14.99%
Chilean Peso	—	—	11,035	11,035	1.03%
Colombian Peso	—	—	1,524	1,524	0.14%
Czech Koruna	—	—	688	688	0.06%
Danish Krone	1	8,911	(554)	8,358	0.78%
Hong Kong Dollar	459	65,702	(67,464)	(1,303)	-0.12%
Hungarian Forint	—	—	736	736	0.07%
Indian Rupee	—	—	14,363	14,363	1.35%
Indonesian Rupiah	54	6,497	(1,579)	4,972	0.47%
Israeli Shekel	—	—	5,686	5,686	0.53%
Japanese Yen	2,271	203,753	(66,124)	139,900	13.11%
Malaysian Ringgit	62	4,386	1,221	5,669	0.53%
Mexican Peso	—	4,428	3,717	8,145	0.76%

New Russian Ruble	—	—	24,842	24,842	2.33%
New Taiwan Dollar	156	4,725	16,452	21,333	2.00%
New Turkish Lira	2	4,842	(2,132)	2,712	0.25%
New Zealand Dollar	—	—	842	842	0.08%
Norwegian Krone	—	—	25,320	25,320	2.37%
Peruvian Nuevo Sol	—	—	1,318	1,318	0.12%
Philippine Peso	—	—	11,546	11,546	1.08%
Polish Zloty	—	1,829	1,675	3,504	0.33%
Singapore Dollar	—	24,096	(10,421)	13,675	1.28%
South African Rand	(456)	19,466	(4,247)	14,763	1.38%
South Korean Won	(83)	2,632	33,215	35,764	3.35%
Swedish Krona	—	6,517	27,233	33,750	3.16%
Swiss Franc	902	53,021	(3,477)	50,446	4.73%
Thailand Baht	(218)	4,279	(623)	3,438	0.32%
Yuan Renminbi	113	—	35,083	35,196	3.30%
Total	37,499	1,015,007	12,260	1,064,767	99.76%

December 31, 2010

U.S. Dollar	21,509	152,257	(117,177)	56,589	5.52%
European Euro	107	190,972	19,213	210,292	20.53%
Australian Dollar	—	55,345	12,934	68,279	6.67%
Brazilian Real	26	20,359	10,003	30,388	2.97%
British Pound	1,426	135,587	12,697	149,710	14.62%
Chilean Peso	—	—	3,247	3,247	0.32%
Colombian Peso	—	—	1,454	1,454	0.14%
Czech Koruna	—	1,813	(1,114)	699	0.07%
Danish Krone	—	8,274	(226)	8,048	0.79%
Hong Kong Dollar	146	65,302	(66,139)	(691)	-0.07%
Hungarian Forint	—	—	664	664	0.06%
Indian Rupee	—	—	14,820	14,820	1.45%
Indonesian Rupiah	10	4,713	12,710	17,433	1.70%
Israeli Shekel	—	—	5,997	5,997	0.59%
Japanese Yen	398	217,933	(60,888)	157,443	15.37%
Malaysian Ringgit	31	3,811	1,764	5,606	0.55%
Mexican Peso	—	5,107	3,741	8,848	0.86%
New Russian Ruble	—	—	19,932	19,932	1.95%
New Taiwan Dollar	9	4,689	17,285	21,983	2.15%
New Zealand Dollar	—	—	812	812	0.08%
Norwegian Krone	—	—	14,242	14,242	1.39%
Philippine Peso	—	—	822	822	0.08%
Peruvian Nuevo Sol	—	—	1,332	1,332	0.13%
Polish Zloty	—	—	3,159	3,159	0.31%
Singapore Dollar	235	21,484	(8,260)	13,459	1.31%
South African Rand	—	23,482	(8,031)	15,451	1.51%
South Korean Won	—	—	34,318	34,318	3.35%
Swedish Krona	—	6,473	23,715	30,188	2.95%
Swiss Franc	551	52,992	9,325	62,868	6.14%
Thailand Baht	—	3,164	73	3,237	0.32%
Turkish Lira	—	4,348	14,189	18,537	1.81%
Yuan Renminbi	—	—	43,597	43,597	4.26%
Total	24,448	978,105	20,210	1,022,763	99.88%

As at June 30, 2011, if the Canadian Dollar had strengthened against all other currencies by 10% then the Net Assets of the Fund could have decreased by approximately \$106,477 (December 31, 2010 - \$102,276). Conversely, had the Canadian Dollar weakened against all other currencies by 10% then the Net Assets of the Fund could have increased by approximately \$106,477 (December 31, 2010 - \$102,276). These sensitivities are estimates, actual results may vary and the variance may be material.

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

MDPIM International Equity Pool

Financial Risk Supplement (unaudited)

Interest Rate Risk

The majority of the Fund's financial assets are non-interest bearing. The maturity dates of the interest bearing assets held by the Fund are less than 1 year. Therefore, the Fund's exposure to interest rate risk is not significant.

Other Price Risk

As at June 30, 2011, 95.1% (December 31, 2010 - 95.5%) of the Fund's Net Assets were invested in equity financial instruments traded in active markets. If prices of securities traded on these markets decrease by 10%, with all other factors remaining constant, Net Assets could fall by approximately \$101,501 (December 31, 2010 - \$97,811). Conversely, If prices increase by 10%, Net Assets could rise by approximately \$101,501 (December 31, 2010 - \$97,811). These sensitivities are estimates, actual results may vary, and the variance may be significant.

Fair Value Hierarchy

The following is a summary of MDPIM International Equity Pool'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*
June 30, 2011			
Foreign Equities	\$270,847	\$744,160	\$1,015,007
Cash and Short-Term Investments	14,667	28,439	43,106
Derivative Instruments	473	1,206	1,679
Total	\$285,987	\$773,805	\$1,059,792
December 31, 2010			
Foreign Equities	\$978,107	\$-	\$978,107
Cash and Short-Term Investments	19,847	19,074	38,921
Derivative Instruments	220	2,638	2,858
Total	\$998,174	\$21,712	\$1,019,886

*MDPIM International Equity Pool does not hold any Level 3 investments.

For the period from January 1, 2011 to June 30, 2011, equity investments of approximately \$731,289 were transferred from Level 1 to Level 2. There were no significant transfers between Level 1 and Level 2 for the period from January 1, 2010 to December 31, 2010.

Effective April 30, 2010, the Fund subscribes to the services of a third-party valuation service provider to provide fair value adjustments, where applicable, 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, and as such, the foreign securities are considered Level 2 priced securities.

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

MDPIM Canadian Long Term Bond Pool

Statement of Investment Portfolio as at June 30, 2011 (unaudited)

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

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Domestic Bonds			
Asset Backed Securities (1.61%)			
Golden Credit Card Trust 3.51% May 15/16	4,200	4,200	4,258
NHA Mortgage Backed Securities 3.25% Dec 01/20	3,164	3,059	3,062
NHA Mortgage Backed Securities 3.35% Oct 01/20	5,631	5,533	5,470
Total for Asset Backed Securities		12,792	12,790
Corporate Bonds (25.81%)			
American Express Canada Credit Corp 2.25% Jun 06/14	3,000	3,000	3,001
Arrow Lakes Power 5.52% Apr 05/41	5,000	5,000	5,158
Bank of Montreal 3.49% Jun 10/16	1,900	1,888	1,927
Bank of Montreal 3.98% Jul 08/16	1,400	1,417	1,420
Bank of Montreal 6.17% Mar 28/23	1,000	1,121	1,133
BC Gas, Inc. 10.30% Sep 30/16	2,100	2,860	2,791
Bell Aliant Regional Communications LP 4.88% Apr 26/18	2,700	2,700	2,738
Bell Canada 3.60% Dec 02/15	1,900	1,897	1,923
Bell Canada 4.95% May 19/21	10,000	9,963	10,000
Caisse Centrale Desjardins du Quebec 3.50% Oct 05/17	3,250	3,250	3,232
Canadian Credit Card Trust 3.44% Jul 24/15	300	300	306
Canadian Imperial Bank of Commerce 3.40% Jan 14/16	4,000	3,998	4,055
Canadian Imperial Bank of Commerce 4.11% Apr 30/20	5,000	5,267	5,185
Canadian Western Bank 2.01% Apr 26/13	3,100	3,100	3,092
Capital Desjardins Inc. 3.80% Nov 23/20	4,000	4,000	4,024
Chip Mortgage Trust 3.97% Feb 01/16	1,700	1,700	1,735
CI Financial Corporation 3.94% Dec 14/16	7,300	7,316	7,392
Enbridge Gas Distribution Inc. 4.95% Nov 22/50	10,000	9,979	10,094
Enbridge Pipelines Inc. 6.62% Nov 19/18	250	289	297
Fairfax Financial Holdings Limited 6.40% May 25/21	2,750	2,739	2,740
First Capital Realty Inc. 5.60% Apr 30/20	3,900	3,975	3,948
Greater Toronto Airports Authority 5.26% Apr 17/18	4,100	4,478	4,505
Greater Toronto Airports Authority 5.30% Feb 25/41	10,000	9,997	10,431
Greater Toronto Airports Authority 7.05% Jun 12/30	2,000	2,532	2,495
Health Montreal Collective LP 6.72% Sep 30/49	10,000	10,000	10,261
HSBC Bank Canada 3.56% Oct 04/17	4,100	4,086	4,093
Hydro One Inc. 5.36% May 20/36	3,000	3,172	3,186
Integrated Team Solutions SJHC Partnership 5.95% Nov 30/42	5,000	5,000	5,220
Manulife Financial Corporation 7.77% Apr 08/19	3,000	3,614	3,616
Master Credit Card Trust 3.50% May 21/16	4,000	4,000	4,052
National Bank of Canada 3.58% Apr 26/16	3,100	3,100	3,153
NAV CANADA 7.56% Mar 01/27	4,230	5,295	5,232
Plenary Properties LTAP LP 6.29% Jan 31/44	10,000	10,583	10,857
RioCan Real Estate Investment Trust 4.50% Jan 21/16	200	206	204
Rogers Communications, Inc. 4.70% Sep 29/20	3,000	3,007	2,925
Rogers Communications, Inc. 6.56% Mar 22/41	10,000	10,000	10,061
Royal Bank of Canada 1.65% Apr 15/14	4,200	4,200	4,197
Shaw Communications Inc. 6.75% Nov 09/39	6,000	5,843	5,816
Shaw Communications, Inc. 5.50% Dec 07/20	5,000	4,982	5,004
Teranet Holdings LP 5.75% Dec 17/40	10,000	10,000	9,771
Teranet Holdings LP 6.10% Jun 17/41	5,600	5,598	5,752
The Toronto-Dominion Bank 5.83% Jul 09/23	4,000	4,478	4,469
Union Gas Limited 8.65% Nov 10/25	10,000	14,144	14,052
Total for Corporate Bonds		204,074	205,543

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Government of Canada Bonds (24.53%)			
Canada Housing Trust 1.66% Sep 15/14	5,500	5,569	5,569
Canada Housing Trust No 1 1.34% Sep 15/16	11,000	11,002	11,001
Canada Housing Trust No 1 2.75% Jun 15/16	1,000	1,009	1,008
Canada Housing Trust No 1 2.75% Jun 15/16	12,900	12,885	13,005
Government of Canada 2.00% Dec 01/14	1,800	1,780	1,801
Government of Canada 3.50% Jun 01/20	96,470	99,442	100,052
Government of Canada 4.00% Jun 01/17	3,500	3,763	3,781
Government of Canada 4.00% Jun 01/41	23,100	24,969	25,017
Government of Canada 5.00% Jun 01/37	19,236	23,922	23,827
Royal Office Finance LP 5.21% Nov 12/32	9,583	10,204	10,279
Total for Government of Canada Bonds		194,545	195,340
Municipal Bonds (1.09%)			
Regional Municipality of York 5.00% Apr 29/19	8,000	8,817	8,674
Total for Municipal Bonds		8,817	8,674
Provincial Bonds (45.48%)			
Financement-Quebec 1.57% Jun 02/16	6,100	6,045	6,104
Province of Ontario 4.65% Jun 02/41	121,100	124,237	127,117
Province of Ontario 6.50% Mar 08/29	5,650	7,002	7,239
Province of Quebec 4.50% Dec 01/18	6,250	6,427	6,691
Province of Quebec 4.50% Dec 01/20	91,300	94,808	96,140
Province of Quebec 5.00% Dec 01/41	108,400	119,367	118,833
Total for Provincials Bonds		357,886	362,124
Total for Domestic Bonds (98.52%)		778,114	784,471
Foreign Bonds			
Australia (0.80%)			
Commonwealth Bank of Australia 5.15% Apr 09/20	5,000	5,220	5,117
National Australia Bank Limited 4.19% Jul 20/15	1,200	1,211	1,230
Total for Australia		6,431	6,347
Norway (0.39%)			
Kommunalbanken AS 3.74% May 27/21	3,100	3,099	3,123
Total for Norway		3,099	3,123
South Korea (0.29%)			
Korea Gas Corporation 4.58% May 12/16	2,300	2,300	2,329
Total for South Korea		2,300	2,329
Total for Foreign Bonds (1.48%)		11,830	11,799
Total for MD Bond Fund (100.00%)		789,944	796,270

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

MDPIM Canadian Long Term Bond Pool

Financial Statements

Statement of Net Assets (unaudited)

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

	June 30, 2011	December 31, 2010
Assets		
Investments, at fair value	\$796,270	\$492,374
Cash and short-term investments	9,293	97,214
Dividends and interest receivable	4,119	2,429
Other receivable	—	1
Subscriptions receivable	1,850	913
	811,532	592,931
Liabilities		
Redemptions payable	100	68
Net assets and unitholders' equity	\$811,432	\$592,863
Number of units outstanding (see Schedule of Fund Unit Transactions)		
	78,625,298	57,744,711
Net assets per unit (see Schedule of Net Assets per Unit and Net Asset Value per Unit)		
	\$10.32	\$10.27
Investments, at cost	\$789,944	\$491,055

Statement of Operations (unaudited)

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

Six months ended	June 30, 2011	June 30, 2010
Revenue		
Interest	\$14,598	\$62
	14,598	62
Expenses		
Regulatory filing fees	37	7
Audit fees	7	13
Custodial fees	34	1
Securityholder reporting costs	7	1
Administration fees	95	45
Operating expenses absorbed by the Fund Manager (Note 3)	(180)	(67)
	—	—
Net investment income (loss)	\$14,598	\$62
Realized and unrealized gain (loss) on investments and transaction costs		
Net realized gain (loss) on sale of investments	\$1,421	\$—
Change in unrealized appreciation (depreciation) of investments and derivatives	5,007	659
Net gain (loss) on investments	\$6,428	\$659
Increase (decrease) in net assets from operations	\$21,026	\$721
Increase (decrease) in net assets from operations per unit, for the period	\$0.29	\$1.17

Statement of Changes in Net Assets (unaudited)

(in \$'000's)

Six months ended	June 30, 2011	June 30, 2010
SERIES A		
Net assets—beginning of period	\$592,863	\$—
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets from operations	21,026	721
Unitholders		
Proceeds from issue of units	246,227	79,384
Consideration paid for redemption of units	(47,945)	(504)
Securities issued on reinvestment of distributions	13,933	23
	212,215	78,903
Distributions to unitholders		
From net investment income	(14,672)	(23)
Net assets—end of the period	\$811,432	\$79,601

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

MDPIM Canadian Long Term Bond Pool

Financial Statements - Supplementary Schedules (unaudited)

Schedule of Fund Unit Transactions

As at June 30

	2011
SERIES A	
Outstanding, beginning of period	57,744,711
Issued	25,592,250
Redeemed	(4,711,663)
Outstanding, end of period	78,625,298

Schedule of Net Assets per Unit and Net Asset Value per Unit

As at June 30, 2011 and December 31, 2010

	2011	2010
SERIES A		
Net asset value per unit	\$10.33	\$—
Bid price adjustment	(0.01)	—
Net assets per unit	\$10.32	\$—

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

MDPIM Canadian Long Term Bond Pool

Financial Risk Supplement (unaudited)

Financial Instruments

MDPIM Canadian Long Term Bond Pool (the "Fund") invests in Government of Canada, provincial, municipal, corporate, asset-backed and foreign bonds with short- to mid-terms to maturity as shown in the Statement of Investment Portfolio. The Fund invests excess cash in high grade short-term notes with maturities of less than 1 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 5 of the Notes to the Financial Statements. The Fund's significant exposure and sensitivity to each risk is presented below.

Credit Risk

The Fund's credit risk is concentrated in investments in debt instruments and forward currency contracts. The Fund's maximum exposure to credit risk is the carrying value of domestic and foreign bonds presented on the Statement of Investment Portfolio as well as the cash and short-term investments presented on the Statement of Net Assets which are invested in overnight deposits at schedule one chartered banks.

As at June 30, 2011 and December 31, 2010 the Fund invested in debt instruments with the following credit ratings:

Credit Rating	% of Net Assets June 30, 2011	% of Net Assets December 31, 2010
AAA / R-1 (High)	28.6%	59.7%
AA / R-1 (Mid)	22.9%	15.1%
A / R-1 (Low)	36.3%	16.1%
BBB	11.4%	7.1%
Unrated	—	1.4%
Total	99.2%	99.4%

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

Currency Risk

The Fund does not have assets or liabilities denominated in foreign currencies and therefore does not have material exposure to currency risk.

Interest Rate Risk

The Fund's exposure to interest rate risk was concentrated in investments in domestic and foreign bonds presented in the Statement 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 if interest rates for all maturities fluctuate by 25 basis points. If interest rates rise, Net Assets will decrease by the amount shown, conversely, if interest rates fall, Net Assets will increase by the amount shown. These sensitivities are estimates, actual results may vary and the variance may be significant.

As at December 31, 2010 the Fund's exposures to debt instruments by maturity are presented in the table below:

Debt instruments by Maturity Date	June 30, 2011		December 31, 2010	
	Fair Value (\$'000's)	Percentage (%)	Fair Value (\$'000's)	Percentage (%)
1 to 4 years	17,660	2.2%	21,153	3.6%
4 to 7 years	86,242	10.6%	33,258	5.6%
7 to 9 years	133,580	16.5%	149,530	25.2%
9 to 12 years	133,621	16.5%	5,580	0.9%
12 to 20 years	33,488	4.1%	29,438	5.0%
More than 20 years	391,679	48.3%	253,413	42.7%
Total	796,270	98.2%	492,372	83.1%
Sensitivity (+/-)	21,440	2.6%	12,568	2.1%

* Excludes cash and short-term investments, as applicable.

Other Price Risk

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

Fair Value Hierarchy

The following is a summary of MD Canadian Long Term Bond Pool'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*
June 30, 2011			
Domestic Bonds	\$—	\$784,471	\$784,471
Foreign Bonds	—	11,799	11,799
	—	796,270	796,270
Cash and Short-Term Investments	4	9,289	9,293
Total	\$4	\$805,559	\$805,563
December 31, 2010			
Domestic Bonds	\$—	\$485,840	\$485,840
Foreign Bonds	—	6,534	6,534
	—	492,374	492,374
Cash and Short-Term Investments	24	97,190	97,214
Total	\$24	\$589,564	\$589,588

*The MDPIM Canadian Long Term Bond Pool does not hold any Level 3 investments.

There have been no significant transfers between Level 1 and Level 2 for the periods January 1, 2011 to June 30, 2011 and from January 5, 2010 to December 31, 2010.

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

Notes to Financial Statements

For the periods ended June 30, 2011 and 2010

1. Name and formation of the Funds

Establishment of the Funds

The MDPIIM Pooled 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 dated as follows:

	Series A Units	Series T Units	Private Trust Series
MDPIIM Canadian Bond Pool	December 6, 2002		
MDPIIM Dividend Pool	January 4, 2007	October 25, 2010	
MDPIIM Canadian Equity Pool	June 16, 1999	October 25, 2010	August 9, 2000
MDPIIM US Equity Pool	August 6, 1999	October 25, 2010	August 9, 2000
MDPIIM International Equity Pool	December 6, 2002	October 25, 2010	
MDPIIM Canadian Long Term Bond Pool	March 24, 2010		

On March 24, 2010, MD Private Trust launched a new fund, the Canadian Long Term Bond Pool.

Effective June 2, 2010, MD Private Trust Company resigned as Manager and Trustee of the Funds. MD Physician Services Inc. was appointed as the Manager and Trustee of the Funds (the “Manager”) as of the same date.

The Statement of Investment Portfolio, and Schedule of Fees for each of the Funds are as at June 30, 2011. The Statement of Net Assets, Schedule of Net Assets per Unit and Net Asset Value per Unit and Schedule of Securities on Loan are as at June 30, 2011 and December 31, 2010. The Statement of Operations, Statement of Changes in Net Assets, and Schedule of Fund Unit Transactions are for the periods ended June 30, 2011 and June 30, 2010, except for the Funds established during either period, in which case the information provided relates to the period from inception to June 30, 2011 or to June 30, 2010. The Financial instrument risks for each of the Funds are as at June 30, 2011 and December 31, 2010.

Series of units

All MDPIIM Pooled Funds offer either “Private Trust Series” or “Series A” units which may be purchased by either MD Private Investment Counsel (an operating division of MD Physician Services 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.

The MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool “Series A” units are available to all qualified investors. These units are closed to new subscribers. Investors holding “Series A” units of these Funds are allowed to hold their units, as well as subscribe for additional “Series A” units of the Funds.

On November 22, 2010, “Series T” units were established in order to support a new tax-efficient investment solution for clients. The series T units will generate steady tax-efficient cash flow that does not increase taxable income or impact certain benefits such as Old Age Security.

2. Significant accounting policies

The financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles (“GAAP”). Significant accounting policies followed by the Funds are as follows:

Accounting estimates

The preparation of financial statements in accordance with GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expense during the reporting periods. Actual results could differ from those estimates.

Investments - valuation

CICA Handbook - Accounting Section 3855, “Financial Instruments - Recognition and Measurement” (“Section 3855”), requires the fair value of financial instruments traded in active markets to be measured based on a security’s bid price. The net asset value calculated in accordance with Section 3855 is referred to as “Net Assets” going forward.

In accordance with Section 3855, investments are categorized as held for trading and are recorded at fair value. In the case of securities traded in an active market, fair value is the latest bid price provided by independent pricing services. 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 Statement of Investment Portfolio.

Notes to Financial Statements

For the periods ended June 30, 2011 and 2010

Cash and short-term investments

Cash is comprised of cash on deposit and short-term investments are comprised of short-term debt instruments with terms to maturity of less than one year at acquisition. These are measured at fair value upon initial recognition, and are held at amortized cost, which approximates fair value. Cash and short-term investments include foreign cash and foreign short-term investments.

Investment transactions, income recognition and transaction costs

Investment transactions are recorded on the trade date. Income from investments is recognized on an accrual basis. Interest income and estimated expenses are accrued daily. Dividend income and distributions to unitholders are recorded on the ex-dividend date. Realized gains or losses from investment transactions and the unrealized appreciation or depreciation of investments are computed on an average cost basis, which excludes brokerage commissions and other trading expenses. Brokerage commissions and other trading expenses are charged to income as incurred.

All income, realized and unrealized gains (losses) and transaction costs are attributable to investments and derivatives, which are categorized as held for trading.

Other assets and liabilities

Other assets such as accrued interest and dividends receivable, accounts receivable for investment transactions, subscriptions receivable, and amounts receivable for securities lending transactions are categorized as loans and receivables and are recorded at cost. Other liabilities such as accrued expenses, income taxes payable, distributions payable, accounts payable for investment transactions and redemptions payable are categorized as financial liabilities and are measured at cost, which closely approximates their fair value.

Foreign exchange

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 Statement of Operations. The Funds do not separately report the effects of changes in foreign exchange rates from changes in the valuation of securities held. Such changes are included in net gain (loss) on investments.

Forward currency contracts

The 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. Investments in forward currency contracts are entered into with approved counterparties and are recorded at fair value.

On a daily basis, the value of these contracts is the gain or loss that would be realized if the positions were to be closed out and is recorded in "Change in unrealized appreciation (depreciation) of investments". Upon closing of the contracts, the accumulated gains or losses are reported in "Net realized gain (loss) on sale of derivative instruments." Unrealized gains (losses) on forward currency contracts are categorized as financial assets (liabilities) held for trading.

The contractual amounts of open contracts are disclosed in the Statement of Investment Portfolio as the Schedule of Derivative Instruments.

Futures contracts

Futures contracts are valued on each valuation day using the bid/ask price posted on the related public exchange. All gains or losses arising from futures contracts are recorded as part of "Change in unrealized appreciation (depreciation) of investments and derivatives" in the Statements of Operations until the contracts are closed out or expire, at which time the gains (losses) are realized and reported as "Realized gain (loss) on investments" in the Statements of Operations.

Unit valuation

The Funds' units are offered for sale on any business day and may be redeemed or issued at the Net Asset Value 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 Net Asset Value per unit for each series is computed 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 Net Asset Values of each series.

Section 14.2 of National Instrument 81-106, "Investment Fund Continuous Disclosure" ("NI81-106") issued by the Canadian Securities Administration ("CSA") requires an investment fund to calculate the daily net asset value for the purchase and redemption of units based on the fair value of the investment fund's assets and liabilities ("Net Asset Value").

Net Asset Value is calculated in accordance with Section 14.2 of NI81-106. This differs from Net Assets calculated in accordance with Section 3855 presented on the financial statements. A comparison between the Net Asset Value per unit and the Net Assets per unit is disclosed in the Schedule of Net Assets per Unit and Net Asset Value per unit.

Notes to Financial Statements

For the periods ended June 30, 2011 and 2010

Increase (decrease) in net assets from operations per unit

Increase (decrease) in net assets from operations per unit in the Statement of Operations represents the net increase or decrease in net assets from operations attributable to the series of units for the period, divided by the average units outstanding in that series during the period.

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 cash and/or securities deemed acceptable under National Instrument 81-102 ("NI81-102") of at least 102% of the value of securities on loan.

Income from securities lending is recorded as "Securities lending" on a monthly basis when it is receivable.

Future Accounting Changes

The Canadian Accounting Standards Board ("AcSB") confirmed the plan to adopt International Financial Reporting Standards ("IFRS") in 2011. MD Physician Services Inc., in their capacity as Trustee and Manager of the MD PIM Pooled Funds has developed a changeover plan to meet the timetable published by the AcSB for the Funds' changeover to IFRS.

The key elements of the changeover plan include an assessment of significant IFRS and Canadian GAAP differences, analysis and conclusion on accounting policy choices, identification of additional disclosure requirements under IFRS, and preparation of financial statements in accordance with IFRS with comparatives.

Based on MD Physician Services Inc.'s current evaluation of the differences between Canadian GAAP and IFRS, Net Assets or Net Asset Value are not expected to be impacted by the changeover to IFRS. MD Physician Services Inc. expects that the IFRS implementation on the MD PIM Pooled funds' financial statements will result in additional disclosure and potentially different presentation of unitholder interests and certain other items.

On January 12, 2011, the AcSB announced an IFRS deferral option for most investment funds until fiscal years beginning on or after January 1, 2013. Accordingly, the MD PIM Pooled Funds will adopt IFRS for the fiscal period beginning January 1, 2013,

and will issue their initial financial statements in accordance with IFRS, including comparative information, for the interim period ending June 30, 2013.

3. Management fees and other fees and expenses

The management fees are unique to each MDPIIM Fund and, in the case of MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool, are unique to each series of units of each such Fund.

Since June 2, 2010, MD Physician Services Inc. (MDPSI) provides the Series A unitholders of MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool with investment management and administrative services. In return, MDPSI receives a management fee based on the Net Asset Value of the Series A units of the Funds calculated on a daily basis and paid weekly. Prior to June 2, 2010, these services were received from and the management fee paid to MD Private Trust Company.

No management fee or operating expenses are charged in respect of units of MDPIIM International Equity Pool, MDPIIM Canadian Long Term Bond Pool, MDPIIM Canadian Bond Pool and MDPIIM Dividend Pool, and the Private Trust Series units of MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool. Investors in these units and series of units have agreed to pay fees directly to MD Private Investment Counsel (an operating division of MD Physician Services Inc.) or MD Private Trust Company based on assets under management. These fees are charged directly to each unitholder to a maximum rate of 1.00% per annum plus custodial fees.

MDPIIM International Equity Pool is responsible for the payment of an advisory fee charged by the Fund's advisor. The Manager absorbs a portion of this advisory fee, and as a result the Fund is responsible for the payment of a portion of the fee charged, which varies in the range of 0.20% to 0.30% of the Net Asset Value. The fee charged may vary and may decrease as the Fund increases in size.

Series A units of the MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool funds pay for all operating expenses which relate to those particular series of Funds. Operating expenses include, but are not limited to, brokerage fees on the buying and selling of securities, securities commission fees, transaction costs, audit fees, sales taxes, custodial fees, IRC fees and expenses, taxes, issue costs, all expenses related to the prospectus and to meetings of unitholders as well as Fund servicing costs. Operating expenses which relate to this series of units as a whole are proportionately allocated among those Funds to which they relate. The Manager of the Funds can, at any time, waive or absorb any operating expense for which the Fund is responsible.

Notes to Financial Statements

For the periods ended June 30, 2011 and 2010

Short-term trading/early redemption fee

Effective August 8, 2009, for Series A unitholders, subject to the exceptions described below, clients who redeem or switch units of an MDPIM Pool Fund are charged an early redemption fee equal to 2.00% of the amount redeemed or switched if the redemption or switch occurs within sixty (60) days of the date that the units were purchased or switched.

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

- ▶ made in connection with any systematic and scheduled withdrawal program;
- ▶ where the amount of the redemption or switch is less than \$10,000;
- ▶ made as a result of the recommendation of your MD advisor related to a financial plan

4. Capital units

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 respective Net Asset Value 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.

The relevant movements in capital for the period have been presented in the Statements of Changes in Net Assets. The

Funds invest capital from subscriptions in financial instruments in accordance with the policies and risk management practices of the Funds, while maintaining sufficient liquidity to meet unitholder redemptions. The Funds' investment policies are set out in the prospectus and the risk management and liquidity management practices are disclosed in Note 5.

5. Financial Instrument Risk

The Funds use financial instruments in order to achieve their respective investment objectives. The Funds' investments are presented in their respective Statement 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 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 Risk Supplement attached to the Statement of Investment Portfolio.

Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will not honour their obligation under the terms of the instrument, resulting in a loss of capital. The Funds are exposed to credit risk through domestic and foreign bonds, derivative contracts, short-term debt 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. In addition, the Fund custodian has indemnified the funds from borrower default.

Credit risks arising from fixed income securities, including bonds and preferred shares, are generally limited to the fair value of the investments as shown in the Statement of Investment Portfolio. The Funds limit exposure to individual issuers/sectors and credit quality levels. 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 Risk Supplement attached to the Statement of Investment Portfolio.

Credit risks arising from short-term debt investments are limited to the carrying value of cash equivalents as shown on the Statement of Net Assets. The Funds manage credit risk on short-term debt 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.

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 unrealized gain shown in the Schedule of Derivative Instruments, or nil if the contract is in a loss position. Each of the Funds manages credit risk on derivatives by only entering into agreements with counterparties that have an approved credit rating as defined in NI81-102. The total unrealized gain (loss) of the derivative contract cannot exceed 10% of the Fund's Net Asset Value. 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.

Notes to Financial Statements

For the periods ended June 30, 2011 and 2010

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. In addition, the Funds' units are redeemable on demand. In accordance with NI81-102, the Funds must provide payment for redeemed units within three business days of receipt of a redemption order. 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 Net Asset Value. During the period, no Fund borrowed against its respective line of credit.

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. The Funds are exposed to currency risk to the extent that the Funds hold assets and liabilities denominated in foreign currencies. The Fund 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 Risk Supplement attached to the Statement of Investment Portfolio.

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; asset backed securities and collateralized mortgage obligations. 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 Risk Supplement attached to the Statement of Investment Portfolio.

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. The other price risk attributable to individual investments is managed through effective diversification of the portfolio, careful security selection and adjustments to fair value when there is significant volatility in international markets after markets are closed. Other price risk attributable to the general market is systematic and cannot be diversified away.

The maximum loss due to other price risk is limited to the fair value of the equity investments presented on the Statement of Investment Portfolio. Each individual Fund's exposure to other price risk, if any, is presented in the Financial Risk Supplement attached to the Statement of Investment Portfolio.

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

6. Fair value measurement

The Funds are subject to the revised provisions of Section 3862, which sets out requirements for fiscal years ending after September 30, 2009. Section 3862 establishes a fair value hierarchy to categorize 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.

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 Instrument Risks" section of the financial statements.

7. Comparative Figures

Certain of the comparative figures have been reclassified to conform to the current period's presentation.



PHYSICIAN
SERVICES INC.
A CMA COMPANY

Financial | Practice | Living

md.cma.ca

1870 Alta Vista Drive, Ottawa ON K1G 6R7 | 1 800 267-2332