

OCP CREDIT STRATEGY FUND

Interim Management Report of Fund Performance for the period
January 1, 2012 to June 30, 2012

Fund:

OCP Credit Strategy Fund

Securities:

Listed TSX: OCS.UN

Period:

January 1, 2012 to June 30, 2012

Manager:

Onex Credit Partners, LLC

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Notes:

1. This Interim Management Report of Fund Performance contains financial highlights but does not contain the complete Interim Report of Financial Statements of the Fund. You can get a copy of the Interim Financial Statements at your request, and at no cost, by contacting us (contact information above) or on SEDAR at www.sedar.com. Holders may also contact us to request a free copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.
2. This report may contain forward looking statements. Forward looking statements involve risks and uncertainties and are predictive in nature and actual results could differ materially from those contemplated by the forward looking statements.
3. Unless otherwise indicated all information is as at June 30, 2012.
4. None of the websites that are referred to in this Interim Management Report of Fund Performance, nor any of the information on any such websites, are incorporated by reference in this Interim Management Report of Fund Performance.

Investment Objectives and Strategies

The Fund provides exposure, by virtue of a forward agreement (the "Forward Agreement"), to the performance of an actively managed, diversified portfolio (the "Portfolio") held in OCP Investment Trust comprised primarily of senior debt obligations of non-investment grade North American issuers. Onex Credit Partners, LLC (the "Manager") is the manager of the Fund and also manages the Portfolio. The Fund, through exposure to the Portfolio, seeks to achieve the following investment objectives: to maximize total returns for securityholders, to provide holders tax-advantaged distributions currently targeted to be \$0.175 per quarter (\$0.70 per year to yield 7% per year based on the \$10.00 initial subscription price) and to preserve capital. The Manager seeks to generate attractive risk-adjusted returns through a long/short investment strategy focused on actively traded, event-driven, senior debt securities in the non-investment grade debt markets. In order to manage risk and volatility, the strategy is based on a diversified portfolio, with limited exposure to equity investments and no financial leverage.

Results of Operations

The Fund's net assets were \$259.9 million as at June 30, 2012, a decrease from \$261.3 million as at December 31, 2011. Factors contributing to this decrease include (i) distributions to securityholders of \$10.6 million; (ii) redemptions of \$2.8 million; and (iii) net investment loss of \$1.1 million. This was partially offset by an increase in the unrealized value of the Forward Agreement of \$12.5 million and a realized gain on the Forward Agreement of \$1.2 million.

Expenses were slightly higher as compared to the prior period primarily due to the increase in the average net assets, which increases the overall amount of any expenses that are calculated as a percentage of net assets.

As at June 30, 2012, net assets per unit of the Fund was \$8.66 after payment of distributions to securityholders of \$0.35 per unit compared to \$8.60 on December 31, 2011. For the six month period ended June 30, 2012, total return for the Fund (inclusive of distributions) was 4.7%. The return of the Fund is, by virtue of the Forward Agreement, based on the return of OCP Investment Trust, which, in turn, is based on the performance of the Portfolio.

The following Manager's Commentary relates to the Fund's exposure to the performance of the Portfolio held in OCP Investment Trust.

The Fund delivered strong risk-adjusted performance in the first half of 2012 as it generated a total return of 4.7%. The Fund benefitted from anticipated corporate events in several positions, improved market conditions in the first quarter, and the Manager's ability to preserve capital in the second quarter in spite of increased volatility associated with investors' renewed focus on global macroeconomic concerns. These concerns included Greece's potential exit from the European Union, the potential insolvency of Spanish banks, slowing U.S. employment gains, and a slowing Chinese economy. During the period, the five largest contributors to the Fund's performance included: Capmark Financial Group, Lehman Brothers Holdings, K. Hovnanian Enterprises, LightSquared LP and Beazer Homes USA.

The Portfolio's long exposure increased from 72.8% at the end of 2011 to 85.9% at the end of June 2012. Its short exposure increased from 17.9% at the end of 2011 to 21.5% at the end of June 2012. During the period, senior loan and corporate bond assets comprised the largest share of the Fund, which is consistent with its investment strategy.

The change in the composition of the Portfolio during the period was consistent with the Fund's investment objective. This has resulted in a portfolio of event-driven investments that the Manager believes will benefit from the specific corporate events, such as restructurings, re-financings, and bankruptcies, that it identified in its investment rationales. The Fund's assets can also generate interest income and may benefit from price appreciation.

Recent Developments

Global macroeconomic concerns continue to dominate financial headlines and weigh on investor sentiment. The Manager expects these issues will continue to draw attention for some time with markets intermittently focusing on the latest developments resulting in periods of higher volatility. That said the Manager believes it manages the Fund's overall risk level well by maintaining long and short investments and by focusing on larger, more actively traded senior loans and high yield bonds. The continued uncertainty over the strength of the U.S. and European economies combined with the still meaningful amounts of corporate debt that needs to be refinanced or restructured should continue to provide opportunities for the Fund's long/short, event-driven credit investment strategy.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

On December 12, 2011, the Canadian Accounting Standards Board ("AcSB") made a decision to extend the deferral of the adoption of International Financial Reporting Standards ("IFRS") by investment companies for an additional year to January 1, 2014. This extends the previous two-year deferral of IFRS to three years as compared to other publicly accountable entities. Consequently, IFRS will be applicable to the Fund for the fiscal year beginning January 1, 2014. At the transition date the prior fiscal year financial statements will require restatement to IFRS for comparative purposes.

The deferral is to provide time for the International Accounting Standards Board ("IASB") to finalize its guidance on investment entities such that a final standard could be issued after January 1, 2013, the previously established changeover date for investment companies in Canada.

The Fund has reviewed the existing body of IFRS against its current policies under Canadian GAAP and has noted certain policy differences, the most notable is the requirement to consolidate the financial results of the Fund with OCP Investment Trust. Currently, investment entities would have to follow the consolidation requirements as set out in IFRS 10 *Consolidated Financial Statements* because IFRS does not differentiate between them and other entities. As a result, they would have to consolidate their financial statements with that of an entity they are investing in if they control that entity. As part of a project on consolidated financial statements, the IASB published an Exposure Draft ("ED") for Investment Entities on August 25, 2011, that proposes an exception to the principle in IFRS that an entity consolidates all controlled entities. Instead, the ED would require an entity that meets the criteria to be an investment entity to measure all controlled investments at fair value, with changes recognized in profit or loss. Comments on the ED were due by January 5, 2012. The IASB expects to complete the project in the second half of 2012.

Apart from this, other major changes identified include the addition of a statement of cash flows and the classification of unitholder's equity (puttable instruments) as a liability unless certain conditions are met, as well as more extensive note disclosure requirements. These changes will not have an impact on the Fund's results of operations or financial position.

The process of evaluating the potential impact of IFRS on the financial statements is ongoing, as the IASB and the AcSB continue to issue new standards and recommendations.

Related Party Transactions

The Manager and the Fund are deemed to be related parties. Please refer to the section titled "Management Fees", which outlines the fees paid to the Manager. In addition, OCP Investment Trust paid \$16,170 in performance fees to the Manager during the period. The Manager and the Fund were not party to any other related party transactions during the period ended June 30, 2012.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance since inception.

THE FUND'S NET ASSETS PER UNIT ⁽¹⁾

	For the Six Months Ended June 30		For the Period Ended December 31	
	2012	2011	2010	2009 ⁽²⁾
Net Assets, beginning of period ⁽³⁾	\$8.60	\$9.49	\$9.50	\$9.44
Increase (decrease) from operations:				
Total revenue	0.01	0.00	0.00	0.00
Total expenses	(0.04)	(0.08)	(0.09)	(0.01)
Realized gains (losses) for the period	0.03	0.05	0.02	0.00
Unrealized gains (losses) for the period	0.41	(0.33)	0.83	0.08
Total increase (decrease) from operations ⁽⁴⁾	0.41	(0.36)	0.76	0.07
Distributions:				
From income (excluding dividends)	0.00	0.00	0.00	0.00
From dividends	0.00	0.00	0.00	0.00
From capital gains	0.00	0.00	0.00	0.00
Return of capital	(0.35)	(0.70)	(0.78)	0.00
Total Distributions ⁽⁵⁾	(0.35)	(0.70)	(0.78)	0.00
Net Assets, end of period ⁽⁶⁾	\$8.66	\$8.60	\$9.49	\$9.50

Notes:

- ⁽¹⁾ This information is derived from the Fund's audited annual and unaudited interim financial statements.
- ⁽²⁾ Results for the period from November 20, 2009 (inception date) to December 31, 2009.
- ⁽³⁾ For 2009, the net assets per unit reflects the issue price of \$10.00 less share issue expenses.
- ⁽⁴⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.
- ⁽⁵⁾ Distributions were paid in cash.
- ⁽⁶⁾ This is not a reconciliation of the beginning and ending net assets per unit.

RATIOS AND SUPPLEMENTAL DATA

	2012	2011	2010	2009
Total Net Asset Value (000s) ⁽¹⁾	\$259,900	\$261,336	\$197,103	\$197,489
Number of units outstanding ⁽¹⁾	30,020,640	30,379,175	20,780,000	20,780,000
Management expense ratio ⁽²⁾	3.04%	5.04%	3.41%	8.06%
Management expense ratio before waivers or absorptions	3.04%	5.04%	3.41%	8.06%
Trading expense ratio ⁽³⁾	0.25%	0.25%	0.25%	0.26%
Portfolio turnover rate ⁽⁴⁾	N/A	N/A	N/A	N/A
Net Asset Value per unit	\$8.66	\$8.60	\$9.49	\$9.50
Closing market price	\$8.42	\$8.50	\$9.74	\$10.00

Notes:

- ⁽¹⁾ This information is provided as at December 31 of the year shown, except 2012 which is provided as of June 30.
- ⁽²⁾ Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and, except as stated in the following sentence, is expressed as an annualized percentage of daily average net asset value during the period. The MER for the periods ended December 31, 2009, December 31, 2010 and December 31, 2011, include agents' fees and other offering expenses which, are one-time expenses and therefore are not annualized. Total expenses also include interest expense on short positions held in OCP Investment Trust. The MER for the periods ended December 31, 2009, December 31, 2010, December 31, 2011 and June 30, 2012 excluding agents' fees and offering expenses and interest expense are 2.05%, 2.68%, 2.07% and 2.04% respectively.
- ⁽³⁾ The trading expense ratio represents total commissions, forward agreement fees and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- ⁽⁴⁾ The Fund's return is linked, by virtue of a forward agreement, to the performance of a portfolio comprised primarily of senior debt obligations of non-investment grade North American issuers, and consequently, the portfolio turnover rate does not apply to the Fund.

Management Fees

The Manager is responsible for providing or arranging for all investment advisory and portfolio management services required by the Fund including, without limitation, managing the Portfolio in a manner consistent with the investment objectives, guidelines and restrictions of the Fund and for arranging for the execution of all portfolio transactions. The Manager is also responsible for the operational and administrative functions of the Fund. As compensation for the management services rendered to the Fund, the Manager is entitled to receive an annual management fee from the Fund in an amount equal to 0.3125% of the net asset value of the Fund, which is calculated weekly and paid monthly in arrears.

The Manager also receives an annual management fee in an amount equal to 0.9375% of the net asset value of OCP Investment Trust, which is calculated daily and paid monthly in arrears.

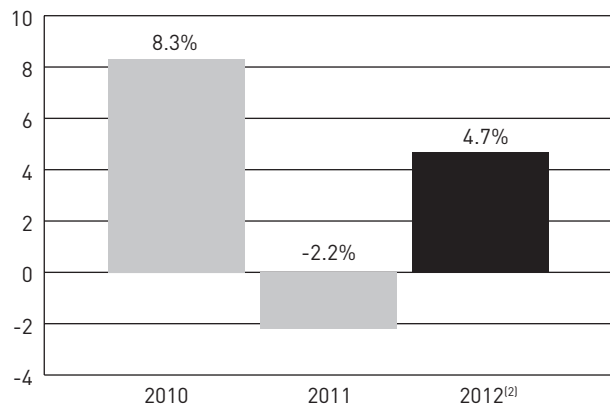
The Manager has retained FA Administration Services Inc. to provide certain administrative services to the Fund. The Manager pays FA Administration Services Inc. out of its management fee.

Past Performance

Please note that the performance information shown in this section assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. Also note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns on performance. The performance of the Fund in the past does not necessarily indicate how it will perform in the future.

YEAR-BY-YEAR RETURNS ⁽¹⁾

The following bar chart shows the Fund's annual performance for the periods shown and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of the period would have grown or decreased by the last day of the period.



⁽¹⁾ Returns are based on Net Asset Value per unit.

⁽²⁾ Return for the period January 1, 2012 to June 30, 2012.

Summary of Investment Portfolio

The Fund has entered into a forward agreement whereby the Fund obtains exposure to the performance of the Portfolio. Accordingly, these financial statements should be read in conjunction with the financial statements of OCP Investment Trust. The Interim Management Report of Fund Performance and Interim Financial Statements for OCP Investment Trust are available to securityholders and can be attained by visiting our website at www.ocpcreditstrategy.com or by writing to Onex Credit Partners, LLC, 910 Sylvan Avenue, Englewood Cliffs, New Jersey U.S.A. 07632, or on SEDAR at www.sedar.com.

The following is a summary of OCP Investment Trust's portfolio as at June 30, 2012. This is a summary only and will change due to ongoing portfolio transactions of the Fund. A quarterly update is available on www.ocpcreditstrategy.com.

The percentages set forth in this summary may vary from the percentages set forth in the monthly updates prepared by the Fund. Chief among the reasons for the variance is that in the monthly updates cash is adjusted to reflect payment or receipt of proceeds from any unsettled trades and to exclude the proceeds of any short sales, and that the calculations use the notional amount of each credit default swap rather than its marked to market position.

TOP HOLDINGS AS AT JUNE 30, 2012

Description	% of Net Asset Value of OCP Investment Trust
Long Positions	
Cash ⁽¹⁾	39.62
Lehman Brothers Holdings	5.28
Level 3 Financing Inc.	4.19
Federal Mogul Corporation	3.85
Caesars Entertainment Operating Co. Inc.	3.57
Chesapeake Energy Corporation	3.37
American Airlines Inc.	3.30
Dynegy	3.26
Harbinger Group Inc.	3.11
Beazer Homes USA	3.04
Springleaf Financial Funding Company	3.02
Texas Competitive Electric Holdings Company	2.77
Capmark Financial Group (Equity)	2.75
Tribune Company	2.71
Realty Corporation	2.35
ACST Pass Through Trust Floating Rate	2.28
Alon USA Energy, Inc.	2.06
Glitnir Bank	2.00
Tervita Corporation	1.92
Arvin Meritor Inc.	1.79
Mach Gen LLC	1.78
Edison Mission Energy	1.71
First Data Corporation	1.60
K Hovnanian Enterprises	1.57
LightSquared LP	1.53
Short Positions	
Spanish Government Bonds	(4.83)
Arch Coal, Inc.	(1.50)
Italian Government Bonds	(1.44)
US Treasury Notes	(0.90)
USG Corporation	(0.89)
Visteon Corporation	(0.88)
Chesapeake Energy Corporation	(0.86)
Lender Processing Services Inc.	(0.84)
HD Supply Inc.	(0.57)
Cenveo Inc.	(0.47)
J Crew Group, Inc.	(0.33)
Alpha Natural Resources, Inc.	(0.31)
Tribune Company	(0.20)
Total Net Asset Value of OCP Investment Trust	\$259,289,240

SECTOR ALLOCATION AS AT JUNE 30, 2012

Industry	% of Net Asset Value of OCP Investment Trust
Long Positions	
Cash ⁽¹⁾	39.62
Finance	12.22
Independent Power Producers	9.63
Transportation	8.86
Other	7.58
Housing/Building Products	7.46
Energy	6.95
Aerospace	6.21
Telecom	5.72
Gaming/Leisure	5.45
Business Services	4.21
Media	3.04
Energy Service	2.56
Forest Products/Containers	1.38
Technology	1.29
Healthcare	0.88
Food	0.86
Chemicals	0.68
Index	0.67
Retail	0.16
Real Estate	0.11

Industry	% of Net Asset Value of OCP Investment Trust
Short Positions	
Government Bonds	(7.17)
Energy	(2.67)
Business Services	(1.31)
Housing/Building Products	(0.89)
Transportation	(0.88)
Manufacturing	(0.57)
Retail	(0.33)
Media	(0.20)

Portfolio composition**% of Net Asset Value of
OCP Investment Trust****Long Positions**

Bank Debt	48.79
Cash ⁽¹⁾	39.62
Bonds	26.68
Equities	5.70
Other	3.95
Warrants	0.46
Credit Default Swaps	0.25
Options	0.09

**% of Net Asset Value of
OCP Investment Trust****Short Positions**

Bonds	(13.83)
Unfunded Bank Debt Commitments	(0.20)

⁽¹⁾ Cash, net of amounts receivable for investments sold and payable for investments purchased, short proceeds received and other miscellaneous items is 14.11%.

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