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June 9, 2006

Headnote

Mutual Reliance Review System for Exemptive Relief Applications

National Instrument 51-102 *Continuous Disclosure Obligations*, s. 13.1 - requirements to file first and third quarter interim financial statements and to send an annual request form to securityholders for those statements - Financial statements - interim - An issuer wants relief from the requirements to prepare, file and deliver unaudited interim financial statements - A special purpose passive investment vehicle wants relief from filing first and third quarter interim financial statements; the issuer is structured like an investment fund; the issuer's operations are not expected to change and its principal asset is the right to receive a monthly distribution fee that is declining over time; the issuer will prepare, file and deliver six-month interim financial statements and annual audited financial statements as required under NI 51-102

Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, s. 4.5 - certification of annual and interim f/s - An issuer wants relief from the requirement in parts 2 and 3 of MI 52-109 to file annual and interim certificates - The issuer is a special purpose passive investment vehicle; the issuer is structured like an investment fund; the issuer's operations are not expected to change and its principal asset is the right to receive a monthly distribution fee that is declining over time

National Instrument 58-101 *Disclosure of Corporate Governance Practices*, s. 3.1 - all disclosure requirements - A special purpose passive investment vehicle wants an exemption from NI 58-101 - The issuer is structured like an investment fund; the issuer's operations are not expected to change and its principal asset is the right to receive a monthly distribution fee that is declining over time

Applicable British Columbia Provisions

National Instrument 51-102, Parts 5 and 6, ss. 4.3, 4.4, 4.6 and 13.1

Multilateral Instrument 52-109, Parts 2 and 3, s. 4.5

National Instrument 58-101, s. 3.1

In the Matter of
the Securities Legislation of
British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New
Brunswick, Nova Scotia, Newfoundland and Labrador, the Northwest Territories,
Nunavut and Yukon
(the Jurisdictions)

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and

In the Matter of
the Mutual Reliance Review System for Exemptive Relief Applications

and

In the Matter of
AGF Partners Limited, AGF Partners No. 2 Limited,
AGF Partners No. Five Limited, 20/20 Distribution GP Limited,
20/20 Distribution No. 2 Limited, Global Strategy Master GP Inc.
and Multi-Manager Distribution No. 1 Limited
(collectively, the General Partners)

and

AGF Master Limited Partnership, 20/20 Group 1990 Limited Partnership,
20/20 Group 1992 Limited Partnership, AGF Limited Partnership 1990,
AGF Limited Partnership 1991, Global Strategy Master LP,
Multi-Manager Limited Partnership I
(collectively, the Limited Partnerships)
(the General Partners and the Limited Partnerships are collectively, the Filers)

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the Legislation):

- except in Prince Edward Island, the Yukon, the Northwest Territories and Nunavut, for an exemption pursuant to section 13.1 of National Instrument 51-102 - *Continuous Disclosure Obligations* (NI 51-102) exempting each Limited Partnership, except AGF Limited Partnership 1990 in Quebec, from:
 - (a) the requirement to prepare, approve, file and deliver interim financial statements for the periods ending nine and three months before the end of a financial year; and
 - (b) the requirement to send a request form annually to registered holders and beneficial owners of its securities that the registered holders and beneficial owners may use to request a copy of the applicable Limited Partnership's

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management discussion and analysis (MD&A) and the applicable Limited Partnership's interim financial statements for the first and third quarters of each financial year, or both

(together, the Interim Financial Statement Requirements);

- except in Prince Edward Island and the Yukon, for an exemption pursuant to section 4.5 of Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (MI 52-109) exempting each Limited Partnership, except AGF Limited Partnership 1990 in Quebec, from:
 - (a) the requirements that the chief executive officer (CEO) and chief financial officer (CFO) or person who performs similar functions for the Limited Partnership file an annual certificate concurrently with the latest of the filing of an AIF, annual financial statements or annual MD&A; and
 - (b) the requirements that the CEO and CFO or person who performs similar functions for the Limited Partnership file an interim certificate concurrently with its interim filings

(together, the Certification Requirements);

- except in British Columbia, Prince Edward Island and the Yukon, for an exemption pursuant to section 8.1 of Multilateral Instrument 52-110 *Audit Committees* (MI 52-110) exempting each Limited Partnership, except AGF Limited Partnership 1990 in Quebec, from the application of MI 52-110 (the Audit Committee Requirements); and
- for an exemption pursuant to section 3.1 of National Instrument 58-101 *Disclosure of Corporate Governance Practices* (NI 58-101) exempting:
 - (a) AGF Master Limited Partnership, Global Strategy Master LP and Multi-Manager Limited Partnership I from the requirement to provide the disclosure required by Form 58-101F1; and
 - (b) each Limited Partnership, other than AGF Master Limited Partnership, Global Strategy Master LP and Multi-Manager Limited Partnership I, and other than AGF Limited Partnership 1990 in Quebec, from the requirement to provide disclosure required by Form 58-101F2

(together, the Governance Practices Disclosure Requirements).

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Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) Ontario is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filers:

1. Each Limited Partnership is a reporting issuer in one or more of the Jurisdictions.
2. The units of AGF Master Limited Partnership, Global Strategy Master LP and Multi-Manager Limited Partnership I are listed on The Toronto Stock Exchange.
3. Each of the other Limited Partnerships is a “venture issuer” as defined in NI 51-102, MI 52-110 and NI 58-101.
4. Each Limited Partnership is a passive, single purpose vehicle, formed (or in the case of AGF Master Limited Partnership and Global Strategy Master LP, whose predecessors were formed) for the purpose of arranging for the distribution in Canada of securities of a group of mutual funds managed by a fund manager (collectively, the Funds) which purchasers of securities of the Funds elected to acquire on a deferred sales charge basis.
5. The business of each General Partner is limited to the management of the business of the Limited Partnerships for which it is the general partner.
6. Since its formation, the activities of each Limited Partnership has primarily consisted: (i) of collecting subscriptions from its limited partners (in each case, the Limited Partners); (ii) paying selling commissions in respect of securities of the applicable Funds sold on a deferred sales charge basis during a particular period of time; (iii) making distributions of its net income to its Limited Partners, and (iv) incurring expenses to maintain the Limited Partnership.

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7. The principal asset of each Limited Partnership is its right to receive a monthly distribution fee based on the value of the securities of the applicable Funds for which the Limited Partnership (or in the case of AGF Master Limited Partnership and Global Strategy Master LP, their respective predecessors) paid selling commissions until such units are redeemed, any deferred sales charges payable in respect of those securities payable on redemption, and any investment income earned on cash assets pending distribution of net income to its Limited Partners.
8. Each year, each Limited Partnership distributes to its Limited Partners an amount equal to the amount by which distribution fees, deferred sales charges and investment income earned by the Limited Partnership during the year and the amount of any reserves retained at the end of the previous year exceeds the expenses.
9. Most of the Limited Partnerships will not earn any further revenue from deferred sales charges as the period during which deferred sales charges were payable according to the applicable redemption schedule is finished.
10. As noted above, the Limited Partnerships only receive distribution fees in respect of securities which have not been redeemed. As a considerable number of years have passed, the securities which were funded by the Limited Partnerships and still remain outstanding have declined and will continue to decline with a corresponding reduction in the distribution fee revenue. As the income of the Limited Partnerships decline, any expenses of the Limited Partnership increase in percentage terms.
11. The entitlement to distribution fees and deferred sales charges, if any, will continue for each Limited Partnership until such time as the Limited Partnership is terminated in accordance with the Partnership Agreement governing the Limited Partnership.
12. The performance of the Limited Partnerships is largely out of the control of the General Partners. It is controlled by decisions of investors in Funds to retain or redeem their investment and by market conditions and the investment performance of the Funds themselves. As a result, commentary on the historical performance is of little value to investors since it does not predict future results or distribution levels. Factual information regarding the distribution fees earned and expenses are contained in the financial statements.
13. The Limited Partners of each Limited Partnership will receive semi-annual financial statements prepared as at June 30 and audited annual financial

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statements prepared as at December 31 of the Limited Partnership as well as distribution letters for each distribution to the applicable Limited Partners.

14. Given the passive, limited nature of its business, it is not warranted to require a Limited Partnership to formally establish and maintain disclosure controls and procedures and financial reporting controls and procedures as are required if the CEO and CFO or person who performs similar functions is to provide the certificates required by MI 52-109.
15. Given the passive, limited nature of their business and the constantly declining size of the Limited Partnerships, it is not warranted to require the General Partner of each Limited Partnership to: (i) appoint independent directors; (ii) have an independent audit committee, nominating committee or compensation committee; (iii) develop a written mandate for its board of directors, and position descriptions for its chair; (iv) provide orientation and continuing education for its directors; or (v) develop a written code for its directors, or regularly assess the effectiveness and contribution of the board, its committees and individual directors. As the substantive elements of corporate governance as described in NI 58-101 are not applicable to the structure of the Limited Partnerships, it not warranted to require that a Limited Partnership provide annual disclosure in respect of corporate governance to the applicable Limited Partners.
16. The benefits to be derived by the Limited Partners of each Limited Partnership from requiring the General Partner of each Limited Partnership to have an independent audit committee, to implement disclosure controls and procedures and internal controls over financial reporting or to consider the corporate governance practices described in NI 58-101 do not justify the associated expense. All the costs of implementing these requirements will come from the distributions otherwise payable to the Limited Partners.
17. In the absence of the requested relief, the Filers would be required to comply with Interim Financial Statement Requirements, the Certification Requirements, the Audit Committee Requirements and the Governance Practices Disclosure Requirements.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met.

The decision of the Decision Makers under the Legislation is that the Filers are exempt from:

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- (a) the Interim Financial Statement Requirements;
- (b) the Certification Requirements;
- (c) the Audit Committee Requirements; and
- (d) the Governance Practices Disclosure Requirements,

provided that the exemptions shall terminate in respect of a Filer on the occurrence of a material change in the affairs of the Filer unless the Filer satisfies the Decision Makers that the exemptions should continue.

Iva Vranic