

OCP CREDIT STRATEGY FUND

Monthly Update as at December 31, 2017



Investment Rationale and Objectives

OCP Credit Strategy Fund provides Unitholders with exposure to an actively managed, unlevered, 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:	\$97,061,969.29*
NAV per Unit:	\$6.94*
Market Price:	\$7.01*
Latest Distribution: December 29, 2017	\$0.1750
Distribution Frequency:	Quarterly
Cash Distributions Since Inception:	\$5.6786

*As at December 29, 2017

Fund Returns* (%)

	1M	3M	6M	YTD	1Y	3Y	5Y	SI
OCP Credit Strategy Fund (OCS.UN)	0.64	1.12	3.38	6.95	6.95	3.38	4.14	4.72
Credit Suisse Leveraged Loan Index	0.39	1.17	2.24	4.25	4.25	4.49	4.33	5.60
Credit Suisse High-Yield Index	0.32	0.54	2.54	7.03	7.03	6.36	5.68	8.24
S&P 500 Index	1.11	6.64	11.42	21.83	21.83	11.41	15.79	14.35

*OCP Credit Strategy Fund performance includes distributions. Inception date of strategy is November 20, 2009. 1Y Performance is for the one-year period ending December 31, 2017. YTD Performance is for the 12 months ended December 31, 2017. 3Y Performance is performance since December 31, 2014. 5Y Performance is performance since December 31, 2012.

Commentary

Net performance of the OCP Credit Strategy Fund (the "Fund") was 0.64% and 6.95% for December and year-to-date, respectively. The Credit Suisse Leveraged Loan, Credit Suisse High-Yield and S&P 500 TR indexes returned 0.39%, 0.32% and 1.11%, and 4.25%, 7.03% and 21.83% during December and year-to-date, respectively.

Note: Information about the Credit Suisse Leveraged Loan and High Yield indexes was obtained from Credit Suisse and is included to show the general trend in the leveraged loan and high-yield debt markets in the periods indicated. These numbers are not intended to imply the portfolio was similar to the indexes either in composition or element of risk. The CS-LL Index is an index designed to mirror the investable sub-investment grade universe of the USD-denominated leveraged loan market. The CS-HY Index is designed to mirror the investable universe of the USD-denominated high-yield debt market.

The S&P 500 Total Return Index tracks 500 large-cap U.S. stocks representing all major industries. The Index is used as a benchmark to help you understand the Fund's performance relative to the general performance of the broader U.S. equity market.

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Five Strongest and Weakest Performers

Strongest

HGIM Senior Secured Loan

Avaya Senior Secured Loans, Bond and Equity

Federal Home Loan Mortgage Corporation Equity

K Hovnanian Secured and Unsecured Bonds and Equity

Fannie Mae Equity

Weakest

American Comm Lines Secured Loan

Globalstar Equity

Team Tankers Equity

Prisa Senior Secured and Unsecured Loans

Delphi Equity

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 Service	9.65%	0.00%	9.65%
Media	9.36%	0.00%	9.36%
Energy	7.92%	-0.40%	7.52%
Business Services	5.91%	0.00%	5.91%
Telecom	5.22%	0.00%	5.22%
Service	5.14%	0.00%	5.14%
Chemicals	4.87%	0.00%	4.87%
Technology	3.13%	0.00%	3.13%
Metals/Minerals	3.03%	0.00%	3.03%
Housing/Building Products	2.92%	0.00%	2.92%
Aerospace	2.67%	0.00%	2.67%
Trucking	2.15%	0.00%	2.15%
Food	1.75%	0.00%	1.75%
Manufacturing	1.66%	0.00%	1.66%
Transportation/Logistics	1.61%	0.00%	1.61%
Finance	1.56%	0.00%	1.56%
Consumer Non-Durable	1.56%	0.00%	1.56%
Shipping - Chemical	1.51%	0.00%	1.51%
Healthcare	1.91%	-0.44%	1.47%
Gaming/Leisure	1.25%	0.00%	1.25%
Automobiles	1.13%	0.00%	1.13%
Independent Power Producers	0.97%	0.00%	0.97%
Shipping - Jones Act	0.83%	0.00%	0.83%
Shipping - Tankers	0.27%	0.00%	0.27%
Pharmaceuticals	0.16%	0.00%	0.16%
Packaging	0.64%	-0.51%	0.14%
Transportation	0.54%	-0.70%	-0.17%
Other	1.40%	-2.59%	-1.19%
Index	0.00%	-2.41%	-2.41%
Retail	0.39%	-5.94%	-5.54%
Adjusted Exposure**	81.11%	-12.99%	68.12%

Portfolio Composition

	Long	Short	Net
Bank Debt	41.50%	0.00%	41.50%
Corporate Bonds	26.90%	-1.35%	25.54%
Government Bonds	0.00%	-2.59%	-2.59%
Municipal Bonds	0.00%	0.00%	0.00%
Equity	11.47%	0.00%	11.47%
Call Options	0.00%	0.00%	0.00%
Puts	0.00%	0.00%	0.00%
Warrants	0.01%	0.00%	0.01%
Other	1.23%	0.00%	1.23%
Notional value of CDS & Puts	0.00%	-9.05%	-9.05%
Adjusted Exposure**	81.11%	-12.99%	68.12%
Adjusted Cash***	18.89%	0.00%	18.89%
Adjusted Total Exposure	100.00%	-12.99%	87.01%

*** 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.