

NORTHERN INSTITUTIONAL PRIME OBLIGATIONS PORTFOLIO

CREDIT RATING

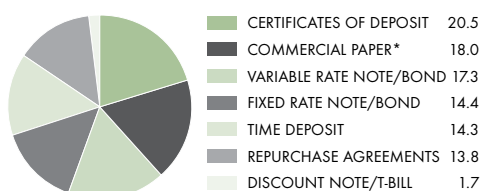
STANDARD AND POOR'S	AAAm
MOODY'S	Aaa
NAIC	Listed

PORTFOLIO ASSETS: \$4.9 BILLION

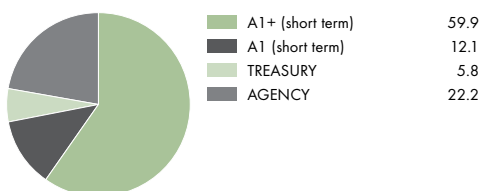
7-DAY CURRENT YIELD

SHARES	0.19%
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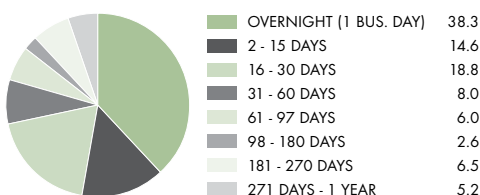
PORTFOLIO COMPOSITION (%)



QUALITY COMPOSITION (%)

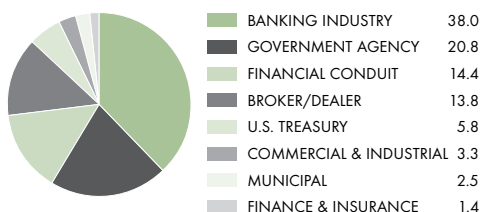


MATURITY ANALYSIS (%)



EFFECTIVE AVERAGE MATURITY: 49 DAYS

SECTOR DISTRIBUTION (%)



INVESTMENT OBJECTIVE

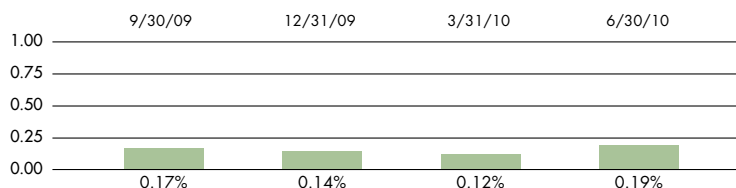
The Portfolio seeks to maximize current income to the extent consistent with the preservation of capital and maintenance of liquidity by investing exclusively in high-quality money market instruments. The Portfolio seeks to achieve its objective by investing in a broad range of government, bank and commercial obligations that are available in the money markets.

PORTFOLIO FEATURES

- The Portfolio offers the potential for a higher yield than a portfolio of government securities, with limited additional risk, by being able to invest in money market eligible corporate securities
- Top ratings from Standard & Poor's and Moody's highlight the Portfolio's high credit quality and relative safety — this Portfolio is also on the National Association of Insurance Commissioners (NAIC) list of Class 1 money market mutual funds.
- The Portfolio invests primarily in the highest credit quality securities — First Tier securities

7-DAY CURRENT YIELD HISTORY (Shares class)

QUARTER END



MONTH END

2009						2010					
JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
0.31	0.17	0.17	0.17	0.17	0.14	0.11	0.09	0.12	0.13	0.16	0.19

TOTAL RETURNS (as of June 30, 2010)

1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
0.17%	1.74%	2.91%	2.54%

Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown here. Performance data current to the most recent month end is available by calling 800-637-1380.

The Advisor has agreed to reimburse certain expenses of the Portfolio. The contractual reimbursement arrangement is expected to continue until at least April 1, 2011. After this date, the contractual arrangements may be terminated if it is determined to be in the best interest of the Portfolio and its shareholders. In the absence of fee waivers, yield, total return, growth since inception and dividends would have been reduced. Total return is based on net change in NAV assuming reinvestment of distributions. The 7-day current yield more closely reflects the current earnings of the Portfolio than the total returns. The Portfolio also includes voluntary fee waivers that may change or end at any time. The 7-day current yield would have been 0.07%.

An investment in the Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Portfolio seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Portfolio.



Managed by
Northern Trust

NOT FDIC INSURED

May lose value/No bank guarantee

PORTFOLIO STATISTICS

INCEPTION DATE:	August 21, 2003
TICKER SYMBOL:	NPAXX
CUSIP:	665279204
MINIMUM INVESTMENT:	\$20 million
CUT OFF TIME – PURCHASES:	2:00 P.M. CT
CUT OFF TIME – REDEMPTIONS:	2:00 P.M. CT

TOP TEN ISSUERS

Company	% of Net Assets
FEDERAL HOME LOAN BANK SYSTEM	13.1%
CITIGROUP GLOBAL MARKETS INC (Repo)	6.2%
U.S. TREASURIES	5.7%
BNP PARIBAS SECURITIES CORP (Repo)	4.8%
DNB NOR BANK	4.1%
SOCIETE GENERALE (C)	3.4%
FEDERAL HOME LOAN MORTGAGE CORP	3.2%
CITIGROUP INC	2.7%
BNP PARIBAS	2.6%
KREDITANSTALT FUER WIEDERAUFBAU	2.2%
TOTAL % OF PORTFOLIO:	48.0%

PORTFOLIO MANAGER

**NAME:** Peter Yi**YEARS OF INVESTMENT EXPERIENCE:** 9**AREA OF RESPONSIBILITY:** Formulate and execute overall strategy for various broad-sector taxable Short Duration Funds**AFFILIATIONS:** CFA Charterholder, member of the CFA Institute and the Investment Analysts Society of Chicago**EDUCATION:** B.S., University of Michigan; MBA, University of Chicago

PORTFOLIO MANAGER COMMENTARY

During June, investors were faced with greater uncertainty surrounding the European debt crisis and the indeterminate impacts from the disastrous oil spill in the Gulf. Furthermore, the economic recovery hit a mild roadblock. Weakening housing data, falling consumer confidence and disappointing gains in private payrolls painted a less optimistic view of the economy. The Federal Reserve kept rates unchanged and remained committed to low rates for an extended period of time. While the policy statement was consistent with prior messages, there was a subtle shift in acknowledging a “weaker economic outlook on balance, largely reflecting developments abroad.” We targeted a long duration relative to the peer group by opportunistically adding duration following any backups in government yields, depending on the landscape of the yield curve. We continued to overweight term purchases in U.S. Treasury and U.S. Agency debt. In addition, we maintained a strong liquidity profile to accommodate any unexpected fund redemptions.

ANNUAL EXPENSE RATIOS (Shares class)

NET EXPENSE RATIO*	0.15%	GROSS EXPENSE RATIO	0.28%
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*Includes contractual expense reimbursements that, if not extended, will end on April 1, 2011.

- Shares of the Northern Institutional Funds are offered only by a current Prospectus and are intended solely for persons to whom shares of U.S. registered funds may be sold. This material shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of shares of the Northern Institutional Funds in any jurisdiction in which such offer, solicitation or sale would be unlawful.
- 7-day current yields are based on the relation between the fund's net asset value per share on the date indicated and the annualization of the fund's net dividend income for the 7 days ended on the date indicated. The yields shown do not include capital gains and may, therefore, differ slightly from the actual distribution rate.
- Credit ratings are as of June 30, 2010 and subject to change. AAA rating by Standard & Poor's is obtained after S&P evaluates a number of factors, including credit quality, market price, exposure and management. Money market funds rated Aaa by Moody's are judged to be of an investment quality similar to Aaa-rated fixed income obligations, that is, they are judged to be of the best quality. Ratings are based on an evaluation of several factors including credit quality, diversification and maturity of assets in the portfolio as well as management strength and operational capabilities. This fund is on the National Association of Insurance Commissioners list of Class 1 money market mutual funds. Inclusion on the NAIC list is the result of an accounting measure involving the fund's underlying investments, and does not constitute an assessment of quality. The NAIC listing does not represent an endorsement or recommendation of the overall fund.
- The fund is a managed portfolio and its holdings are subject to change.
- The holdings percentages are based on net assets at the close of business on June 30, 2010 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.
- The gross expense ratio is as reported in the most recent prospectus.

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CALL YOUR NORTHERN TRUST RELATIONSHIP MANAGER or the Northern Institutional Funds center at **800-637-1380** for more complete information, including a prospectus. Please carefully read the prospectus and summary prospectus and consider the investment objectives, risks, charges and expenses of Northern Institutional Funds before investing. Call **800-637-1380** to obtain a prospectus and summary prospectus, which contains this and other information about the funds.



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