Multi-Manager Limited Partnership I

2010 ANNUAL REPORT

Multi-Manager Limited Partnership I
Market Value of Fund Units
(Unaudited)

As at December 31, 2010

AGF FUNDS	Market Value (000s)		Market Value (000s)
AGF Traditional Balanced Fund	$ 5,719	AGF European Equity Class	$ 66
AGF World Balanced Fund	2,645	AGF Elements Conservative Portfolio	47
AGF Canadian Stock Fund	2,590	AGF Monthly High Income Fund	44
AGF Canadian Large Cap Dividend Fund	2,482	AGF Dividend Income Fund	43
AGF Global Value Fund	899	AGF American Growth Class	37
AGF Canadian asset Allocation Fund	338	AGF Canadian Value Fund	36
AGF Emerging Markets Fund	289	AGF Asian Growth Class	34
AGF International Stock Class	269	AGF Global Government Bond Fund	30
AGF Aggressive™ U.S. Growth Fund	243	AGF Elements Global Portfolio	29
AGF Elements Balanced Portfolio	223	AGF Elements Yield Portfolio	28
AGF Inflation Plus Bond Fund	216	AGF Canadian High Yield Bond Fund	27
AGF Precious Metals Fund	201	AGF China Focus Class	19
AGF Canadian Growth Equity Class	201	AGF Global Resources Class	19
AGF Canadian Resources Class	187	AGF Aggressive Global Stock Fund	14
AGF Canadian Small Cap Fund	160	AGF Global Dividend Fund	13
AGF Global Equity Fund	99	AGF Global High Yield Bond Fund	10
AGF Canadian Money Market Fund	98	AGF Canada Class	8
AGF Canadian Bond Fund	96	AGF Global Real Estate Equity Class	7
AGF Elements Growth Portfolio	77	AGF Japan Class	6
		Total AGF Funds	**17,549**

CI FUNDS	Market Value (000s)		Market Value (000s)
Signature Select Canadian Fund	$ 10,357	CI Global Bond Fund	$ 354
Harbour Fund	5,238	CI Global Value Fund	323
Signature Canadian Balanced Fund	5,237	Synergy American Fund	279
CI Global Fund	4,667	CI European Fund	184
Signature High Income Fund	1,955	Harbour Foreign Equity Corporate Class	176
CI Emerging Markets Fund	1,939	CI Global Energy Corporate Class	141
Harbour Growth & Income Fund	1,582	CI American Equity Fund	140
CI Pacific Fund	1,119	CI Global Small Companies Fund	97
Signature Dividend Fund	978	CI Global Science & Technology Corporate Class	92
CI Canadian Bond Fund	816	CI Global Managers Corporate Class	81
CI American Small Companies Fund	813	CI American Value Corporate Class	65
CI International Balanced Fund	721	CI Value Trust Corporate Class	40
CI Money Market Fund	575	CI Global Balanced Corporate Class	14
Signature Canadian Resource Fund	501	CI International Fund	5
CI Global Health Sciences Corporate Class	382	CI International Value Fund	4
		Total CI funds	**38,875**
		Total AGF & CI Funds	**$ 56,424**

Multi-Manager Limited Partnership I
Management's Discussion and Analysis of Financial Condition and Results of Operations

For the years ended December 31, 2010 and December 31, 2009

Management's Discussion and Analysis ("MD&A") presents an analysis of the financial condition of Multi-Manager Limited Partnership I (the "Partnership") as at December 31, 2010 compared with December 31, 2009, and the results of operations for the year ended December 31, 2010 compared with the corresponding period of 2009. This discussion should be read in conjunction with our audited financial statements and notes for 2010. The financial information presented herein has been prepared on the basis of Canadian generally accepted accounting principles ("GAAP"). Certain figures are rounded to the nearest two decimal places and all dollar amounts are in Canadian dollars.

The MD&A includes forward-looking statements about the Partnership. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", or negative versions thereof and similar expressions, or future or conditional verbs such as 'may', 'will', 'should', 'would' and 'could'. The MD&A contains forward-looking statements that are based on current expectations and projections about future events and are inherently subject to, among other things, risks and uncertainties beyond the Partnership's control. These risks and uncertainties include economic conditions, market fluctuations, interest rate and foreign exchange movements, political events, regulatory change and competitive developments. The reader is cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements. Other than specifically required by applicable laws, we are under no obligation (and expressly disclaim any such obligation) to update or alter the forward-looking statements whether as a result of new information, future events or otherwise. Actual results could differ materially from those contemplated by the forward-looking statements.

FORMATION AND BUSINESS OF MULTI-MANAGER LIMITED PARTNERSHIP I

The Partnership was formed under the laws of Ontario by a declaration of partnership on January 15, 1993 to arrange for the distribution of securities of certain open-ended mutual funds (the "Funds") managed by AGF Investments Inc. ("AGFI") and CI Investments Inc. ("CI") (formerly CI Mutual Funds Inc.) (the "Fund Managers") sold on a contingent redemption fee basis ("Fund Units"). The Partnership arranged for the distribution of the Fund Units for the Fund Managers and paid selling commissions to registered dealers. In return for these services, the Fund Managers assigned to the Partnership distribution rights for the Fund Units.

As at December 31, 2010, the Partnership has total issued and outstanding units of 2,200,000 (2009 – 2,200,000). These units of the Partnership are listed for trading on the Toronto Stock Exchange (the "Exchange") under the symbol MMN.UN. The units also qualify for investments by registered tax plans such as RSPs and RIFs.

REVENUE

The Partnership's primary source of revenue is distribution fees earned from the Fund Units to which it has distribution rights. The future stream of revenues is a function of the market value of these assets and the rate and timing of the redemptions of the underlying assets.

The redemption fee schedule applicable to the Fund Units has expired and the Partnership no longer receives any redemption fee revenue.

DISTRIBUTION FEES
The Partnership receives a monthly distribution fee calculated on an annual basis of 0.55% of the market value of the Fund Units which remain outstanding in respect of the AGF funds and 0.53% to 0.60% in respect of the CI mutual funds. Distributed units include the Fund Units, any mutual fund units issued on subsequent transfers of the Fund Units within the group of funds managed by the respective Fund Manager and upon reinvestment of distributions paid on any Fund Units.

Distribution fees amounted to $0.3 million in 2010 as compared to $0.4 million in 2009. The decrease of 12.8% in distribution fees was primarily attributable to the decline in net asset value of Fund Units from $65.3 million as at December 31, 2009 to $56.4 million as at December 31, 2010. The following table shows the breakdown of distribution fee revenue by Fund Manager:

Years ended December 31	2010	2009	% Change
AGF funds	$ 102,034	$ 115,818	(11.9)
CI funds	229,261	264,288	(13.3)
Total	$ 331,295	$ 380,106	(12.8)

FUND UNITS
The following is a summary of the changes in the combined Fund Units of AGF and CI funds for 2010 and 2009:

(Unaudited)	(in thousands)	
Years ended December 31	2010	2009
Market value of the Fund Units, beginning of year	$ 65,265	$ 66,140
Change in market value of the Fund Units, including reinvested distributions	4,163	12,283
Redemption of the Fund Units	(13,004)	(13,158)
Market value of the Fund Units, end of year	$ 56,424	$ 65,265

The 2010 annual redemption rate based on the market value of the Fund Units at the beginning of the year was 19.9%, the same rate as in 2009. Redemptions of $13.0 million offset by market appreciation of $4.1 million accounted for the decrease in the value of Fund Units during 2010.

REVENUE TERMINATION DATES
The Partnership will continue to receive distribution fee revenue as long as the Fund Units remain outstanding or until the Partnership is dissolved, whichever is the earlier.

The redemption fee schedule applicable to the Fund Units has expired.

Multi-Manager Limited Partnership I
Management's Discussion and Analysis of Financial Condition and Results of Operations

The Partnership will continue until December 31, 2017 unless procedures as specified in the partnership agreement for the dissolution of the Partnership are commenced earlier upon the occurrence of certain events stated in the partnership agreement.

OPERATING EXPENSES

Total operating expenses for the year ended December 31, 2010 were $90,261, a decrease of 16.4% from $107,976 in 2009. The decrease was primarily attributable to audit, legal and filing fees.

FINANCIAL CONDITION AND LIQUIDITY

Total assets were $108,483 as at December 31, 2010 as compared to $114,535 as at December 31, 2009. Assets as at December 31, 2010 consisted of cash totaling $81,485 and receivables of $26,998. These assets were used primarily to finance the quarterly distributions payable to limited partners.

The Partnership was formed to finance selling commissions during a fixed period of time, after which the Partnership collects the fees to which they are entitled with no significant ongoing financial obligation other than the ordinary operating expenses. The Partnership distributes its income to limited partners on a quarterly basis and does not retain permanent investment assets.

FINANCIAL INSTRUMENTS

The Partnership's financial instruments consist of cash, distribution fees and interest receivable, accounts payable and accrued liabilities, and distributions payable.

CASH DISTRIBUTIONS AND TAXABLE INCOME

The Partnership itself is not directly subject to income tax. Instead, the Partnership's income or loss for tax purposes is calculated and flowed through to limited partners. Limited partners who beneficially hold the Partnership units on December 31 of any year are allocated income or loss for tax purposes based on the entire year's income or loss. This means that any limited partner who purchases units part way through the year and holds these units at year end is allocated taxable income or loss for the entire year, regardless of the cash distributions actually paid to them. In other words, taxable investors who purchase the Partnership units that generate taxable income part way through the year and hold these units at year-end would have a tax liability based on the taxable income of the entire year and not just on the cash distributions they have received.

Cash distributions are paid quarterly to limited partners of record on March 31, June 30, September 30 and December 31.

Cash distributions for the year ended December 31, 2010 were $0.11 per limited partnership unit as compared to $0.12 per limited partnership unit in 2009. Cash distributions per limited partnership unit for the three most recent years are shown on page 8.

Taxable income for the year ended December 31, 2010 was $0.11 per limited partnership unit as compared to $0.12 per limited partnership unit in 2009.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES
The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. A summary of significant accounting policies is presented in note 2 to the financial statements.

RELATED PARTY TRANSACTIONS
Multi-Manager Distribution No. 1 Limited is the general partner and is responsible for the management of the Partnership on a day-to-day basis. In consideration for its services, the general partner is entitled to 0.01% of the net distributable income of the Partnership and will be reimbursed by the Partnership for expenses incurred on behalf of the Partnership. In addition, the general partner receives a management fee which equals 15% of such amounts reimbursed. Management fees for the year ended December 31, 2010 amounted to $11,772 as compared to $14,080 a year ago.

The general partner has arranged with AGF Management Limited, its ultimate parent company, to provide administration services to the Partnership. These services are in the normal course of operations and are recorded at the amount of consideration agreed to by the parties. Administration fees for the year ended December 31, 2010 amounted to $14,292 as compared to $15,855 a year ago.

OUTLOOK AND RISKS

Conversion to International Financial Reporting Standards in Fiscal 2011
The CICA Accounting Standards Board requires all Canadian publicly accountable enterprises to adopt International Financial Reporting Standards (IFRS) for years beginning on or after January 1, 2011. The Partnership will adopt IFRS for the fiscal year 2011 starting January 1, 2011. The fiscal 2011 Financial Statement will include comparative 2010 financial results under IFRS.

We do not expect that the transition to IFRS will have a significant impact on the financial statement of the Partnership.

Risk Factors and Risk Management
The Partnership's only source of future revenue is distribution fees since the redemption fee schedule for the Fund Units expired at the end of 2000. Distribution fees are expected to continue to decline in the future as the level of Fund Units declines. Distribution fees are impacted by the following risks:

Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks which are interest rate risk, currency risk, and other price risk.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Partnership is not exposed to significant interest rate risk.

The distribution fees earned by the Partnership were deposited with a bank and this cash balance is exposed to interest rate risk due to interest rate volatility.

Currency Risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Partnership is not exposed to significant currency risk arising from its financial instruments.

Other Price Risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk. The Partnership is not exposed to other price risk however, is exposed to market risk based on its revenue earned from the market value of Fund Units.

Redemption Rate Risk
Each Fund Unit is subject to potential cash redemptions of redeemable units. The Fund Units are issued and redeemed on demand at the option of the mutual fund investor at the then current Net Asset Value per unit of the Fund Units. The amount of distribution fees to be earned by the Partnership will decrease as redemptions from Fund Units continue.

The annual rate of redemptions decreased over the past two years. Based on the combination of the age of the Fund Units and the expiration of the redemption fee schedules, we do not expect the rate of redemptions to decrease significantly in the future.

Liquidity Risk
Liquidity risk is defined as the risk that the Partnership may not be able to settle or meet its obligation on time or at a reasonable price. The Partnership manages its liquidity risk through maintaining sufficient cash deposits to pay its quarterly cash distributions through prompt collection of its earned distribution fees. Distributions payable are due within one month.

Credit Risk
Credit risk is the potential of financial loss arising from the failure of a borrower or counterparty to honour its financial or contractual obligations to the Partnership. The Partnership's over-all credit risk strategy and credit risk policy are developed, managed and controlled by the general partner in accordance with the Partnership agreement. The over-all risk strategy and credit risk policy are further refined through the use of policies, processes and internal controls in order to ensure that business activities are within the standards of risk tolerance levels. As at December 31, 2010, the financial assets of $108,483, consisting of cash of $81,485 and distribution fees and interest receivable of $26,998 were exposed to credit risk up to the maximum of their respective carrying value.

PARTNERS' EQUITY
As at December 31, 2010, the Partnership has total issued and outstanding units of 2,200,000. The units of the Partnership maybe transferred by a limited partner or his agent duly authorized in writing to any person in accordance with the provisions of the Partnership agreement. The units also qualify for investments by registered tax plans such as RSPs and RIFs. Limited partners are entitled to cash distribution when declared. The quarterly cash distribution is calculated based on the Partnership's net income for each quarter.

CORPORATE GOVERNANCE
The Partnership's business operations are managed by the general partner, Multi-Manager Distribution No. 1 Limited, which is a subsidiary of AGFI. The general partner carries out its duties and obligations pursuant to the terms of the Partnership agreement. The Partnership's principal source of revenue is the distribution fees in respect of the Fund Units managed by the Fund Managers which comprise the Fund Units.

The Partnership is responsible for the existence of appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable. The Board of Directors of the general partner has been charged with the oversight role to ensure the integrity and fair presentation of the reported information. Given the nature of the business, the general partner has determined that the corporate governance guidelines set out by the Exchange are not pertinent to the Partnership's operations.

REGULATORY FILINGS
The Partnership's annual and interim financial reports and MD&As are available at the AGF website, www.agf.com and at the Canadian Securities Administrators' website, www.sedar.com

SELECTED QUARTERLY AND ANNUAL INFORMATION

(in thousands, except per unit amounts)

Year ended December 31, 2010	Total	Q4*	Q3*	Q2*	Q1*
Revenue	$ 331.6	$ 80.4	$ 79.8	$ 83.1	$ 88.3
Net income for the year / quarter	241.4	62.3	59.6	62.9	56.6
Net income and cash distribution per limited partnership unit	0.11	0.03	0.03	0.03	0.02
Total assets	$ 108.5				

(in thousands, except per unit amounts)

Year ended December 31, 2009	Total	Q4*	Q3*	Q2*	Q1*
Revenue	$ 380.7	$ 94.0	$ 95.8	$ 104.9	$ 86.0
Net income for the year / quarter	272.7	62.3	68.4	78.6	63.4
Net income and cash distribution per limited partnership unit	0.12	0.03	0.03	0.03	0.03
Total assets	$ 114.5				

(in thousands, except per unit amounts)

Year ended December 31, 2008	Total	Q4*	Q3*	Q2*	Q1*
Revenue	$ 511.1	$ 97.1	$ 127.4	$ 142.2	$ 144.4
Net income for the year / quarter	429.5	92.0	101.4	116.4	119.7
Net income and cash distribution per limited partnership unit	0.20	0.05	0.05	0.05	0.05
Total assets	$ 142.0				

*Unaudited

PRICEWATERHOUSECOOPERS

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March 23, 2011

Independent Auditor's Report

To the Partners of
Multi-Manager Limited Partnership I

We have audited the accompanying financial statements of Multi-Manager Limited Partnership I, which comprise the balance sheets as at December 31, 2010 and 2009 and the statements of operations and deficit and cash flow for the years then ended, and the related notes including a summary of significant accounting policies

Management's responsibility for the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PRICEWATERHOUSECOOPERS

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Multi-Manager Limited Partnership I as at December 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

Multi-Manager Limited Partnership I
Balance Sheets

As at December 31	2010	2009
Assets		
Current Assets:		
Cash	$ 81,485	$ 82,987
Distribution fees and interest receivable	26,998	31,548
Total Assets	$ 108,483	$ 114,535
Liabilities and Partners' Equity		
Current Liabilities:		
Accounts payable and accrued liabilities	$ 46,199	$ 52,198
Distributions payable	62,284	62,337
	108,483	114,535
Partners' Equity:		
General partner	100	100
Limited partners – 2,200,000 units	44,000,000	44,000,000
Less: Issue expenses	(3,521,187)	(3,521,187)
	40,478,913	40,478,913
Deficit	(40,478,913)	(40,478,913)
	-	-
Total Liabilities and Partners' Equity	$ 108,483	$ 114,535

The accompanying notes are an integral part of the financial statements.

Approved by the Board of Directors of
Multi-Manager Distribution No. 1 Limited, as General Partner

Robert J. Bogart, Director and Chief Financial Officer

David Pauli, Director

Multi-Manager Limited Partnership I
Statements of Operation and Deficit

For the years ended December 31	2010	2009
Operations		
Income:		
Distribution fees	$ 331,295	$ 380,106
Interest	330	556
	331,625	380,662
Operating Expenses:		
Administration and management fees (note 4)	26,064	29,935
Audit, legal and filing fees	25,478	40,574
Transfer agent fees	28,773	27,720
Other costs	9,946	9,747
	90,261	107,976
Net income for the year	$ 241,364	$ 272,686
Net income per limited partnership unit	$ 0.11	$ 0.12
Deficit		
Balance beginning of year	$ (40,478,913)	$ (40,478,913)
Net income for the year	241,364	272,686
Distributions to partners	(241,364)	(272,686)
Balance end of year	$ (40,478,913)	$ (40,478,913)

The accompanying notes are an integral part of these financial statements.

Multi-Manager Limited Partnership I
Statements of Cash Flow

For the years ended December 31		2010		2009
Operating Activities:				
Net income for the year	$	241,364	$	272,686
Change in non-cash balances related to operations		(1,449)		1,960
		239,915		274,646
Financing Activities:				
Distributions paid to partners		(241,417)		(302,327)
Decrease in cash during the year		(1,502)		(27,681)
Cash beginning of year		82,987		110,668
Cash end of year	$	81,485	$	82,987

The accompanying notes are an integral part of these financial statements.

For the years ended December 31, 2010 and 2009

1. **Partnership Operations**
Multi-Manager Limited Partnership I (the "Partnership") is a limited partnership formed under the laws of Ontario by a declaration of partnership on January 15, 1993.

The Partnership was formed to arrange for the distribution of securities of certain open-ended mutual funds (the "Funds") managed by AGF Investments Inc. and CI Investments Inc. ("CI") (formerly CI Mutual Funds Inc.) (the "Fund Managers"), which were sold on a contingent redemption fee basis ("Fund Units").

In return for arranging for the distribution of the Fund Units, including paying the selling commissions to registered dealers, each of the Fund Managers has assigned to the Partnership the redemption fees relating to the Fund Units and a portion of its management fees ("distribution fees"). The Partnership receives monthly distribution fees calculated at the annual rate of 0.55% of the market value of the Fund Units which remain outstanding in respect of the AGF funds and 0.53% to 0.60% in respect of the CI mutual funds. Distributed units include the Fund Units, any mutual fund units issued on subsequent transfers of the Fund Units within the group of funds managed by the respective Fund Manager and upon reinvestment of distributions paid on any Fund Units. In addition, the Partnership is entitled to any redemption charges on the redemption of the distributed units. The redemption fee schedule applicable to the Fund Units has expired.

The Partnership will continue until December 31, 2017 unless dissolved earlier upon the occurrence of certain events stated in the Limited Partnership Agreement.

2. **Significant Accounting Changes**
Financial Instruments Hierarchy
During 2009, CICA "Handbook Section 3862, Financial Instruments – Disclosures" was amended to include enhanced disclosures about inputs to fair value measurement, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3	Inputs that are not based on observable market data.

If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.
The amendment only impacted the disclosures in the financial statements.

The Partnership's cash is a level 1 financial instrument in accordance with the above hierarchy.

3. Significant Accounting Policies

The financial statements of the Partnership are prepared in accordance with Canadian generally accepted accounting principles. The significant accounting policies are as follows:

Financial Instruments

In accordance with Section 3855, financial assets and financial liabilities are initially recognized at fair value. Measurement in subsequent periods is dependent upon the classification of each instrument. The standard requires that all financial assets be classified as either available for sale (AFS), held for trading (HFT), held to maturity (HTM) or loans and receivables. Financial liabilities are classified as trading or other.

The company does not have any AFS assets.

HFT assets are initially recorded at fair value on the settlement date in the balance sheet and are remeasured at fair value, with the changes in fair value reported in earnings. Transaction costs related to HFT securities are expensed as incurred. The company has $81,485 (2009 – $82,987) in cash classified as HFT.

The Company has not classified any financial assets as HTM.

Issue Expenses

Expenses related to the initial offerings of the Partnership have been recorded as a reduction of partners' equity.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Risk Management

The Partnership's financial instruments consist of cash, distribution fees and interest receivable, accounts payable and accrued liabilities, and distributions payable. In the normal course of business, the Partnership manages risks that arise as a result of its use of financial instruments. These risks include market, redemption rate, liquidity and credit risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks which are interest rate risk, currency risk and other price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Partnership is not exposed to significant interest rate risk.

The distribution fees earned by the Partnership were deposited with a bank and this cash balance is exposed to interest rate risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Partnership is not exposed to significant currency risk arising from its financial instruments.

Other Price Risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk. The Partnership is not exposed to other price risk however, is indirectly exposed to market risk based on its revenue earned from the market value of Fund Units.

Liquidity Risk
Liquidity risk is defined as the risk that the Partnership may not be able to settle or meet its obligations on time. The Partnership manages its liquidity risk through maintaining sufficient cash deposits to pay its quarterly cash distributions through prompt collection of its earned distribution fees. Distributions payable are due within one month.

Credit Risk
Credit risk is the potential of financial loss arising from the failure of a borrower or counterparty to honour its financial or contractual obligations to the Partnership. The Partnership's over-all credit risk strategy and credit risk policy are developed, managed and controlled by the general partner in accordance with the Partnership agreement. The over-all risk strategy and credit risk policy are further refined through the use of policies, processes and internal controls in order to ensure that business activities are within the standards of risk tolerance levels. As at December 31, 2010, the financial assets of $108,483, consisting of cash of $81,485 and distribution fees and interest receivable of $26,998 were exposed to credit risk up to the maximum of their respective carrying value.

4. Related Party Transactions

Multi-Manager Distribution No. 1 Limited is the general partner and is responsible for the management of the Partnership on a day-to-day basis. In consideration for its services, the general partner is entitled to 0.01% of the net distributable income of the Partnership and will be reimbursed by the Partnership for expenses incurred on behalf of the Partnership. In addition, the general partner receives a management fee which equals 15% of such amounts reimbursed. Management fees during the year 2010 amounted to $11,772 (2009 - $14,080).

The general partner has arranged with AGF Management Limited, its ultimate parent company, to provide administration services to the Partnership. These services are in the normal course of operations and are recorded at the amount of consideration agreed to by the parties. The administration fees for these services during the year 2010 amounted to $14,292 (2009 - $15,855).

5. Taxation of the Partnership

These financial statements include only the assets and liabilities of the Partnership and do not include the other assets and liabilities, including income taxes, of the partners. The Partnership is not taxable. An individual who is a limited partner on December 31 of each year will be allocated a pro-rata share of the income or loss for tax purposes for the whole year of the Partnership.

Multi-Manager Limited Partnership I

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