

**AMALGAMATED INCOME LIMITED PARTNERSHIP
MANAGEMENT'S DISCUSSION & ANALYSIS
Three Months Ended March 31, 2010**

April 29, 2010

Management's Discussion & Analysis ("MD&A") relates to events up to April 29, 2010 and should be read in conjunction with the unaudited consolidated financial statements for the three months ended March 31, 2010 and the audited consolidated financial statements for the year ended December 31, 2009.

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. All dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

The units of Amalgamated involve a high degree of risk, including, but not necessarily limited to, the risks outlined below (see "Forward Looking Statements") which are described in the Annual Information Form for the year ended December 31, 2009 available at www.SEDAR.com. Before making an investment decision, each prospective investor should review these risks in detail.

Forward Looking Statements

Except for historical financial information contained herein, the matters discussed in this MD&A include certain forward-looking statements. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements. Forward-looking statements may be identified, without limitation, by the use of such words as "anticipates", "estimates", "expects", "intends", "plans", "predicts", "projects", "believes", or words or phrases of similar meaning.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Partnership action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Partnership. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: (i) that the information is of a preliminary nature and may be subject to further adjustment, (ii) the possible unavailability of financing, (iii) reliance on revenue from MFLPs, Financial Services, and RELPs, (iv) changes in general economic conditions, (v) changes in foreign exchange rates, (vi) changes in interest rates, (vii) reliance on the effectiveness of management of underlying investments, (viii) availability of additional investments at advantageous prices, (ix) changes in Regulations under the Income Tax Act, (x) reliance on the General Partner to execute accretive transactions, (xi) general operating risks, (xii) effects of competition, and (xiii) dependent on senior management. A detailed discussion of risks can be found in the Annual Information Return filed for the year ended December 31, 2009. We stress that the above mentioned list of important factors is not exhaustive.

We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Partnership has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise except as required under applicable securities law.

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CORE BUSINESS AND STRATEGY

Amalgamated Income Limited Partnership (“Amalgamated” or the “Partnership”) is a publicly traded limited partnership (AI.UN on the TSX) whose business is to capitalize on market inefficiencies in the following types of securities: mutual fund limited partnerships (“MFLPs”), financial service lending, real estate limited partnerships (“RELPs”), and marketable securities in order to provide its limited partners with a diversified income stream.

- MFLPs were issued between 1990 and 1997 and Amalgamated was originally formed to consolidate these. MFLPs are declining royalty streams of income based on the assets under management of various mutual funds. Amalgamated is the only consolidator in this industry. MFLPs include both public and private entities and Amalgamated purchases them through the public market, mini-tenders, or through formal takeover bids;
- Financial Services include mortgages and loans to companies that cannot obtain traditional bank lending but that in management’s opinion have sufficient assets or cash flow to secure against. Amalgamated’s focus is on shorter term bridge loans to maximize returns and minimize risk;
- RELPs were generally issued in the 1980s to finance large real estate assets. Amalgamated began purchasing RELPs in late 2005 as there are profit opportunities due to the lack of liquidity in these unlisted limited partnerships. Amalgamated purchases RELPs through mini-tenders and formal takeover bids and attempts to force the value maximization of the underlying asset; and
- Marketable securities focused on by the Partnership include debentures, trust units, and common shares that can be purchased at a discount to management’s determination of fair value. Amalgamated purchases marketable securities mainly through the public markets such as stock exchanges but also uses mini-tenders to accumulate its positions of illiquid securities.

Amalgamated is similar to an investment fund in the composition and valuation of its asset base, but Amalgamated is fundamentally different as it may take an active role in its investments in attempting to enhance value by seeking to control or influence management when appropriate.

For additional information on Amalgamated, including recent press releases, the Annual Information Form (AIF), annual consolidated financial statements, and interim consolidated financial statements please go to the Partnership’s profile on SEDAR at www.sedar.com or the Partnership’s website at www.aiun.ca.

Limited Partners are reminded that pursuant to the partnership agreement, **limited partners are not allocated income for tax purposes on the amount of distributions actually received during the year. Allocations for tax purposes are made based on the Partnership’s income (loss) and whether or not they are limited partners at December 31 or the termination of the Partnership.** Any distribution received will represent a decrease in the adjusted cost base of any partnership units held and a potential capital gain (or loss) if the unit is sold prior to December 31. For tax purposes, a limited partner of record on December 31 or the termination date receive an allocation of the Partnership’s income, dividends, and capital losses or gains if held outside a tax deferred plan such as an RRSP, LIRA, RRIF, or RESP.

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SIGNIFICANT EVENTS

1. Update to Estimated Net Realizable Value

The book value of partners' equity as at March 31, 2010 was \$3.53 per unit. The Partnership's remaining investments in Financial Services, Mutual Fund Limited Partnerships and Real Estate Limited Partnerships, however, are comprised of illiquid securities. These investments have termination dates that range from June 2010 to March 2015. Management believes that, in order to wind-up the Partnership by December 15, 2010, a sale of some of these assets at a discount to fair value (a "Liquidity Discount") may be required to achieve liquidity. Appropriate Liquidity Discounts are likely to range from 10% - 50%, based on the complexity and marketability of specific investments and Management's assessment of the operating expenses that could be avoided by selling these investments prior to maturity. The consolidated financial statements for the three months ended March 31, 2010 do not take any provision for a Liquidity Discount in the valuation of the Partnership's assets, as the Partnership has sufficient working capital to hold the investments to maturity or sell them in the normal course of business, nor do they take into account the wind-up costs described below.

Management has estimated that the net realizable value of the Partnership is approximately \$3.20 per unit as at March 31, 2010 (December 31, 2009 - \$3.42) based on what the underlying investments could be sold for prior to December 15, 2010. This net realizable value incorporates a Liquidity Discount on certain investments and estimated wind-up costs of approximately \$850,000 to \$1,000,000. The final net realizable value will depend on various factors including operating expenses to the final wind-up date and management's ability to liquidate the remaining investments at prices close to fair value. Management estimates that any income earned between March 31, 2010 and the final distribution date will not be sufficient to cover operating expenses.

2. Special Distribution

On April 19, 2010 the Partnership declared a special distribution of \$1.75 per unit, payable on May 14, 2010 to limited partners of record on April 30, 2010. Management estimates that the net realizable value of the Partnership, after the \$1.75 special distribution, will be approximately \$1.45 per unit as at April 29, 2010 subject to the same qualifications as discussed above. The asset mix of the Partnership as at April 29, 2010 was 85% in working capital and marketable securities, 11% in Financial Services, 2% in MFLPs and Notes, and 2% in RELPs. **Management estimates the net realizable value will be approximately \$1.45, however the final distribution amount may vary**

OVERALL PERFORMANCE

As at March 31, 2010, Amalgamated's investments consisted of 92% working capital and marketable securities (December 31, 2009 - 59%), 6% Financial Services (December 31, 2009 - 12%), 1% RELPs (December 31, 2009 - 27%) and the remaining 1% in MFLPs and Notes (December 31, 2009 - 2%).

During the three months ended March 31, 2010, Amalgamated received \$4,225,000 in sale proceeds from its investment in Paddington Properties Partnership, collected \$113,500 as a settlement payment for the commercial loan that was in default, and collected \$420,778 in receivables from its asset based financing investment. The Partnership has been liquidating its remaining investments at fair value in the normal course of operations. However, as many of the remaining investments are now illiquid, subsequent sales of assets may be for prices below management's assessment of fair value as management strives to balance obtaining the highest price for the assets and minimizing on-going operating expenses.

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SELECTED FINANCIAL INFORMATION

\$	Mar 31	Dec. 31	Sept. 30	June 30	Mar. 31	Dec. 31	Sept. 30	June 30
Quarter	2010	2009	2009	2009	2009	2008	2008	2008
Revenue	11,324	209,980	154,047	170,113	289,630	659,264	457,269	536,994
Net income (loss)	(48,322)	779,855	252,974	238,881	12,246	(3,270,831)	(2,509,296)	1,072,635
Net income (loss) per unit	(0.02)	0.25	0.08	0.08	-	(1.02)	(0.80)	0.36
Total assets	11,583,451	12,232,474	11,918,282	12,243,299	12,705,398	13,576,082	22,265,453	26,766,806
Total liabilities	402,762	460,750	367,844	369,750	481,434	803,622	5,576,708	7,731,224
Limited partners' capital	11,180,689	11,771,724	11,550,438	11,873,549	12,223,964	12,772,460	16,688,745	19,035,582
Limited partners' capital, per unit	3.53	3.73	3.66	3.75	3.85	4.02	5.20	6.25
Distributions paid	569,099	565,166	552,079	585,921	576,411	575,460	563,922	540,519
Distributions paid per unit	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Units outstanding - end of quarter	3,165,662	3,153,662	3,154,662	3,166,462	3,171,262	3,178,062	3,209,162	3,046,781

The preceding table shows selected key financial information about Amalgamated and is intended to help investors understand the Partnership's financial performance over the past two years. This information is derived from Amalgamated's unaudited quarterly consolidated financial statements. Amalgamated's consolidated financial statements are stated in Canadian dollars and are prepared in accordance with Canadian GAAP (generally accepted accounting principles). The information set forth above should be read in conjunction with Amalgamated's consolidated financial statements and related notes which are available at www.sedar.com.

HIGHLIGHTS

- Net loss for the three months ended March 31, 2010 was **\$48,322 (\$0.02 per unit)**;
- Total assets decreased to **\$11,583,451** as at March 31, 2010 from **\$12,232,474** as at December 31, 2009 due mainly to \$569,099 in distributions to limited partners; and
- Limited partners' capital decreased from **\$3.73** per unit at December 31, 2009 to **\$3.53** per unit at March 31, 2010. Limited partners also received **\$0.18** per unit of distributions during this time.

DISTRIBUTIONS

Distributions totalling \$569,099 were declared and paid for the three months ended March 31, 2010 (2009 - \$576,411). Distributions per unit amounted to \$0.18 (2009 - \$0.18).

Monthly cash distributions declared per unit issued and outstanding for the period were as follows:

Period covered	Date of Distribution	\$ Per Unit
January 1, 2010 to January 31, 2010	February 12, 2010	0.06
February 1, 2010 to February 28, 2010	March 12, 2010	0.06
March 1, 2010 to March 31, 2010	April 9, 2010	0.06

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RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2010

Revenue:

Amalgamated's total revenue was \$11,324 for the three months ended March 31, 2010 (2009 - \$289,630). Total revenue was significantly lower in the three months ended March 31, 2010 as compared to the same period of the previous year as the Partnership has been converting its asset base into cash and marketable securities in anticipation of wind-up and dissolution. The Partnership invests in marketable securities that it perceives to be undervalued. Income from this investment category is comprised mostly of realized and unrealized gains rather than distributions (such as dividends and interest) that would be considered investment revenue.

Expenses:

Overall operating expenses for the three months ended March 31, 2010 decreased to \$177,073 from \$237,734 in the same period of the prior year, attributable mainly to a \$29,447 decline in unit-based compensation. The Partnership did not grant any incentive units in the three month period to March 31, 2010 (2009- 39,000). Furthermore, incentive units granted in January 2009 vested immediately, and as a result, 66,000 incentive units vested in the three month period to March 31, 2009 compared with 19,400 in the three month period to March 31, 2010. The decline in unit-based compensation also reflects the forfeiture of incentive units by former officers and directors of the General Partner.

The decline in operating expenses for the three month period to March 31, 2010 also reflects the absence of \$7,823 in interest expenses on debentures that were outstanding for part of the same period of the prior year.

Other Additions (Deductions):

The significant other additions and deductions for the three months ended March 31, 2010 included amortization of (\$19,620) in the value of MFLPs (2009 - \$423,563), a loss of \$211,081 from Financial Services assets (2009 - \$nil), a loss of \$35,451 from marketable securities (2009 -\$28,255 gain) and a gain of \$363,186 from RELPs (2009 - \$9,322).

MFLPs are typically exempt from filing financial statements for the first and third quarter. Consequently, Management assessment of the fair value of these investments as at December 31 of a given year is based on the semi-annual statements to June 30. In April, once the audited annual statements for the previous year are available, management reassesses the fair value of these investments, resulting in a reversal of amortization expense claimed in the previous fiscal year in the event that the performance of the mutual funds securing the MFLP revenue stream is better than expected.

In the three month period to March 31, 2010, the Partnership realized a \$50,000 loss on its investment in asset based financing and also took an \$81,088 provision for receivables that were deemed uncollectible. Amalgamated also took a \$79,994 provision for a commercial loan in default which is being repaid pursuant to personal guarantees.

In the three month period to March 31, 2010, the Partnership received \$4,225,000 in sale proceeds from its investment in Paddington Properties LP, realizing a \$944,604 gain.

Net (Loss) Income:

Amalgamated recorded a net loss of (\$48,322) for the three months ended March 31, 2010 (\$0.02 per unit) compared to net income of \$12,246 (\$0.00 per unit) for the three months ended March 31, 2009. The decline in net income was attributable to a \$278,306 decline in revenues and losses of \$211,081 from Financial Services, offset by the \$363,186 gain from RELPs and \$60,661 reduction in operating expenses.

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CAPITAL STRUCTURE

The Partnership maintains a capital structure composed mainly of permanent capital (partners' equity) and short-term debt (debentures and brokerage margin). As at March 31, 2010, the partnership has partners' equity of \$11,180,689 and no debt.

- **EQUITY**

Amalgamated's units outstanding increased to 3,165,662 units at March 31, 2010 from 3,153,662 units at December 31, 2009. During the three months ended March 31, 2010, Amalgamated issued 12,000 units pursuant to unit based compensation plans for proceeds of \$20,004 (average of \$1.67 per unit).

Amalgamated did not issue incentive units during the three months ended March 31, 2010. 62,000 incentive units expired and 36,000 incentive units were forfeited, resulting in Amalgamated having a total of 136,300 incentive units outstanding as at March 31, 2010. See note 6 to the consolidated financial statements for the three months ended March 31, 2010 for additional details regarding the incentive units.

- **DEBT**

Amalgamated maintains investment accounts at several brokerage firms who follow the recommended margin requirements of the Investment Dealers Association. As at March 31, 2010, Amalgamated had no brokerage margin outstanding. Brokerage margin bears interest at an effective rate ranging from prime less 0.25% to prime plus 0.50%.

Management anticipates ongoing operations will be funded by the sale of investments and from the Partnership's working capital.

FINANCIAL INSTRUMENTS:

Amalgamated's financial instruments consist of investments, cash and cash equivalents, distributions receivable, distributions payable, and accounts payable and accrued liabilities. Unless otherwise noted, at present it is the General Partner's opinion that the Partnership is not exposed to significant interest rate, credit, or currency risks arising from these consolidated financial instruments.

Specifically, the Partnership's financial instruments that are exposed to credit risk are the investments in loans. Amalgamated has invested in bridge loans, real estate loans, and other financial instruments to borrowers, mainly in Alberta and British Columbia, in a number of industries in order to maximize returns within an acceptable level of risk. Amalgamated mitigates credit risk by obtaining sufficient security to back the loans and diversifying its investments to limit its exposure to any one entity.

As at March 31, 2010, the Partnership had placed \$522,655 with Acorn Partners Merchant Bankers. The Partnership has acquired receivables and earns a rate of return on individual investments that ranges from 10% to 19% and is commensurate with risk.

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CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Partnership prepares its consolidated financial statements in accordance with Canadian GAAP. The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, and the reported amounts of revenues and expenses for the year of the consolidated financial statements. Significant accounting policies and methods used in the preparation of the consolidated financial statements are described in note 3 of the audited consolidated financial statements for the year ended December 31, 2009. The Partnership evaluates its estimates and assumptions on a regular basis, based on historical experience and other relevant factors. Included in the consolidated financial statements are estimates used in determining the fair value of investments, revenue recognition and other matters. Actual results could differ materially from those estimates and assumptions.

The assessment of the fair value of investments and the impact of a certain contingency requires the use of judgments, assumptions and estimates. Due to the material nature of these factors, they are discussed below in greater detail.

- INVESTMENTS

The Partnership uses significant estimates in the preparation of its consolidated financial statements in arriving at the fair value of its investments. The following represents the methodology used to determine the fair value for the majority of its investments. Valuation assumptions used by the Partnership are evaluated regularly by management and the Board of Directors of the General Partner.

All marketable securities listed on a recognized public stock exchange are recorded at their closing sale price. Marketable securities not traded on that date are valued at the last traded price. The quoted market value has been taken as a reasonable estimate of fair value. Those securities having no quoted market values are recorded at fair value based on an assessment of the most recent price at which an arm's length transaction has occurred or an assessment of the fair value of the security. These values may differ from values that would have been used had a ready market existed for these securities.

The fair values for both public and private securities can be impacted by trading volumes and restrictions, and the Partnership's assessment of value may not be indicative of what the Partnership could realize on the immediate sale as it may take an extended period of time to liquidate positions without causing a significant negative impact on the market price. The difference between the fair value and the purchase price or previous period value of the investments is treated as an unrealized gain or loss in value. The change from period to period is reflected in operations as a gain (loss) in value of securities.

The estimates used in arriving at the fair value of investments that are not publicly traded include an analysis of the most recent price at which an arm's length transaction has occurred or an assessment of the fair value of the underlying business. The methodology used in arriving at the estimates of fair value includes research into historical prices and private company valuation principles consistent with those used by the Institute of Chartered Business Valuators. Changes in the estimates underlying the other investments will have a direct impact on the value of the investments account on the balance sheet and the unrealized gain (loss) on other investments on the income statement. Any changes to these estimates are reflected as gain (loss) in value of investments in the other additions (deductions) of the consolidated statements of (loss) income.

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INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

In February 2009, the Accounting Standards Board ("AcSB") confirmed that the use of IFRS will be required in 2011 for publicly accountable enterprises in Canada. In April 2009, the AcSB issued an Omnibus Exposure Draft that publicly accountable enterprises be required to apply IFRS, in full and without modification, on January 1, 2011.

The adoption date of January 1, 2011 will require the restatement, for comparative purposes, of amounts reported by the Partnership for its year ended December 31, 2010, and of the opening balance sheet as at January 1, 2010. The AcSB proposes that CICA Handbook Section – *Accounting Changes*, paragraph 1506.30, which would require an entity to disclose information relating to a new primary source of GAAP that has been issued but is not yet effective and that the entity has not applied, not be applied with respect to Exposure Draft.

The Partnership is continuing to assess the financial reporting impacts of the adoption of IFRS and, at this time, the impact on future financial position and results of operations is not reasonably determinable or estimable. If the Partnership exists at this time, the Partnership anticipates a significant increase in disclosure resulting from the adoption of IFRS and is continuing to assess the level of disclosure required as well as systems changes that may be necessary to gather and process the information.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The design of the Partnership's internal control over financial reporting was assessed by the CEO and CFO on December 31, 2009 pursuant to the requirements of National Instrument 52-109 of the Canadian Securities Administrators. During this process, management identified the following weaknesses in internal control over financial reporting:

- (a) Due to the limited number of staff, it is not possible to achieve a segregation of duties; and
- (b) Due to the limited number of staff, there is no independent review of more complex areas of accounting. This may result in inadvertent errors in the accounting for income taxes, complex or non-routine accounting transactions that may arise.

These weaknesses in the Partnership's internal controls over financial reporting result in a remote possibility that a material misstatement would not be prevented or detected. Management and the board of directors work to mitigate the risk of material misstatement in financial reporting through the following:

- (a) The employment of additional individuals to increase segregation of duties and provide review functions; and
- (b) The engagement of outside consulting expertise when complex accounting and technical issues arise during the preparation of the quarterly consolidated financial statements.

Management has evaluated whether there were changes in the Partnership's internal controls over financial reporting during the three months ended March 31, 2010 that have materially affected, or are reasonably likely to materially affect, the Partnership's internal controls over financial reporting. No such changes were identified through management's evaluation.

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RELATED PARTY TRANSACTIONS

During the year ended March 31, 2010, the following related party transactions occurred and are recorded at the exchange amount which is the amount of consideration paid or received as established and agreed to by related parties:

- Amalgamated General Partner Ltd. (the "General Partner"), a company owned by Messrs. Elias Foscolos, Bruce Mitchell, and Michael Charlton was paid at total of \$18,496 (\$20,534 for the three months ended March 31, 2009) pursuant to the terms of its agreement with Amalgamated to act as a general partner. Under this agreement, the General Partner is entitled to 0.01% of the annual net income of the Partnership and a fee equal to 3.25% of distributions to limited partners. In addition, the General Partner may engage agents to assist in carrying out its management and administrative functions to Amalgamated and its subsidiaries. The following entities have been engaged by the General Partner to provide these functions:
 - o GBH Consulting Group Limited ("GBH"), a company controlled by Chris Boatman (Chairman of the board, director of the General Partner, and CEO) was paid fees of \$3,150 for the three months ended March 31, 2010 (2009 - \$nil) for administrative and management services provided by Mr. Chris Boatman. As at March 31, 2010, \$3,150 of this amount was included in accounts payable and accrued liabilities.
 - o Accretive Financial Corp. ("Accretive"), a company controlled by Mr. Elias Foscolos (President, director, and shareholder of the General Partner) was paid fees of \$60,136 for the three months ended March 31, 2010 (2009 - \$80,918) for administrative services which included the professional services of Mr. Foscolos and other support staff, \$9,196 for rent and \$30,930 for reimbursable office expenses and audit fees paid on behalf of the Partnership (2009 - \$4,867 for rent and \$11,334 for office and sundry expenses). Accretive was also paid an additional \$10,000 for services relating to the audit of the December 31, 2009 annual financial statements; this amount was included in accrued liabilities at December 31, 2009. As at March 31, 2010, \$47,846 of these amounts was included in accounts payable and accrued liabilities (March 31, 2009 - \$31,430). The General Partner continues to pay consulting fees to Accretive on a month to month basis. In addition, Accretive receives a monthly fee of \$2,622 plus applicable taxes for office space;
 - o Directors of the General Partner are entitled to \$5,000 each per annum for director's fees for a total of \$20,000 for the year 2010. For the three month period ended March 31, 2010, the General Partner was paid \$5,000 for director's fees, of which \$5,000 was included in accounts payable and accrued liabilities.
- Multi-fund has \$522,655 invested with Acorn Partners Merchant Bankers ("Acorn") as Asset Based Financing (\$1,074,176 as at December 31, 2009). Mr. Andy Chen, a former director of Amalgamated, was a senior account manager with Acorn and also had a minor equity position in Acorn. Mr. Chen abstained from any Amalgamated board of director votes to invest with Acorn and was not involved in the day-to-day investment decisions of the management of Amalgamated.

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OFF-BALANCE SHEET LIABILITIES

Pursuant to the Partnership Agreement, the General Partner is entitled to a fee equal to 3.25% of distributions made to Limited Partners. The fee payable to the General Partner based on the Partnership's net assets on March 31, 2010, and excluding adjustments for other wind-up costs, would be \$351,935. This amount has been included in wind-up costs in the calculation of Net Realizable Value (see "Significant Events").

CONTINGENCIES

Management estimates that it will cost approximately \$850,000 to \$1,000,000 to wind-up the Partnership. This amount includes legal fees, the General Partner fee outlined above (see "Off-Balance Sheet Liabilities"), and other amounts required to facilitate winding up the Partnership. This amount has not been accrued in the consolidated financial statements for the three months ended March 31, 2010 but has been disclosed in the notes.

OUTLOOK

Limited partners approved various changes to the partnership agreement of Amalgamated on October 17, 2008. One major change was to introduce a termination date of no later than December 15, 2009 for the Partnership unless extended. On June 19, 2009, the termination date was extended to December 15, 2010. Management is currently selling investments in order to maximize limited partners' value and hopes to distribute cash or in-kind distributions of the remaining assets prior to December 15, 2010.

On April 19, 2010, the Partnership declared a special distribution of \$1.75 per unit to record holders as of April 30, 2010 and suspended monthly distributions. As at April 29, 2010, 85% of the Partnership's assets consist of cash and marketable securities. Management estimates that the net realizable value of the Partnership was \$1.45 as at April 29, 2010, which also incorporates estimated wind-up costs of approximately \$850,000 to \$1,000,000 (see "Contingencies").

The final net realizable value will depend on various factors including operating expenses to the final wind-up date and management's ability to liquidate the remaining investments at prices close to what it considers fair value.

Submitted by:

Elias Foscolos,
President

Michael Pereira
Vice President Finance & CFO

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Amalgamated General Partner Ltd.

Directors

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Michael Charlton¹
Elias Foscolos
Bruce Mitchell¹

¹ *Members of the Audit Committee*

Officers

Elias Foscolos, *President*
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