OCP CREDIT STRATEGY FUND

Monthly Update as at December 31, 2012

Investment Rationale and Objectives

OCP Credit Strategy Fund provides Unitholders with exposure to the performance of an actively managed, diversified portfolio comprised primarily of senior debt obligations of non-investment grade North American issuers.

The Fund's objectives are: (i) to maximize total returns for Unitholders, on a tax-advantaged basis; (ii) to provide Unitholders with attractive, quarterly, tax-advantaged distributions, currently targeted to be $0.70 per annum, representing an annual yield of 7% based on the original issue price of $10.00 per Unit; and (iii) to preserve capital.

Details

Date of Inception:	November 20, 2009
Issue Price:	$10.00
Opening NAV (November 20, 2009):	$9.44
Ticker Symbol:	OCS.UN (TSX)
Total Net Assets:	$ 264,517,470*
NAV per Unit:	$8.84*
Market Price:	$8.90 *
Latest Distribution: December 31, 2012	$0.1750
Distribution Frequency:	Quarterly
Cash Distributions Since Inception:	$2.1786

**As at December 31, 2012*

Commentary

Net performance of OCP Credit Strategy Fund was 0.98% in December resulting in a 2012 net return of 10.94%. Markets extended their gains on confidence of at least an initial resolution to the "fiscal cliff" by year end. The CS Leveraged Loan Index, CS High Yield Bond Index, and S&P500 returned 0.73%, 1.50%, and 0.91% in the month, respectively.

The largest contributors to the month's gain included the senior secured loans of Tribune Corporation and claims of Glitnir. Gains were offset by small losses, including the secured municipal bonds of bankrupt Jefferson County. Tribune's loans traded up in December in anticipation of the company's emergence from bankruptcy within the month. By way of background, in April 2007, Tribune, a large diverse media company, structured a leveraged buyout with Sam Zell that greatly increased the company's outstanding debt. As the final steps of the transaction were closing, the newspaper publishing industry was facing a decline which was exacerbated by a recession leading Tribune to file for bankruptcy protection in December 2008. Onex Credit Partners (OCP) had begun to invest in Tribune bank debt in June 2008 (early 2010 in the OCP Credit Strategy Fund), opportunistically adding to that position in December 2008, believing that the company would benefit from an improving economy and would ultimately succeed in rationalizing its business and reorganize in a manner that would unlock the value in many of its assets, including the Chicago Cubs, certain media joint ventures such as the Television Food Network and CareerBuilder, and valuable real estate owned by the company. Moreover, the value of Tribune's assets was obscured by a complex balance sheet, numerous collective bargaining arrangements, a maze of federal media regulations and litigious groups of creditors.

From the outset, the Tribune bankruptcy case was contentious, with various creditor groups claiming that the LBO was a fraudulent conveyance and that the loans held by senior lenders, such as the Fund, should be avoided. While the bankruptcy process was mired in litigation, OCP believed that these claims would ultimately be settled at a reasonable cost, to the benefit of the senior lenders. The four year life of the bankruptcy case provided opportunities for OCP to trade around its exposures as the fortunes of various creditor positions were perceived to be benefitted or harmed. In particular, OCP recognized that Tribune's revolving credit obligations traded at prices that did not accurately value the likelihood that letter of credit exposure was unlikely to be drawn down over the life of the bankruptcy case, resulting in a par recovery on that portion of the exposure allowing OCP to achieve a greater overall recovery by exchanging term loan exposure for revolving credit exposure. Tribune ended its bankruptcy odyssey on December 31, 2012 making distributions consisting largely of cash and equity. The Fund has reduced its exposure to Tribune but continues to hold part of its distribution.

As OCP reported in November, Glitnir claims were under pressure as tensions among the Central Bank and Icelandic government, press, and political candidates ahead of the Icelandic national elections slowed the process for approval of Glitnir's reorganization. Glitnir claims have rebounded as Icelandic Central Bank officials met with Glitnir's advisors in early December increasing expectations of a negotiated solution in the second half of 2013. The Fund's position in bankrupt Jefferson County bonds moved lower in sympathy with the broader municipal market as investors worried about the possible loss of some of the tax advantage related to municipal bonds as part of the ongoing "fiscal cliff" negotiations. While the risk is not fully removed, the municipal bond market has been encouraged by the current state of discussions. More importantly to the Fund's investment in Jefferson County bonds, OCP continues to expect that value will be unlocked for bond holders through a negotiated, consensual settlement, which includes a partial refinancing in the municipal bond market. Given the markets' strength, the Fund's shorts, including the high yield bond index, also detracted from performance.

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ONEX CREDIT PARTNERS

Five Strongest and Weakest Performers

Strongest	Weakest
TXU Senior Secured Loan	Arch Coal Senior Unsecured Note (short)
K. Hovnanian Senior Bond	Jefferson County Secured Municipal Bond
Lightsquared Senior Secured Loan	High Yield Bond CDX
Glitnir Claim	Best Buy (CDS)
Tribune Senior Credit Facility	Smithfield Foods (CDS)

The chart shows the top five strongest and weakest holdings contributing to the Fund's performance for the month. These holdings do not represent all of the assets held, purchased or sold during the month.

Industry Exposure**

	Long	Short	Net
Transportation	15.71%	-1.66%	14.04%
Independent Power Producers	10.41%	0.00%	10.41%
Housing/Building Products	8.51%	-0.96%	7.55%
Finance	7.32%	0.00%	7.32%
Aerospace	4.91%	0.00%	4.91%
Gaming/Leisure	4.81%	0.00%	4.81%
Energy Service	2.96%	0.00%	2.96%
Technology	4.59%	-1.92%	2.67%
Telecom	2.62%	0.00%	2.62%
Energy	4.31%	-1.92%	2.38%
Business Services	2.44%	-0.51%	1.93%
Media	1.11%	0.00%	1.11%
Forest Prod/Containers	0.82%	0.00%	0.82%
Chemicals	0.68%	0.00%	0.68%
Real Estate	0.12%	0.00%	0.12%
Retail	1.50%	-2.08%	-0.58%
Manufacturing	0.00%	-0.62%	-0.62%
Consumer Non-Durable	0.00%	-1.71%	-1.71%
Food	0.86%	-3.43%	-2.58%
Index	0.00%	-3.92%	-3.92%
Other	11.22%	-3.02%	8.20%
Adjusted Exposure**	**84.91%**	**-21.75%**	**63.15%**

*** Shorts include the notional value of the credit default swaps, if any.*

Portfolio Composition***

	Long	Short	Net
Bank Debt	47.19%	0.00%	47.19%
Corporate Bonds	27.79%	-7.93%	19.86%
Government Bonds	0.00%	-3.02%	-3.02%
Equity	4.49%	-0.43%	4.05%
Other	4.65%	0.00%	4.65%
Puts	0.00%	0.00%	0.00%
Call Options	0.00%	0.00%	0.00%
Warrants	0.80%	0.00%	0.80%
Notional value of CDS	0.00%	-10.38%	-10.38%
Notional value of Puts	0.00%	0.00%	0.00%
Adjusted Exposure**	**84.91%**	**-21.75%**	**63.15%**
Cash****	15.09%	0.00%	15.09%
Total Exposure	**100.00%**	**-21.75%**	**78.25%**

*** The Portfolio refers to the positions held by underlying fund, OCP Investment Trust.

**** Cash is adjusted to reflect payment or receipt of proceeds from any unsettled trades and to exclude the proceeds of any short sales.

All amounts in Canadian dollars unless otherwise stated. Certain statements constitute forward-looking statements, including, but not limited to, those identified by the expressions "expect", "intend", "will" and similar expressions to the extent they relate to the Fund. The forward-looking statements are not historical facts but reflect Onex Credit Partners, LLC's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Although Onex Credit Partners, LLC believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, readers are cautioned not to place undue reliance on such statements due to the inherent uncertainty therein. Onex Credit Partners, LLC undertakes no obligation to update publicly or otherwise revise any forward-looking statement or information whether as a result of new information, future events or other such factors which affect this information, except as required by law. Commissions, trailing commissions, management fees and expenses all may be associated with an investment in the Fund. Please read the Fund's continuous disclosure documents (found on SEDAR) before investing. The Fund is not guaranteed, its value changes frequently and past performance may not be repeated.

The Portfolio refers to the positions held by the underlying fund, OCP Investment Trust. Through a forward agreement, the return of the Fund is dependent on the return of the Portfolio. Performance figures for the Fund are based on Canadian generally accepted accounting principles and were based on audited financial statements through December 31, 2011 and unaudited monthly estimates thereafter. Performance figures for the Fund include distributions paid during the relevant period and are calculated net of expenses and fees. Returns for the Fund may diverge from the returns for the Portfolio for several reasons including the incurrence of expenses and payment of distributions by the Fund.