

This document contains key information you should know about Ethical International Equity Fund. You can find more detailed information in the fund's simplified prospectus. Ask your adviser for a copy, contact Northwest & Ethical Investments L.P. ("NEI Investments") at 1 888-809-3333 or NEIclientservices@NEIinvestments.com or visit www.NEIinvestments.com.

### Quick facts

Date fund created	July 25, 2006	Portfolio manager or sub-advisor	William Blair & Company
Total value on May 31, 2011	\$81.41 million	Distributions	Annually, in December
Management expense ratio (MER)	1.93%	Minimum investment	\$500 initial, \$25 additional

### What does the fund invest in?

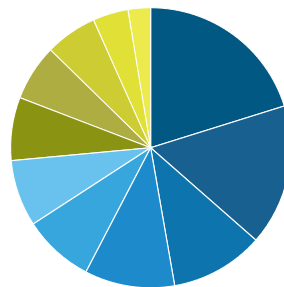
The Fund invests in equity and equity related securities of companies located mainly outside of Canada and the United States.

The charts below give you a snapshot of the fund's investments on May 31, 2011. The fund's investments will change.

#### Top 10 investments (May 31, 2011)

1. Cash and Cash Equivalents
2. Softbank Corp.
3. SAP
4. Petroleo Brasileiro, ADR
5. Samsung Electronics Co.
6. Bayer
7. Prudential
8. Sumitomo Mitsui Financial Group
9. Schneider Electric
10. Industrial & Commercial Bank of China, Class H

#### Investment mix (May 31, 2011)



#### Industry

Financials	20.2%	Utilities	2.6%
Industrials	16.3%		
Information Technology	10.8%		
Consumer Discretionary	10.4%		
Materials	8.2%		
Energy	7.7%		
Consumer Staples	7.3%		
Telecommunication Services	6.5%		
Health Care	6.0%		
Cash and Cash Equivalents	4.1%		

**Total Investments** 91

**The top 10 investments make up 23% of the fund.**

### How has the fund performed?

This section tells you how the fund has performed over the past 4 years. Returns shown are after expenses have been deducted. These expenses reduce the fund's gross returns.

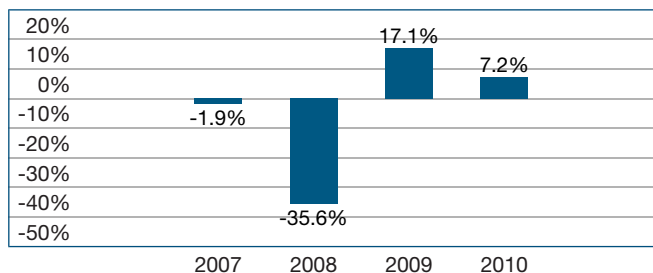
It's important to note that this doesn't tell you how the fund will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

#### Average return

A person who invested \$1,000 in the fund 4 years ago now has \$958. This works out to an annual compound return of -0.9%.

#### Year-by-year returns

This chart shows how the fund has performed in each of the past 4 years. The fund dropped in value in 2 of the 4 years.



### How risky is it?

The value of a mutual fund may go up and down, and the value of your investment may be more or less when you redeem it than when you purchased it. NEI Investments has rated this fund's risk as medium.



### Are there any guarantees?

We do not guarantee that the full amount of your investments in the funds will be returned to you.

### Who is this fund for?

This fund is an appropriate investment if:

- you are seeking growth from foreign equities
- you are investing for the long term
- you are prepared for medium risk

**Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.**

### A word about tax

In general, you'll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

## How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series F units of the fund. The fund has other series of securities. The fees and expenses are different for each series. You should ask about other series that may be suitable for you.

**1. Sales charges-** Series F units are only available if your dealer has entered into a Series F unit/shares Distribution Agreement with us.

Sales charge option	What you pay		How it works
	in percent (%)	in dollars (\$)	
Series F	0.00%	\$0.00	No direct sales commissions or redemption charges are payable by you to us on the purchase or sale of Series F units

**2. Fund expenses** -You don't pay these expenses directly. They affect you because they reduce the fund's returns. As of March 31 2011 the funds expenses were 2.29% of its value. This equals \$22.90 for every \$1,000 invested.

	Annual rate (as a % of the fund's value)
<b>Management expense ratio (MER)</b> -This is the total of the fund's management fee and operating expenses.	1.93%
<b>Trading expense ratio (TER)</b> -These are the fund's trading costs.	0.36%
<b>Fund expenses</b>	<b>2.29%</b>

**3. Other fees** – You may have to pay other fees when you sell or switch securities of this fund.

Fee	What you pay
<b>Short-term trading fee</b>	2% if a redemption occurs within 1 to 7 days, otherwise 1% within 8 to 29 days of purchase or switch
<b>Switch fees</b>	Up to 2% may be charged to you and retained by your dealer
<b>Returned cheques</b>	There will be a \$25 fee for Non-Sufficient Fund cheques that are returned if there are insufficient funds in your account to pay for your units
<b>Account closing fees</b>	Client name accounts 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.
<b>Registered plan fees</b>	There may be a \$25 annual fee for Registered plans with less than \$5,000 managed by us. No fee is charged if the plan is held within a Group RRP or where pre-authorized contributions are maintained

## What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund securities within two business days after you receive a simplified prospectus, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory. For more information, see the securities law of your province or territory or ask a lawyer.

## For more information

Contact NEI Investments or your adviser for the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents.

### Northwest and Ethical Investments L.P.

155 University Avenue, 4th Floor  
Toronto, ON, M5H 3B7  
Phone: (416) 594-6633

Toll-free: 1-888-809-3333

Email: [NEIclientservices@NEIinvestments.com](mailto:NEIclientservices@NEIinvestments.com)

[www.NEIinvestments.com](http://www.NEIinvestments.com)

