

NORTHERN MULTI-MANAGER FUNDS

SUB-ADVISERS AND ALLOCATIONS

CREATING AN OPTIMAL PORTFOLIO WITH MULTIPLE MANAGERS

In seeking to create an optimal portfolio, we begin by conducting extensive research on managers from around the world, narrowing it down to several managers for a single fund.

Using Complementary Investment Styles

Each manager is expected to play a specific role within the fund's portfolio, utilizing its own distinct investment style — such as growth or value — in selecting securities. The managers are blended in a way that we believe will provide the best combination of risk and return. It is in the combination and allocation of these managers that we seek to create an optimal portfolio and provide investors with attractive risk-adjusted returns versus the fund's benchmark.

Ongoing Monitoring

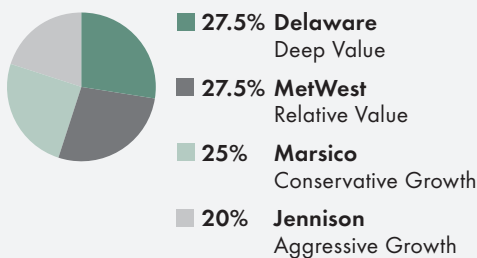
Once a fund is established, we continue to monitor each manager, as well as the overall fund, evaluating our actual experience with a manager against the factors that comprised the original decision to choose the manager.

Experienced Management

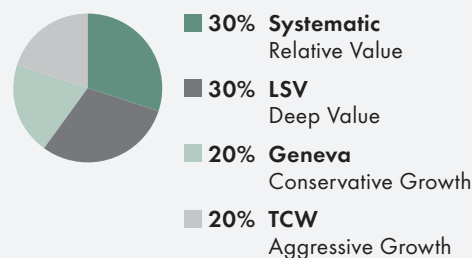
Northern Trust and its affiliates have utilized multi-manager strategies for various clients for more than 25 years. The firm conducts research on more than 500 managers worldwide, and is currently utilizing more than 250 — covering a full spectrum of investment styles.

TARGET ALLOCATION SNAPSHOT

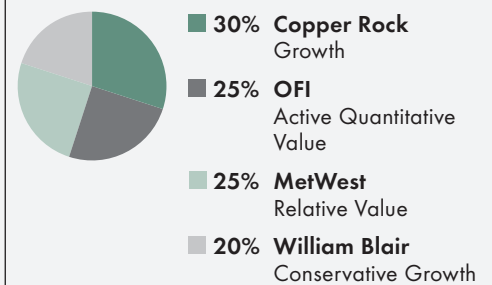
NORTHERN MULTI-MANAGER LARGE CAP FUND



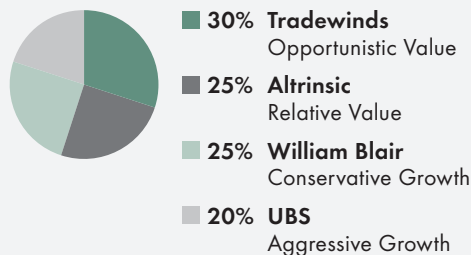
NORTHERN MULTI-MANAGER MID CAP FUND



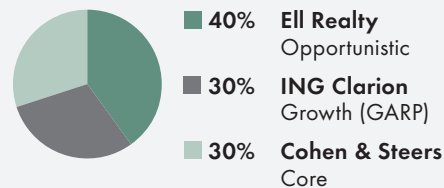
NORTHERN MULTI-MANAGER SMALL CAP FUND



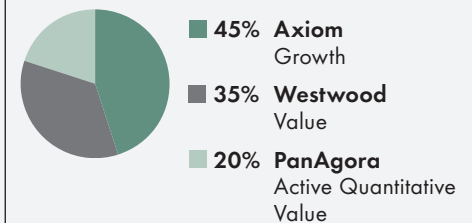
NORTHERN MULTI-MANAGER INTERNATIONAL EQUITY FUND



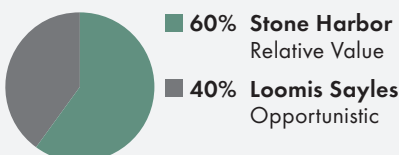
NORTHERN MULTI-MANAGER GLOBAL REAL ESTATE FUND



NORTHERN MULTI-MANAGER EMERGING MARKETS EQUITY FUND



NORTHERN MULTI-MANAGER HIGH YIELD OPPORTUNITY FUND



SUB-ADVISERS AND ALLOCATIONS

SUB-ADVISER	TARGET ALLOCATION	ROLE IN PORTFOLIO
NORTHERN MULTI-MANAGER LARGE CAP FUND¹		
Delaware Investments	27.5%	Deeper value exposure. Will tend to protect capital in difficult markets.
Metropolitan West Capital Management	27.5%	Relative value manager. Will tend to have more modest value characteristics and a market capitalization in line with the index.
Marsico Capital Management	25%	Conservative growth strategy, seeking to take advantage of broad growth themes. The portfolio tends to have a beta less than one and will likely provide some downside protection when growth underperforms.
Jennison Associates	20%	Higher beta, more aggressive growth portfolio. Should provide strong upside during periods of market strength.
NORTHERN MULTI-MANAGER MID CAP FUND^{1,2}		
Systematic Financial Management	30%	Relative value approach seeks companies trading at low valuations that have seen some signs of positive earnings momentum.
LSV Asset Management	30%	Deep value style with quantitative approach. Systematically exploits judgmental biases and behavioral weaknesses influencing investors.
Geneva Capital Management	20%	Conservative growth style expected to protect capital during difficult growth markets.
TCW Investment Management	20%	Aggressive growth style expected to provide strong up-market capture during strong growth.
NORTHERN MULTI-MANAGER SMALL CAP FUND^{1,3}		
Copper Rock Capital Partners	30%	Growth style with small- to mid-capitalization emphasis.
OFI Institutional Asset Management	25%	Value manager with quantitative approach. Provides core value characteristics.
Metropolitan West Capital Management	25%	Relative value style with bottom-up stock selection approach.
William Blair	20%	Conservative growth style with tax-efficient strategy. Expected to provide downside protection in difficult growth markets.

Please see back page for fund-specific risks.

SUB-ADVISERS AND ALLOCATIONS

SUB-ADVISER	TARGET ALLOCATION	ROLE IN PORTFOLIO
NORTHERN MULTI-MANAGER INTERNATIONAL EQUITY FUND^{1,4}		
Tradewinds Global Investors	30%	Absolute value style seeks opportunities in every area of the market, regardless of sector or country. Expected to offer downside protection.
Altrinsic Global Advisors	25%	Relative value style expected to protect capital in negative markets. Favors high-quality, large-cap companies.
William Blair	25%	Portfolio of companies showing superior growth at reasonable valuations. Process combines bottom-up fundamental analysis with a top-down strategic overlay.
UBS Global Asset Management	20%	Aggressive growth style expected to provide strong up-market capture in strong markets. Has higher beta and volatility than other managers.
NORTHERN MULTI-MANAGER GLOBAL REAL ESTATE FUND^{1,4,5}		
Ell Realty Securities Inc.	40%	Opportunistic manager that may take significant off-benchmark positions, resulting in a higher level of concentration relative to the benchmark. Historically, the strategy has provided strong defensive characteristics in down markets.
ING Clarion Real Estate Securities, LP	30%	Growth at a reasonable price (GARP) manager with a diversified strategy. The portfolio should have a small number of off-benchmark positions while maintaining attractive market up-capture and downside protection characteristics.
Cohen & Steers Capital Management Inc.	30%	Core manager with attractive long-term risk-adjusted return characteristics.
NORTHERN MULTI-MANAGER EMERGING MARKETS EQUITY FUND^{1,6}		
Axiom International Investors, LLC	45%	Opportunistic bottom-up growth strategy seeks to identify high-quality companies exhibiting signs of improvement and/or acceleration in key business drivers. Axiom also applies a top-down overlay. The portfolio should participate in earnings momentum-driven markets.
Westwood Global Investments, LLC	35%	Value oriented, opportunistic investment approach complementary to PanAgora's diversified quantitative style. This portfolio should exhibit a less benchmark-oriented approach to value investing.
PanAgora Asset Management Inc.	20%	Highly diversified quantitative value strategy using macro drivers in security analysis. Primary driver of outperformance is country weights. Should provide consistent risk-adjusted performance as a result of its diversified investment approach.
NORTHERN MULTI-MANAGER HIGH YIELD OPPORTUNITY FUND^{1,7,8}		
Stone Harbor	60%	High-yield strategy focused on identifying attractive industries and sectors through relative value and in-depth qualitative and quantitative analyses while managing risk through issuer diversification. The portfolio will provide more consistent characteristics to the traditional high-yield sectors.
Loomis Sayles	40%	Opportunistic high-yield strategy employing a bottom-up investment approach focused on attractively priced credits. Will provide exposure to out-of-benchmark sectors. The portfolio is designed to provide competitive performance in a broad range of market environments.

Please see back page for fund-specific risks.

SUB-ADVISERS AND ALLOCATIONS

- ¹ **Equity Risk:** Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including investments in high-grade fixed income securities. The net asset value per share of this Fund will fluctuate as the value of the securities in the portfolio changes.
- ² **Mid Cap Risk:** Mid capitalization stocks typically carry additional risk, since smaller companies generally have higher risk of failure and, historically, their stocks have experienced a greater degree of volatility.
- ³ **Small Cap Risk:** Small capitalization funds typically carry additional risks since smaller companies generally have a higher risk of failure.
- ⁴ **International Risk:** International investing involves increased risk and volatility.
- ⁵ **REIT/Real Estate Risk:** Investments in the Fund are subject to the risks related to direct investment in real estate, such as real estate risk, regulatory risks, concentration risk, and diversification risk. By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather changes in the value of their investments.
- ⁶ **Emerging and Frontier Markets Risk:** Emerging and frontier markets investing may be subject to additional economic, political, liquidity, and currency risks not associated with more developed countries. Additionally, frontier countries generally have smaller economies or less developed capital markets than traditional emerging markets and, as a result, the risks of investing in emerging market countries are magnified in frontier countries.
- ⁷ **Bond Risk:** Bond funds will tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price, especially for longer-term issues and in environments of rising interest rates.
- ⁸ **High Yield Risk:** Although a high yield fund's yield may be higher than that of fixed income funds that purchase higher-rated securities, the potentially higher yield is a function of the greater risk that a high yield fund's share price will decline.

Managers and allocations are subject to change at any time.

TAKE THE NEXT STEP in diversifying your investments. Call today to learn more about how the Northern Multi-Manager Funds can fit into your investment portfolio. *Call a Northern Trust Relationship Manager or 800-595-9111 for more complete external manager information, including a prospectus. Before investing, you should carefully read the prospectus and consider the investment objectives, risks, charges, and expenses of Northern Funds. The prospectus contains this and other information about the funds.*

©2009 Northern Funds | Northern Funds are distributed by Northern Funds Distributors, LLC, Boston, MA, not affiliated with Northern Trust.

northernfunds.com

NOT FDIC INSURED

May lose value/No bank guarantee



Managed by
Northern Trust

NF FCT MMA (8/09)