
OCP Investment Trust

Annual Management Report of Fund Performance
for the year ended December 31, 2010

Fund: OCP Investment Trust

Securities: Trust Units

Period: January 1, 2010 to December 31, 2010

Manager: Onex Credit Partners, LLC
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Notes:

1. This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete Annual Financial Statements of the Fund. You can get a copy of the Annual Financial Statements at your request, and at no cost, by contacting us (contact information above) or on SEDAR at www.sedar.com. Securityholders 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 December 31, 2010.
4. None of the websites that are referred to in this Annual Management Report of Fund Performance, nor any of the information on any such websites, are incorporated by reference in this Annual Management Report of Fund Performance.

Investment Objectives and Strategy

The Fund's investment objectives are to maximize total returns for securityholders while preserving capital. The Fund 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 volatility, the strategy is based on a diversified portfolio, with limited exposure to equity investments and no financial leverage.

Risks

There were no changes to the Fund over the period of this report that affected the overall level of risk associated with an investment in the Fund. Securityholders should refer to the Fund's annual information form ("AIF") dated December 31, 2010 as it contains a detailed discussion of risk and other considerations relating to an investment in the Fund. The AIF is available free of charge from us (contact information above), on our website www.ocpcreditstrategy.com and on SEDAR www.sedar.com. Readers are also directed to Note 8 of the Fund's 2010 Annual Financial Statements which discusses management of financial risks.

Results of Operations

The Fund's net assets were \$197.2 million as at December 31, 2010, an increase from \$195.8 million as at December 31, 2009. The largest factors contributing to this increase were (i) an increase in the unrealized appreciation of portfolio investments of \$7.5 million; (ii) net realized gain on sales of investments of \$5.7 million; (iii) net unrealized foreign exchange gain of \$1.4 million; (iv) net realized foreign exchange gain of \$0.4 million; and (v) net investment income of \$3.1 million. This was partially offset by redemptions of \$16.7 million.

For the fiscal year ended December 31, 2010, the net assets per unit of the Fund was \$10.33 compared to \$9.42 on December 31, 2009. Total return for the Fund was 9.7% over the period.

Investment income and expenses both increased as compared to the prior period as the prior period reflects a partial period as the Fund was launched on November 20, 2009. In addition, as at December 31, 2010, the Fund accrued \$1,042,891 in performance fees payable to the Manager.

In 2010, the Fund's return was driven primarily by an increase in its long invested level which exposed the Fund to a number of holdings that benefited from positive corporate events, offset partially by its short exposure. The Fund's long invested level increased from 37% at December 31, 2009, to 65% at March 31, 81% at June, 30, 88% at September 30, and 74% at December 31, 2010. Consistent with its investment strategy, the Portfolio's invested balance will fluctuate as investments are realized and initiated. The five largest contributors to performance in the year included Chemtura Corporation, Delphi Equity Class B, CIT Group Inc., Abitibi Bowater, and IHOP, each experiencing anticipated, positive corporate events which increased their market values. The Portfolio's short exposure increased over the year, peaking at 24% in the fourth quarter.

The most material change from the previous period (which covered the period November 20, 2009 to December 31, 2009) was the increase in the Portfolio's long invested level, further deploying cash to build a portfolio of assets consistent with the investment strategy.

The change in the composition of the Portfolio during the year resulted from with the Manager deploying capital in a disciplined manner 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 restructuring, refinancings, and bankruptcies. In addition to benefitting from specific corporate events, the Portfolio's assets can also generate interest income and capital gains.

Capital markets experienced upward trending, but volatile markets in 2010, with volatility driven by issues such as the Euro-zone sovereign debt crisis, concerns over inflation, the U.S. mid-term elections, and the U.S. Federal Reserve's policies. On balance, investor appetite for risk increased, as reflected in the higher prices and tighter spreads of non-investment grade credit. That said, the Manager believes that it managed the Fund's overall risk level by maintaining a long and short balance.

Recent Developments

Going forward, the Manager believes that the continued uncertainty over the strength and length of the U.S. and European economic recoveries combined with the still significant amounts of corporate debt that needs to be refinanced or restructured should continue to provide volatility and opportunities for the Fund's long/short, event-driven credit investment strategy.

International Financial Reporting Standards

On January 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, 2013. This results in a two-year deferral of IFRS adoption by investment companies compared to other publicly accountable entities. At the transition date, the prior fiscal year financial statements will require restatement to IFRS for comparative purposes.

The Fund is continuing with its orderly transition plan to meet the requirements to changeover to IFRS. The Fund has reviewed the existing body of IFRS against its current policies under Canadian GAAP and has noted certain policy differences. The 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.

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, as at December 31, 2010, the Fund accrued \$1,042,891 in performance fees payable to the

Manager, which will be paid in the first quarter of 2011. The Manager and the Fund were not party to any other related party transactions during the year ended December 31, 2010.

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⁾

	2010	2009 ⁽²⁾
Net assets, beginning of period	\$9.42	\$9.34
Increase (decrease) from operations		
Total revenue	0.33	0.00
Total expenses	(0.17)	(0.01)
Realized gains (losses) for the period	0.31	0.04
Unrealized gains (losses) for the period	0.43	0.05
Total increase (decrease) from operations⁽³⁾	0.90	0.08
Distributions:		
From income (excluding dividends)	0.00	0.00
From dividends	0.00	0.00
From capital gains	(0.95)	(0.08)
Return of capital	0.00	0.00
Total Distributions⁽⁴⁾	(0.95)	(0.08)
Net assets as at December 31⁽⁵⁾	\$10.33	\$9.42

Notes:

(1) This information is derived from the Fund's audited annual financial statements.

(2) Results for the period from November 20, 2009 (inception date) to December 31, 2009.

(3) 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.

(4) Distributions were reinvested in additional units of the Fund.

(5) This is not a reconciliation of the beginning and ending Net assets per unit.

Ratios and Supplemental Data

	2010	2009
Total net asset value (000's) ⁽¹⁾	\$197,210	\$195,830
Number of units outstanding ⁽¹⁾	19,094,689	20,791,733
Management expense ratio ⁽²⁾	1.79%	1.19%
Management expense ratio before waivers or absorptions	1.79%	1.19%
Trading expense ratio ⁽³⁾	0.01%	0.01%
Portfolio turnover rate ⁽⁴⁾	132.47%	26.22%
Net asset value per unit	\$10.33	\$9.42

Notes:

⁽¹⁾ This information is provided as at December 31 of the year shown.

⁽²⁾ Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

⁽⁴⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser 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 once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Management Fees

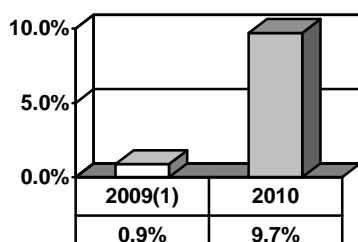
The Manager is responsible for providing or arranging for all investment advisory and portfolio management services required by the Fund including, without limitation, managing the portfolio in a manner consistent with the investment objectives, guidelines and restrictions of the Fund and for arranging 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 0.9375% of the net asset value of the Fund, which is calculated weekly and paid monthly in arrears.

Past Performance

Please note that the performance information shown in this section assumes that all distributions made by the Fund in the period 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

The following bar chart shows the Fund's annual performance for the periods shown. 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 for the period from November 20, 2009 to December 31, 2009.

Annual Compound Returns

The table below summarizes the Fund's annual compound total returns for the periods ended December 31 as indicated. As a basis for comparison, we have provided the performance of the Credit Suisse High Yield Index ("**Index A**") which is designed to mirror the investable universe of the \$US-denominated high yield debt market and the Credit Suisse Leveraged Loan Index ("**Index B**") which is designed to mirror the investable universe of the \$US-denominated leveraged loan market. As the criteria for determining the constituents of the Portfolio and the indexes differ, it is not expected that the Fund's performance will mirror that of the indexes. Further, the return of the indexes is calculated without the deduction of management fees and fund expenses whereas the performance of the Fund is calculated after deducting such fees and expenses.

Period	Fund	Index A	Index B
1 year	9.7%	14.4%	10.0%
Since Inception	9.5%	15.9%	11.9%

Summary of Investment Portfolio

The following is a summary of the Fund's investment portfolio as at December 31, 2010. 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 25 Holdings as at December 31, 2010

DESCRIPTION	% of Net Asset Value
Long Positions	
Cash ⁽¹⁾	49.45
Boyd Gaming Corporation	4.80
Texas Competitive Electric Holdings Company	3.76
Caesar's (formerly known as Harrah's Operating Company Inc.)	3.59
Delphi Equity Class B	3.56
American General Finance	3.40
Ford Motor Company	3.20
K Hovnanian Enterprises	3.09
Tribune Company	3.02
CIT Group Inc.	2.50
General Motors Company (preferred equity)	2.45
Willbros United States Holdings Inc.	2.41
Ally Financial (formerly known as GMAC Inc.) (preferred equity)	2.34
ACST Pass Through Trust Floating Rate	2.24
Level 3 Financing Inc.	2.14
Chemtura Corporation	2.13
Dynegy Holdings Inc.	2.05
Lyondell Chemical Company	2.03
Mach Gen LLC	1.75
Edison Mission Energy	1.66
Harbinger Group Inc.	1.66
United Airlines Inc.	1.49
Lehman Brothers Holdings	1.49
Charter Communications Operations	1.48
BP Capital Markets PLC	1.46

Short Positions

Spanish Government Bonds	(2.61)
BP Capital Markets PLC	(1.46)
US Treasury Note	(1.41)
Simon Property Group LP	(1.17)
MGM Resorts International	(1.12)
Lender Process Services	(1.06)
USG Corporation	(1.05)
Dunkin Finance Corporation	(1.04)
Level 3 Financing Inc.	(0.65)
Warner Chilcott Company LLC	(0.61)
Caesar's (formerly known as Harrah's Operating Company Inc.)	(0.55)
Rite Aid Corporation	(0.53)
Tribune Company	(0.32)
Las Vegas/Venetian Orient	(0.13)
Total Net Asset Value	\$197,210,106

Sector Allocation as at December 31, 2010

INDUSTRY **% of Net Asset Value**

Long Positions

Cash ⁽¹⁾	49.45
Finance	12.09
Transportation	10.14
Independent Power Producers	9.23
Gaming / Leisure	8.40
Housing / Building Products	5.55
Chemicals	5.54
Energy Service	4.40
Aerospace	3.73
Media	3.35
Telecom	2.35
Other	1.49
Cable / Wireless Video	1.48
Business Services	1.30
Forest Products / Containers	1.12
Healthcare	0.63
Metals / Minerals	0.18
Real Estate	0.10
Index	(0.07)

Short Positions

Other	(4.02)
Gaming / Leisure	(1.80)
Energy Service	(1.46)
Real Estate	(1.17)
Business Services	(1.06)
Housing / Building Products	(1.05)
Food	(1.04)
Telecom	(0.65)
Pharmaceuticals	(0.61)
Retail	(0.53)
Media	(0.32)

PORTFOLIO COMPOSITION**% of Net Asset Value****Long Positions**

Cash ⁽¹⁾	49.45
Bank Debt	31.32
Bonds	27.48
Equities	12.28
Credit Default Swaps	(0.07)

Short Positions

Bonds	(13.26)
Unfunded Bank Debt Commitments	(0.45)

⁽¹⁾ Cash, net of amounts receivable for investments sold and payable for investments purchased, short proceeds received and other miscellaneous items is 25.53%.