
OCP Senior Credit Fund

Annual Management Report of Fund Performance
for the period November 19, 2010 to December 31, 2010

Fund: OCP Senior Credit Fund

Securities: Listed TSX: OSL.UN

Period: November 19, 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 provides exposure, by virtue of a forward agreement, to the performance of an actively managed, diversified portfolio (the “**Portfolio**”) held in OCP Credit Trust comprised of senior secured loans and other senior debt obligations of non-investment grade North American issuers. Onex Credit Partners, LLC (the “**Manager**”) is the manager of the Fund and also manages the Portfolio. The Fund, through exposure to the Portfolio, will seek to achieve the following investment objectives: to provide securityholders tax-advantaged distributions initially targeted to be \$0.125 per quarter (\$0.50 per year to yield 5% per year based on the \$10.00 subscription price), to preserve capital and to generate enhanced return through increasing cash flow to the Portfolio as interest rates rise. The Manager seeks to generate attractive risk-adjusted returns and stable income through a long only strategy focused on senior secured loans and other senior debt obligations of non-investment grade issuers that the Manager believes have characteristics including strong asset coverage and / or market positions, attractive and sustainable business models, and /or high quality management teams. In pursuit of its objectives, OCP Credit Trust anticipates it will employ leverage up to 40% of its Total Assets.

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 prospectus dated October 25, 2010 as it contains a detailed discussion of risk and other considerations relating to an investment in the Fund. The Prospectus is available free of charge from us (contact information above), on our website www.ocpseniorcredit.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

On November 19, 2010, the Fund completed an initial public offering of 32,000,000 units at \$10 per unit. On December 9, 2010, an over-allotment option granted to agents was exercised for 2,100,000 units at \$10 per unit. The total gross proceeds raised were \$341.0 million.

For the period ended December 31, 2010, the net assets of the Fund totaled \$323.2 million, or \$9.48 per unit compared to its opening net asset value per unit of \$9.45 on November 19, 2010. The Fund returned 0.3% over the period. The largest factor contributing to the decrease between gross proceeds raised and net assets as at December 31, 2010 of \$323.2 million were agents’ fees and expenses of the issue of \$18.7 million.

The following Manager’s Commentary relates to the Fund’s exposure to the performance of the Portfolio held in OCP Credit Trust.

December was the Fund’s first full month of investing and as at December 31, 2010, the Fund’s invested level was approximately 70% of equity capital. The month’s small gain was driven by interest income as well as positive performance across the Portfolio, most

notably holdings in Ceva Group PLC, a global logistics company, Level 3 Communications, an international provider of fiber-based communications services, and Aveta Holdings PLC, a provider of managed healthcare services. The Fund's gains were partially offset by modest losses in a small number of holdings associated with the Fund's initial ramp up.

The most material change in the period was the significant increase in the Portfolio's invested level, increasing from 0% at November 19, 2010 to approximately 70% of equity capital by December 31, 2010.

Consistent with the investment strategy of the Fund, Portfolio capital was deployed primarily in floating rate, senior loans followed by a modest allocation to secured corporate bonds.

Recent Developments

The Manager believes the underpinnings of the loan market's recent strength remain intact including: continued U.S. economic recovery and a below average default rate. That said, the Manager is mindful of the significant and persistent structural issues in the U.S. and global economies, the potential negative longer term consequences of the U.S. Federal Reserve's current monetary stimulus policies, and potential for spread compression.

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, most notable is the requirement to consolidate the financial results of the Fund with OCP Credit Trust. The Manager is reviewing closely the developments of the International Accounting Standards Board's investment company project which addresses consolidation for investment companies and is not expected to be issued before January 1, 2012. Apart from this, other 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. The Manager

and the Fund were not party to any other related party transactions during the period 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 ⁽²⁾
Net assets, beginning of period ⁽³⁾	\$9.45
Increase (decrease) from operations	
Total revenue	0.00
Total expenses	(0.02)
Realized gains (losses) for the period	0.00
Unrealized gains (losses) for the period	0.05
Total increase (decrease) from operations⁽⁴⁾	0.03
Distributions:	
From income (excluding dividends)	0.00
From dividends	0.00
From capital gains	0.00
Return of capital	0.00
Total Distributions	0.00
Net assets as at December 31 ⁽⁵⁾	\$9.48

Notes:

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

(2) Results for the period from November 19, 2010 (inception date) to December 31, 2010.

(3) Net assets per unit reflects the issue price of \$10.00 less share issue expenses.

(4) 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.

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

Ratios and Supplemental Data

	2010
Total net asset value (000's) ⁽¹⁾	\$323,215
Number of units outstanding ⁽¹⁾	34,100,000
Management expense ratio ⁽²⁾	8.52%
Management expense ratio before waivers or absorptions	8.52%
Trading expense ratio ⁽³⁾	N/A
Portfolio turnover rate ⁽³⁾	N/A
Net asset value per unit	\$9.48
Closing market price	\$9.97

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, except as stated in the following sentence, is expressed as an annualized percentage of daily average net asset value during the period. The MER for the period ended December 31, 2010, includes agents' fees and other offering expenses, which are one-time expenses and therefore are not annualized. The MER for the period ended December 31, 2010, excluding agents' fees and offering expenses is 2.55%.

⁽³⁾ The Fund's return is linked, by virtue of a forward agreement, to the performance of a portfolio comprised primarily of senior secured loans and other senior debt obligations of non-investment grade North American issuers, and consequently, the portfolio turnover rate and trading expense ratio do not apply to the 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 0.50% of the net asset value of the Fund, which is calculated daily and paid monthly in arrears.

The Manager also receives an annual management fee in an amount equal to 1.00% of the net asset value of OCP Credit Trust, which is calculated daily and paid monthly in arrears.

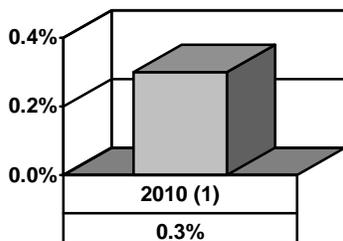
The Manager has retained FA Administration Services Inc. to provide certain administrative services to the Fund. The Manager pays FA Administration Services Inc. out of its management fee.

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 period 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 19, 2010 to December 31, 2010 .

Annual Compound Returns

As the Fund was not a reporting issuer throughout the entire period, we have not provided a compound annual return or a comparative index.

Summary of Investment Portfolio

The Fund has entered into forward agreement whereby the Fund obtains exposure to the performance of the Portfolio. Accordingly, these financial statements should be read in conjunction with the financial statements of OCP Credit Trust. The Annual Management Report of Fund Performance and Annual Financial Statements for OCP Credit Trust are available to securityholders and can be attained by visiting our website at www.ocpseniorcredit.com or by writing to Onex Credit Partners, LLC, 910 Sylvan Avenue, Englewood Cliffs, New Jersey U.S.A. 07632.

OCP Credit Trust's sole investment holding as at December 31, 2010 is a total return swap. The following is a summary of the underlying assets of the total return swap as if the Fund held the securities directly. This is a summary only and will change due to ongoing portfolio transactions in OCP Credit Fund. A quarterly update will be available on www.ocpseniorcredit.com.

Top 25 Holdings as at December 31, 2010

DESCRIPTION	% of Net Asset Value of OCP Credit Trust
Cash ⁽¹⁾	93.97
Intelsat Jackson Holdings Ltd., Term Loan	6.31
Delos Aircraft Inc., Term Loan	3.92
AWAS Finance, Term Loan	3.78
CIT Term Loan	3.14
American General, Term Loan	3.13
Venetian Orient Limited	2.93
Level 3 Financing Inc., Term Loan	2.91
Brickman Group Holdings, Term Loan	2.68
Aveta Holdings LLC, Term Loan	2.56
Caesar's (formerly known as Harrah's Operating Company Inc.), Term Loan	2.46
Charter Communications Operating LLC, Term Loan	2.32
Ascend Learning LLC, Term Loan	2.31
The Great Atlantic & Pacific Tea Company Inc., Term Loan	2.18
First Data Corporation, Term Loan	2.12
Nyco Holdings, Term Loan	2.08
Remy International Inc., Term Loan	1.81
Graham Packaging Company LP, Term Loan	1.56
Universal City Development Partners Limited, Term Loan	1.56
Ship Luxco, Term Loan	1.55
TNT Logistics Netherlands BV, Term Loan	1.50
Novelis Corporation, Term Loan	1.50
Guitar Center Inc., Term Loan	1.43
CCS Inc., Term Loan	1.38
Delta Air Lines	1.34
Total Net Asset Value of OCP Credit Trust	\$321,996,561

⁽¹⁾ Cash, net of amounts receivable for investments sold as a percentage of net asset value is 99.5%.