ONEX
CREDIT PARTNERS

OCP Senior Credit Fund – 2014 Update

Onex Credit Partners will host an update call for the OCP Senior Credit Fund on Tuesday, February 24th, 2015 at 11:00am EST. This annual call is part of our ongoing commitment to communicating with investors.

Dial-in Number: 416-695-7806 / North American Toll Free: 1-866-696-5910 / Code: 2784496
Replay Number: 905-694-9451 / North American Toll Free: 1-800-408-3053 / Code: 6227478

Introduction

OCP Senior Credit Fund (the "Fund", TSX: OSL.UN) concluded another positive year in 2014. The Fund achieved its investment objectives of paying Unit holders a tax advantaged distribution of $0.50 per unit and preserving capital. Launched in 2010, the Fund continues to be an excellent source of attractive, stable, tax-advantaged income and an effective diversifier to investment grade and high yield bonds in a portfolio.

The total return of the Fund since inception in November 2010 (from an opening NAV of $9.45) through December 31, 2014 is 31.4%[(1)]. Since inception, the Fund has paid $2.06 in total distributions per Unit.

The Fund represents a conservative and prudent means for accessing the benefits of senior secured loans and senior secured bonds. The Fund is exposed to a portfolio comprised of carefully researched and selected credits, targets a distribution that is realistic across market environments, avoids undue credit and liquidity risk and has demonstrated the ability to build NAV. Our outlook for the senior secured loan and senior secured bond markets remains positive and we are confident in our ability to meet the Fund's investment objectives going forward.

Performance Review

The Fund's 2014 total return was 2.93%[(1)]. Despite a deteriorating market environment through the second half of 2014, performance for the year was positive as a result of our credit selection, the avoidance of defaults, and the prudent use of leverage.

The Fund's NAV has grown from $9.45 upon closing of its IPO on November 19, 2010 to $10.05 on December 31, 2014 while making cash distributions of $2.06 per Unit. Due to the Fund's structure, all distributions to date have been tax-deferred returns of capital.

See last page for footnotes.

At year end, the Fund's portfolio was comprised of 65 specific credits which we believe balances diversification with our ability to add incremental performance through credit selection and portfolio construction. Based on month end data, the Fund employed average leverage of 38% of total assets in 2014[2] and the source of leverage for the Portfolio continues to be in the form of a committed facility provided by a highly rated Canadian bank.

Consistent with the Fund's investment strategy, we continued to focus on first lien senior secured loans and first lien senior secured bonds. Our investment selection criteria has enabled the Fund to pay its realistic $0.50 distribution and, when feasible, build NAV while not assuming additional default and/or liquidity risk of lower rated and/or smaller issues.

We endeavour to protect returns on the Portfolio from currency fluctuations by hedging foreign currency exposure to the Canadian dollar. We generally hedge to the Canadian dollar 98% or more of the principal amount of the Portfolio's investments denominated in currencies other than the Canadian dollar.

Market Outlook

The ability of the Fund to generate gains and pay its targeted distribution in 2014 despite volatility in market sentiment over the course of the year while continuing to avoid having any defaults in the portfolio, is a function of our stringent research process and the defensive characteristics of the companies we select.

2014 was marked by volatility as a positive investment environment in the first half was followed by a second half in which concerns about global economic growth and geopolitical events eroded investors appetite to hold risk assets.

Investor confidence was strong in the first half of the year on views that key central banks would maintain their accommodative stances, geo-political risks would be discounted, and stronger domestic reports (e.g. manufacturing, home sales, labor) in June would overcome concerns over weak first quarter GDP.

However, markets reacted negatively in the second half of the year on growth disappointments, uncoordinated policy stimuli and weak numbers across the board in retail, industrial production and purchasing as well as fundamental concerns about declining Eurozone growth and continued slowing in China. The latter part of the year became particularly volatile as the continued sell off in commodity related assets and oil topped the headlines. The price for WTI oil declined over 17% in November with the sharpest decline occurring in the final days of the month after OPEC announced that its members would not cut production.

The Fund has not had a default since its inception, and while there was a spike in the Credit Suisse High Yield Index and Credit Suisse Leveraged Loan Index default rates in April 2014, this was caused by a single, large bankruptcy filing. Power producer TXU and its related entities filed for bankruptcy protection in April with over $40 billion of outstanding indebtedness. Because TXU's default was anticipated, it had no impact on the overall market, and no impact on the Fund.

Based on the broad range of companies we follow and invest in, our outlook is for the U.S. economy to deliver modest but stable growth in 2015, while we expect many foreign economies to face continued headwinds. We do expect volatility to remain in the market near term as a result of the dramatic sell off in oil and other commodities at the end of 2014 and the continued uncertainty surrounding geopolitical events. Given this backdrop, we are cautious heading into 2015, but maintain a positive loan market outlook.

As a bottom up investor, our research process will continue to benefit the Fund by allowing us to identify credits that meet our investment criteria and will allow the Fund to continue to achieve its target distribution. An allocation to senior loans remains prudent given their defensive characteristics (i.e., seniority in the capital structure and security of a first lien on borrowers' assets) and yields which remain attractive versus other fixed income types. In addition, while the timing of a rate increase remains uncertain, with rates potentially moving higher in 2015, senior loan's floating rate income is more critical in a portfolio, especially as a diversifier for fixed rate government and high yield bonds. Fundamental credit selection will be a greater differentiator of performance than a broad market approach in the coming year which favors Onex Credit's bottom up investment style and the Fund's portfolio construction.

Firm Update

Onex Credit manages US$5.0 billion, up from US$3.3 billion at the end of 2013. We have continued to add resources ahead of anticipated growth and at December 31, 2014 the team totaled 26 members, up from 24 a year earlier. The team's average number of years of experience is 18. Onex Credit's interests remain well aligned with investors; Onex, its affiliates, principals and employees continue to have a meaningful amount invested in the Fund's strategy.

Summary

The following is a recap of the Fund's key 2014 highlights:

- Achieved investment objectives by paying unit holders a tax advantaged distribution of $0.50 per unit and preserving capital by investing in companies with strong market positions and significant asset and/or cash flow coverage

- Generated positive absolute and relative return of 2.93%, including distributions of $0.50 per Unit

- Grew the Fund NAV from $9.45 (11/19/10) opening NAV to $10.05 (12/31/14) and paid $2.06 in tax advantaged distributions since inception

- Continued to have no defaults in the portfolio

Our outlook for the senior loan market is cautious, but positive based on modest U.S. economic growth and a continued temperate environment for defaults. We acknowledge that the resurgence of global risks - economic, political, and conflict related - could impact this outlook and we will adhere steadfastly to the Fund's prudent investment approach. Finally, we are committed to Canadian retail investors and will continue to introduce products that we believe represent timely and attractive opportunities within our areas of investment expertise for ourselves and our investors.

Onex Credit Partners, LLC

February 2015

(1) Total return is calculated for the relevant period based upon the change in NAV and assuming reinvestment of all distributions. Total return calculations are net of expenses and fees including a 1.5% per annum Management Fee and a servicing fee of 0.4% per annum to dealers The return of the CS Leveraged Loan Index (the "Index") since inception of the Fund (November 19, 2010) through December 31, 2014 and for 2014 was 22.25% and 2.06%, respectively. The Index is included to show the general trend in the loan market in the periods indicated. These numbers are not intended to imply that the Portfolio was similar to the Index either in composition or element of risk. Performance figures for the Fund are based on Canadian generally accepted accounting principles and were based on audited financial statements through December 31, 2013 and unaudited monthly estimates thereafter. Past performance may not be repeated.

(2) Leverage is calculated as the amount borrowed divided by total assets.

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. 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.