

NORTHWEST CORPORATE CLASS FUNDS

ANNUAL INFORMATION FORM

Offering Series A shares unless otherwise noted:

Northwest Short Term Corporate Class

Northwest Canadian Equity Corporate Class

Northwest Canadian Dividend Corporate Class

Northwest Growth and Income Corporate Class

Northwest U.S. Equity Corporate Class

Northwest EAFE Corporate Class

Northwest Global Equity Corporate Class

Northwest Global Growth and Income Corporate Class

Northwest Specialty Equity Corporate Class

Northwest Specialty Innovations Corporate Class

Northwest Quadrant Balanced Growth Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Quadrant Growth Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Quadrant Global Growth Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Quadrant Global Equity Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Quadrant All Equity Corporate Class Portfolio (Series A shares and Series F shares)

November 3, 2008

No securities regulatory authority has expressed an opinion about the merits of these shares. To claim that they have is an offence.

The Funds and the securities of the Funds offered under this annual information form are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

INDEX

THE FUNDS.....	1
INVESTMENT RESTRICTIONS	1
Dealer Managed Mutual Funds.....	2
Changes To Fundamental Investment Objectives.....	2
FUNDAMENTAL CHANGES	2
CAPITALIZATION AND DESCRIPTION OF Shares	3
Net Asset Value Per Share.....	3
INVESTING IN THE CORPORATE FUNDS	6
Mechanics of the Issuance of Shares	6
Cash Purchases.....	7
Pre-authorized Payment Plan.....	7
Automatic Withdrawal Plan.....	7
Deferred Income Plans.....	8
Sales Commissions and Redemption Fees.....	8
REDEMPTIONS, SWITCHES AND CONVERSIONS OF SHARES.....	9
Conversion of Shares	9
Switching Between Corporate Funds and Trusteed Funds	10
Mechanics of Redemption	10
Suspension of Redemptions.....	11
Redemption Fees.....	12
Short-Term Trading Fee	15
RESPONSIBILITY FOR PRINCIPAL FUNCTIONS.....	15
Manager	15
Independent Review Committee.....	17
Portfolio Manager	18
Brokerage Arrangements	19
Registrar.....	19
Auditors	19
Custodian	19
INCOME TAX CONSIDERATIONS.....	20
Taxation of the Corporation.....	20
Tax Records	22
PRINCIPAL HOLDERS OF SECURITIES.....	22
AFFILIATED ENTITIES	23
FUND GOVERNANCE	23
MATERIAL CONTRACTS	25
REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEE.....	25
OTHER MATERIAL INFORMATION.....	26
CERTIFICATE OF THE FUNDS	27

THE FUNDS

Northwest Corporate Class Inc. (the “Corporation”) is a mutual fund corporation incorporated under the *Business Corporations Act* (Ontario) on September 25, 2007. The Corporation consists of an unlimited number of Class A voting shares, an unlimited number of Class B shares and 50 classes of redeemable mutual fund special shares. Each class currently consists of 10 series, each unlimited in number. The outstanding Class A shares and Class B share are owned by Northwest Corporate Trust. The head office of the Corporation is located at 155 University Avenue, 4th Floor, Toronto, Ontario M5H 3B7.

The complete names of the funds whose securities are offered by this document are:

Northwest Short Term Corporate Class
Northwest Canadian Equity Corporate Class
Northwest Canadian Dividend Corporate Class
Northwest Growth and Income Corporate Class
Northwest U.S. Equity Corporate Class
Northwest EAFE Corporate Class
Northwest Global Equity Corporate Class
Northwest Global Growth and Income Corporate Class
Northwest Specialty Equity Corporate Class
Northwest Specialty Innovations Corporate Class
Northwest Quadrant Balanced Growth Corporate Class Portfolio
Northwest Quadrant Growth Corporate Class Portfolio
Northwest Quadrant Global Growth Corporate Class Portfolio
Northwest Quadrant Global Equity Corporate Class Portfolio
Northwest Quadrant All Equity Corporate Class Portfolio

These funds are hereinafter referred to individually as a “Corporate Fund” and collectively as the “Corporate Funds”. Northwest Quadrant Balanced Growth Corporate Class Portfolio, Northwest Quadrant Growth Corporate Class Portfolio, Northwest Quadrant Global Growth Corporate Class Portfolio, Northwest Quadrant Global Equity Corporate Class Portfolio and Northwest Quadrant All Equity Corporate Class Portfolio are referred to collectively as the “Quadrant Corporate Portfolios”. “Shareholders” means holders of mutual fund special shares (the “Shares”). The articles of incorporation permits each Corporate Fund to issue more than one series of shares (the purpose of any additional series of shares being to provide other management fee structures, dealer compensation packages, or investment options to investors).

Northwest & Ethical Investments L.P. is the manager of the Corporate Funds (the “Manager”). The head office of the Manager is located at 155 University Avenue, 4th Floor, Toronto, Ontario M5H 3B7. Prior to December 17, 2007, Northwest Mutual Funds Inc. was the manager of the Corporate Funds and Northwest Asset Management Inc. was the portfolio manager of the Corporate Funds.

The Manager also manages other mutual funds offered via a separate prospectus (the “Trusteed Funds”).

INVESTMENT RESTRICTIONS

Subject always to compliance with its fundamental investment objective, each Corporate Fund is subject to, and managed in accordance with, securities legislation, including the standard investment restrictions and practices set out in National Instrument 81-102 (the “National Instrument”) (being the code

established by the Canadian Securities Administrators to generally govern mutual funds whose securities are offered by prospectus in Canada), which are designed in part to ensure that the Corporate Funds' investments are diversified and relatively liquid and to ensure the proper administration of the Corporate Funds.

Dealer Managed Mutual Funds

Each of the Corporate Funds is a "dealer managed" mutual fund by virtue of the Manager having principal securityholders who directly or indirectly own more than 10% of the securities of certain registered securities dealers. See "Dealer Compensation-Related Dealers" in the Corporate Funds' simplified prospectus. Applicable securities laws impose restrictions on investments made by dealer managed mutual funds. If you would like a copy of these restrictions, please contact us by calling our toll-free number at 1-888-809-3333 and you will be provided with a copy.

In accordance with the "dealer managed" mutual fund rules applicable to the Corporate Funds, the Corporate Funds may not knowingly make an investment in any class of securities of any issuer (other than those issued or guaranteed by the Government of Canada, the government of a province of Canada or an agency of the foregoing) (i) for which the Manager or any of its associates or affiliates has acted as underwriter (except for a small selling group participation) during the preceding 60 days or (ii) of which any director, officer or employee of the Manager or their associates or affiliates is a partner, director, officer or employee, if such person participates in the formulation of, influences or has access prior to implementation of, investment decisions made on behalf of the Corporate Funds.

Changes To Fundamental Investment Objectives

Canadian securities law requires that no change may be made in the fundamental investment objectives of a fund without the prior approval of the shareholders of the fund, by a majority of votes cast at a meeting of shareholders called for such purpose. Please see "Fundamental Changes" for details of the matters which may not be affected without shareholder approval.

FUNDAMENTAL CHANGES

The Corporation must convene a meeting of shareholders or a series of shareholders, as the case may be, of a Corporate Fund to consider and approve certain matters prescribed by the National Instrument. The matters currently include:

- (a) a change in the basis of calculation of a fee or expense that is charged to the Corporate Fund, or directly to its shareholders by the Corporate Fund or its manager, in connection with the holding of shares of the Corporate Fund, in a way that could result in an increase in charges to the Corporate Fund or its shareholders.
- (b) the introduction of a fee or expense to be charged to the Corporate Fund, or directly to its shareholders by the Corporate Fund or its manager, in connection with the holding of shares of the Corporate Fund;

Except that (a) and (b) will not apply if:

- (i) the Corporate Fund is at arm's length with the person or company charging the fee; and
- (ii) the shareholders have received 60 days' notice before the effective date of the change.

- (c) a change of the administrative manager of the Corporate Fund, except where the new manager is an affiliate of the Manager;
- (d) any change in the fundamental investment objective of the Corporate Fund;
- (e) certain material reorganizations with, or transfers of assets to or from, another mutual fund; and
- (f) any decrease in the frequency of calculating the Corporate Fund's net asset value.

A meeting of shareholders of a Corporate Fund or a series of shares of a Corporate Fund, as applicable, for any of the foregoing purposes may be called by the Corporation or the Manager or by the holders of at least 20% of the shares or series of shares, as applicable, of the Corporate Fund. Approval by the shareholders of a Corporate Fund or a series of shares of a Corporate Fund requires the affirmative vote of more than 50% of the votes cast at a meeting of shareholders of the Corporate Fund, or such series, called for such purpose.

In respect of any proposed meeting of shareholders, shareholders have the right to obtain from the registrar a list of shareholders of a Corporate Fund or a series of shares of a Corporate Fund, as applicable, upon payment of a fee sufficient to reimburse the registrar for its reasonable costs incurred in connection therewith.

CAPITALIZATION AND DESCRIPTION OF SHARES

Each Corporate Fund is authorized to issue an unlimited number of series of shares and an unlimited number of shares of each series. Each series share entitles the holder thereof to participate equally in dividends of the Corporate Fund made to that series. Fractions of shares may be issued.

The shares of a Corporate Fund are of the same category and confer the same rights and privileges except that in respect of a Corporate Fund with more than one series of shares, each series of shares may have a different management fee, dealer compensation structure or distribution structure. As a result, each share entitles its holder to one vote and to participate equally in distributions made in respect of the series of shares by the subject Corporate Fund and, on liquidation, in the net assets of the series of shares remaining after satisfaction of outstanding liabilities. A fraction of a share will entitle the holder to similar proportionate participation, but will not entitle him or her to vote.

Shares and fractions of shares may be issued by a Corporate Fund only as fully paid and non-assessable. An investor will be entitled to redeem shares in the manner described under "Redemptions, Switches and Conversions of Shares".

Title to shares is conclusively evidenced by the register of shareholders maintained by the Corporate Funds' registrar. Certificates representing shares will not be issued.

Net Asset Value Per Share

The net asset value per share for all purposes except financial statements (the "Share Value") for each series of shares of a Corporate Fund is determined by the Manager after 4:00 p.m. (Toronto time) on each business day, being each day that the Toronto Stock Exchange is open for trading but in some circumstances, we may calculate it at another time.

It is the Manager's intention to maintain the Share Value for Northwest Short Term Corporate Class as near as possible to \$10. This is done by allocating realized net income daily, distributing realized net

income on a monthly basis to investors, distributing capital gains, if any, prior to the end of the year to investors, and by investing in short term securities resulting in only minor price fluctuations in portfolio securities.

The net asset value for each series of shares is calculated by taking the series' proportionate share of a Corporate Fund's common assets less common liabilities and deducting from this amount all liabilities that relate solely to a specific series. The Share Value for each series of shares is derived by dividing the net asset value of the series by the total number of series shares outstanding. The Share Value so determined at any time will remain in effect until the next such determination. The purchase price and redemption price (before deduction of any redemption fee payable by an investor as described under "Redemptions, Switches and Conversions of Shares") of each share of each series will be the Share Value of the series, determined in the manner described below, as of the applicable valuation date.

The following principles are applied in the valuation of the Corporate Funds' assets:

- (a) cash on hand or on deposit, bills and notes and accounts receivable and prepaid expenses are valued at their full amount unless the Manager has determined that any of these assets is not worth the full amount, in which event the value shall be deemed to be the value as the Manager reasonably deems to be the fair value;
- (b) bonds, debentures, notes and other such instruments are valued by taking the average between the bid and asked quotation or the bid quotation, depending on the circumstances, as of the valuation date;
- (c) stocks listed on a recognized stock exchange are valued at the closing sale price applicable to a board lot as of the applicable valuation date; in the event that no sale has taken place, the last published sale price or the average between the bid and asked prices is used, whichever, in the opinion of the Manager, most fairly reflects the actual market value. Stocks not listed on any stock exchange are valued at the average of bid and asked quotations as of the applicable valuation date. The value of securities not so traded is determined on the basis of over-the-counter quotations, if available, or by such other method as is deemed by the Manager to reflect fair market value;
- (d) if securities are traded on more than one exchange, the Manager must determine which exchange constitutes the principal market for the trading of those securities and must use the trading prices on that exchange or market for their valuation; if no bid or sale price is available, the Manager must take into consideration the last sale price and make a valuation which is fair and reasonable;
- (e) amounts of interest accrued but not yet received, dividends having an ex-dividend date prior to the applicable valuation date but not yet received as well as other sums which a Corporate Fund will receive are added to the assets;
- (f) for options written by the Corporate Fund:
 - (i) the premium received by the Corporate Fund for these options shall be reflected as a deferred credit that shall be valued at an amount equal to the current market value of the options that would have the effect of closing the position;
 - (ii) any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment;

- (iii) the deferred credit shall be deducted in arriving at the net asset value for each series of shares of the Corporate Fund; and
- (iv) any securities that are the subject of a written option shall be valued at their current market value in the manner described above for listed securities;
- (g) securities which a Corporate Fund has agreed to buy or sell are included or excluded, as the case may be, as if the transaction had effectively been completed;
- (h) discounted securities issued without interest are appraised according to the market. The difference between the cost and the amount to be received at maturity is amortized using the declining balance amortization method at a fixed rate at each valuation date. This amortization is credited directly to the income of the Corporate Fund. The difference between the cost and the value at maturity is allotted amongst the shareholders in the form of income;
- (i) the value of any security, the resale of which is restricted or limited by reason of a representation, undertaking or agreement by the Corporate Fund or by the Corporate Fund's predecessor in title, shall be the value which the Manager considers fair and reasonable in the circumstances;
- (j) a long position in an option or a debt-like security is valued at the current market value of the position;
- (k) the value of any derivative, the investment in which or the use of which is permitted by Canadian securities legislation together with any premium received or margin paid or deposited with respect thereto, shall be determined in accordance with Canadian securities legislation;
- (l) if an investment cannot be valued under the foregoing rules or under any other valuation rules adopted under securities legislation or if any rules adopted by the Manager but not set out under securities legislation are at any time considered by the Manager to be inappropriate under the circumstances, then the Manager shall use a valuation which it considers fair and reasonable in the interests of investors of the Corporate Fund; and
- (m) values calculated in accordance with the foregoing principles in foreign currencies are translated into Canadian dollars at the prevailing rate of exchange on the applicable valuation date.

For greater certainty, if at any time the foregoing rules conflict with the valuation rules adopted under securities legislation, the Manager shall use the valuation rules adopted under securities legislation. The Manager has not exercised its discretion to deviate from the valuation principles set forth above in the preceding three years.

Each transaction of purchase or sale of portfolio securities effected by a Corporate Fund is reflected in the first computation of the net asset value which is made after the date on which the transaction becomes binding upon the Corporate Fund.

The issue or redemption of shares of a series of a Corporate Fund is reflected in the next computation of the Share Value which is made after the time as of which the Share Value is determined for the purpose of issue or redemption of shares of such Corporate Fund.

Pursuant to National Instrument 81-106 mutual funds are required to calculate their net assets for the purposes of financial statements in accordance with Canadian Generally Accepted Accounting Principles (“Canadian GAAP”). Canadian GAAP was modified by the introduction of section 3855 Financial Instruments - Recognition and Measurement which applies to financial years beginning on or after October 1, 2006. As a result of concerns related to the impact of section 3855 on fund valuation, National Instrument 81-106 was amended in September 2008 to provide that the net asset value of a fund, determined for any purpose (including purchases and redemptions), other than for purposes of financial statements, must be calculated using the fair value of the fund’s assets and liabilities. As a result, the Corporate Funds will continue to value their assets for the purposes of calculating their net asset value per share for purchases and redemptions as described in this section but will apply Canadian GAAP for the purposes of their financial statements. The financial statements will include a reconciliation of the net asset value referred in the financial statements to the net asset value used for other purposes. A significant example of the differences between the Corporate Funds’ valuation principles and practices and Canadian GAAP is that the Corporate Funds value actively traded securities at the last sale price or official close price, where available, on the principal exchange on which they are traded while Canadian GAAP requires the use of bid price for securities purchased long and ask price for securities purchased short.

INVESTING IN THE CORPORATE FUNDS

Shares are offered for sale to the public only in those jurisdictions where they may be lawfully offered on a continuous basis and may only be offered by those persons registered with the appropriate securities authorities in the jurisdictions and which have been approved by the Manager.

Shares of Northwest Short Term Corporate Class are offered only to shareholders on the conversion of shares of other Corporate Funds. See “Redemptions, Switches and Conversions of Shares” below.

Mechanics of the Issuance of Shares

Shares may be purchased through any dealer duly registered in the jurisdiction where shares are lawfully offered for sale. Shares of a series are issued on the valuation date based on the Share Value of such series of shares purchased coinciding with or following the receipt of the purchase order by the Manager at its principal place of business situated at 155 University Avenue, 4th Floor, Toronto, Ontario, M5H 3B7 or at the offices of the Fédération des caisses Desjardins du Québec, 1 Complexe Desjardins, South Tower, Suite 1422, Montréal, Québec, H5B 1E4, the Corporate Funds’ registrar (the “Registrar”). Any purchase order received after 4:00 p.m. (Toronto time) on a valuation date will be processed at the Share Value of the relevant series of shares on the next valuation date.

Purchase orders which are transmitted to a dealer must be forwarded by such dealer to the Manager on the same day on which the purchase order is received or, if received by the dealer after normal business hours or on a day which is not a business day, on the next business day. Whenever practicable, the dealer must forward the purchase order of the subscriber by courier, priority post or telecommunications facility in order to expedite its receipt by the Manager. The cost of this transmittal, regardless of its form, must be borne by the dealer.

Without limiting the other rights of the Corporate Funds and of the Manager, the purchaser must pay a \$25 administrative fee for each dishonoured cheque tendered by the purchaser or if there are insufficient funds in any account from which payment is to be made. The Manager reserves the right to accept or reject subscriptions on behalf of the Corporate Funds. Any decision to reject a subscription will be made within one business day after receipt of the subscription by the Manager, and if a subscription is rejected the purchase money will be immediately returned to the subscriber.

In accordance with the National Instrument, the payment in respect of a purchase order must reach the Manager's head office on or before the third business day following the date on which the Share Value of the shares was determined. If the payment of the subscription price is not received within the prescribed period, the applicable Corporate Fund will be deemed to have received and accepted on the next business day an order to redeem the same number of shares originally purchased by the investor and the amount of the redemption proceeds will be applied to reduce the amount owing to the Corporate Fund in respect of the purchase of such shares. If the redemption price is greater than the purchase price, the Corporate Fund is required by the National Instrument to retain the excess amount. If the redemption price is less than the purchase price, the Manager is entitled on behalf of the Corporate Fund to collect such amount together with all costs, charges and expenses with interest, from the dealer who placed the purchase order. That dealer may collect such amounts together with its costs, charges and expenses in so doing and interest thereon from the defaulting investor. If no dealer was involved in a purchase order, the Manager is entitled, on behalf of the Corporate Fund, to collect such amount from the investor who has failed to make payments for the shares ordered.

The following options may be exercised to purchase shares:

Cash Purchases

The minimum initial investment in the Corporate Funds is as follows:

- \$500 for all Corporate Funds other than the Quadrant Corporate Portfolios (other than purchases made pursuant to either the volume sales charge option or the low load sales charge option, both of which are described below under "Sales Commissions and Redemption Fees", which require a minimum of \$10,000 or \$5,000, respectively); and
- \$2,000 for the Quadrant Corporate Portfolios.

The Manager may, in its sole discretion, change the minimum investment amounts from time to time without notice.

Pre-authorized Payment Plan

An investor may make regular monthly, quarterly or semi-annual purchases of shares by establishing a pre-authorized payment plan where the minimum initial investment is \$500 and the minimum amount of each monthly, quarterly or semi-annual purchase is \$50. Where the minimum initial investment is \$2,000, the minimum amount of each monthly, quarterly or semi-annual purchase is \$125.

Automatic Withdrawal Plan

If you own shares of a Corporate Fund having a value of \$5,000 or more you may establish an automatic withdrawal plan to provide periodic cash payments through the automatic redemption of shares with a minimum requirement of \$100 per withdrawal. There is no administration fee for the automatic withdrawal plan; however, shares redeemed may be subject to a redemption fee payable at the time of redemption if such shares were purchased under the deferred sales charge option or the low load sales charge option.

All distributions paid on shares held in the plan will be reinvested in additional shares at the Share Value thereof.

Withdrawals that are in excess of distributions and capital appreciation will result in encroachment on or possible exhaustion of the original capital.

Deferred Income Plans

The Manager will assist you in establishing, through a licensed trust company, a registered retirement savings plan (“RRSP”), registered retirement income fund (“RRIF”), life income fund (“LIF”), locked-in retirement income fund (“LRIF”), locked-in retirement account (“LIRA”), registered education savings plan (“RESP”) registered under the Tax Act or a retirement savings fixed term annuity (in Québec only) (“RSFA”), to invest in shares of the Corporate Funds. There is no charge for the establishment of such plans arranged through the Manager.

Employers can arrange for the registration of special purpose retirement savings plans (“Group RRSPs”) under which employers, on behalf of employees, and/or employees on their own behalf can make periodic deposits. The administrators of Group RRSPs are entitled to establish minimum deposit thresholds and to charge fees for their services. If an employee is participating as a member of a Group RRSP, the employee should be aware that although the inclusion of certain of the Corporate Funds on the list of available investment alternatives for the Group RRSP may have been an employer’s decision, the employer generally will not monitor the performance of the Corporate Funds on an ongoing basis and will also generally disclaim any responsibility with respect to such performance. Accordingly, the decision as to the purchase of shares of a Corporate Fund from the available investment alternatives through the Group RRSP, and the decision as to which shares to retain, may be that of the employee alone. Employees are encouraged to consult the particular dealer, broker or mutual fund specialist through which the Group RRSP investments are made, in order to discuss all available investment alternatives. Employees participating in a Group RRSP may not be required by their employer to have investments made by them or on their behalf through the Group RRSP or to retain investments therein. Such employees may wish to consult their own investment advisors about investment opportunities available to them in addition to those available through the Group RRSP.

Sales Commissions and Redemption Fees

Series A shares

An investor who purchases Series A shares may choose to pay a sales commission at the time of purchase. If an investor chooses to purchase Series A shares on a sales commission (i.e. a “front-end sales charge”) basis, the purchase price of each share is the Share Value of such series plus a commission, payable to the investor’s dealer, of up to 6% of the purchase price (or, conversely, the amount invested in shares will be the aggregate purchase amount less the commission payable to the investor’s dealer).

In the alternative, an investor in Series A shares of the Corporate Funds (other than of the Northwest Short Term Corporate Class) can choose from three redemption fee payment options: a deferred sales charge option, a volume sale charge option or a low load sales charge option, each of which is described below. An investor will be deemed to have purchased Series A shares subject to a redemption fee unless he or she has advised the Manager to the contrary at the time of purchase.

Series A shares purchased under the front-end sales charge sales option described above are hereinafter referred to as “SCO Shares”. Series A shares purchased under the deferred sales charge option described below are hereinafter referred to as “DSC Shares”. Series A shares purchased under the volume sales charge option described below are hereinafter referred to as “VSC Shares”. Series A shares purchased under the low load sales charge option described below are hereinafter referred to as “LL” shares.

If an investor purchases DSC Shares, the Manager will pay to the dealer selling such shares a commission of 5% of the purchase amount. Such commission may be changed from time to time in the discretion of the Manager. The redemption fees payable on DSC Shares redeemed within six years of purchase are described below under “Redemptions, Switches and Conversions of Shares - Redemption Fees”.

If an investor purchases VSC Shares, the Manager will pay to the dealer selling such shares a commission of up to 1% of the purchase amount. The volume sales charge option is only available to investors purchasing at least \$10,000 of shares of a Corporate Fund and is not available for shares of Northwest Short Term Corporate Class. The redemption fees payable on VSC Shares redeemed within two years of purchase are described below under “Redemptions, Switches and Conversions of Shares - Redemption Fees”.

If an investor purchases LL Shares, the Manager will pay to the dealer selling such shares a commission of up to 3% of the purchase amount. The low load sales charge option is only available to investors purchasing at least \$5,000 of shares of a Corporate Fund and is not available for shares of Northwest Short Term Corporate Class. The redemption fees payable on LL Shares redeemed within four years of purchase are described below under “Redemptions, Switches and Conversions of Shares - Redemption Fees”.

Series F shares

Each of the Quadrant Corporate Portfolios offers Series F shares for sale. Series F shares are only available to investors enrolled in an eligible fee for service or wrap program and who are subject to an annual advisory or asset-based fee rather than commissions for each transaction.

For such investors, the Manager is able to reduce the management fee rate on the Series F shares because costs to the Manager are lower and because investors who purchase Series F shares will already have entered into a separate agreement to pay account fees to their dealer organization for their individual investment program.

If the Manager becomes aware that an investor is no longer eligible to hold Series F shares, the Manager will change such investor’s Series F shares for Series A shares of the same Quadrant Corporate Portfolio after giving the investor 30 days notice. The Manager will not make the change if the investor or his or her dealer notifies the Manager during the notice period that the investor is once again eligible to hold Series F shares.

The Manager may also issue Series F shares to other investors for whom the Manager does not incur distribution costs.

REDEMPTIONS, SWITCHES AND CONVERSIONS OF SHARES

Conversion of Shares

Between Series

Shares of one series of a Corporate Fund may be converted to shares of another series of the same Corporate Fund provided that all conditions attaching to the shares have been satisfied. In addition, the Manager may cause the conversion of shares of one series to shares of another series of the same Corporate Fund where the shareholder fails to meet the conditions attached to the series of shares as specified in the Corporate Funds’ simplified prospectus. In any such conversion, the converting shareholder will receive that number of new shares, the fair market value of which is equal to the fair market value of the shares to be converted, both as determined at the time of conversion. Shares originally acquired under the deferred sales charge or low load sales charge option and subject to a redemption fee may not be converted to another series. When converting from Series F shares to Series A shares, your dealer may charge you a front-end sales charge or convert your shares into those which are subject to a deferred sales charge.

A conversion of shares from one series to another series of the same Corporate Fund is not a disposition for tax purposes and will not result in a capital gain or loss to a converting shareholder.

Between Corporate Funds

You can convert from shares of one Corporate Fund to another Corporate Fund. You can only convert from shares of a particular series of a Corporate Fund to the same series of another Corporate Fund. You can convert from one Corporate Fund to another Corporate Fund through your dealer. Shares of a Corporate Fund received on conversion of shares originally acquired under the deferred sales charge option, volume sales charge option or low load sales option and subject to a deferred sales charge will be held on the same terms as the shares which were converted. Your dealer may charge you a conversion fee. If you convert from shares of one Corporate Fund to another Corporate Fund within 90 days of your original purchase you may be subject to a short term trading fee.

A conversion of shares of a Corporate Fund to another Corporate Fund is not a disposition for tax purposes and will not result in a capital gain or loss to a converting shareholder.

The sale of shares of a Corporate Fund to purchase units or shares of a Trusteed Fund is a redemption and re-purchase and is a disposition for tax purposes and will result in a capital gain or loss to a redeeming shareholder.

Switching Between Corporate Funds and Trusteed Funds

You can switch from a Corporate Fund to a Trusteed Fund (sold by way of a separate simplified prospectus) through your investment professional who may charge you a switching fee. The Manager may limit your right to switch, without notice. Shares of a Corporate Fund can only be switched to a Trusteed Fund under the same series and purchase option. However, you may wish to switch your annual free redemption amount to the front-end sales charge option of a Corporate Fund in order not to lose that entitlement, since the free redemption amount cannot be carried forward to succeeding years. Your dealer is paid a higher commission on shares purchased under the front-end sales charge option.

A switch between a Corporate Fund and a Trusteed Fund is a disposition for tax purposes and may result in a capital gain or loss for tax purposes in a non-registered account.

Mechanics of Redemption

Subject to any short-term trading fees or redemption fees that may be applicable, shares may be redeemed at their Share Value calculated as at the valuation date following or coinciding with the receipt of the redemption order by the Manager or the Registrar, at their addresses set out above. The investor must sign the redemption order, and a Canadian bank, trust company, credit union, securities dealer or mutual fund dealer, which the Manager deems acceptable, must certify the signature. If the investor is a corporation, partnership, agent, fiduciary or surviving joint owner, additional documentation will be required. The Manager will deduct from the redemption proceeds any applicable short-term trading fee or redemption fee. Please see “Redemption Fees” and “Short-Term Trading Fee” below.

If, at any time, the investor holds shares in a Corporate Fund having both an aggregate Share Value of less than \$500 and an aggregate original subscription price of less than \$500, the Manager may, after giving 15 days’ written notice to the investor, cause the Corporate Fund to redeem the balance of his or her shares in the Corporate Fund. The shareholder may avoid such mandatory redemption by making an additional investment during such 15 day period to increase the aggregate Share Value of the investor’s shares in the Corporate Fund to an amount equal to or greater than \$500. We reserve the right to redeem, without notice to the investor, all of the shares or shares that the investor holds in a Corporate Fund if

their investment in that Corporate Fund falls below \$50. We also intend to observe all redemption policies that may be implemented from time to time by industry participants such as FundSERV, the provider of the transaction processing system used by most mutual funds in Canada.

No redemption order will be effective unless the written order has been duly completed and actually delivered to the Manager or to the Registrar, at their addresses set out above, together with any additional documentation so required. Any redemption order that is not forwarded directly to the Manager or Desjardins Trust Inc. by the shareholder will be appropriately forwarded by the dealer receiving it on the same day the completed redemption order is received. The particulars of such redemption order will be transmitted by the dealer by courier, priority mail or telecommunications, without charge to the investor. Such redemption orders will be accepted on the basis that the dealer will submit in writing a proper redemption order before settlement of the redemption proceeds by the Corporate Fund.

In accordance with the National Instrument, if an investor fails to provide a Corporate Fund with a duly completed redemption order together with all other required documentation within ten business days of the date on which the Share Value was determined for purposes of the redemption, the applicable Corporate Fund will be deemed to have received and accepted on the tenth business day an order for the purchase of the equivalent number of shares being redeemed and will apply the amount of the redemption proceeds to payment of the subscription price of such shares. If the amount of the issue price of such shares is less than the redemption proceeds, the Corporate Fund is required by the National Instrument to retain the excess. If the amount of the issue price of such shares exceeds the redemption proceeds, the Corporate Fund may recover the amount of the deficiency from the dealer through whom the redemption request was made. That dealer may collect such amount together with its costs, charges and expenses in so doing and interest thereon from the defaulting investor. Where no dealers were involved in an application for redemption, the Manager is entitled, on behalf of the Corporate Fund, to collect such amounts from the defaulting investor.

Unless the calculation of Share Value for a series has been suspended by the Manager (as described below), payment of the redemption proceeds for shares in respect of which a redemption order has been received by the Manager or Desjardins Trust Inc. will be made within three business days after the applicable valuation date, provided that all documents required to be delivered in connection with the redemption have been delivered to the head office of the Manager or the Registrar as described above.

All redemption orders will be dealt with in the order of their receipt. Requests requiring transfers to or from a registered plan may be delayed if the transfer documents are not filed according to the requirements of the tax authorities.

Suspension of Redemptions

A Corporate Fund may suspend the calculation of the Share Value for a series and the redemption of its shares in the following cases:

- (a) for any period when normal trading is suspended on any stock exchange, options exchange or futures exchange on which securities are listed and traded, or on which permitted derivatives are traded, which represent more than 50% in value or underlying market exposure of the total assets of the Corporate Fund, without allowance for liabilities (provided that such securities or derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Corporate Fund); or
- (b) if the Ontario Securities Commission authorizes such suspension.

If the right of redemption is suspended, a shareholder may either withdraw his or her redemption request or receive payment based on the series Share Value next determined after the end of the suspension. Such Corporate Fund is not permitted to issue shares during any period when the right to redeem shares is suspended.

Redemption Fees

If an investor chooses to purchase DSC Shares (or VSC or LL Shares), then a redemption fee will be payable on any redemption of such shares (other than a redemption made for the purpose of investment in another Corporate Fund) during the first six years (in the case of VSC Shares, two years and in the case of LL Shares, four years) after the date of original purchase of such shares, subject to the right to annually redeem certain of such shares without payment of any redemption fee as described below.

Redemption fees to be paid on DSC Shares (or VSC or LL Shares) to be redeemed depend on the date of the initial subscription of the shares and their subscription price. If the shares to be redeemed were purchased through a transfer between the Corporate Funds, the redemption fees are calculated on the basis of the date at which the initial shares were subscribed for and their subscription price.

Redemption fees also apply to all DSC Shares (or VSC or LL Shares), which have been acquired by the investor through the reinvestment of the distribution of income and capital gains on DSC Shares (or VSC or LL Shares) subject to a redemption fee. To calculate the redemption fees, the acquisition date of the shares acquired through the reinvestment of distributions is deemed to be the acquisition date of the original shares. The initial subscription price of such shares is the Share Value calculated immediately following said distribution.

The redemption fees are subtracted from the aggregate Share Value of the redeemed shares. The redemption fees are a fixed percentage of the initial subscription price of the redeemed shares (and not of the Share Value at the time of redemption).

The redemption fee with respect to DSC Shares redeemed is initially 6%, but the percentage diminishes progressively with time as set out in the following table:

If redeemed during the following period after the date of original purchase	Redemption fee as a percentage of original cost
During the first year	6.0%
During the second year	5.5%
During the third year	5.0%
During the fourth year	3.5%
During the fifth year	2.5%
During the sixth year	1.5%
After the end of the sixth year	Nil

The redemption fee with respect to VSC Shares redeemed within two years of purchase is 1.5%.

The redemption fee with respect to LL shares is initially 4%, but the percentage diminishes progressively with time as set out in the following table:

If redeemed during the following period after the date of original purchase	Redemption fee as a percentage of original cost
During the first year	4.0%
During the second year	4.0%
During the third year	3.0%
During the fourth year	1.5%
After the end of the fourth year	Nil

For the purpose of calculating redemption fees, the following rules apply:

- (a) an investor may redeem (the “DSC redemption right”), in any calendar year, without payment of a redemption fee, such number of DSC Shares of a Corporate Fund as is equal to:
- 10% of the number of DSC Shares of the Corporate Fund held by the investor as at December 31 of the previous year,
 - plus 10% of the number of DSC Shares of the Corporate Fund purchased by the investor during the current year,
 - less any distributions or dividends received in cash which are not reinvested in shares,
 - less the number of shares previously redeemed by you during the calendar year or prior to the redemption date.

If an investor transfers all or part of his or her investment in such shares from a Corporate Fund to another during the calendar year, the investor may redeem in that calendar year, without payment of a redemption fee, shares of such Corporate Fund having a redemption value equal to the relevant portion of the unexercised DSC redemption right in the first Corporate Fund determined on the basis of the percentage of such shares transferred. Any number of redemptions up to this limit will be permitted in any calendar year, but the right is not cumulative and cannot be carried forward to future years if any portion remains unexercised in any year;

- (b) an investor may redeem (the “VSC redemption right”), in any calendar year, without payment of a redemption fee, such number of VSC Shares of a Corporate Fund as is equal to:
- 10% of the number of VSC Shares of the Corporate Fund held by the investor as at December 31 of the previous year,
 - plus 10% of the number of VSC Shares of the Corporate Fund purchased by the investor during the current year,
 - less any distributions or dividends received in cash which are not reinvested in shares,

- less the number of shares previously redeemed by you during the calendar year or prior to the redemption date.

If an investor transfers all or part of his or her investment in such shares from a Corporate Fund to another during the calendar year, the investor may redeem in that calendar year, without payment of a redemption fee, shares of such Corporate Fund having a redemption value equal to the relevant portion of the unexercised VSC redemption right in the first Corporate Fund determined on the basis of the percentage of such shares transferred. Any number of redemptions up to this limit will be permitted in any calendar year, but the right is not cumulative and cannot be carried forward to future years if any portion remains unexercised in any year;

- (c) an investor may redeem (the “LL redemption right”), in any calendar year, without payment of a redemption fee, such number of LL Shares of a Corporate Fund as is equal to:

- 10% of the number of LL Shares of the Corporate Fund held by the investor as at December 31 of the previous year,
- plus 10% of the number of LL Shares of the Corporate Fund purchased by the investor during the current year,
- less any distributions or dividends received in cash which are not reinvested in shares,
- less the number of shares previously redeemed by you during the calendar year or prior to the redemption date.

If an investor transfers all or part of his or her investment in such shares from a Corporate Fund to another during the calendar year, the investor may redeem in that calendar year, without payment of a redemption fee, shares of such Corporate Fund having a redemption value equal to the relevant portion of the unexercised LL redemption right in the first Corporate Fund determined on the basis of the percentage of such shares transferred. Any number of redemptions up to this limit will be permitted in any calendar year, but the right is not cumulative and cannot be carried forward to future years if any portion remains unexercised in any year;

- (d) an investor redeeming shares of a Corporate Fund or transferring shares of a Corporate Fund to another must specify whether he or she is redeeming or transferring shares subject to a sales commission or shares subject to a redemption fee, if the investor holds more than one type of shares;
- (e) subject to paragraph (c), DSC Shares or VSC or LL Shares which can be redeemed without payment of a redemption fee otherwise payable pursuant to the DSC redemption right, the VSC redemption right or the LL redemption right will be deemed to be redeemed before other shares;
- (f) subject to paragraphs (d) and (e), shares will be deemed to have been redeemed or transferred in the order in which they were issued, or deemed to be issued;

- (g) DSC Shares, VSC Shares or LL Shares issued on a transfer from one Corporate Fund to another will be deemed to have been issued on the date of issue of the original share to which they are attributable at the subscription price for such original shares; and
- (h) DSC Shares, VSC Shares or LL Shares issued upon the automatic reinvestment of distributions upon such shares will be deemed to have been issued on the date of issue of the original shares to which such shares are attributable. The original subscription price for such reinvested shares will be deemed to be the Share Value thereof determined immediately following such distribution.

Short-Term Trading Fee

If an investor chooses to purchase or switch shares and then redeems or switches those shares within 90 days of purchase or switch they may be subject to a short-term trading fee of up to 2% payable to the relevant Corporate Fund of the net asset value of the shares at the time of redemption or switch.

RESPONSIBILITY FOR PRINCIPAL FUNCTIONS

Manager

The Manager is responsible for providing all management and administrative services required by the Corporate Funds, which includes arranging for the distribution of the Corporate Funds' shares and arranging for all investment management services of the Corporate Funds. In that capacity, it makes available to the Corporate Funds its accounting facilities and clerical staff.

The management agreement between the Corporate Funds and the Manager dated October 19, 2007 may be terminated thereafter on 60 days' prior written notice.

The head office and the principal address of the Manager and each of the Corporate Funds is situated at 155 University Avenue, 4th Floor, Toronto, Ontario, M5H 3B7; telephone: 416-594-6633; toll free: 1-888-809-3333; fax: 416-594-3370. The Manager's website address is www.northwestfunds.com.

The following is a list of directors and senior officers of the Manager and the Corporation and their respective principal occupations during the last five years:

Name and Municipality of Residence	Office	Principal Occupation for the Last Five Years
Allan P. Morin Winnipeg, Manitoba	Director	President & Chief Executive Officer of Assiniboine Credit Union.
Bernie O'Neil ⁽¹⁾ Halifax, Nova Scotia	Director	President and Chief Executive Officer of Credit Union Central of Nova Scotia, prior to that Senior Vice-President and Chief Financial Officer of Credit Union Central of Nova Scotia.
Debbie Lane Regina, Saskatchewan	Director	Vice-President, Management Services, Credit Union Central of Saskatchewan.

Name and Municipality of Residence	Office	Principal Occupation for the Last Five Years
Bob Leshchyshen Toronto, Ontario	Director	Director of Corporate Development, CHF Investor Relations, prior to that Vice-President, Operations, Independent Equity Research Corp., prior to that Special Situations Analyst, Independent Equity Research Corp., prior to that Special Situations Analyst, Northern Securities Inc.
J. Ross Montgomery ⁽¹⁾ New Westminster, B.C.	Director	Retired
Pierre Tardif Longueuil, Québec	Director and Chair	Notary, La Caisse Centrale Desjardins du Québec
Pierre Gingras ⁽¹⁾ Sainte-Pétronille, Québec	Director	President, Placements Moras Inc.
Bruno Morin Brossard, Québec	Director	Director General, La Caisse Centrale Desjardins du Québec, prior to that Senior Vice-President, Investment Funds & Trust Services, Fédération des caisses Desjardins du Québec.
Marcel Pepin St-Jean-Chrysostome, Québec	Director	Retired, prior to that Senior Vice-President, Strategic Planning & Canadian Business Development, Fédération des caisses Desjardins du Québec.
Jocelyne Poulin Payette ⁽¹⁾ Montréal, Québec	Director	General Manager, Caisse populaire des Mille-Îles.
John Kearns Toronto, Ontario	Chief Executive Officer	Chief Executive Officer of the Manager, prior to that President and Chief Executive Officer of the Canadian Scholarship Trust Foundation.
Robert Walker West Vancouver, B.C.	Vice-President, Sustainability	Vice-President, Sustainability of the Manager, prior to that Vice-President, Sustainability of Ethical Funds Inc.
Michael Butler Mississauga, Ontario	President & Chief Operating Officer	President and Chief Operating Officer of the Manager, prior to that President and Chief Operating Officer of Northwest Mutual Funds Inc.
Leslie Wood Pickering, Ontario	Executive Vice-President	Executive Vice-President of the Manager, prior to that Executive Vice-President of Northwest Mutual Funds Inc.
John Mountain Toronto, Ontario	Senior Vice-President, Legal & Chief Compliance Officer	Senior Vice-President, Legal & Chief Compliance Officer of the Manager, prior to that Senior Vice-President, Legal & Chief Compliance Officer of Northwest Mutual Funds Inc., prior to that Vice-President Regulation of The Investment Funds Institute of Canada.
Chris Holland Mississauga, Ontario	Senior Vice-President	Senior Vice-President of the Manager, prior to that Senior Vice-President of Northwest Mutual Funds Inc.

Name and Municipality of Residence	Office	Principal Occupation for the Last Five Years
Steve Kunzel Burlington, Ontario	Senior Vice-President, Sales & Marketing	Senior Vice-President, Sales & Marketing of the Manager, prior to that Senior Vice-President, Sales & Marketing of Northwest Mutual Funds Inc., and prior to that sales, marketing and general management capacities with CIBC Asset Management Inc. and Talvest Fund Management Inc.
Normand Paquin Outremont, Québec	Senior Vice-President, Corporate Affairs & Secretary	Senior Vice President Investment Funds and Trust Services, Fédération des caisses Desjardins du Québec, prior to that Vice-President, Private Management and Intermediary Markets, Fédération des caisses Desjardins du Québec.
Genna Louie Vancouver, B.C.	Vice-President	Vice-President of the Manager, prior to that Director, Products and Solutions of Ethical Funds Inc.
David Adams St. Catharines, Ontario	Chief Financial Officer	Chief Financial Officer of the Manager and Credential Financial Inc., prior to that Chief Financial Officer of Meridian Credit Union, prior to that Vice-President Finance of Niagara Credit Union.

⁽¹⁾ Member of our Audit Committee

Independent Review Committee

In accordance with National Instrument 81-107 “Independent Review Committee for Investment Funds” (“NI 81-107”) the Manager has appointed an independent review committee (“IRC”) for the Corporate Funds.

The following is a list of the members of the IRC and their respective principal occupations:

Name and Municipality of Residence	Principal Occupation
Lawrence Ward Toronto, Ontario	Consultant
Eamonn McConnell Toronto, Ontario	Consultant
Michèle McCarthy Toronto, Ontario	Lawyer

Before proceeding with a conflict of interest matter or any other matter that securities legislation requires the Manager to refer to the IRC, the Manager will be required to establish policies and procedures that it must follow on that matter or on that type of matter, having regard to its duties under securities legislation and refer such policies and procedures to the IRC for its review and input.

The IRC reviews conflict of interest matters related to the operations of the Corporate Funds. The Manager may not proceed with any of the following proposed transactions without IRC approval:

- the purchase or sale of a security of any issuer from to another investment fund managed by the Manager or an affiliate of the Manager;
- the making or holding of an investment in a security of an issuer relate to the Corporate Fund, the Manager or an entity related to the Manager;
- an investment in a class of securities of an issuer underwritten by an entity related to the Manager;
- a change in the auditors of the Corporate Funds;
- the reorganization of a Corporate Fund with or the transfer of its assets to another mutual fund.

Before the Manager may proceed with a matter related to a Corporate Fund giving rise to a conflict of interest (other than those noted above) the IRC must provide a recommendation to the Manager as to whether the proposed action provides a fair and reasonable result for the Corporate Fund. The Manager must consider the recommendation of the IRC and in the event that the Manager intends to proceed with the matter, in circumstances where the IRC has not given a favourable recommendation, the Manager must notify the IRC in writing of this intention before proceeding with the action. In such circumstances the IRC can require the Manager to notify the Corporate Fund's shareholders of its decision.

For recurring conflict of interest matters the IRC can provide the Manager with standing instructions. On an annual basis the Manager must report to the IRC describing each instance that it acted in reliance on a standing instruction.

The IRC is composed of persons who are independent of the Manager, the Corporate Funds and entities related to the Manager. The IRC has adopted a written charter that includes its mandate, responsibilities and functions, and the policies and procedures it will follow when performing its functions.

Portfolio Manager

The Manager has been appointed portfolio manager of the Corporate Funds pursuant to a portfolio management agreement dated October 19, 2007, and assigned to the Manager effective December 28, 2007.

The person responsible for providing investment advisory services is Mr. Christopher Holland. Mr. Holland has been associated with the Manager and its predecessor since 1998. He served Northwest Asset Management Inc. for a number of years as an associate portfolio manager, and has been the person responsible for providing investment advisory services to the Funds since mid-2006.

Mr. Holland obtained his Chartered Financial Analyst designation in 1996. He received his Master of Business Administration from the University of Toronto in 1990 and his Bachelor of Arts in Economics from the University of Western Ontario in 1986. He has been employed in the financial services industry since 1990.

Brokerage Arrangements

The policy of the Manager is that the purchase and sale of portfolio securities for the Corporate Funds are transacted through a number of registered brokers and dealers on the basis of the assessment of the following factors:

- (1) the ability of the registered broker or dealer to execute transactions promptly and on favourable terms; and
- (2) the quality and value of investment decision making services provided to the Corporate Fund by the registered broker or dealer. Investment decision making services include the provision of advice, valuations, research, and related data and software used in assessing potential investments.

Registrar

The Manager has appointed the Fédération des caisses Desjardins du Québec, 1 Complexe Desjardins, South Tower, Suite 1422, Montréal, Québec, H5B 1E4, as the Corporate Funds' registrar. The register of securities is kept at Montréal, Québec.

Auditors

The auditors of the Corporate Funds are PricewaterhouseCoopers LLP, in Montréal, Québec.

Custodian

Desjardins Trust Inc. is the custodian of the portfolio of each of the Corporate Funds pursuant to a custodial agreement dated April 19, 2004, as amended October 19, 2007 (the "Custody Agreement") originally between Northwest Mutual Funds Inc. and Desjardins Trust Inc. and assigned to the Manager. The securities are held at the Custodian's principal place of business situated at 1 Complexe Desjardins, South Tower, Suite 1422, Montréal, Québec, H5B 1E4, except for securities held by a domestic or foreign depository or clearing agency authorized to operate a national or transactional book-based system.

If the portfolio securities are acquired in any foreign market, they are kept at the offices of the sub-custodian appointed in the jurisdiction in which such market is situated. The sub-custodian for securities acquired in any foreign market is State Street Trust Company Canada, 770 Sherbrooke Street West, Montreal, Quebec, Canada.

Any other foreign sub-custodian will be appointed by or under the authority of the Custodian, based upon a variety of factors, including reliability as a custodian, financial stability and compliance with applicable regulatory requirements.

Either party may at any time terminate the Custody Agreement without penalty by giving at least 60 days notice to the other party of such termination; provided that the Custody Agreement may be terminated immediately by a party by notice in writing to the other if:

- (a) the other party ceases to carry on business, becomes bankrupt or insolvent, resolves to wind up or liquidate or if a receiver of its assets is appointed and is not discharged within 30 days, or proceedings of a receiver for that party are commenced and not discontinued within 30 days;
- (b) or if the Custodian ceases to be qualified to act as a custodian of mutual fund assets under the provisions of the National Instrument.

INCOME TAX CONSIDERATIONS

The following is a general summary of the principal Canadian federal income tax considerations, as of the date hereof, applicable to the Corporation and individual investors, other than trusts, who, for purposes of the *Income Tax Act* (Canada) (“Tax Act”), are resident in Canada and hold shares of the Corporate Funds as capital property. The summary is based upon the provisions of the Tax Act, the regulations made under the Tax Act (the “Regulations”), publicly announced proposals to amend the Tax Act and the Regulations and the current administrative and assessing practices and policies published by the Canada Revenue Agency. This summary does not take into account provincial or foreign income tax consideration. This summary is not exhaustive of all possible income tax considerations and is based upon the assumption that the Corporation will qualify as a mutual fund corporation under the Tax Act at all material times. This summary is of a general nature only and is not exhaustive of all possible income tax considerations. It is not intended as legal or tax advice to investors. **Prospective purchasers of shares are advised to consult their own tax advisors about their particular circumstances.**

Taxation of the Corporation

The Corporation is a single legal entity for tax purposes. The Corporation is not taxed on a class by class, or Corporate Fund by Corporate Fund, basis. Consequently, all revenues, deductible expenses, capital gains and capital losses of the Corporation with respect to its investment portfolio and other items relevant to the tax position of the Corporation (including the tax attributes of the Corporate Funds’ portfolio assets) will be taken into account to determine the income or loss of the Corporation and the applicable taxes payable by the Corporation as a whole (including refundable capital gains taxes payable). Deductible expenses common to all Corporate Funds and series of the Corporate Funds, and those attributable only to a particular Corporate Fund or series will be taken into account in computing the income or loss of the Corporation as a whole for tax purposes. Similarly, capital losses of the Corporation’s investment portfolio may be applied against the capital gains attributable to the Corporation as a whole irrespective of the Corporate Fund or series from which the gains or losses arise. However, in certain circumstances capital losses realized in the Corporation’s investment portfolio may be suspended and therefore be unavailable to shelter capital gains. Non-capital losses of the Corporation (whether from the current year or carried forward from prior years) attributable to any particular Corporate Fund or Series of a Corporate Fund may be applied against income attributable to any Corporate Fund or series of a Corporate Fund. Income taxes and refundable capital gains taxes payable by the Corporation (including such taxes that may arise where the Corporation disposes of portfolio assets as a result of shareholders of one Corporate Fund converting their shares of such Corporate Fund into shares of another Corporate Fund) will be borne by one or more Corporate Funds to be chosen by the Board of Directors of the Corporation, in its sole discretion, in order to obtain a refund of capital gains taxes payable by the Corporation as a whole.

The taxable portion of capital gains (net of the allowable portion of capital losses) realized by the Corporation will be taxable at corporate rates applicable to mutual fund corporations. The tax paid thereon is refundable on a formula basis when the shares of the Corporation are redeemed or when the Corporation pays capital gains dividends. Other income received by the Corporation (other than Canadian dividends, discussed below) will be subject to tax at the corporate level at corporate rates applicable to mutual fund corporations, subject to permitted deductions for expenses of the Corporation and applicable deductions or credits with respect to foreign taxes paid. The Corporation will generally be subject to a refundable tax (the “refundable tax”) levied against taxable dividends received, or deemed received, by the Corporation from taxable Canadian Corporations at a rate of 33⅓%. One dollar (\$1.00) of the refundable tax is refunded for every three dollars (\$3.00) the Corporation pays in taxable dividends.

Taxation of the Shareholders

Dividends paid by the Corporation to the shareholders (whether received in cash or reinvested in additional shares of the Corporation) will constitute either ordinary dividends or capital gains dividends and must be included in computing the shareholder's income. The dividend gross-up and tax credit treatment normally applicable to ordinary dividends paid by taxable Canadian Corporations will apply to ordinary dividends. An enhanced gross-up and dividend tax credit is available for certain eligible dividends paid by the Corporation.

Capital gains dividends may be paid by the Corporation to the shareholders of any particular Corporate Fund or Corporate Funds in order to obtain a refund of capital gains taxes payable by the Corporation as a whole, whether or not such taxes related to the investment portfolio are attributable to such Corporate Fund or Corporate Funds. Capital gains may arise in the Corporation when a shareholder of one Corporate Fund converts shares to another Corporate Fund. Capital gains dividends will be treated as realized capital gains in the hands of the shareholders and one-half of such gain will be included in computing the shareholder's income.

The price of a share of the Corporation may include income and capital gains that have been earned but not yet paid out as a dividend. Shareholders that acquire shares just before a dividend is declared and paid will be taxed on that dividend.

The conversion of shares of one series into shares of the same or different series of another Corporate Fund or a change from one series to another series of the same Corporate Fund will not be a disposition under the Tax Act. As a result, the shareholder will not realize a capital gain or loss on the conversion or change between Corporate Funds and series of shares of the Corporation. The shareholder's cost of the shares acquired will be the adjusted cost base to the shareholder of the shares that were converted or changed immediately before the conversion or change.

The redemption of shares of the Corporation in order to satisfy the negotiable conversion fee payable by a shareholder will be a disposition of such shares by the shareholder and will give rise to a capital gain (loss) equal to the amount by which the proceeds of disposition of such shares exceeds (or is less than) the aggregate of the adjusted cost base of such shares and any costs of disposition.

On the actual or deemed disposition of a share (including a transfer or redemption, whether on rebalancing or otherwise), a shareholder will realize a capital gain (capital loss) to the extent that the proceeds of disposition of such shares exceeds (or is less than) the aggregate of the adjusted cost base of such shares and any costs of disposition. One-half of such capital gain will generally be included in computing a taxpayer's income.

For the purpose of determining the adjusted cost base to a shareholder of shares of the Corporation when a share of a particular series is acquired, whether on the reinvestment of dividends or otherwise, the cost of the share is determined by averaging the cost of the newly-acquired share with the adjusted cost base to the shareholder of all other shares of that series held by the shareholder immediately before that time. The reinvestment of dividends may cause the shareholder's adjusted cost base per share to change.

Investors may be liable for alternative minimum tax in respect of dividends and realized capital gains (including capital gains dividends received).

Eligibility For Investment by Registered Plans

The shares of the Corporation will be qualified investments for RRSPs, RRFs, RESPs, deferred profit sharing plans, registered disability savings plans and tax free savings accounts (collectively, “Registered Plans”).

Investors who choose to purchase shares through a Registered Plan should consult their own professional advisers regarding the tax treatment of contributions to and acquisitions of property by such Registered Plan.

Tax Records

The Corporation will provide shareholders each year with income tax information necessary to complete their income tax returns. Individual shareholders should keep records of the original cost, along with any sales charges, of their shares, conversions of shares and any re-invested dividends so that any capital gain or loss on redemption or other disposition can be accurately determined for tax purposes.

PRINCIPAL HOLDERS OF SECURITIES

The Corporation: As at the date hereof, Northwest Corporate Trust is the registered owner of 100% of the issued and outstanding Class A shares and Class B shares of the Corporation.

The Corporate Funds: As at October 31, 2008, other than as set forth below, no person owns of record or beneficially, directly or indirectly, more than 10% of the issued and outstanding of any series of shares of each the Corporate Funds:

Fund	Shareholder	Percentage Holdings	Number and Series of Shares
Northwest Short Term Corporate Class	Northwest & Ethical Investments L.P.	32.14%	15,000 Series A Shares
	Shareholder A	22.55%	10,525 Series A Shares
	Shareholder B	17.79%	8,302 Series A Shares
	Shareholder C	14.14%	6,598 Series A Shares
Northwest Canadian Dividend Corporate Class	Shareholder D	14.77%	35,723 Series A Shares
	Shareholder E	13.22%	31,982 Series A Shares
Northwest Growth and Income Corporate Class	Shareholder F	51.79%	132,273 Series A Shares
Northwest U.S. Equity Corporate Class	Northwest & Ethical Investments L.P.	30.16%	15,000 Series A Shares
	Shareholder G	16.28%	8,095 Series A Shares
Northwest EAFE Corporate Class	Ses Trust	46.59%	19,364 Series A Shares
	Northwest & Ethical Investments L.P.	36.09%	15,000 Series A Shares
	Shareholder G	11.40%	4,738 Series A Shares
Northwest Global Equity Corporate Class	Northwest & Ethical Investments L.P.	20.07%	15,000 Series A Shares
	Shareholder K	16.48%	12,319 Series A Shares
	Shareholder H	11.76%	8,794 Series A Shares
Northwest Global Growth and Income Corporate Class	Northwest & Ethical Investments L.P.	39.30%	15,000 Series A Shares
	Shareholder I	29.44%	11,238 Series A Shares
Northwest Specialty Equity Corporate Class	IBEW Union Local 120 RIP	18.12%	20,010 Series A Shares
	Northwest & Ethical Investments L.P.	13.58%	15,000 Series A Shares

Fund	Shareholder	Percentage Holdings	Number and Series of Shares
Northwest Speciality Innovations Corporate Class	Northwest & Ethical Investments L.P. Shareholder J	18.31%	15,000 Series A Shares
		13.44%	11,012 Series A Shares
Northwest Quadrant Growth Corporate Class Portfolio	Northwest & Ethical Investments L.P. Shareholder L Shareholder M Shareholder N Shareholder O Shareholder P	28.91%	15,000 Series A Shares
		17.31%	8,980 Series A Shares
		13.76%	7,139 Series A Shares
		12.27%	6,367 Series A Shares
		12.09%	6,273 Series A Shares
		21.16%	72,620 Series F Shares
Northwest Quadrant Global Growth Corporate Class Portfolio	Northwest & Ethical Investments L.P. Shareholder Q	97.61%	15,000 Series A Shares
		100.00%	3,497 Series F Shares
Northwest Quadrant Global Equity Corporate Class Portfolio	Northwest & Ethical Investments L.P. Shareholder R Shareholder S	50.61%	15,000 Series A Shares
		16.48%	4,884 Series A Shares
		11.56%	3,426 Series A Shares
Northwest Quadrant All Equity Corporate Class Portfolio	Shareholder T Les Placements Doyon & Fils Inc. Shareholder U Shareholder V Shareholder W	35.54%	59,784 Series A Shares
		29.87%	50,252 Series A Shares
		14.30%	32,121 Series F Shares
		11.88%	26,682 Series F Shares
		10.07%	22,614 Series F Shares

The Manager: The following table shows the number of voting shares of the Manager owned of record or beneficially, directly or indirectly, by persons owning 10% or more of the voting limited partnership units of the Manager as at the date hereof:

Name and Municipality of Residence	Type of Ownership	% of Ownership
La Fédération des caisses Desjardins du Québec	Indirectly	50%
Credit Union Central of British Columbia	Indirectly	17.6%

AFFILIATED ENTITIES

The Manager is 50% owned by La Fédération des caisses Desjardins du Québec and 50% owned by Ethical Funds Inc., which is in turn owned by eight Provincial Credit Union Centrals. The Manager is not an affiliated entity of any person or company.

FUND GOVERNANCE

The Manager has responsibility for governance of the Corporate Funds. The Manager has a Code of Business Conduct (the “Code”) which applies to all of its employees and which has been provided to all of the Portfolio Sub-Advisors with the request that their employees comply therewith. The Code is in place to ensure that all employees of the Manager and any portfolio sub-advisors retained by the Manager are working with the sole purpose of doing what is best for the clients with no real or perceived conflicts

of interest. The Code provides mandatory policies in respect of the conduct of business including conflicts of interest, privacy and confidentiality.

Derivatives Policies and Practices

To the extent that the Corporate Funds use derivatives, the Portfolio Sub-Advisors will be responsible to ensure that derivatives used will be consistent with the applicable investment objectives and restrictions of the Corporate Funds and conform to the requirements of the National Instrument.

Derivative transactions for the Corporate Funds may be initiated only by authorized investment personnel approved by senior management who ensure that these individuals have the necessary proficiency and experience to use derivatives. As in the case of other portfolio transactions, all derivative transactions for the Corporate Funds must be recorded on a real time basis and immediately reflected in the Corporate Funds' portfolio management records. Derivative positions will be monitored daily to ensure compliance with all regulatory requirements, including cash cover requirements.

Proxy Voting Policies

The Manager has established a policy on the exercise of voting rights which establishes the basis on which and the manner that the voting rights related to securities held in the Corporate Funds' portfolios will be exercised (the "Policy"). The Policy reflects the Manager's responsibility to protect the medium and long-term interests of investors in the Corporate Funds by fully exercising the rights attached to securities held in the Corporate Funds' portfolios and its broader standards of ethics. The Policy covers several subjects on which the Corporate Funds can be called upon to exercise proxy voting rights. It cannot, however, be exhaustive or foresee all possible situations. Generally, the Policy provides that unless an issuer's particular situation justifies other action:

- on some matters such as the appointment of directors and auditors and the remuneration of auditors, the securities held by the Corporate Funds will be voted in accordance with management's recommendations. However, with regard to the appointment of directors, the securities held by the Corporate Funds will be voted for resolutions whose effect will be to create or maintain a majority of independent directors, and to support the individual election of directors rather than the election of slates;
- on other matters, including director and management compensation matters, matters related to takeover bids and similar transactions, and shareholders' rights matters, the securities held by the Corporate Funds will be voted in accordance with specific policies aimed at protecting the medium and long-term interests of investors in the Corporate Funds and Manager's broader standards of ethics;
- although the Manager does not foresee a situation arising in which the interests of the Manager or the sub-advisor conflict with the medium and long-term interests of the investors in a Corporate Fund, should such a situation ever arise, the Corporate Fund will exercise its proxy voting rights in a manner that respects the aforementioned general values and principles.

The Manager has retained Institutional Shareholder Services Canada Corp. ("ISS") to assist with the exercise of the voting rights attached to securities held in the Corporate Funds' portfolios. ISS receives all proxy materials and formulates voting recommendations in accordance with the Policy. The voting recommendations are conveyed to the Manager and the particular Corporate Fund's portfolio sub-adviser, which analyzes the voting recommendation having regard to the Policy and the issuer's particular situation and makes the final voting decision which is then conveyed to the issuer via ISS; if the sub-

advisor or Manager does not change the ISS recommendation, the shares will be voted in accordance with that recommendation. ISS provides the Manager with records of all votes.

The Policy is available on the Manager's website at www.northwestfunds.com, or by request at no cost by calling 416-594-6633 in the Toronto area or by calling toll-free 1-888-809-3333 or by writing to Northwest Funds Customer Service at 155 University Avenue, 4th Floor, Toronto, Ontario M5H 3B7. The Corporate Funds' proxy voting record for the most recent period ended June 30 will be available on the Manager's website or free of charge to any shareholder of the Corporate Funds upon request at any time after August 31 of that year.

MATERIAL CONTRACTS

The material contracts of the Corporate Funds are as follows:

- Management Agreement (see page 15);
- Portfolio Management Agreement (see page 18); and
- Custody Agreement (see page 19).

Copies of these agreements may be inspected at the head office of the Corporate Funds during normal business hours.

REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEE

No payment or reimbursement has been made by the Corporation to the directors and officers of the Corporation as at the date of this annual information form.

The IRC was created effective May 1, 2007. The individual IRC members are compensated by way of an annual retainer fee as well as being reimbursed for expenses associated with IRC duties. These costs were allocated amongst the Funds in a manner that was fair and reasonable. For the financial year ended September 30, 2007, total compensation paid by the Corporate Funds and the Trusteed Funds to the IRC members was in the aggregate amount of \$34,500; no expenses were reimbursed. The individual members were compensated as follows:

Name	Total Individual Compensation
Lawrence Ward	\$12,500
Michèle McCarthy	\$11,000
Eamonn McConnell	\$11,000

OTHER MATERIAL INFORMATION

AUDITORS' CONSENT

Northwest Short Term Corporate Class
Northwest Canadian Equity Corporate Class
Northwest Canadian Dividend Corporate Class
Northwest Growth and Income Corporate Class
Northwest U.S. Equity Corporate Class
Northwest EAFE Corporate Class
Northwest Global Equity Corporate Class
Northwest Global Growth and Income Corporate Class
Northwest Specialty Equity Corporate Class
Northwest Specialty Innovations Corporate Class
Northwest Quadrant Balanced Growth Corporate Class Portfolio
(Series A shares and Series F shares)
Northwest Quadrant Growth Corporate Class Portfolio
(Series A shares and Series F shares)
Northwest Quadrant Global Growth Corporate Class Portfolio
(Series A shares and Series F shares)
Northwest Quadrant Global Equity Corporate Class Portfolio
(Series A shares and Series F shares)
Northwest Quadrant All Equity Corporate Class Portfolio
(Series A shares and Series F shares)

(collectively, the “**Funds**”)

We have read the Simplified Prospectus and related Annual Information Form of the Funds dated November 3, 2008 relating to the issue and sale of mutual fund shares of the Funds. We have complied with Canadian generally accepted standards for an auditor’s involvement with offering documents.

We consent to the use, through incorporation by reference, in the above-mentioned Simplified Prospectus of our report to the Directors of Northwest Corporate Class Inc. on the statements of net assets as at October 22, 2007. Our report is dated October 26, 2007.

(signed) “*Pricewaterhouse Coopers LLP*”

Chartered Accountants
Montreal, Canada
November 3, 2008

CERTIFICATE OF THE FUNDS

Northwest Short Term Corporate Class
Northwest Canadian Equity Corporate Class
Northwest Canadian Dividend Corporate Class
Northwest Growth and Income Corporate Class
Northwest U.S. Equity Corporate Class
Northwest EAFE Corporate Class
Northwest Global Equity Corporate Class
Northwest Global Growth and Income Corporate Class
Northwest Specialty Equity Corporate Class
Northwest Specialty Innovations Corporate Class
Northwest Quadrant Balanced Growth Corporate Class Portfolio
Northwest Quadrant Growth Corporate Class Portfolio
Northwest Quadrant Global Growth Corporate Class Portfolio
Northwest Quadrant Global Equity Corporate Class Portfolio
Northwest Quadrant All Equity Corporate Class Portfolio

(the “Funds”)

This annual information form, together with the simplified prospectus required to be sent or delivered to a purchaser during the currency of this annual information form and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the provinces and territories of Canada and do not contain any misrepresentations.

Dated: November 3, 2008.

(signed) “John Kearns”
John Kearns
Chief Executive Officer
Northwest Corporate Class Inc.

(signed) “David Adams”
David Adams
Chief Financial Officer
Northwest Corporate Class Inc.

On behalf of the Board of Directors of
Northwest Corporate Class Inc.

(signed) “Bernie O’Neil”
Bernie O’Neil
Director

(signed) “Marcel Pepin”
Marcel Pepin
Director

CERTIFICATE OF THE MANAGER AND PROMOTER OF THE FUNDS

This annual information form, together with the simplified prospectus required to be sent or delivered to a purchaser during the currency of this annual information form and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the provinces and territories of Canada and do not contain any misrepresentations.

Dated: November 3, 2008.

Northwest & Ethical Investments L.P., acting through its general partner Northwest & Ethical Investments Inc., as manager and promoter of the Funds

(signed) “John Kearns”
John Kearns
Chief Executive Officer

(signed) “David Adams”
David Adams
Chief Financial Officer

On behalf of the Board of Directors of Northwest & Ethical Investments L.P., acting through its general partner Northwest & Ethical Investments Inc

(signed) “Bernie O’Neil”
Bernie O’Neil
Director

(signed) “Marcel Pepin”
Marcel Pepin
Director

NORTHWEST CORPORATE CLASS FUNDS

Offering Series A shares unless otherwise noted:

Northwest Short Term Corporate Class

Northwest Canadian Equity Corporate Class

Northwest Canadian Dividend Corporate Class

Northwest Growth and Income Corporate Class

Northwest U.S. Equity Corporate Class

Northwest EAFE Corporate Class

Northwest Global Equity Corporate Class

Northwest Global Growth and Income Corporate Class

Northwest Specialty Equity Corporate Class

Northwest Specialty Innovations Corporate Class

Northwest Quadrant Balanced Growth Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Quadrant Growth Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Quadrant Global Growth Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Quadrant Global Equity Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Quadrant All Equity Corporate Class Portfolio (Series A shares and Series F shares)

Northwest Mutual Funds Inc.
155 University Avenue
4th Floor
Toronto, Ontario
M5H 3B7

Tel: 416-594-6633
Fax: 416-594-3370
Toll Free Tel 1-888-809-3333
Toll Free Fax 1-888-809-4444

Additional information about the Corporate Funds is available in the Corporate Funds' management reports of fund performance and financial statements.

You can get a copy of these documents at no cost by calling toll-free 1-888-809-3333 if you are outside the Toronto area or 416-594-6633 in the Toronto area, or from your dealer or by e-mail at clientservice@northwestfunds.com.

These documents and other information about the Corporate Funds, such as information circulars and material contracts, are also available on the Northwest Mutual Funds internet site at www.northwestfunds.com or at www.sedar.com.