

Advice for choosing a FINANCIAL ADVISOR

5 TIPS FOR PICKING ONE THAT'S RIGHT FOR YOU

Just glance through the phone book or do a quick search of the Internet and you'll see there's no shortage of people willing to dispense financial advice. But how do you sort through the clutter to find a financial advisor that's right for you?

Before you launch your search, you'll first need to determine what role you want them to play. For example, do you want them to stay in the background on an "as needed" basis? Or, would you like them to set up an initial plan that you feel comfortable implementing yourself? Or, would you want them to manage your entire portfolio while you perfect your golf game? Once you decide their role, look for the following qualities:

Proper licensing and registration — Whether offering mutual funds, stocks, bonds or other financial instruments, your advisor must have proper registration and licensing from the National Association of Securities Dealers (NASD). In addition, some continue their training to become a Certified Financial Planner (CFP), a Chartered Financial Analyst (CFA) or other such designation. This usually consists of a combination of course work, experience, ethics, exams and other educational requirements.

Good listening skills — Your financial advisor's job is to get to know you, your needs, time horizon, risk tolerance and goals in order to develop your customized plan. Upon reviewing it, ask how each recommended investment will help you reach your goals. A good financial advisor will be able to directly address your questions and relate it back to your specific goals.

Discipline — One of the greatest benefits to working with an advisor is that they can bring discipline to your portfolio by creating an investment strategy to help you reach your long term goals. . . and help keep you on track. For many, this begins by developing an asset allocation and diversification strategy. Diversification means spreading your investment dollars within the broad asset classes of stocks, bonds and cash. Asset allocation is deciding what percentage of your money you want to invest in each of these.

But this is not a once-and-done proposition. A good financial advisor will have access to the latest research data and should keep you informed about new opportunities. Periodically they will help you rebalance your portfolio to meet changing needs and/or market conditions.



Range of Products — Whether you have a sizeable or modest portfolio, short- or long-term goals, or an aggressive or conservative investment style, look for a financial advisor who can offer a range of products — stocks, private equity, hedge funds, mutual funds — to suit your needs. Be wary of someone who pushes one specific product or asset class, especially when it doesn't align with your needs and goals.

Compatibility — Although it's not as tangible as some of the guidelines above, as with any relationship, compatibility is key. Your financial advisor should work with you the way you want and be open to questions and feedback.

With these guidelines in hand, you are well on your way to finding a financial advisor that's right for you.

Seven Ways a Northern Trust Relationship Manager Can Help You

At Northern Trust, we want our clients to be able to enjoy their most precious asset — peace of mind. Our dedicated financial professionals can help:

1. Define your financial goals
2. Personalize an asset allocation strategy
3. Evaluate and recommend mutual funds
4. Identify new investments that may enhance your existing portfolio
5. Adjust investments as your lifestyle and the financial markets change
6. Track portfolio returns and progress toward your goals
7. Guide you through periods of market uncertainty

To find out how to get in contact with a Northern Trust Relationship Manager, visit northerntrust.com or call **800/595-9111**.



NEW! Panoramic view on Private PassportSM

Not only can you access your Northern Funds accounts to view balances, initiate transactions and pay bills, but now you can also use the new Passportfolio[®] service to get a panoramic view of all your assets and liabilities. With one user ID and one password, you can add and view account balances and transaction activity at other financial institutions, include the value of assets like jewelry or fine art collections, and keep track of mileage rewards programs to get a net worth snap shot. To enroll, go to northerntrust.com/simplify.

Did You KNOW?

80% of mutual fund investors use a financial advisor when making a fund purchase.

Source: Investment Company Institute

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YOUR SERVICE

Here are a few of the questions we've recently received from Northern Funds investors. If you have questions, please e-mail them to northern-funds@ntrs.com or give us a call at **800/595-9111**.

I recently got married and my long-term goals have changed. How do I change my investment strategy?

When you began investing, you may have filled out a profile with your financial advisor that was used to determine your suitability for certain asset classes. For example, Northern Trust Relationship Managers use an Investor Profile to assess your investment history, goals, risk tolerance and more. According to the NASD, investor profiles should be reviewed at least every three years. If your information has changed, contact your financial advisor. If you have a Northern Trust Relationship Manager, you can contact them to update your Investor Profile, or call **800/595-9111**.

ATTENTION: IRA Money Market Account Holders

If you hold IRA assets in a Northern Money Market Funds account, starting in July you will receive statements quarterly instead of monthly. Remember you can always check up-to-date account information through Private Passport, our secure online service.

Are "MUNIS" Right For You?

Municipal bonds, or "munis," are IOUs issued by state and local governments to finance various public projects like roads or hospitals. Income generated by munis is exempt from federal taxes. Munis held by residents of their home state may also be exempt from state taxes.

Historically, munis have not always had the appeal of their Treasury counterparts. However, with long-term Treasuries yielding relatively low returns, munis could be an attractive tax-exempt option for your portfolio's fixed-income asset class, especially when you factor in the after-tax savings. To learn more about how Northern's Municipal Bond Funds* may fit your tax savings strategy, contact your Relationship Manager or the Northern Funds Center.

**Income from the Funds may be subject to federal alternative minimum tax (AMT), state and local taxes.*

*Before investing, you should carefully read the prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds. A prospectus with this and other information may be obtained at **800/595-9111** or northernfunds.com.*

CONTACT us

BY PHONE Call 800/595-9111, Monday through Friday, 7:00 a.m. - 7:00 p.m. Central time

AUTOMATED INFORMATION LINE Call 800/595-9111, 24 hours a day, 7 days a week

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