

OCP CREDIT STRATEGY FUND

Monthly Update as at January 31, 2015



Investment Rationale and Objectives

OCP Credit Strategy Fund provides Unitholders with exposure to 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 (ii) to provide Unitholders with attractive, quarterly 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:	\$217,049,660.66*
NAV per Unit:	\$8.24*
Market Price:	\$8.08*
Latest Distribution: December 31, 2014	\$0.1750
Distribution Frequency:	Quarterly
Cash Distributions Since Inception:	\$3.5786

*As at January 30, 2015

Fund Returns (%)

	1M	3M	6M	YTD	1Y	2Y	3Y	SI
OCP Credit Strategy Fund (OCS.UN)	-1.94	-2.91	-7.28	-1.94	-3.10	3.67	5.67	5.03

Commentary

Net performance of OCP Credit Strategy Fund (the Fund) was (1.94%) in January. For the month of January, the CS Leveraged Loan, CS High Yield indices and S&P 500 returned 0.26%, 0.44% and (3.00%), respectively.

Volatility remained in the market in January as investors remained focused on the continued decline in oil and commodity prices. While our direct exposure to these sectors is modest, declines in the Portfolio's shipping investments outweighed positive performance by this month's positive performers, including Momentive Performance Materials ("Momentive"), Caesars Entertainment Resort Properties ("CERP") and Caesars Entertainment Corp ("Caesars"). Negative market sentiment for commodity related investments in the Fund, coupled with certain trading technicals, has resulted in these shipping investments continuing to trade at significant discounts to appraised fleet net asset values.

The Portfolio holds secured bank loans in Caesars, the operating entity of the gaming organization and CERP, which owns distinct properties managed by Caesars, including several key properties in Las Vegas. As expected, Caesars filed for bankruptcy protection in January after negotiating a restructuring agreement with certain key creditors. Negotiations continue with Caesars' secured bank loan holders, who did not support the restructuring agreement in sufficient number to secure approval. We believe the ultimate recovery package will be worth more than the current market value of the loan we own. CERP did not file for bankruptcy protection and is not expected to be affected by the process. CERP and Caesars loans traded up as a result of the increased certainty and we continue to believe the CERP loans are fully covered at par.

Momentive, one of the largest global producers of silicon metals and derivatives, filed for bankruptcy in early 2014 resulting from a supply driven downturn combined with an over levered balance sheet. We started building a position in the first-lien bonds at the end of the bankruptcy when they traded down as it became clear that secured bondholders would not be entitled to a make-whole payment. Additionally, when the judge ruled that the first lien bonds would be reinstated at a lower, non market interest rate, we continued to buy bonds as we believe bondholders have a strong argument to get a higher "market" interest rate on appeal. With a de-levered balance sheet and improving business fundamentals, we believe these bonds are well covered and will continue to trade higher.

Eagle Bulk's and Genco's restructured balance sheets will enable these dry bulk shipping companies to survive the current cyclical downturn. However, in light of the uncertain timing of the recovery in rates in the dry bulk sector, we continue to reduce our positions in this sector. As expected, Eitzen Chemical consummated its restructuring in January, with holders receiving a partial cash paydown and shares of reorganized equity. Eitzen operations are benefitting from lower fuel costs and a modest uptick in chemical charter rates. We believe that the shares are trading at a discount to its peers based on the net asset value of the Company's fleet and that this discount will diminish over time.

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Five Strongest and Weakest Performers

Strongest

Momentive First Lien Notes
 Global Ship Lease Secured Bond
 Caesars/CERP Senior Secured Loans
 Proshares Ultrashort Euro ETF (short)
 FMG Resources Senior Unsecured Bond (short)

Weakest

Eitzen Senior Secured Loans
 Eagle Bulk Senior Secured Loan
 Genco Shipping & Trading Equity
 Gold Bridge Shipping Senior Secured Loan
 General Motors Warrants

The chart shows the top five strongest and weakest holdings contributing to the Portfolio'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
Trucking	7.11%	0.00%	7.11%
Business Services	6.78%	0.00%	6.78%
Independent Power Producers	6.24%	0.00%	6.24%
Automobiles	8.95%	-3.53%	5.42%
Shipping - Chemical	4.63%	0.00%	4.63%
Energy	4.76%	-0.22%	4.55%
Shipping - Tankers	4.53%	0.00%	4.53%
Housing/Building Products	5.97%	-1.46%	4.50%
Aerospace	3.73%	0.00%	3.73%
Transportation/Logistics	3.59%	0.00%	3.59%
Gaming/Leisure	4.32%	-0.78%	3.54%
Chemicals	4.65%	-1.11%	3.53%
Finance	3.08%	-0.13%	2.95%
Media	3.54%	-0.84%	2.70%
Shipping - Dry Bulk	2.60%	0.00%	2.60%
Technology	2.30%	0.00%	2.30%
Infrastructure	1.75%	0.00%	1.75%
Energy Service	1.29%	-0.86%	0.44%
Manufacturing	0.00%	-0.37%	-0.37%
Packaging	0.00%	-0.81%	-0.81%
Telecom	0.00%	-0.88%	-0.88%
Forest Prod/Containers	0.00%	-1.04%	-1.04%
Metals/Minerals	0.00%	-1.40%	-1.40%
Index	0.20%	-2.07%	-1.87%
Other	8.67%	-1.24%	7.43%
Adjusted Exposure**	88.68%	-16.73%	71.95%

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

Portfolio Composition

	Long	Short	Net
Bank Debt	35.39%	0.00%	35.39%
Corporate Bonds	34.77%	-13.29%	21.48%
Government Bonds	0.00%	-1.24%	-1.24%
Equity	10.09%	-1.00%	9.10%
Other	6.83%	0.00%	6.83%
Puts	0.00%	0.00%	0.00%
Warrants	1.60%	0.00%	1.60%
Notional value of CDS	0.00%	-1.20%	-1.20%
Notional value of Puts	0.00%	0.00%	0.00%
Adjusted Exposure**	88.68%	-16.73%	71.95%
Cash***	11.32%	0.00%	11.32%
Total Exposure	100.00%	-16.73%	83.27%

***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.

You will usually pay brokerage fees to your dealer if you purchase or sell units of the investment fund on the Toronto Stock Exchange ("TSX"). If the units are purchased or sold on the TSX, investors may pay more than the current net asset value when buying units of the investment fund and may receive less than the current net asset value when selling them. There are ongoing fees and expenses associated with owning units of an investment fund. An investment fund must prepare disclosure documents that contain key information about the fund. You can find more detailed information about the fund in these documents. **The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account certain fees (such as redemption fees or optional charges) or income taxes payable by any unitholder that would have reduced returns.** Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

Performance figures for the Fund are based on Canadian generally accepted accounting principles and were based on audited financial statements through December 31, 2013 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.