

OCP CREDIT STRATEGY FUND

Monthly Update as at June 30, 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:	\$255,757,583*
NAV per Unit:	\$8.99*
Market Price:	\$8.75*
Latest Distribution: June 28, 2013	\$0.1750
Distribution Frequency:	Quarterly
Cash Distributions Since Inception:	\$2.5286

*As at June 28, 2013

Commentary

Net performance of OCP Credit Strategy Fund was (0.56%) and 5.58% in June and year-to-date, respectively. In mid-June, the Federal Reserve's comments regarding the timing of possible tapering of monetary policy surprised investors. Both equity and fixed income markets sold-off sharply – return of U.S. equity was (1.34%); international equity, (3.53%); high yield bonds, (2.60%); 10-year treasuries, (3.0%); investment grade corporate bonds, (2.73%); municipal bonds, (2.83%); and emerging market bonds, (5.03%). Senior secured loans fared significantly better in June, returning (0.55%), benefitting from steady demand by CLOs and investors seeking defensive, floating rate assets.

On a relative basis, the Portfolio's modestly negative performance is acceptable given the markets' sharp sell-off. The strongest performers in the Portfolio in June were shorts positions and a position in Eastman Kodak. Kodak's second lien notes appreciated in June following announcement of its Amended Plan of Reorganization. The plan provides for holders of the second lien notes to be repaid in full (principal and accrued interest) plus an additional amount for the settlement of a potential "make-whole claim" (a claim arising from the early repayment of a bond) when Kodak emerges from bankruptcy in the third quarter of 2013. The plan is to be funded by the sale of new common stock to unsecured creditors of Kodak.

The Portfolio's gain was more than offset by several of its larger holdings that were negatively affected by the market sell off. On average, however, the loss from any individual positions was very small, the largest detracting less than 20 basis points from gross performance.

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Five Strongest and Weakest Performers

Strongest

Eastman Kodak Secured Notes
Arch Coal Senior Unsecured Notes (short)
High Yield Bond Index Short (CDX)
ANR Senior Unsecured Note (short)
Int'l. Auto Components Senior Unsecured Note

Weakest

Lehman Brothers Senior Notes, Claims
TXU Senior Secured Loan
Ambac Notes
K. Hovnanian Senior Bond
Fed Mogul Senior Secured Loan

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 Pr	10.03%	0.00%	10.03%
Automobiles	11.44%	-2.37%	9.07%
Technology	8.89%	0.00%	8.89%
Finance	9.48%	-0.95%	8.53%
Shipping	7.01%	0.00%	7.01%
Aerospace	6.35%	0.00%	6.35%
Gaming/Leisure	4.83%	0.00%	4.83%
Housing/Building Pro	4.98%	-1.06%	3.92%
Trucking	3.66%	0.00%	3.66%
Forest Prod/Containe	3.79%	-0.69%	3.10%
Energy	4.03%	-2.35%	1.68%
Business Services	1.70%	-0.56%	1.14%
Energy Service	1.05%	0.00%	1.05%
Packaging	0.00%	-0.53%	-0.53%
Media	0.00%	-0.57%	-0.57%
Telecom	0.00%	-0.58%	-0.58%
Retail	0.00%	-1.32%	-1.32%
Metals/Minerals	0.00%	-1.84%	-1.84%
Food	0.91%	-2.83%	-1.92%
Chemicals	0.77%	-2.77%	-1.99%
Index	0.01%	-4.73%	-4.72%
Other	12.41%	0.00%	12.41%
Adjusted Exposure**	91.36%	-23.15%	68.21%

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

Portfolio Composition***

	Long	Short	Net
Bank Debt	46.84%	0.00%	46.84%
Corporate Bonds	33.43%	-14.10%	19.32%
Government Bonds	0.00%	0.00%	0.00%
Equity	5.45%	-0.48%	4.97%
Other	4.53%	0.00%	4.53%
Puts	0.01%	-0.03%	-0.02%
Call Options	0.00%	0.00%	0.00%
Warrants	1.10%	0.00%	1.10%
Notional value of CDS	0.00%	-8.53%	-8.53%
Notional value of Puts	0.00%	0.00%	0.00%
Adjusted Exposure**	91.36%	-23.15%	68.21%
Cash****	8.64%	0.00%	8.64%
Total Exposure	100.00%	-23.15%	76.85%

*** 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.