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

SIMPLIFIED PROSPECTUS

May 12, 2014

Offering of Class A units and Class F units of LDIC North American Energy Infrastructure Fund

TABLE OF CONTENTS

PART A

INTRODUCTION

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

This Simplified Prospectus contains information about the LDIC North American Energy Infrastructure Fund (the "**Fund**") and the risks of investing in mutual funds generally, as well as the names of the firms responsible for the management of the Fund.

This document is divided into two parts:

- The first part ("**Part A**") contains general information applicable to investment in mutual funds and the Fund");

and

- The second part ("**Part B**") contains specific information about the Fund described in this Simplified Prospectus and its investment strategies.

We have used personal pronouns in this document whenever possible to make it easier to read and understand. Throughout this document:

- You means an investor or potential investor.
- We, us or the Manager refers to LDIC Inc., the manager of the Fund.
- Dealer refers to the company where your registered representative works.
- Registered representative refers to the representative registered in your province who advises you on your investments.

Additional information about the Fund is available in its annual information form, its most recently filed fund facts document, annual financial statements, annual management report of fund performance, interim financial statements and interim management report of fund performance when they become available. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as a part of this document. You can get a copy of these documents, at your request, and at no cost, from your dealer or by calling the manager of the Fund (the "**Manager**") (collect) at (416) 362-4141 or by emailing the Manager at info@ldic.ca.

These documents are also available on the Manager's website at www.ldic.ca. These documents and other information about the Fund are also available on the website of SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com.

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

A mutual fund is a type of investment vehicle which allows you to pool money with other investors having similar investment objectives and have that money invested by a professional portfolio advisor. The pooling of money with others may allow for greater diversification than would often otherwise be available to the investor individually. Diversification generally reduces investment risk, as losses in one security may be offset by gains in another security held in the investment portfolio of the Fund.

When an investor contributes money to the Fund, the investor is issued units, and thereby becomes a unitholder of the Fund. As a unitholder, the investor shares in the Fund's income and expenses, and the gains and losses the Fund earns on its investments, in proportion to the number and class of units that the investor owns. Generally, an investor's portion of the Fund's taxable income including net realized capital gains is paid to the investor each year, and when the investor no longer wishes to hold units in the Fund, the Fund will redeem the units from the investor.

Some mutual funds, such as the Fund, may offer securities in more than one class. This kind of multi-class structure recognizes that different investors may require different investment advice and service. Each class of unit issued by the Fund derives its value from the same investment portfolio, and shares the same investment objective and strategies, but may charge different fees and incur different expenses. As an investor, you need to determine which class is the best match for you. There is more information on how classes differ from one another in the section "Purchases and Redemptions" on page 6.

Mutual funds hold a portfolio of investments that may include equity securities, debt or interest-bearing securities, derivatives or securities of other mutual funds, depending on the investment objectives of the mutual fund and the manager's investment strategy.

Equity and debt securities

Mutual funds can invest in equity securities, which may earn dividends, or in debt securities, which earn interest. An equity security is a stock or a share in a company or a unit of a royalty or income trust and may include preferred shares or securities convertible into common shares or units. Debt securities include bonds and money market instruments such as treasury bills and certificates of deposit. Debt securities may be issued by governments or companies.

Derivatives

A mutual fund can also invest in derivatives. A derivative is essentially a contract, the value of which is dependent upon the value of another investment.

Derivatives are investments whose value is based on the value of another investment, which is often referred to as the "underlying" investment. Derivative instruments can be used by mutual funds to help them to achieve their investment objectives. Derivative instruments are commonly used to offset or "hedge" the risks of other securities or positions held in a portfolio. Additionally, such instruments can be used as an alternative way to gain economic exposure to a security or group of securities without purchasing such securities directly.

Examples of derivatives that the Fund might use include forward agreements, options and swaps. Most often, a derivative instrument is a contract between a fund and another party (the "counterparty") in which the value of the contract depends on the value of underlying securities, or of currencies, interest rates or market indices. A forward contract or forward agreement is an agreement to buy or sell, at a future date, a specified quantity of an asset at an agreed price. So for example, a forward currency contract can be an agreement to buy a certain amount of U.S. dollars in 90 days' time at the price agreed today. An option contract is the right, but not the obligation, to buy or sell an underlying asset at an agreed price (the "strike" price) until the expiry date of the option contract. A call option is the right to purchase and a put option is the right to sell. A swap is generally a private contract between two parties used to exchange periodic payments in the future based on a formula to which the parties have agreed. Swaps are generally equivalent to a series of forward contracts packaged together.

Underlying funds

Mutual funds can also invest in the securities of other funds, which are then referred to as *underlying funds*. How much a fund invests in underlying funds, and the types of underlying funds they invest in, may vary. Investing in underlying funds allows the Manager to pool assets in a manner that is often more efficient for investors, and generally results in lower expenses.

What are the Risks of Investing in a Mutual Fund?

Risk is the chance that your investment may not perform as expected over a certain period of time. Investment risk represents the chance of investment loss. There are different degrees and types of risks but, in general, the more risk you are willing to accept as an investor, the higher the potential returns and the greater the potential losses. The key to reducing the overall volatility of your portfolio is to hold a wide variety of investments.

Mutual funds own different types of investments, depending upon their investment objectives. Like all investments, mutual funds involve risk. Changes in interest rates, economic and stock market conditions or new company information, for example, may influence the value of securities held by a mutual fund. The price of a mutual fund security will generally vary with the value of the securities it holds. When you redeem mutual fund securities, their value may be less than your original investment. Changes in rates and market conditions may also cause the value of securities of the mutual fund to change from day to day.

The net asset value ("**NAV**") of a mutual fund is determined by subtracting a mutual fund's liabilities from its total assets (which include the cash and securities in its portfolio). By dividing this figure (net assets) by the total number of units outstanding in the fund, one arrives at the NAV per unit for the mutual fund. The NAV of a fund, and the price of your units, will fluctuate with changes in the market value of the fund's particular investments. As a result, the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

Your investment is not guaranteed

The value of your investment in the Fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates, mutual fund units are not covered by the Canadian Deposit Insurance Corporation or any other government deposit insurer.

Redemptions may be suspended

Under exceptional circumstances, a mutual fund may not allow you to redeem your units. See "Purchases and Redemptions" beginning on page 6 for more information.

PURCHASES AND REDEMPTIONS

Classes of Units

The Fund may create an unlimited number of classes of units, and may offer and sell an unlimited number of series of units of each class. Currently, the Fund offers Class A units and Class F units.

Class A units are designed for retail investors. Dealers through whom Class A units are purchased will receive initial commissions payable by the investor, and on-going service fees (also called "trailer fees" or "trailing commissions") from the Manager on behalf of the Fund.

Class F units are designed for investors who participate in fee-based investment programs offered by their dealers. Class F units are only available to investors whose dealer has entered into an agreement with the Manager to make Class F units available to clients of that dealer. As a result, no sales commissions or trailer fees are paid by the Manager to dealers selling Class F units.

The class NAV of the Fund

The class net asset value ("**class NAV**") of the Fund is determined by taking the class' proportionate share of the market value of each security in the Fund's portfolio attributable to the particular class of units, adding all other assets and subtracting the class' liabilities and the proportionate share of common liabilities of the Fund allocated that class of units. The result is the class NAV of the Fund.

Class NAV per unit

Since each class of the Fund has different costs and liabilities, the class NAV per unit is calculated separately for each class. We calculate the class NAV per unit by taking that class' NAV, determined as described above, and then dividing that number by the total number of units of that class that are outstanding.

Attributes of the Units

All units of the Fund have equal rights and privileges and the attributes of each class of units are substantially the same, other than the management fees and sales charges associated with the class. Each unit of a class of the Fund entitles the holder to one vote at meetings of all unitholders of the Fund generally and at meetings of the unitholders of that class, but does not entitle the holder to vote at meetings at which only the holders of another class of units are entitled to vote separately as a class. Each unit of a class of the Fund is entitled to participate equally with respect to all payments made to unitholders of that class. Each class of units is entitled to the portion of a distribution equal to that class's proportionate share of the net income and net capital gains of the Fund after deducting management fees and class-specific expenses. As a result, the amount of distributions of net income and net capital gains for each class of units of the Fund will likely be different. The holders of each class of units of the Fund rank equally with the holders of all other classes of units of the Fund on a liquidation, dissolution or winding-up of the Fund based on the relative net asset values of each class of units of the Fund.

The Fund is responsible for paying certain operating expenses incurred in connection with the administration of the Fund. The expenses of the Fund will be allocated between the classes of units and each class will bear, as a separate class, any expense item that can be specifically attributed to that class. Common expenses such as audit and custody fees will be allocated among all classes in the manner the Manager determines to be the most appropriate based on the nature of the expense.

How to Purchase Units

Units of each class of the Fund are offered for sale on a continuous basis and may be purchased through registered representatives of dealers, who will forward your order to the Manager. If the Manager receives an order before 4:00 p.m. (Eastern time) on any day on which the Toronto Stock Exchange is open for trading (a "trading day"), it will process the order at the unit price calculated at the end of that day. Otherwise, the Manager will process the order at the price calculated on the next trading day. Orders may be processed at an earlier time if the Toronto Stock Exchange closes for trading earlier on a particular day. Orders received after such earlier closing time would be processed on the next trading day.

The offering price of a unit of a class is an amount equal to the class NAV per unit as calculated from time to time. The class NAV per unit is determined in accordance with industry practice using the closing price on each trading day.

The Manager is required to accept or reject a purchase order within one business day of receiving it. Any monies sent with an order that is rejected will be returned immediately.

The minimum purchase amount on an initial purchase of units of the Fund is $1,000. Any subsequent purchase of units of the Fund must be at least $500. Payment for units must be made within three business days of the date of subscription. If the payment for units purchased is not received within three days of an order, the Manager will redeem these units on the next trading day. If the proceeds from the redemption are greater than the payment you owe, the Fund will keep the difference. If the proceeds are less than the payment the investor owes, the investor or his or her dealer must pay the difference, and the Fund or the dealer will collect this amount plus expenses and interest from the investor.

Michael Decter, an officer and director of the Manager has subscribed an initial investment of $150,000 worth of Class F units of the LDIC North American Energy Infrastructure Fund on April 26, 2013 to start the Fund. As at December 31, 2013, the Manager of the Fund and certain directors and officers of the Manager held in total of 149,642 Class F unites of the Fund.

Purchase Options

The Class A units of the Fund offered through this Simplified Prospectus are available exclusively through the sales option most commonly known as the “initial sales charge” or “front end load” option. To purchase Class A units of the Fund, an investor pays a sales commission at the time of purchase. The amount of this commission is subject to negotiation between the investor and his or her dealer, but may not be more than 5% of the subscription amount. Dealers through whom the Class A units are purchased are also entitled to receive on-going services fees (known as “trailer fees” or “ trailing commissions”) from the Manager on behalf of the Fund.

Investors may also purchase Class F units. This generally requires the investor to establish a fee-based account with a dealer (sometimes referred to as a “wrap program”), and for the dealer to have previously entered into an agreement with the Manager permitting its clients to invest in the Fund. The investor does not pay any sales commissions or redemption fees when Fund units are acquired or redeemed in this account. However, the dealer will generally charge a global fee to the account in which the Class F units are held.

The Class of units you and your registered representative select affects the amount of compensation your dealer and registered representative receive as a result of your purchase and ongoing investment in the Fund. For a description of the fees, expenses, and dealer compensation applicable to a purchase of units, see “Fees and Expenses” and “Dealer Compensation” on page 12 and page 15, respectively.

Conversions

An investor may convert an investment in one class of units of the Fund for an investment in another class of units of the Fund. Conversions will be subject to the minimum investment requirements governing each class of units. The maximum fee payable by an investor for a conversion is 2% of the value of the units converted, and the conversion fee is negotiated between the investor and his or her dealer.

A conversion does not result in a disposition for tax purposes and consequently does not result in a capital gain or capital loss to a converting unitholder.

Redemptions

An investor is entitled at any time, by making a written application to the Fund through a registered representative, to redeem all or any part of his or her units at its class NAV.

Requests for a redemption of units of the Fund must be received by the Manager prior to 4:00 p.m. (Eastern Time) on a trading day to receive that day's class NAV per unit price. If a redemption request is received after this time, or on a day which is not a trading day, then the unit price applicable to the redemption will be determined on the following trading day. Payment for the units so redeemed will be made by the Fund within three business days after the day on which the class NAV is determined for the purpose of effecting redemption, provided all required redemption documentation has been submitted.

Your units can be registered on our records as belonging directly to you, or as held on your behalf by your dealer or other intermediary. If your units are held directly, signatures on the redemption request must be guaranteed by a bank, trust company, or financial advisor if the redemption proceeds are:

- more than $25,000, or
- paid to someone other than the registered owner of the Fund units.

If the registered owner of the Fund units is a corporation, partnership, agent, fiduciary or surviving joint owner, we may require additional information. Investors whose units are held through a dealer or intermediary (sometimes referred to as a "nominee"), will be subject to the corresponding rules in place at the nominee. Investors who are unsure whether they need to provide a signature guarantee or additional information should check with their financial advisor or the Manager.

If an investor does not deliver all documentation to the Manager necessary to process a redemption request within 10 business days, the Fund will purchase on the next trading day the number of units redeemed. If the purchase price of the units is less than the redemption proceeds, the Fund will keep the difference. If the purchase price of the units is greater than the redemption proceeds, the investor must pay the difference and the Fund will collect this amount plus expenses and interest from the investor.

See "Certain Canadian Federal Income Tax Considerations for Investors" on page 16 for a discussion of the Canadian tax consequences to an investor of a redemption of units of the Fund.

Suspension of Redemptions

Under exceptional circumstances, the Fund may not be able to process a redemption request. This would most likely occur if market trading were suspended on stock exchanges where the Fund holds a significant portion of its investments.

Canadian securities regulators allow us to suspend your right to redeem:

- if normal trading is suspended in any market where portfolio securities or specified derivatives are traded which represent more than 50 per cent by value, or underlying market exposure, of the total assets of the Fund if those portfolio securities or specified derivatives are not traded on another market or exchange that represents a reasonably practical alternative,
- or in other circumstances with the consent of the Canadian securities regulators.

If we suspend redemption rights before the redemption proceeds have been determined, you may either withdraw your redemption request or redeem your units at the class NAV per unit next determined after the suspension has been lifted. During any period of suspension of redemption rights, we will not accept orders for units in respect of which redemptions have been suspended.

Short-Term Trading

Where investors make short-term trades in units of the Fund, buying such units one day and redeeming them a short time later, there can be adverse effects on other investors. For example, the Fund may incur extra trading costs in first purchasing portfolio securities with the subscription funds, and then in selling portfolio securities to pay proceeds of redemption, depending upon the Fund's cash position. Further, short-term investors may enjoy the benefits of capital appreciation incurred in the Fund without that investor's subscription actually being invested in time to contribute to that appreciation.

For these and other reasons, the Manager has the right to impose a short-term trading fee if units of the Fund are redeemed within 30 days of the date of purchase. See "Fees and Expenses — Fees and Expenses Payable Directly by You" on page 14 for details of this fee. The Manager would generally not charge this fee in circumstances where the reason for an early redemption was an unexpected change in personal or financial circumstances, or other legitimate reason, and was not part of a course of conduct of short-term trading. Where the Manager detects repeated short-term trading occurring by an investor, in addition to charging the short-term trading fee the Manager may decline to accept future purchase orders from that investor.

OPTIONAL SERVICES

Automatic Reinvestment of Distributions

Distributions are automatically reinvested in additional units of the Fund, unless you have previously notified us in writing otherwise. The number of securities received is based on the class NAV per unit calculated on the date the distributions are paid. There is no sales charge when additional units are issued.

If you hold units of the Fund in a registered plan, distributions will automatically be reinvested in additional units of the same class of units of the Fund unless your dealer advises us that your distributions are to be paid in cash to the account you hold with your dealer. There are negative tax consequences associated with withdrawing cash distributions from a registered plan (other than a TFSA). Refer to "Certain Canadian Federal Income Tax Considerations for Investors" at page 16.

Registered Plans

The Manager offers the following registered plans:

- Registered retirement savings plans (RRSPs)
- Tax-free savings accounts (TFSAs)
- Locked-in retirement accounts (LIRAs)
- Locked-in registered retirement savings plans (LRSPs)
- Registered education savings plans (RESPs)
- Registered retirement income funds (RRIFs)

- Locked-in retirement income funds (LRIFs)
- Life income funds (LIFs)
- Prescribed retirement income funds (PRIFs)

Not all of these plans may be available in all provinces. Investors should consult their financial advisor for further details and application forms.

Pre-Authorized Chequing Plan

If an investor wishes to contribute regularly to the Fund, he or she may make regular purchases of units by pre-authorized debit or may establish a pre-authorized chequing plan with the Manager for the purchase of such units. An investor can start the plan by completing an application, which is available from his or her financial advisor. These are the plan highlights:

- The initial investment and each subsequent investment must be at least $50 for each class of units of the Fund.
- The Manager automatically transfers the money from the investor's bank account to the Fund.
- Investors can choose either the first or the 15th day of the month to invest. Purchases can be made monthly, bi-monthly, quarterly, semi-annually or annually.
- If the date chosen by the investor falls on a day that is not a business day, units will be purchased the next business day.
- An investor may terminate this plan without cost by giving the Manager at least five business days' notice prior to the date the account is next to be debited.
- The Manager will confirm the first automatic purchase only.
- To increase regular investments under the plan, the investor must contact his or her financial advisor.

The Manager is not required to send a copy of this Simplified Prospectus to investors who participate in this plan unless they request it at the time they enrol in the plan or subsequently request it from their financial advisor. The Simplified Prospectus and any amendments thereto may be found at www.sedar.com or www.ldic.ca. Investors will not have a withdrawal right for purchases under the pre-authorized chequing plan, other than the initial purchase or sale, but will have the rights described under "What Are Your Legal Rights?" on page 18 for any misrepresentation about the Fund contained in the Simplified Prospectus, or in any of the documents incorporated by reference in the Simplified Prospectus. The foregoing does not apply to investors resident in Québec who will continue to receive the then current Simplified Prospectus and amendments thereto in connection with purchases under the pre-authorized chequing plan.

Systematic Withdrawal Plan

At the time of subscription, an investor may elect to redeem units in the Fund on a regular basis, by providing the Manager with a written direction to this effect. Such written direction may be modified or rescinded through a further written direction from the investor to the Manager. All such redemptions are made based on the net asset value of the relevant class of units of the Fund at the time of such redemption and are subject to conditions described under "Purchases and Redemptions". These are the plan highlights:

- The value of the units in the plan must be more than $5,000.
- The minimum value of units which can be redeemed is $50 for each class of units of the Fund.
- The Manager will automatically redeem the necessary number of units to make payments to the investor's bank account, or a cheque can be mailed to the investor.
- The investor can choose either the first or the 15th day of the month to receive payments, which can be made monthly, bi-monthly, quarterly, semi-annually or annually.
- If the date chosen by the investor is not a business day, the units will be redeemed on the next preceding business day.
- The investor can change or cancel the plan at any time by providing the Manager with five business days' notice.
- The Manager will confirm the first automatic redemption only.

If you sell units within 30 business days of purchasing them, the Manager has a right to impose a short-term trading fee. If more money is withdrawn than the Fund units are earning, the investor will eventually redeem his or her entire investment. If you sell units held in a RRSP, RRIF, LRIF or LIF, there may be withholding and other tax consequences in connection with withdrawals from these plans.

FEES AND EXPENSES

The following table lists the fees and expenses that an investor may have to pay if he or she invests in the Fund. Some of these fees and expenses you pay directly. Other fees and expenses are payable by the Fund, which will indirectly reduce the value of your investment in the Fund.

Fees and Expenses Payable by the Fund

Management fees:	The Manager is entitled to receive management fees from the Fund equal to 2.00% of class NAV per year for the Class A units and 1.00% of class NAV per year for the Class F units. Management fees are accrued each day that the NAV of the Fund is calculated, and paid monthly.
Performance Fees	In addition to the management fees, Class A units and Class F units of the Fund pay the Manager a performance fee. The performance fee will be 10% of the amount by which the class NAV at the end of the fiscal year (adding back the amounts of any distributions paid on the units of the Fund) (the "**ending NAV**") exceeds the target NAV (the "**target NAV**"). The target NAV is calculated by multiplying the class NAV, net of performance fees paid, as at the last performance fee payment date (the "**beginning NAV**") by the sum of one plus the return of the Fund's "benchmark" (the "**benchmark return**") over the same period. The benchmark for the Fund is a blended benchmark comprised of the following two indices:

- TSX Capped Energy Index (70%).
- S&P Composite 1500 Energy Index (30%)

TSX Capped Energy Index (70%)

The TSX Capped Energy Index is comprised of securities of Canadian energy sector issuers listed on the Toronto Stock Exchange ("**TSX**"), selected by Standard and Poors ("**S&P**") using its industrial classifications and guidelines for evaluating issuer capitalization, liquidity and fundamentals. The index is a modified cap-weighted index, whose equity weights are capped at 25%. In order to be eligible for inclusion in the index, a stock must be a constituent of the S&P/TSX Composite Index and classified in the applicable sector based on the Global Industry Classification Standard (GICS). As the Fund intends to maintain a higher weighting to Canadian equities, greater emphasis will be placed on a weighting to the TSX Capped Energy Index.

S&P Composite 1500 Energy Index

The S&P Composite 1500 Energy Index is a capitalization-weighted index comprised of securities of U.S. energy sector issuers that are classified as members of the GICS energy sector and who are selected by S&P using its guidelines for evaluating issuer capitalization, liquidity and fundamentals.

Performance fees will be payable in all circumstances where the performance of the units of a class exceeds that of the benchmark, even in circumstances where the value of the units of a class has declined. Performance fees, if any, are calculated and accrued daily such that, to the extent possible, the class NAV per unit on each Valuation Date will reflect any performance fees payable as at the end of such period. The performance fee is paid at the end of each fiscal year. Performance fees are subject to applicable taxes, such as HST. In limited circumstances, the Manager may agree to a reduction in performance fees based on the size of the investment. For additional information, see "Management Fees" in this table.

Management & Performance fee reductions:	The Manager may reduce or waive the management fees or performance fees that it is entitled to charge. If an investor makes a large investment in the Fund, the Manager may reduce its usual management fee that would apply to the investment in the Fund. The Fund will pay the investor the amount of the reduction in the form of a distribution, which will be reinvested in additional units of the Fund.
Operating expenses:	The Fund pays all expenses relating to its management and operations including, but not limited to, administration and accounting costs, FundSERV costs, the costs of any back-office service provider retained by the Manager, brokerage commissions, applicable taxes, audit and legal fees, custodial fees, index licensing fees, regulatory filing fees, and the costs of preparing, distributing and submitting annual and semi-annual financial statements, unitholder reports, prospectuses and other disclosure documents required to comply with the regulations relating to the issue and sale of units. The Manager receives no fee for acting as trustee of the Fund but will be

entitled to reimbursement for its out-of-pocket expenses, if any, incurred in relation to its services as trustee. The members of the IRC are entitled to be paid an annual fee of $1,000 per member for so acting. IRC members are also entitled to be reimbursed for their reasonable out-of-pocket expenses incurred in the course of their duties.

The expenses of the Fund are allocated among the classes of units on a class-by-class basis. Each class bears, as a separate class, any expense item that can be specifically attributed to that class. Common expenses such as audit and custody fees are allocated among all classes in the manner the Manager determines to be the most appropriate based on the nature of the expense.

While portfolio transaction costs are charged to the Fund, they are not currently included in the management expense ratio calculation of the Fund, but rather reflected in the trading expense ratio of the Fund which is disclosed in the management report of fund performance of the Fund which is available on the website of SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com or the website of the Manager at www.ldic.ca.

Trailing Commission

The Fund shall pay to the Dealer, either monthly or quarterly at the Manager's option, out of the management fee, a trailing commission equal to 1.25% per annum of the aggregate NAV of the Class A units held through Dealers in respect of your investment in Class A units of the Fund. If you purchase Class A units through a discount brokerage, the same trailing commission shall be payable to your discount broker for securities you purchase through your discount brokerage account.

Underlying Funds

Where the Fund invests in underlying funds, there are fees and expenses payable by the underlying funds in addition to the fees and expenses directly payable by the Fund. However, no management fees or incentive fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service. In addition, the Fund will not pay any sales charges or redemption fees with respect to the purchase or redemption by it of securities of an underlying fund if the Manager, or an affiliate or associate of the Manager, is also the manager of the underlying fund. Similarly, the Fund will not pay any sales charges or redemption fees that, to a reasonable person, would duplicate a fee payable by an investor in the underlying fund.

Fees and Expenses Payable Directly by You

Class A Units

Initial sales charges: Up to 5% (negotiated between you and your dealer)

Redemption fees: No redemption fees apply, unless the short-term trading fee applies (see below).

Class F Units

Initial sales charges: **None.**

Redemption fees:	No redemption fees apply, unless the short-term trading fee applies (see below).

All Classes of Units

Conversion fees:	If you convert one class of units of the Fund to another class of units of the same Fund, you may have to pay a conversion fee of up to 2% of the value of your units to your dealer. The conversion fee is negotiated between you and your dealer.
Short-term trading fees:	If units of the Fund are redeemed within 30 days of purchase, the Fund may, at the discretion of the Manager, retain an amount equal to 2% of the net asset value for the class of units redeemed
Registered plan fees:	$0
Pre-authorized chequing plan:	$0
Systematic withdrawal plan:	$0
Reinvestment of distributions:	$0
Other Fees and Expenses	We reserve the right to charge a fee for dishonoured cheques or insufficient funds.

Impact of Sales Charges

The following table shows the sales charges that an investor would pay in respect of the various classes of units if the investor made an investment of $1,000 in the Fund, and then held that investment for one, three, five or 10 years and redeemed the units immediately before the end of each of those periods.

	At the time of purchase	1 year	3 years	5 years	10 years
Class A units, initial sales charge option(1)]	$50	Nil	Nil	Nil	Nil
Class F units	$ N/A	Nil	Nil	Nil	Nil

(1) Based on the maximum sales charge of 5% of the amount invested.

DEALER COMPENSATION

Sales Commissions

If an investor buys Class A units, the investor must pay his or her dealer a sales commission at the time the investor purchases units. The dealer will then pay some or all of that commission to the sales representative that the investor deals with. The sales commission is negotiable between the investor and his or her dealer, provided that the maximum amount that an investor will be charged is 5.00%.

If an investor buys Class F units, that amount the investor pays to his or her dealer in respect of the purchase and holding of the units, if any, is determined by the terms of the dealer's fee-based or wrap program. The Manager does not pay the dealer any commissions in respect of the sale of Class F units to an investor.

Trailing Commissions

The Manager will pay dealers a monthly or quarterly service fee, also known as a trailing commission, out of the management fees it receives from the Fund in respect of the aggregate Class A unit value of their client's investment in the Fund. The amount paid depends upon the class of units purchased. Some or all of any trailing commissions paid to a dealer may then be paid by the dealer to your sales representative. The Manager may change or cancel the terms of the trailing commissions at any time. See "Fees and Expenses Payable by the Fund" beginning on page 12 for more information.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS FOR INVESTORS

This section is a summary of how Canadian income taxes can affect your investment in the Fund. It assumes that you are an individual (other than a trust) and, for the purposes of the Tax Act, are a resident of Canada, deal with the Fund at arm's length and that you hold your units as capital property or in a registered plan. More detailed tax information is available in the Fund's Annual Information Form.

In general, the Fund will pay enough of its net income and net realized taxable capital gains (calculated in Canadian dollars) each year to unitholders so that it will not have to pay ordinary income tax, after taking into account applicable losses of the Fund and the capital gains refund, if any, the Fund is entitled to after becoming a mutual fund trust within the meaning of the Tax Act.

This summary is not a complete list of all tax considerations and is not intended to constitute legal or tax advice to you. Everyone's tax situation is different. You should consult your tax advisor about your particular situation.

Units Held in a Registered Plan Account

If you hold units of the Fund in a registered plan account, such as a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), registered education savings plan ("**RESP**"), registered disability savings plan ("**RDSP**"), deferred profit sharing plan ("**DPSP**"), or tax-free savings account ("**TFSA**"), you will not pay tax on any distributions paid or payable to the registered plan by the Fund in a particular year. In addition, you will not pay tax on any capital gains realized by the registered plan from redeeming or otherwise disposing of these units while the proceeds remain in the plan. However, most withdrawals from such registered plans (other than a withdrawal from a TFSA) are generally taxable.

Units Held in a Non-Registered Account

In general, if you hold units of the Fund in a non-registered account, you must take into account the following in calculating your income each taxation year:

- any net income and the taxable portion of the net realized capital gains paid or payable to you by the Fund in the year, whether you receive such amounts in cash or you reinvest them in units of the Fund; and

- the taxable portion of any capital gains you realize from redeeming your units.

Distributions made to unitholders in the course of the Fund's taxation year may be comprised of dividend or ordinary income, or net realized capital gains, or may constitute a return of capital, depending on the investment activities of the Fund.

Distributions that are characterized as taxable dividends from taxable Canadian corporations are eligible for the dividend tax credit. An enhanced dividend gross-up and tax credit mechanism is available for "eligible dividends" received from taxable Canadian corporations. To the extent available under the Tax Act and the Canada Revenue Agency's administrative practice, the Fund will designate any eligible dividends received by the Fund as eligible dividends to the extent such eligible dividends are included in distributions made to unitholders.

Distributions of interest and other ordinary income, including foreign income, are fully taxable. Where the Fund invests in derivatives, other than certain derivatives used for certain hedging purposes, any gains from such assets will generally be treated as income, rather than as capital gains, and distributions of these gains will be ordinary income to you. Net taxable capital gains realized by the Fund and distributed to you will preserve their character as taxable capital gains.

You do not have to pay tax on distributions that are returns of capital (generally, distributions in excess of the Fund's net income and net realized capital gains), but these distributions will reduce the adjusted cost base ("**ACB**") of your units of the Fund. If the ACB of a unit of the Fund held by you would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by you from the disposition of units and the ACB of the units will be increased by the amount of the deemed capital gain. The non-taxable portion of the Fund's net realized capital gains that is distributed to you will not be included in your income nor will it reduce the ACB of your units.

Generally, if you dispose of your units of the Fund, including on a redemption of units, you will realize a capital gain (or capital loss), to the extent that your proceeds of disposition, net of any disposition costs, exceed (or are exceeded by) the ACB of the units at that time. You will be required to include one-half of any such capital gain (called a taxable capital gain) in your income, and deduct one-half of any such capital loss (called an allowable capital loss) against your taxable capital gains in the year. Allowable capital losses in excess of taxable capital gains for the year may generally be carried back up to three years or forward indefinitely and deducted against taxable capital gains in those other years.

The net asset value per unit of the Fund may include income and capital gains that the Fund has earned, but not yet distributed. The Fund distributes its earnings to all unitholders who own units on the business day immediately prior to the distribution date. If you purchase units of the Fund just before it makes a distribution, you will be taxed on that distribution. You may, therefore, have to pay tax on income or capital gains the Fund earned before you owned your units. For example, if you purchase units of the Fund late in the year and the Fund distributes income and capital gains in December, you may have to pay tax on the income and capital gains the Fund earned for the whole year.

Portfolio Turnover Rates

A fund's portfolio turnover rate indicates how actively the fund's portfolio advisor or portfolio sub-advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the fund buying and selling all of the securities in its portfolio one time in the course of a year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in a year and the greater the chance that you will receive a taxable distribution from the fund in that year.

Calculating the ACB of your Investment

Your ACB must be determined separately for each class of units you own of the Fund. The ACB of your units of a class of the Fund is calculated as follows:

Your initial investment

\+ the cost of any additional purchases

\+ reinvested distributions

\- the capital returned (if any) in any distribution

\- the ACB of units you previously redeemed

= ACB

The ACB of a unit is simply the ACB of your total investment in units of a class of the Fund divided by the total number of such units of the Fund that you hold.

If the ACB of your units would otherwise be less than zero, you will realize a capital gain equal to the negative amount and the amount of this capital gain will be added to your ACB.

You are responsible for keeping a record of the ACB of your investment for purposes of calculating any capital gain or capital loss you may realize when you redeem your units.

WHAT ARE YOUR LEGAL RIGHTS?

Securities legislation in certain provinces and territories gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces also allows you to cancel an agreement to buy mutual fund units and get your money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form, or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or consult a lawyer.

PART B

SPECIFIC INFORMATION ABOUT THE LDIC NORTH AMERICAN ENERGY INFRASTRUCTURE FUND

ORGANIZATION AND MANAGEMENT OF THE FUND

Manager:	LDIC Inc. acts as the manager of the Fund and is responsible for managing the overall business and operations of the Fund, including managing the selection of portfolio securities. The Manager is located at the Exchange Tower, 130 King Street West, Suite 2130, Toronto, Ontario, M5X 1E2.
Portfolio Manager:	LDIC Inc. is the portfolio manager for the Fund. This involves providing or arranging for the provision of investment analysis and making decisions relating to the investment of assets of the Fund. The Manager also makes decisions on the purchase or sale of portfolio securities and on the execution of all portfolio transactions. These decisions include selection of markets, dealers or brokers and the negotiation, where applicable, of commissions.
Trustee:	LDIC Inc. acts as the trustee of the Fund. As trustee, the Manager holds title to the property (the cash and securities) of the Fund on behalf of its unitholders under the terms described in a declaration of trust dated for reference April 12, 2013.
Custodian & Valuation Agent:	RBC Investor Services Trust (the "**Custodian**"), at its offices in Toronto, Ontario, has been appointed as the custodian and valuation agent for the Fund. The assets of the Fund are held by the Custodian in Canada or elsewhere as required. The Custodian has the authority to appoint sub-custodians to hold assets of the Fund outside Canada as appropriate.
Record-Keeper:	RBC Investor Services Trust acts as the Fund's record-keeper at its principal office in Toronto. The record-keeper keeps track of the owners of securities of the Fund, processes purchase and redemption orders, issues investor account statements and trade confirmations and issues annual tax reporting information. The record-keeper is independent of the Manager.
Auditors:	The auditors of the Fund are Ernst & Young LLP. The auditors are responsible for auditing the Fund's annual financial statements in accordance with Canadian generally accepted auditing standards. The auditors provide an opinion as to whether the annual financial statements present fairly, in all material respects, the Funds' financial position, results of operations and changes in net assets in accordance with Canadian generally accepted accounting principles. The auditors are independent of the Fund and Manager as determined in accordance with the rule of professional conduct of the Institute of Chartered Account of Ontario. The IRC must approve any change in the auditors of the Fund. Although the approval of unitholders is not required before such a change is made, unitholders will be sent a written notice at least 60 days before the effective date of any change.
Independent Review Committee:	Under National Instrument 81-107 *Independent Review Committee for Investment Funds*, the Manager has established a three-member independent review committee (the "**IRC**") for the Fund. The IRC is responsible for reviewing and providing input on the Fund's written policies and procedures for managing conflicts of interest involving the Fund. The IRC also reviews, and may approve, conflict of interest matters referred

	to it by the Manager. A conflict of interest matter is any matter in which the Manager's own interests may conflict, or could be perceived to conflict, with its obligation to act in the best interests of the Fund. The IRC prepares an annual report to unitholders discussing its activities in the prior year. This report will be posted on the Fund's website at www.ldic.ca, and is available to unitholders upon request, without charge, by calling the Manager (collect) at (416) 362-4141 or by emailing the Manager at info@ldic.ca. For more information on the IRC, including the names of its members, refer to the Annual Information Form of the Fund.

FUND DETAILS

Type of Fund	North American Energy Infrastructure
Start Date:	Class A & Class F Units - April 18, 2013
Securities Offered:	Mutual Fund Trust Units
Eligibility for Retired Plans:	The units are qualified investments for purchase by registered plans.
Management Fees:	Class A: 2.00%, Class F: 1.00%
Manager:	LDIC Inc.

What Does The Fund Invest In?

Investment Objective

The investment objective of the Fund is principally to provide long-term capital appreciation with the potential for income, by investing primarily in equity securities (including common shares and warrants) and fixed-income investments relating to energy infrastructure and related companies based in North America.

The prior approval of unitholders is required before a fundamental change is made to the investment objective the Fund. This approval must be given by a resolution passed by a majority of the votes cast at a meeting of the unitholders of the Fund.

Investment Strategies

In order to achieve its investment objective, the Fund intends to invest primarily in the equity securities of energy infrastructure and related companies based in North America.

Infrastructure assets are broadly defined as the basic facilities, services, and installations needed for the functioning of a community or society. The energy infrastructure sector includes, but is not limited to, investment in the following areas:

Transportation	Pipeline, railroad, truck/ship fleets, airports, and seaports.
Distribution	Electrical power networks, generation plants, electrical grids, substations.
Storage	Storage terminals, manufacturing facilities & underground storage.
Industrials	Refineries, utilities, midstream processing, upgraders, engineering, chemical manufacturing & processing.
Production & Exploration	Oil production, natural gas production, coal, hydroelectricity & alternative energy production such as wind, solar & geothermal.
Services	Construction, equipment, drilling, social, real estate, housing & retail.

Techniques such as fundamental analysis may be used to assess the growth and value potential of an investment which requires evaluating the financial condition and management of each company, its industry and the overall economy.

As part of this evaluation, the Manager may:

- analyze financial data & other information sources,
- asses the quality of management and
- conduct company interviews.

In seeking to achieve the investment objective of the Fund, the Manager may also choose to:

(i) Use derivatives such as options, forward contracts, futures contracts and swaps to:

- hedge its investments against losses from factors like currency fluctuations, stock market risks and interest rate changes, or changes in the prices of the Fund's investments or
- obtain exposure to individuals securities and markets instead of buying the securities directly provided the investment is consistent with the Fund's investment objectives; and/or
- generate income;

all in accordance with the limits set forth in applicable securities legislation. There are several risks associated with the Fund's use of derivatives which are described under "What are the risks of investing in the Fund? – Derivatives Risk" on page 24 of this document.

(ii) In accordance with National Instrument 81-102 – *Mutual Funds* ("**NI 81-102**"), invest up to 20% of its net assets in other investment funds, including exchange-traded funds ("**ETFs**"), in order to obtain indirect exposure to markets, sectors or asset classes.

- The proportions and types of underlying funds held by the Fund will be selected with consideration for the underlying fund's investment objectives and strategies, past performance and volatility among other factors.

(iii) Hold cash or fixed-income securities for strategic reasons such as to increase Fund liquidity or to seek to preserve portfolio assets during a market downturn.

(iv) Enter into repurchase, reverse purchase and securities lending transactions in order to earn additional income and manage the portfolio of the Fund, provided that the exposure of the Fund to any one issuer shall not exceed 10% of the Fund's net assets. Securities lending transactions will be used in conjunction with the Funds' investment strategies in a manner considered most appropriate by the Manager. For a description of these transactions and the strategies to be used by the Fund to minimize the risks associated with these transactions, please see the discussion under "Securities lending, repurchase and reverse repurchase transactions" below as well as the discussion in the AIF of the Fund.

(v) In accordance with NI 81-102, invest up to 10% of its assets in illiquid securities including, but not limited to, restricted securities.

(vi) In accordance with NI 81-102, engage in short selling, provided that the aggregate exposure of the Fund as a result of short-selling activities shall not exceed 20% of the Fund net assets. In determining whether securities of a particular issuer should be sold short, the Manager uses the same analysis that is described above for deciding whether to purchase securities. The Fund will engage in short selling as a complement to the Fund’s Investment Objectives. For a more detailed description of short selling, please refer to “How the Fund engages in Short Selling” below.

The Fund anticipates a medium to high portfolio turnover rate, which may have implications for you as an investor; the larger trading costs associated with a higher portfolio turnover rate may reduce the Fund's performance, and the Fund may earn taxable capital gains, which may be passed on to the unitholder.

Use of Derivatives

The Fund may use derivatives such as forwards, options, futures contracts, swaps, and other similar instruments, in a manner considered appropriate to achieving the Fund’s investment objectives and to the extent permitted by Canadian securities regulatory authorities. Derivatives may be used for hedging and non-hedging purposes, or to provide exposure to securities, indices, or currencies without investing in them directly. Derivatives may also be used to manage risk. When the Fund uses derivatives for non-hedging purposes, it is required by securities legislation to hold enough cash, cash equivalents, or other securities to fully cover its derivative positions. Derivatives used for non-hedging purposes will represent no more than 10% of the net asset value of the Fund.

How the Fund engages in Short Selling

A short sale by the Fund involves borrowing securities from a lender and selling those securities in the open market (or “selling short” the securities). At a later date, the same number of securities are repurchased by the Fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the Fund pays interest to the lender on the borrowed securities. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities to the lender, the Fund will make a profit for the difference (less any interest the Fund is required to pay to the lender). Selling short provides the Fund with more opportunities for profits when markets are generally volatile or declining. The Fund will engage in short selling only within certain controls and limitations and pursuant to applicable securities legislation. Securities legislation imposes the following conditions and limits on the Fund’s shortselling activities. Securities will be sold short only for cash. A security sold short shall not be: (i) a security that the mutual fund is otherwise not permitted to purchase at the time of the short sale transaction; (ii) an illiquid asset; or (iii) a security of an investment fund unless the security is an index participation unit. At the time securities of a particular issuer are sold short by the Fund, (i) the Fund has borrowed or arranged to borrow from a borrowing agent the security that is to be sold under the short sale transaction; (ii) the aggregate market value of all securities of that issuer sold short will not exceed 5% of the net asset value of the Fund and (iii) the aggregate market value of all securities sold short by the Fund will not exceed 20% of the net asset value of the Fund. The Fund will also hold cash cover (as defined in NI 81-102) in an amount, including the Fund’s assets deposited with borrowing agents as security in connection with short sale transactions, that is at least 150% of the aggregate market value of all securities it sold short on a daily marked-to-market basis. No proceeds from short sales will be used by the Fund to purchase long positions other than cash cover.

Securities Lending, Repurchase and Reverse Repurchase Transactions

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions.

A securities lending transaction is where a fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees. A repurchase transaction is where a fund sells portfolio securities that it owns to a third party for cash and simultaneously agrees to buy back the securities at a later date at a specified price using the cash received by the fund from the third party. While the fund retains its exposure to changes in the value of the portfolio securities, it also earns fees for participating in the repurchase transaction. A reverse repurchase transaction is where a fund purchases certain types of debt securities from a third party and simultaneously agrees to sell the securities back to the third party at a later date at a specified price. The difference between the fund's purchase price for the debt instruments and the resale price provides the fund with additional income.

WHAT ARE THE RISKS OF INVESTING IN THE FUND?

Risks associated with buying units of the LDIC North American Energy Infrastructure Fund are described below. These risks are in addition to the general risks discussed above. Because every investor has a different tolerance for risk, an investor should consider all of these risks carefully before purchasing units of the Fund.

Class Risk

The Fund offers units in several classes. In addition to common fees and expenses, each class has its own fees and expenses. These expenses are deducted in the calculation of the class NAV per unit, and reduce its security value. (See Class NAV per unit on page 7.)

If the Fund cannot pay the expenses of one class using that class' share of the Fund's assets, it will pay those expenses out of the other class' proportionate share of the Fund's assets. This could lower the value of the other class of the Fund.

The Fund may issue additional classes of units without notice to or approval of unitholders. The creation of additional class could indirectly result in a mitigation of this risk by creating a larger pool of assets for the Fund to draw from. However, initially, the small asset size of the additional class may increase this risk temporarily.

Commodity Risk

Some mutual funds may invest in commodities (e.g., oil, natural gas) or in securities, the underlying value of which depends on the price of commodities, such as natural resource and agricultural commodities and may obtain exposure to commodities using derivatives. The value of the fund will be influenced by changes in the price of the commodities, which tend to be cyclical and can move dramatically in a short period of time. In addition, new discoveries or changes in government regulations can affect the price of commodities.

Credit Risk

Credit risk is the risk that the company or government that issued a bond or other fixed-income security is unable to pay interest or repay principal when due or at all. Companies and governments that borrow money, and the debt securities they issue, are rated by specialized rating agencies. This risk is lowest for those issuers that have received a high credit rating from a credit rating agency and is highest for those issuers that have a low credit rating or no credit rating. The prices of securities with a low rating or no rating tend to fluctuate more than securities with higher ratings. They usually offer higher interest rates, which may help to compensate for the higher credit risk.

Currency Risk

The Fund's investments are valued in Canadian dollars. When the Fund buys foreign securities, however, they are purchased with foreign currency. As foreign currencies fluctuate in value against the Canadian dollar, an unfavourable move in exchange rates may reduce, or even eliminate, any return on a foreign security. The opposite can also be true, namely, the Fund can benefit from changes in exchange rates.

To manage the risk of foreign currency fluctuations and restrictions, the Fund may hedge a portion of this risk by, for example, purchasing forward currency contracts with another party. The use of forward currency contracts poses a risk that the other party may not be able to meet its obligations under the contract. There is also a risk that the use of such contracts may not be effective.

Derivatives Risk

The Fund may invest in derivatives such as forward agreements, options and swaps to the extent and for the purposes permitted by Canadian securities authorities. An investment in a derivative may be a means of obtaining a leveraged position in the underlying security. The value of a derivative may change more than proportionately to changes in value of the underlying security. The Fund may use derivatives for both hedging and non-hedging purposes.

The primary risk associated with an investment in a derivative instrument is that its value can be reduced to nil or a nominal amount if the price of the underlying security should decrease significantly below the exercise price (in the case of a call option or warrant) or increase significantly above the exercise price (in the case of a put option). Also, because permitted derivatives have a limited term, their value is influenced by the length of time to expiry. Some other risks of investing in derivatives are described below. No assurances can be provided that a fund's hedging strategies will be effective. There may be an imperfect historical correlation between changes in the market value of the investment or attributes of the investment (including currency exposure) being hedged and the instrument with which the investment or attribute is hedged.

Any historical correlation may not continue for the period during which the hedge is in place. Hedging against changes in stock markets or interest rates does not eliminate fluctuations in the prices of portfolio securities or prevent losses if the prices of such securities decline. Similarly, no assurances can be provided that a liquid exchange or over-the-counter market will exist to permit the Fund to realize their profits or limit their losses by closing out positions.

The Fund is subject to the credit risk that its counterparties may be unable to meet their obligations. There is also a risk of loss of margin deposits in the event of bankruptcy of a dealer with whom the Fund has an open position in an option or futures or forward contract.

The Fund's ability to close out their positions may also be affected by stock exchange imposed daily trading limits on options and futures contracts. If the Fund is unable to close out a position, it will be unable to realize profits or limit losses until such time as the option becomes exercisable or expires or the futures or forward contract terminates, as the case may be. If the Fund is unable to close out options, futures or forward positions, that could have an adverse impact on the Fund's ability to use derivatives to hedge its portfolio effectively or implement its investment strategy.

Futures contracts present the additional risk that index prices may be distorted if trading of certain stocks included in the index is interrupted. Trading in these derivative instruments also may be interrupted if trading is halted in a substantial number of stocks included in the index. If this occurred, the Fund would be unable to close out its options and futures positions, and if restrictions on exercise of the options or performance of the futures contracts were imposed, the Fund might experience substantial losses.

Equity Risk

Companies issue equity securities, like shares, to raise money to finance their operations and future growth. Funds that purchase equities become shareholders of these companies. Equity share ownership does not provide a guaranteed return. The price of a share is influenced by numerous factors including: the health of the overall economy; the capability and integrity of a company’s management; and the stability and longevity of demand for a company’s products.

Certain convertible equity securities may also be subject to interest rate risk.

Exchange-Traded Fund Risk

The Fund may make limited investments in exchange-traded funds (“**ETFs**”) as part of its investment strategies. Most ETFs are mutual funds whose units are purchased and sold on a securities exchange. An ETF is a portfolio of securities that is generally designed to track a particular market segment or index. If it tracks a particular market segment, such as infrastructure or real estate, its value will fluctuate with the value of the particular market segment it tracks. There are, however, ETFs that are actively managed like any other mutual fund and will have similar risks as a mutual fund, plus an additional risk resulting from trading on a stock exchange.

Investing in an ETF generally carries the same major risks as investing in any conventional fund (i.e., one that is not exchange-traded) that has the same investment objective, strategies and policies. It is important to be aware that the value of an ETF can go up or down, and a fund that invests in an ETF can lose money.

Some ETFs employ leverage, which involves borrowing money to increase the size of the investment. This strategy can magnify the risk associated with the underlying market segment or index.

An ETF may fail to accurately track the market segment or index that underlies its investment objective. In addition, an ETF may not be actively managed. Thus, the ETF might not sell a security when the security’s issuer is in financial trouble, unless that security is actually removed from the applicable index being replicated. As a result, the performance of an ETF may be lower than the performance of an actively managed fund.

As with traditional mutual funds, ETFs charge asset-based fees. If the Fund invests in ETFs it will indirectly pay a proportionate share of that ETF’s asset-based fees.

Moreover, ETFs are subject to the following risks that do not apply to conventional funds:

- The market price of the ETF’s units may trade at a premium or a discount to their NAV.
- An active trading market for an ETF’s units may not develop or be maintained.
- The requirements of the exchange needed to maintain the listing of an ETF may change or may no longer be met.

Fixed Income Risk

Fixed income securities are subject to risks resulting from changes in interest rates and from credit risk. Prices of fixed income securities generally increase when interest rates decline, and decrease when interest rates rise. Prices of longer-term fixed income securities generally fluctuate more in response to interest rate changes than do shorter-term securities. Credit risk is the risk that the company or government that issued a bond or other fixed-income security is unable to pay interest or repay principal when due or at all.

Foreign Investment Risk

When a fund invests in foreign securities, its value is affected by the economic, political and financial environments in the country of the government or company that issued that security. While the United States market has standards that are similar to those in Canada, other foreign markets may not. For example, some foreign markets may not be as well regulated as Canadian and United States markets. Their laws might make it difficult to protect investor rights. The political climate might be less stable. Business disclosure and accounting standards may be less stringent than in Canada and the United States making it difficult to obtain complete information about a potential investment. As a result, the value of foreign securities, and the value of funds that hold them, may rise or fall more rapidly and to a greater degree than Canadian and U.S. investments. In general, securities issued in more developed markets, like Western Europe, have low foreign investment risk. Securities issued in emerging or developing markets, like Southeast Asia or Latin America, have higher foreign investment risk.

Funds that concentrate their investments in a single country or region of the world tend to be riskier than funds with greater geographic diversification because prices of securities in the same markets tend to move up and down together.

Industry Concentration Risk

Some mutual funds concentrate their investments in a particular industry, or sector, of the economy. The Fund intends to focus on investment in the energy infrastructure sector. This allows the fund to focus on that industry's potential, but it also means that they tend to be more volatile than funds that invest in many industries. Securities in the same industry tend to be affected in the same way by changes in economic, regulatory, financial and market conditions. These funds must continue to invest in a particular industry, even if the industry is performing poorly. That means the funds will not be able to reduce risk by diversifying their investments into other industries.

Interest Rate Risk

Fixed-income securities, which include bonds, mortgages, treasury bills and commercial paper, pay a fixed rate of interest which is fixed when the instrument is issued. The value of funds that purchase fixed-income securities will rise and fall as interest rates change. For example, when interest rates fall, the value of an existing bond will rise because the interest rate on that bond has increased relative to the market rate. Conversely, if interest rates rise, the value of an existing bond will fall. Some securities may be illiquid due to legal restrictions; the nature of the investment; certain investment features (i.e. guarantees); and/or investor disinterest in a particular security, company or market. Difficulty in selling securities may result in a loss or reduced return for a mutual fund.

Issuer Concentration Risk

Some mutual funds concentrate their investments in a particular issuer. This allows them to focus on that issuer's potential, but it also means that they tend to be more volatile than more diversified mutual funds. Their liquidity, and therefore their ability to satisfy redemption requests, may be adversely affected. And because these mutual funds invest in fewer issuers, they're affected more by the performance of individual issuers. These mutual funds may be riskier than other mutual funds that hold a greater number of issuers in their funds.

Liquidity Risk

Some securities may be difficult to buy or sell or illiquid because they're not well known, because political or economic events significantly affect them or because of legal restrictions imposed on their resale. This may result through investment in specific sectors, especially commodity sectors, and investments in developing or smaller markets. In addition, smaller companies may be hard to value because they are developing new products or services for which there is not yet a developed market or revenue stream. They may only have a small number of shares in the market, which may make it difficult for a mutual fund to buy or sell shares when it wants to. The value of mutual funds that hold these investments may rise or fall substantially.

Regulatory Risk

Some industries, such as infrastructure, are heavily-regulated and may receive government funding. Investments in these sectors may be substantially affected by changes in government policy, such as deregulation or reduced government funding. The value of a fund that buys these investments may rise and fall substantially.

Securities Lending Risk and Repurchase and Reverse Repurchase Transaction Risk

Mutual funds may engage in securities lending, repurchase and reverse repurchase transactions.

A securities lending transaction is where a fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

A repurchase transaction is where a fund sells portfolio securities that it owns to a third party for cash and simultaneously agrees to buy back the securities at a later date at a specified price using the cash received by the fund from the third party. While the fund retains its exposure to changes in the value of the portfolio securities, it also earns fees for participating in the repurchase transaction.

A reverse repurchase transaction is where a fund purchases certain types of debt securities from a third party and simultaneously agrees to sell the securities back to the third party at a later date at a specified price. The difference between the fund's purchase price for the debt instruments and the resale price provides the fund with additional income.

The risks associated with securities lending, repurchase or reverse repurchase transactions arise when a counterparty defaults under the agreement evidencing the transaction and the mutual fund is forced to make a claim in order to recover its investment. In a securities lending or a repurchase transaction, a mutual fund could incur a loss if the value of the securities loaned or sold has increased in value relative to the value of the collateral held by the mutual fund. In the case of a reverse repurchase transaction, a mutual fund could incur a loss if the value of the securities purchased by the mutual fund decreases in value relative to the value of the collateral held by the mutual fund.

To limit these risks:

- the collateral held by the mutual fund must equal at least 102% of the market value of the security sold, loaned or cash paid (the collateral is adjusted on each business day to ensure that this value is maintained)

- repurchase transactions and securities lending agreements are limited to 50% of a mutual fund's assets. Collateral held for loaned securities and cash paid for received securities are not included when making this calculation.

Short Selling Risk

The Fund may engage in a disciplined amount of short selling. A "short sale" is where a fund borrows securities from a lender and then sells the borrowed securities (or sells short the securities) in the open market. At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays interest to the lender. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund pays to the lender). Short selling securities involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the interest paid by the fund and make a profit for the fund, and securities sold short may instead increase in value. The Fund may also experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender from whom the Fund has borrowed securities may go bankrupt and the Fund may lose the collateral it has deposited with the lender. If the Fund engages in short selling, it will adhere to controls and limits that are intended to offset these risks by selling short only securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The Fund will also deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits. Although the Fund may not itself engage in short selling, it may be exposed to short selling risk because the underlying funds in which it invests may be engaged in short selling.

Small Capitalization Risk

Capitalization is a measure of the value of a company. Companies with small capitalizations may not have a well-developed or liquid market for their securities. Accordingly, these securities may be difficult to trade, making their prices more volatile than securities of companies with large capitalization.

Substantial Transaction Risk

The purchase or redemption of a substantial number of securities of a fund may require the portfolio manager to change the composition of the mutual fund's portfolio significantly or may force the portfolio manager to buy or sell investments at unfavourable prices, which can affect a mutual fund's returns. Therefore, the redemption of securities by a substantial unitholder may adversely affect the performance of a mutual fund.

Trust Unit Risk

Mutual funds that invest in trust units, such as oil and gas royalty trusts, real estate investment trusts, limited partnerships and income trusts, will have varying degrees of risk depending on the sector and the underlying asset. These may include business developments such as a decision to expand into a new type of business, the entering into of a favourable supply contract, the cancellation by a material customer of its contract, a material lawsuit, etc. Trust units are often more volatile than government bonds, corporate bonds and preferred shares.

Underlying Fund Risk

A mutual fund may invest directly in one or more underlying funds. If the mutual fund invests in an underlying fund, the mutual fund will indirectly become subject to certain risks that arise as a result of the investment objectives of the underlying fund. Also, if an underlying fund suspends redemptions or does not calculate its net asset value, the mutual fund will not be able to value all or part of its assets or redeem its shares. An adjustment to the mutual fund's holdings of an underlying fund may result in gains being distributed to shareholders. Accordingly, the underlying fund may have to make large purchases or sales of securities to meet the redemption or purchase requests of the mutual fund. The portfolio manager of the underlying fund may have to change the underlying fund's holdings significantly or may be forced to buy or sell investments at unfavourable prices, which may affect its performance and the performance of the mutual fund.

INVESTMENT RISK CLASSIFICATION AND METHODOLOGY

We assign an investment risk rating to the Fund to provide you with further information to help you determine whether the Fund is appropriate for you. The Fund is assigned an investment risk rating in one of the following categories: low, low-to-medium, medium, medium-to-high, or high risk.

The methodology we use to determine the risk rating of the Fund is based on the methodology recommended by the Fund Risk Classification Task Force of The Investment Funds Institute of Canada ("**IFIC Task Force**"). The IFIC Task Force concluded that the most comprehensive, easily understood form of risk in this context is historical volatility risk as measured by the standard deviation of fund performance. However, the IFIC Task Force recognizes that other types of risk, both measurable and non-measurable, may exist and reminds investors that historical performance may not be indicative of future returns and a fund's historical volatility may not be indicative of future volatility. The IFIC Task Force recommends that, in addition to considering the standard deviation of fund performance, fund managers should also consider other qualitative factors such as investment style and security selection process. As a result, we determine the risk rating of each Fund by using the following process:

1. Performing a detailed review of the Fund to identify and assess all relevant risk factors;

2. Calculating various risk and return metrics for the Fund, including determining the standard deviation of the Fund's volatility;

3. Determining the risk classification for the Fund using the IFIC Task Force's guidelines; and

4. Determining whether the risk classification assigned to the Fund in step 3 above is appropriate for the Fund and whether any adjustment is required in light of the qualitative factors identified in step 1 above.

   The risk rating assigned to the Fund is reviewed at least annually. The annual review will consider, among other things, the volatility of the Fund over the previous year, changes in asset mix and strategies of the Fund and any change to the IFIC Task Force's recommendations.

The methodology that the Manager uses to identify the investment risk level of the Fund is available on request, at no cost, by calling us (collect) at (416) 362-4141, by emailing us at info@ldic.ca or by writing to us at The Exchange Tower, 130 King Street West, Suite 2130, PO Box 399, Toronto, Ontario, M5X 1E2.

WHO SHOULD INVEST IN THIS FUND?

The Fund is suitable for investors who are seeking a potential for capital appreciation, have medium to high risk tolerance and have a medium to long-term investing horizon. However, the level of risk associated with any particular investment depends largely on an investor's personal circumstances.

Investors can invest a component of their total portfolio in the Fund to provide portfolio diversification. Investors should consider their personal investment profile and consult their financial advisor before making a decision to invest in the Fund.

DISTRIBUTION POLICY

The Fund will pay distributions of income, return of capital and capital gains, if any, annually in December to all unitholders. The Fund may, in its discretion, make other distributions from time to time in any calendar year. Unless you tell us in writing that you would prefer to receive cash distributions, we will automatically invest Fund distributions in additional units of the same class of the Fund at the net asset value per class unit thereof on the date of distribution. Distributions by the Fund are not guaranteed to occur on a specified date and the Fund is not responsible for any fees or charges incurred by you because the Fund did not effect on a distribution on a particular date.

FUND EXPENSES INDIRECTLY BORNE BY INVESTORS

The Fund pays its expenses (including the management fees) out of Fund assets. This means investors in the Fund indirectly pay these expenses through lower returns. See the heading "Fees and Expenses" on page 12 for further details.

The following information is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. It shows the cumulative expenses you would have paid over various time periods in respect of each class of unit of the Fund if you:

- invested $1,000;
- earned a total annual return of 5% (which may be different from the actual return in any given year and is only used for illustrative purposes); and
- paid the same management expense ratio each year since the inception of the Fund on April 19, 2013 to the financial year ended December 31, 2013 (calculated on an annualized basis).

Expenses Payable Over	**One Year***	**Three Years**	**Five Years**	**Ten Years**
Class A units	$35.06	$110.51	$193.70	$440.92
Class F units	$22.76	$71.74	$125.74	$286.21

**Since inception of the Fund on April 19, 2013 to the financial year ended December 31, 2013 (calculated on an annualized basis).*

The chart does not account for fees directly borne by you. For additional information about fees and expenses borne directly by investors, see "Fees and Expenses" on page 12. The trading expense ratio for Class A and Class F was 0.35% as at December 31, 2013.

ADDITIONAL INFORMATION

Additional information about the LDIC Fund Family will be available in the Fund's Annual Information Form, Fund Facts, management reports of fund performance and the Fund's financial statements. These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as a part of this document. Investors can get a copy of these documents, at their request, and at no cost, by contacting their registered representative or by calling the Manager (collect) at (416) 362-4141 or by emailing the Manager at info@ldic.ca.

These documents are also available the Manager's website at www.ldic.ca or by contacting the Manager at the address set forth below. Unless otherwise indicated herein, information about the Fund which may otherwise be obtained on the LDIC website is not, and shall not be deemed to be, incorporated in this Simplified Prospectus.

These documents and other information about the Funds are also available on the internet site of SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com.

LDIC INC.

The Exchange Tower, 130 King Street West, Suite 2130,

PO Box 399, Toronto, Ontario, M5X 1E2