

**Amendment No. 1 dated April 7, 2009  
to the Simplified Prospectus dated June 25, 2008 of**

(Series A units, Series F units and Series I units unless otherwise indicated)

**CORE FUNDS**

Northwest Money Market Fund (Series A units and Series I units)  
Northwest Canadian Equity Fund  
Northwest Canadian Bond Fund  
Northwest Canadian Dividend Fund  
Northwest Growth and Income Fund  
Northwest Global Equity Fund  
Northwest U.S. Equity Fund  
Northwest EAFE Fund  
Northwest Global Growth and Income Fund

**SPECIALTY FUNDS**

Northwest Specialty High Yield Bond Fund  
Northwest Specialty Global High Yield Bond Fund  
Northwest Specialty Equity Fund  
Northwest Specialty Innovations Fund  
Northwest Specialty Growth Fund Inc.

**QUADRANT PORTFOLIOS**

Northwest Quadrant Conservative Portfolio (Series A and Series F units)  
Northwest Quadrant Income Portfolio (Series A and Series F units)  
Northwest Quadrant Balanced Portfolio (Series A units and Series F units)  
Northwest Quadrant Balanced Growth Portfolio (Series A and Series F units)  
Northwest Quadrant Growth Portfolio (Series A units and Series F units)  
Northwest Quadrant Global Growth Portfolio (Series A and Series F units)  
Northwest Quadrant Global Equity Portfolio (Series A units and Series F units)  
Northwest Quadrant All Equity Portfolio (Series A and Series F units)

(the “Funds”)

The Simplified Prospectus dated June 25, 2008 relating to the offering of units of the Funds (the “Prospectus”) is hereby amended as set out below.

**SUMMARY:**

The purpose of this Amendment No. 1 is to disclose changes to a number of operational and administrative matters related to the Funds, including in respect of purchases, switches and redemptions, account fees and trailer fees. These changes are being implemented in connection with the back-office integration of the Northwest family of mutual funds with the Ethical and Credential families of mutual funds, which will permit switches to be made between all funds managed by Northwest & Ethical Investments L.P. (“NEI”) that a dealer is permitted to sell. Unless otherwise noted these changes are effective April 13, 2009.

## **SPECIFIC CHANGES:**

### **PURCHASES, SWITCHES AND REDEMPTIONS**

The following section amends and restates the section titled “Switches” at page 9 of the Prospectus.

#### **Switches**

You can redeem units of one Fund to buy units of the same series of another Fund as long as you meet the minimum initial investment and minimum account balance requirements, as the case may be. This is called a switch. When we receive your order to switch, we will sell your units in the original Fund and use the proceeds to buy units of the same series of the new Fund.

You can switch from one Fund to another fund in our group of funds including units for units or shares of the Northwest Corporate Class funds, the Ethical Funds, the Credential Select Funds, or the Credential EnRich Pools (provided that your dealer is authorized to sell units of those funds and you live in a province or territory in which those funds are qualified for sale), all of which are offered under separate offering documents, or to of any new mutual fund which is created and offered by NEI after the date of this document (provided that units of the new mutual fund have been qualified for sale in your province or territory of residence) through your dealer who may charge you a switching fee. In addition, if you switch within 29 days of your original purchase you will be subject to a short term trading fee.

You may switch units purchased under the deferred sales charge option, low load sale charge option or low load 2 sales charge option for similar sales charge option units or shares of another fund without paying the applicable deferred sales charge; units acquired under one of these options cannot be switched for units with a different sales charge option, either of the same Fund or a different fund. The deferred sales charge on the new units is based on the date and original purchase price of the units before the switch.

However, you may switch your annual free redemption amount to the front-end sales charge option of a fund in order not to lose that entitlement, since the free redemption cannot be carried forward to succeeding years. Special rules of the self-regulatory organization your dealer belongs to apply to these types of switches; any order to switch your annual free redemption amount that we receive from your dealer must comply with the applicable rules. Your dealer is paid a higher trailing commission on units switched to the front-end sales charge option. Please see “Dealer Compensation”.

Switching may result in a capital gain or loss for tax purposes in a non-registered plan.

### **FEES AND EXPENSES**

The following table amends and restates the table titled “Fees and Expenses Payable Directly By You” at page 16 of the Prospectus:

<b>Fees and Expenses Payable Directly By You</b>																	
<b>Series I unit Management Fees</b>	<p> Holders of Series I units pay management fees directly to Northwest as negotiated between the investor and Northwest. Such fees will not exceed the management fees attributable to Series F units.</p>																
<b>Sales Charges</b>	<p> Under the front-end sales charge option, there is a maximum charge of 5% of the amount you invest in Series A units of a Fund. The amount of the fee is a matter between you and your dealer. There are no sales charges on Series F units and Series I units. For Series F units you will be required to pay your dealer an advisory or asset-based fee in addition to the Series F management fees. For Series I units, and if requested by your dealer and agreed to by you in writing, we may agree to collect any sale charges you negotiated with your dealer on your dealer's behalf.</p>																
<b>Switch Fees</b>	<p> Up to 2% of the amount you wish to switch between Funds. The amount of the fee is a matter between you and your dealer.</p>																
<b>Redemption Fees</b>	<p><i>Deferred Sales Charge Option:</i></p> <p> Under the deferred sales charge option, there is no sales charge until you redeem your Series A units. A redemption charge of 6% of the original cost (i.e., the Series A NAV per unit at the time of your purchase) of the Series A units you wish to redeem is payable if redeemed in the first year. The redemption charge declines to 0% after six years. The deferred sales charge option is not available for purchases of units of the Northwest Money Market Fund. Series F units and Series I units are not available under the deferred sales charge option.</p> <p> The following table sets out the applicable deferred sales charge payable<sup>1</sup>.</p> <table border="1" data-bbox="558 1142 1448 1640"> <thead> <tr> <th><b>Redemption of Deferred Sales Charge Units During Following Periods After Date of Issue</b></th> <th><b>Deferred Sales Charge as a Percentage of the Original Purchase Price</b></th> </tr> </thead> <tbody> <tr> <td>During the first year</td> <td>6.0%</td> </tr> <tr> <td>During the second year</td> <td>5.5%</td> </tr> <tr> <td>During the third year</td> <td>5.0%</td> </tr> <tr> <td>During the fourth year</td> <td>3.5%</td> </tr> <tr> <td>During the fifth year</td> <td>2.5%</td> </tr> <tr> <td>During the sixth year</td> <td>1.5%</td> </tr> <tr> <td>After the end of the sixth year</td> <td>0%</td> </tr> </tbody> </table>	<b>Redemption of Deferred Sales Charge Units During Following Periods After Date of Issue</b>	<b>Deferred Sales Charge as a Percentage of the Original Purchase Price</b>	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	0%
<b>Redemption of Deferred Sales Charge Units During Following Periods After Date of Issue</b>	<b>Deferred Sales Charge as a Percentage of the Original Purchase Price</b>																
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	0%																

<sup>1</sup> If you purchased deferred sales charge units or reduced sales charge units of Northwest Canadian Bond Fund, Northwest Canadian Dividend Fund, Northwest U.S. Equity Fund, Northwest EAFE Fund or Northwest Specialty Growth Fund Inc. (formerly Maestral Funds) prior to their incorporation into the Northwest Mutual Funds family, then you are subject to the redemption schedule that applied to those units at the time that you bought them, both in respect of the originally purchased units and in respect of units acquired on a switch or on the reinvestment of distributions.

## Fees and Expenses Payable Directly By You

In any year, you may redeem, without paying the deferred sales charges that would otherwise be applicable, such number of deferred sales charge units of a Fund as is equal to:

- 10% of the number of deferred sales charge units of such Fund held by you as of December 31 of the previous year,
- plus 10% of the number of deferred sales charge units of such Fund purchased by you during the current year,
- less any distributions or dividends received in cash which are not reinvested in units in respect of units purchased prior to April 13, 2009.

This free redemption is not cumulative. If you do not take advantage of the free redemption (or any part of the free redemption) in any calendar year, you cannot carry it forward to future years.

Units held as a result of the reinvestment of income and capital gains distributions on units purchased prior to April 13, 2009, including reinvestments of income or capital gains distributions on units received after April 13, 2009 where the original purchase was made prior to April 13, 2009, are treated as newly purchased units as described above. Units held as a result of the reinvestment of income and capital gains distributions on units purchased after April 13, 2009 are not subject to Deferred Sales Charges.

### *Low Load Sales Charge Option (formerly Volume Sales Charge Option):*

If you choose the low load sales charge option, you will pay no commission at the time of purchase and no deferred sales charge thereafter unless low load sales charge units are redeemed within two years of purchase, in which case a deferred sales charge of 1.5% of the original cost (i.e., the Series A NAV per unit at the time of your purchase) will be payable by you at the time of redemption.

Except as described in the preceding paragraph, holders of low load sales charge units will be treated in an identical manner to holders of deferred sales charge units. Series F units and Series I units are not available under the low load sales charge option. The low load sales charge option is not available for purchases of units of Northwest Money Market Fund.

### *Low Load 2 Sales Charge Option (formerly Low Load Sales Charge Option):*

If you choose the low load 2 sales charge option, you will pay no commission at the time of purchase and no deferred sales charge thereafter unless low load 2 sales charge units are redeemed within three years of purchase, if purchased after April 13, 2009, or within four years of purchase, if purchased prior to that date.

For Series A units purchased on or after April 13, 2009, a redemption charge of 3% of the original cost (i.e., the Series A NAV per unit at the time of your purchase) of the Series A units you wish to redeem is payable if redeemed in the first year. The

## Fees and Expenses Payable Directly By You

redemption charge declines to 0% after three years.

The following table sets out the applicable deferred sales charges payable in respect of Class A units purchased on or after April 13, 2009.

<b>Redemption of Low Load 2 Charge Units During Following Periods After Date of Issue</b>	<b>Low Load 2 Sales Charge as a Percentage of the Original Purchase Price</b>
During the first year	3.0%
During the second year	2.5%
During the third year	2.0%
After the end of the third year	0%

For Series A units purchased prior to April 13, 2009, a redemption charge of 4% of the original cost (i.e., the Series A NAV per unit at the time of your purchase) of the Series A units you wish to redeem is payable if redeemed in the first year. The redemption charge declines to 0% after four years.

The following table sets out the applicable deferred sales charges payable in respect of Class A units purchased prior to April 13, 2009.

<b>Redemption of Low Load 2 Charge Units During Following Periods After Date of Issue</b>	<b>Low Load 2 Sales Charge as a Percentage of the Original Purchase Price</b>
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	0%

Except as described in the preceding paragraphs, holders of low load 2 sales charge units will be treated in an identical manner to holders of deferred sales charge units. Series F units and Series I units are not available under the low load 2 sales charge option. The low load 2 sales charge option is not available for purchases of units of Northwest Money Market Fund.

<b>Fees and Expenses Payable Directly By You</b>	
<b>Short-Term Trading Fee</b>	<p>Units are subject to a short-term trading fee payable to the relevant Fund on redemptions and switches in excess of \$2,500 on the following basis:</p> <ul style="list-style-type: none"> <li>• 2% of the redemption proceeds otherwise payable if a redemption or switch occurs within 1 to 7 days of a purchase or switch;</li> <li>• 1% of the redemption proceeds otherwise payable if a redemption or switch occurs within 8 to 29 days of a purchase or switch.</li> </ul>
<b>Other Fees and Expenses</b>	<p>There will be a \$25 fee for NSF cheques returned or if there are insufficient funds in your account to pay for your units.</p>
<b>Registered tax plans</b>	<p>Registered plan client name accounts which are opened on or after April 13, 2009 which have assets of less than \$5,000 on the first Friday of October will, on that day, be charged an annual fee of \$25. We charge you only one administration fee per year even if you own or participate in more than one registered plan. We do not charge the administration fee if you have a total of \$5,000 or more invested in mutual funds managed by us on the date the fee is assessed, if the mutual funds are held within a NEI Group RRSP, or if you maintain an active pre-authorized contribution plan. If you have only one fund in your account, we will charge this fee to that fund by redeeming the appropriate amount of units. If you have multiple funds in your account, including a money market fund, we will redeem the appropriate amount of units of the money market fund to pay this fee. If you have multiple funds in your account but no money market fund, we will redeem front end sales charge units if possible to pay this fee. If you do not have front end sales charge units, we will redeem deferred sales charge units, low load sales charge units or low load 2 sales charge units to pay this fee, and will charge you the corresponding deferred sales charge, low load sales charge or low load 2 sales charge.</p>
<b>Account closing fee</b>	<p>Client name accounts opened on or after April 13, 2009 will be charged a fee of \$25 if you close the account or we close it because your total investment in mutual funds we manage falls below \$500.</p>

## **IMPACT OF SALES CHARGES**

The information under the heading “Impact of Sales Charges” at page 19 is amended and restated as follows:

The following table shows the amount of fees that you would have to pay under the different purchase options available to you if you made an investment of \$1,000 in Series A units of one of the Funds on or after April 13, 2009, if you held that investment for one, three, five or ten years and redeemed immediately before the end of that period.

	<b>At Time of Purchase</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Front-end Sales Charge Option <sup>(1)</sup>	\$50.00	-	-	-	-
Deferred Sales Charge Option <sup>(2) (3) (4)</sup>	-	\$60.00	\$50.00	\$25.00	-
Low Load Sales Charge Option <sup>(2) (3) (4)</sup>	-	\$15.00	-	-	-
Low Load 2 Sales Charge Option <sup>(2) (3) (4)</sup>	-	\$30.00	\$20.00	-	-

- (1) Assuming the maximum charge of 5% of the amount invested. There are no sales charges for Series F units or Series I units. Investors in Series F units will be required to pay their dealer an advisory or asset-based fee in addition to the Series F management fee payable by the Fund. Investors in Series I units will negotiate a sales charge, if any, directly with their dealer.
- (2) Redemption charges are shown under “Fees and Expenses” above and are based on the original purchase price. Redemption charges may apply only if you redeem your units in a particular year.
- (3) Redemption charges do not include the 10% free redemption option available to the investor in any year.
- (4) Series F and Series I units and units of Northwest Money Market Fund are not available under these purchase options.

## **DEALER COMPENSATION**

The information under the sub-headings “Sales Commissions and Switching Fees” and “Trailing Commissions” at page 19 of the Prospectus is amended and restated to read as follows:

### **Sales Commissions and Switching Fees**

With respect to Series A units, the method of dealer compensation depends on the payment option you have chosen. For front-end sales charge units, you will pay your dealer a sales commission at the time of your purchase, such commission being up to 5% of the amount you invest. The actual percentage is a matter between you and your dealer. For deferred sales charge units, you are not required to pay your dealer a commission. We, however, will pay your dealer 5% of the amount you purchased under this option (other than units of Northwest Specialty High Yield Bond Fund, Northwest Canadian Bond Fund, Northwest Specialty Global High Yield Bond Fund, Northwest Quadrant Conservative Portfolio and Northwest Quadrant Income Portfolio for which we will pay your dealer 4% of the amount you purchased under this option and Northwest Money Market Fund which cannot be purchased under this option). For low load sales charge units, you are not required to pay your dealer a commission. We, however, will pay your dealer 1% of the amount you purchased under this option (with respect to all of the Funds other than Northwest Money Market Fund, which cannot be purchased under this option). For low load 2 sales charge units, you are not required to pay your dealer a commission. We, however, will pay your dealer 2.5% of the amount you purchased under this option (with respect to all of the Funds other than Northwest Money Market Fund, which cannot be purchased under this option). Sales charges are not paid when you switch from one of the Funds to another, but a switch fee of up to 2% may be charged to you and retained by your dealer. The amount of any switch fee is a matter between you and your dealer. No sales commissions are paid when you receive units from reinvested distributions.

There is no sales charge to purchase Series F units but you will be required to pay your dealer an advisory or asset-based fee in addition to the Series F management fee payable by the Fund.

There is no sales charge to purchase Series I units but you may be required to pay your dealer fees you negotiate directly with your dealer. If requested by your dealer, we may agree to collect these fees on behalf of your dealer.

### **Trailing Commissions**

We pay your dealer a trailing commission at either month or quarter end for the ongoing advice and service you receive from your dealer relating to Series A units. The maximum trailer fee payable will depend on the payment option you have chosen and the Fund in which you have purchased Series A units. Dealers receive this service fee based on the aggregate Series A NAV of their clients' investment in the Funds at the annualized rates indicated below:

<b>Service Fee Rates</b>				
<b>Fund</b>	<b>Front-End Sales Charge Option</b>	<b>Deferred Sales Charge Option</b>	<b>Low Load Sales Charge Option</b>	<b>Low Load 2 Sales Charge Option*</b>
Northwest Money Market Fund	up to 0.25%	N/A	N/A	N/A
Northwest Canadian Equity Fund	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%
Northwest Canadian Bond Fund	up to 0.75%	up to 0.25%	up to 0.50%	up to 0.25% during first 3 years and thereafter up to 0.50%
Northwest Canadian Dividend Fund	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%
Northwest Growth and Income Fund	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%

**Service Fee Rates**

<b>Fund</b>	<b>Front-End Sales Charge Option</b>	<b>Deferred Sales Charge Option</b>	<b>Low Load Sales Charge Option</b>	<b>Low Load 2 Sales Charge Option*</b>
Northwest Global Equity Fund	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%
Northwest U.S. Equity Fund	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%
Northwest EAFE Fund	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%
Northwest Global Growth and Income Fund	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%
Northwest Specialty High Yield Bond Fund	up to 0.75%	up to 0.25%	up to 0.50%	up to 0.25% during first 3 years and thereafter up to 0.50%
Northwest Specialty Global High Yield Bond Fund	up to 0.75%	up to 0.25%	up to 0.50%	up to 0.25% during first 3 years and thereafter up to 0.50%
Northwest Specialty Equity Fund	up to 0.75%	up to 0.50%	up to 0.75%	up to 0.5% during first 3 years and thereafter up to 0.75%

**Service Fee Rates**

<b>Fund</b>	<b>Front-End Sales Charge Option</b>	<b>Deferred Sales Charge Option</b>	<b>Low Load Sales Charge Option</b>	<b>Low Load 2 Sales Charge Option*</b>
Northwest Specialty Innovations Fund	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%
Northwest Specialty Growth Fund Inc.	up to 1.00%	up to 0.50%	up to 1.00%	up to 0.5% during first 3 years and thereafter up to 1.00%
Northwest Quadrant Conservative Portfolio	up to 0.95%	up to 0.50%	up to 0.75%	up to 0.375% during first 3 years and thereafter up to 0.75%
Northwest Quadrant Balanced Growth Portfolio	up to 1.20%	up to 0.70%	up to 1.00%	up to 0.5% during first 3 years thereafter up to 1.00%
Northwest Quadrant All Equity Portfolio	up to 1.20%	up to 0.70%	up to 1.00%	up to 0.5% during first 3 years thereafter up to 1.00%
Northwest Quadrant Income Portfolio	up to 0.95%	up to 0.50%	up to 0.75%	up to 0.375% during first 3 years and thereafter up to 0.75%
Northwest Quadrant Global Growth Portfolio	up to 1.20%	up to 0.70%	up to 1.00%	up to 0.5% during first 3 years thereafter up to 1.00%

### Service Fee Rates

Fund	Front-End Sales Charge Option	Deferred Sales Charge Option	Low Load Sales Charge Option	Low Load 2 Sales Charge Option*
Northwest Quadrant Balanced Portfolio	up to 1.00%	up to 0.50%	up to 0.75%	up to 0.375% during first 3 years and thereafter up to 0.75%
Northwest Quadrant Growth Portfolio	up to 1.20%	up to 0.70%	up to 1.00%	up to 0.5% during first 3 years thereafter up to 1.00%
Northwest Quadrant Global Equity Portfolio	up to 1.20%	up to 0.70%	up to 1.00%	up to 0.5% during first 3 years thereafter up to 1.00%

\* We will continue to pay dealers services fees on Series A units purchased under the Low Load 2 Sales Charge Option prior to April 13, 2009 at the rates in effect on the date of purchase.

We may change or cancel the terms of trailing commissions that we pay at any time.

There are no trailing commissions paid to your dealer by Northwest with respect to Series F units which you hold because you pay an advisory or asset-based fee directly to your dealer. There are no trailing commissions paid to your dealer by Northwest with respect to Series I units, however we may, if requested by your dealer and agreed to you in writing, agree to collect any fee you negotiated directly with your dealer on your dealer's behalf.

### **What Are Your Legal Rights?**

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund securities and get your money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form or financial statements misrepresent any facts about the Fund. These rights must usually be exercised within certain time limits.