

OCP CREDIT STRATEGY FUND

Monthly Update as at May 31, 2013



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:	\$262,626,701*
NAV per Unit:	\$9.21*
Market Price:	\$8.89*
Latest Distribution: March 31, 2013	\$0.1750
Distribution Frequency:	Quarterly
Cash Distributions Since Inception:	\$2.3536

*As at May 30, 2013

Commentary

Net performance of OCP Credit Strategy Fund was 1.69% and 6.16% in May and year-to-date, respectively. Stronger than expected U.S. payroll data drove treasury yields to their highest level in more than a year as investors refocused on the strength of the domestic economy and its implications for the Federal Reserve's monetary policy. The spike in treasury yields resulted in a small loss for the high yield bond index, its first since May 2012. The CS Leveraged Loan Index, CS High Yield Bond Index, and S&P500 returned 0.23%, (0.58%), and 2.34% in the month, respectively.

The top contributors to May's performance included Eastman Kodak, Ambac, and Federal Mogul; each experienced further positive corporate events. Kodak's Second Lien Notes appreciated in May following announcement of its Plan of Reorganization. The plan provides for holders to receive 85% of the reorganized equity which was a higher percentage than expected. The plan also mentioned discussions about a potential rights offering by the unsecured creditors to repay the second lien noteholders in full. Ambac's holding company emerged from bankruptcy in May following finalization of an IRS tax settlement resulting in its holding company notes exchanging into 98% of the equity of Ambac. Several catalysts remain that should unlock incremental value to the Portfolio's holdings of the surplus notes and equity. Since 2010, the company has successfully settled over \$20 billion in claims at significant discounts. Settlement of claims at discounts creates value to the Portfolio's holdings. An additional source of value is recoveries against parties who initially underwrote the underlying mortgages Ambac insured. Longer term, there is the potential for Ambac to reenter the financial guarantee business, the value of which is not currently factored into our analysis. The Portfolio's position in the senior secured loan of Federal Mogul traded up on the Company's announcement that it intends to launch a \$500 million rights offering in June. Consistent with our investment thesis that Federal Mogul would refinance the loan prior to its 2014 maturity, the Company intends to use part of the offering proceeds to repay a portion of the term loan and to refinance the balance. Carl Icahn, the Company's largest shareholder, has indicated a willingness to oversubscribe for additional shares of the offering if necessary to successfully refinance the term loan.

The Portfolio's gain was offset primarily by the five largest performance detractors. On average, however, the loss from any individual positions was very small.

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Five Strongest and Weakest Performers

Strongest	Weakest
Eastman Kodak Secured Notes	MBIA CDS, Equity
Ambac Notes	Avaya Senior Secured Loan
Lehman Brothers Senior Notes, Claims	Air Canada Equity
General Motors Warrants	Arch Coal Senior Unsecured Notes (short)
Federal Mogul Senior Secured Loan	Best Buy (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
Independent Power Producers	9.86%	0.00%	9.86%
Automobiles	11.57%	-1.74%	9.83%
Technology	9.55%	0.00%	9.55%
Finance	9.95%	-0.90%	9.05%
Shipping	6.64%	0.00%	6.64%
Aerospace	5.50%	0.00%	5.50%
Housing/Building Products	4.92%	-1.03%	3.89%
Trucking	3.54%	0.00%	3.54%
Gaming/Leisure	2.42%	0.00%	2.42%
Energy	3.84%	-2.03%	1.81%
Business Services	1.71%	-0.55%	1.16%
Energy Service	0.99%	0.00%	0.99%
Forest Prod/Containers	0.87%	-0.69%	0.18%
Manufacturing	0.00%	0.00%	0.00%
Telecom	0.00%	0.00%	0.00%
Transportation	0.00%	0.00%	0.00%
Packaging	0.00%	-0.53%	-0.53%
Media	0.00%	-0.57%	-0.57%
Metals/Minerals	0.00%	-1.13%	-1.13%
Retail	0.00%	-1.26%	-1.26%
Food	0.88%	-2.69%	-1.81%
Chemicals	0.72%	-2.70%	-1.98%
Index	0.00%	-4.07%	-4.07%
Other	12.74%	0.00%	12.74%
Adjusted Exposure**	85.70%	-19.88%	65.82%

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

Portfolio Composition***

	Long	Short	Net
Bank Debt	41.63%	0.00%	41.63%
Corporate Bonds	32.17%	-11.32%	20.85%
Government Bonds	0.00%	0.00%	0.00%
Equity	6.44%	-0.45%	5.99%
Other	4.35%	0.00%	4.35%
Puts	0.00%	0.00%	0.00%
Call Options	0.00%	0.00%	0.00%
Warrants	1.10%	0.00%	1.10%
Notional value of CDS	0.00%	-8.10%	-8.10%
Notional value of Puts	0.00%	0.00%	0.00%
Adjusted Exposure**	85.70%	-19.88%	65.82%
Cash****	14.30%	0.00%	14.30%
Total Exposure	100.00%	-19.88%	80.12%

*** 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, 2012 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.