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| IMPORTANT TAX INFORMATION |
| QUALIFIED INTEREST INCOME (QII) DIVIDEND REPORT |
| TAX YEAR 2017 |

January 29, 2018

The American Jobs Creation Act allows a Regulated Investment Company (RIC) to designate interest related dividends and qualified short-term capital gains that are exempt from U.S. withholding taxes for foreign investors, not considered a U.S. person, for tax years after December 31, 2004. The Protecting Americans from Tax Hicks   
Act of 2015 (the PATH Act) makes permanent the section 871(k) flow-through provisions, which provide more equitable U.S. withholding tax treatment for distributions of interest and short-term capital gains to foreign shareholders.

The following table lists the year-to-date percentages of qualified interest income and short-term capital gains for the Northern and Northern Institutional Funds as of December 31, 2017:

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| **Northern Funds** | **Cusip** | **NRA Exempt Qualified Interest Income (QII)** | **NRA Exempt Short-Term Capital Gain** |
| Money Market | 665162855 | 100.00% | 0.00% |
| Municipal Money Market | 665162830 | 0.00% | 0.00% |
| U.S. Government Money Market | 665162848 | 100.00% | 0.00% |
| U.S. Government Select Money Market | 665162822 | 100.00% | 0.00% |
| Ultra-Short Fixed Income | 665162467 | 75.33% | 0.00% |
| High Yield Fixed Income | 665162699 | 83.22% | 0.00% |

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| **Northern Institutional Funds** | **Cusip** | **NRA Exempt Qualified Interest Income (QII)** | **NRA Exempt Short-Term Capital Gain** |
| Government Assets Portfolio\* | 665278107  665278206  665278305 | 100.00% | 0.00% |
| U.S. Government Portfolio | 665278404 665278503 665278602 | 100.00% | 0.00% |
| Municipal Portfolio | 665278248 665278255 665278263 | 0.15% | 0.00% |
| U.S. Government Select Portfolio | 665278701 665278800 665278883 | 100.00% | 0.00% |
| Treasury Portfolio | 665279808  665279873 | 100.00% | 0.00% |
| Prime Obligations Portfolio | 665279204 | 98.29% | 0.00% |

\* CLOSED 11/30/2017

Northern Trust does not provide tax advice. Please note that (i) any discussion of U.S. tax matters contained in this communication (including any attachments) cannot be used by you for the purpose of avoiding tax penalties; (ii) this communication was written to support the promotion or marketing of the matters addressed herein: and (iii) you should seek advice based on your particular circumstances from an independent tax advisor.

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| NOT FDIC INSURED | May lose value / No bank guarantee |