

OCP CREDIT STRATEGY FUND

Monthly Update as at September 30, 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:	\$177,422,198.57*
NAV per Unit:	\$7.39*
Market Price:	\$7.14*
Latest Distribution: September 30, 2015	\$0.1750
Distribution Frequency:	Quarterly
Cash Distributions Since Inception:	\$4.1036

*As at September 30, 2015

Fund Returns (%)

	1M	3M	6M	YTD	1Y	2Y	3Y	5Y	SI
OCP Credit Strategy Fund (OCS.UN)	-2.23	-4.47	-3.78	-5.89	-8.91	-1.33	2.17	3.42	3.72

Commentary

Net performance of OCP Credit Strategy Fund (the Fund) was (2.23%) and (5.89%) for September and year-to-date, respectively. For the month of September, the CS Leveraged Loan, CS High Yield and S&P 500 TR indexes returned (0.67%), (2.50%) and (2.47%), respectively.

The Fund's performance in September was largely the result of continued overall market weakness led by volatility in equities and commodities and negative global events. Over the last few weeks, the Chemicals sector has undergone a broad repricing amid declining oil prices, overall global macro concerns and slowdown in emerging markets and Europe. Chemical companies are heavily affected by economic downturns as their operations require substantial lead time to adjust to changes in supply and demand. This month, one of the Fund's worst performers and two of the best performing positions (which happened to be short positions) were all in chemical companies.

The Fund's short positions in the unsecured bonds of Tronox Ltd. ("Tronox") and Ineos Group S.A. ("Ineos") contributed positively to performance during the month. Tronox is a fully integrated seller and marketer of titanium dioxide ("TiO2") pigment, which provides brightness to applications such as coatings, plastics and paper. TiO2 pricing has been under pricing pressure for the past year due to excess global capacity, which combined with heightened concerns for TiO2 demand, caused the bonds to sell-off significantly during the month of September. The Fund initiated a short position in the bonds when they were trading close to par value some time ago and covered the short at a low \$60 price in late September and very early October.

We initiated a short position in Ineos in August. Ineos is a global manufacturer of petrochemicals, specialty chemicals and oil products and is a company we have invested in and followed for years. As oil and ethylene prices have dropped, Ineos and other chemical companies have seen a change in customer buying patterns as prices decline and buyers hold off purchases. Although Ineos has most recently reported strong earnings, it remains sensitive to economic downturns and at current valuations, is an inexpensive option for us in the portfolio. The position performed well in September and we believe the investment continues to provide a favorable risk/reward short opportunity.

We have owned first-lien senior secured bonds issued by Momentive Performance Materials Inc. ("Momentive"), a global leader in silicones, quartz and ceramics, for over a year. The Fund's investment in the first-lien senior secured bonds, which were issued by Momentive upon its exit from bankruptcy, is based on a combination of value and potential litigation upside. These bonds were approved by the bankruptcy court after the court rejected claims by the pre-petition first-lien creditors that 1) the interest rate on these bonds was insufficient and 2) that they were entitled to an early payment premium. This ruling is currently under appeal.

Volatility in the high-yield markets during the month of September, coupled with concerns over deteriorating fundamentals in the chemicals sector, have led to significant spread widening in Momentive bonds. We continue to believe the first-lien senior secured bonds are fully covered and following the recent sell-off, are seeking to add to the position given the company's improving fundamentals and the potential for a favorable outcome on appeal.

The Chemicals sector was the most recent casualty of a broader high-yield market repricing. We believe other sectors are not far behind and while recent Fund performance makes it difficult to see the upside, these dramatic shifts in our markets are creating very interesting opportunities for our portfolio.

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Five Strongest and Weakest Performers

Strongest

Tronox Senior Unsecured Bonds (Short)
 K. Hovnanian Equity and Senior Notes
 Glitnir Claims
 Ineos Bonds (Short)
 Term Term Loan, Equity and Warrants

Weakest

TCEH Senior Secured Loans & Bonds
 Capmark Financial Restructured Equity
 Momentive Secured Notes
 Genco Equity
 Avaya Senior Secured Loans and Bonds

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
Energy	13.43%	-0.02%	13.41%
Trucking	7.32%	0.00%	7.32%
Business Services	7.07%	0.00%	7.07%
Automobiles	9.04%	-3.26%	5.78%
Independent Power Producers	5.26%	0.00%	5.26%
Media	5.99%	-1.03%	4.96%
Shipping - Chemical	4.74%	0.00%	4.74%
Housing/Building Products	4.61%	0.00%	4.61%
Gaming/Leisure	4.09%	0.00%	4.09%
Aerospace	3.31%	0.00%	3.31%
Finance	3.27%	-0.17%	3.10%
Transportation/Logistics	3.01%	0.00%	3.01%
Shipping - Tankers	2.99%	0.00%	2.99%
Telecom	2.35%	0.00%	2.35%
Technology	1.81%	0.00%	1.81%
Chemicals	3.54%	-2.00%	1.54%
Energy Service	2.03%	-0.80%	1.23%
Shipping - Dry Bulk	1.17%	0.00%	1.17%
Consumer Durables	0.76%	0.00%	0.76%
Packaging	0.85%	-1.01%	-0.16%
Index	0.00%	-0.65%	-0.65%
Metals/Minerals	0.00%	-0.91%	-0.91%
Forest Products/Containers	0.00%	-1.12%	-1.12%
Retail	0.00%	-5.45%	-5.45%
Other	10.29%	-1.55%	8.74%
Adjusted Exposure**	96.92%	-17.96%	78.96%

Portfolio Composition

	Long	Short	Net
Bank Debt	40.15%	0.00%	40.15%
Corporate Bonds	37.84%	-11.38%	26.46%
Government Bonds	0.00%	-1.55%	-1.55%
Municipal Bonds	0.63%	0.00%	0.63%
Equity	8.46%	-0.83%	7.63%
Other	9.24%	0.00%	9.24%
Puts	0.00%	0.00%	0.00%
Warrants	0.60%	0.00%	0.60%
Notional value of CDS	0.00%	-4.19%	-4.19%
Notional value of Puts	0.00%	0.00%	0.00%
Adjusted Exposure**	96.92%	-17.96%	78.96%
Cash***	3.08%	0.00%	3.08%
Total Exposure	100.00%	-17.96%	82.04%

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

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

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, 2014 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 incurrance of expenses and payment of distributions by the Fund.