THE NORTH WEST COMPANY

NORTH WEST COMPANY FUND 2008

Notice of 2009 Annual and Special Meeting of Unitholders and Management Information Circular

APRIL 24, 2009

ENTERPRISING · SINCE 1668

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Invitation to Unitholders

On behalf of the Trustees of the Fund, and the management and employees of The North West Company, we are pleased to invite you to the 2009 Annual and Special Meeting of Unitholders which will be held in room 2GH at the Winnipeg Convention Centre, 375 York Avenue, Winnipeg, Manitoba on Thursday, June 11, 2009 at 11:30 a.m. (Central Standard Time).

The Notice of Annual and Special Meeting and the accompanying Management Information Circular describe the business to be conducted at the Meeting and also provide detailed information on the Fund's executive compensation and governance policies.

Remember, your vote is important. The Annual and Special Meeting is your opportunity to vote on matters of importance to the Fund and learn more about our performance in 2008 and the first quarter of 2009. The Meeting will also give you the chance to hear what lies ahead and meet the people who are responsible for charting and executing the Fund's strategies for growth. If you are unable to attend the Meeting in person, we encourage you to vote by following the instructions on the enclosed proxy form.

We look forward to seeing you at the Meeting.

Sincerely,

H. Sanford Riley
Chairman
North West Company Fund

Edward S. Kennedy
President & CEO
North West Company Fund

Important Voting Information

1. WHAT IS THE PURPOSE OF THE MANAGEMENT INFORMATION CIRCULAR AND PROXY FORM?

This Management Information Circular and Proxy Form have been provided to enable the Trustees of the Fund to solicit your votes with respect to matters of business that will or may arise at the Annual and Special Meeting of Unitholders (the "Meeting"). As a unitholder, you are entitled to vote on the election of Trustees, appointment of auditors, etc., as well as receive relevant information about the Fund's governance and executive compensation policies. By reading the Management Information Circular and by voting your units in person at the Meeting or by properly completing and submitting a Proxy form, you are exercising one of your most important rights as a unitholder.

2. WHO IS ENTITLED TO VOTE?

Unitholders of record at the close of business on April 24, 2009 (the "Record Date") are entitled to receive notice of, and to attend and vote at, the Meeting and any subsequent adjournment of it, unless they transfer their units after the Record Date and the transferee of those units establishes their ownership and demands, not later than 10 days before the Meeting, that their name be included in the list of unitholders entitled to vote.

As of the Record Date, 48,378,000 units in the capital of the Fund are entitled to cast a vote. At all Meetings of the unitholders, each unitholder is entitled to one vote for each unit registered in their name on the books of the Fund. Every question coming before the Meeting, unless required by law or otherwise, will be determined by the majority of votes duly cast on the question.

As at March 31, 2009, to the knowledge of the Trustees, CIBC Global Asset Management Inc. beneficially owns, directly or indirectly, or exercises control or direction over approximately 16.1% of the Fund's outstanding units.

3. ON WHAT AM I VOTING?

You are entitled to vote on the items as detailed under "Business of the Meeting" on page 5 of this document:

1. The election of Trustees;
2. The appointment of auditors;
3. An amendment to the Declaration of Trust to change the number of Trustees from a minimum of seven Trustees and a maximum of 11 Trustees to a minimum of seven Trustees and a maximum of 12 Trustees;
4. Approve an amendment to and the renewal of the Deferred Unit Plan of the Fund; and
5. Approve the adoption of a Unit Option Plan for the Fund.

The Trustees of the Fund recommend that you vote in favour of these items.

4. WHAT MUST I DO TO VOTE?

It depends on whether you are a **registered** unitholder or a **non-registered** unitholder.

5. WHAT IS THE DIFFERENCE BETWEEN A REGISTERED UNITHOLDER AND A NON-REGISTERED UNITHOLDER?

You are a **registered unitholder** if your units of the Fund are registered in your name and you have a certificate of ownership.

You are a **non-registered unitholder** if your units are registered in the name of an intermediary (such as a bank, trustee, or securities broker) or in the name of a depository of which the intermediary is a participant.

6. HOW DO I VOTE IF I AM A REGISTERED UNITHOLDER?

There are two ways to vote as a registered unitholder, either in person or by proxy:

1. **By attending the Meeting:** As a registered unitholder, you can vote your units by proxy or in person at the Meeting. If you plan to vote at the Meeting, do not complete or return the proxy form.
2. **By proxy:** Unitholders unable to attend the Meeting in person are requested to read the accompanying Management Information Circular and Form of Proxy. The Proxy should be completed, signed and dated by you or your authorized attorney and sent to the Fund's transfer agent, Attention: Proxy Department, CIBC Mellon Trust Company, P.O. Box 721, Agincourt, Ontario M1S 0A1.

7. HOW DO I VOTE IF I AM A NON-REGISTERED UNITHOLDER?

Non-registered unitholders who wish to vote at the Meeting and/or file proxies should follow the directions of their intermediaries with respect to procedures. Generally, non-registered unitholders will either:

(a) be provided with a request for voting instructions. The intermediary is required to send to CIBC Mellon Trust Company an executed form of proxy completed in accordance with any voting instructions received by it; or

(b) be provided with a form of proxy executed by the intermediary but otherwise uncompleted. The non-registered unitholder may complete the proxy and return it directly to CIBC Mellon Trust Company.

Securities laws require that intermediaries/brokers seek voting instructions from non-registered unitholders in advance of meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which you should read and follow carefully to ensure that your units are voted at the Meeting. Often, the form of proxy supplied to a non-registered unitholder is identical to that provided to registered unitholders. However, its purpose is limited to instructing the registered unitholder how to vote on behalf of the non-registered unitholder. The majority of brokers/intermediaries now delegate responsibility for obtaining instructions from clients to Independent Investor Communications Corporation ("IICC"). IICC typically applies a special sticker to the proxy forms, mails those forms to the non-registered unitholders and requests that they return the proxy forms to IICC. IICC then tabulates the results of all instructions received and provides appropriate instructions representing the voting of the units to be represented at the Meeting. If you are a non-registered unitholder and receive a proxy with an IICC sticker on it, you cannot use that proxy to vote your units directly at the Meeting. The proxy must be returned to IICC well in advance of the Meeting in order to have the units voted.

If you received a proxy form from your intermediary and do not plan to attend the Meeting in person, you may vote by authorizing the Trustees of the Fund named in the proxy form, or a person of your choice, to vote your units. If you appoint someone other than a representative of the Fund to vote your units, your units can only be counted if your appointee attends the Meeting and votes on your behalf. If you choose this option, complete the proxy form in full, sign it (if unsigned by the intermediary) and return it as instructed.

If you are a non-registered unitholder and wish to vote in person at the Meeting, please contact your broker or agent well in advance of the Meeting to determine how you can do so.

8. HOW WILL THE APPOINTED PROXYHOLDER VOTE MY UNITS?

By properly completing and returning a proxy form or voting instructions form, you are authorizing the person named in the form to attend the Meeting and vote your units. The units represented by your proxy must be voted or withheld from voting as you instruct in the form and if you specify a choice with regard to any matter to be acted upon, your units will be voted accordingly. If you have not specified how to vote on a particular matter, then your proxyholder can vote your units as they choose.

9. CAN I REVOKE MY PROXY?

You can revoke your proxy on any matter for which a vote has not already been held by delivering a written statement, signed by you or your authorized attorney, to either:

1. The above mentioned office of CIBC Mellon Trust Company; or
2. The Fund's head office, Attention: Secretary, 77 Main Street, Winnipeg, Manitoba R3C 2R1, by no later than 4:30 p.m. (Central Standard Time) on or before the last business day preceding the day of the Meeting or any subsequent adjournment, or with the Chair of the Meeting on the day of the Meeting or any subsequent adjournment. Notwithstanding the foregoing, if a registered unitholder attends personally at the Meeting, such unitholder may revoke the proxy and vote in person.

10. WHEN MUST MY PROXY BE RECEIVED?

To be effective, proxies must be received by CIBC Mellon Trust Company not later than 4:30 p.m. (Central Standard Time) on Tuesday, June 9, 2009 or, if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned Meeting, or any subsequent adjournment. If you are an unregistered unitholder and received the proxy through an intermediary, you must deliver the proxy by the deadline and in accordance with the instructions given by your intermediary.

11. WHO CAN I CALL FOR HELP IF I HAVE QUESTIONS ABOUT THE INFORMATION CONTAINED IN THE MANAGEMENT INFORMATION CIRCULAR OR NEED ASSISTANCE IN COMPLETING MY PROXY OR CASTING MY VOTE?

If calling within Canada and the United States, CIBC Mellon Trust Company could be contacted toll free at 1 (800) 387 0825 and if calling from any country other than Canada and the United States, contact CIBC Mellon Trust Company at 1 (416) 643 5500.

Business of the Meeting

The 2009 Annual and Special Meeting of Unitholders will be held in room 2GH at the Winnipeg Convention Centre, 375 York Avenue, Winnipeg, Manitoba on Thursday, June 11, 2009 at 11:30 a.m. At the Meeting, unitholders will be asked to:

1. Receive the consolidated financial statements of the Fund for the period ended January 31, 2009. Statements have been prepared and sent to registered unitholders and beneficial unitholders who requested them and are also posted on SEDAR at *www.sedar.com* and on the Company's website at *www.northwest.ca* ;
2. Elect the Trustees (the "Trustees") of the Fund for the ensuing year;
3. Appoint PricewaterhouseCoopers LLP as auditors of the Fund and the Company for the ensuing year and to authorize the Trustees to fix the remuneration of the auditors;
4. Approve a further amendment to the amended and restated declaration of trust of the Fund dated June 1, 2007 to change the number of Trustees from a minimum of 7 Trustees and a maximum of 11 Trustees to a minimum of 7 Trustees and a maximum of 12 Trustees, the full text of which resolution is set forth in this Management Information Circular;
5. Approve an amendment to and the renewal of the Deferred Unit Plan of the Fund, the full text of which resolution is set forth in this Management Information Circular;
6. Approve the adoption of a Unit Option Plan for the Fund, as more particularly described in this Management Information Circular, the full text of which resolution is set forth in this Management Information Circular; and
7. Transact such other business as may properly come before the Meeting or any adjournment thereof.

Information relating to items two through six is set forth in the accompanying Management Information Circular dated April 24, 2009.

VOTING OPTIONS

A unitholder may attend the Meeting in person or may be represented by proxy. Unitholders who are unable to attend the Meeting in person are requested to date, sign and return the accompanying form of proxy. To be effective, the proxy must be received by the Secretary of the Fund, c/o CIBC Mellon Trust Company, P.O. Box 721, Agincourt, Ontario M1S 0A1, Attention: Proxy Department by 4:30 p.m. (Central Standard Time) on June 9, 2009 or, in the case of an adjourned Meeting, not later than 48 hours (excluding Saturdays, Sundays and holidays) preceding the time of the adjourned Meeting. If you are an unregistered unitholder (i.e. if you received your proxy though an intermediary such as a bank or securities broker), you must return your proxy in accordance with the instructions of the intermediary.

The Trustees have fixed the close of business on April 24, 2009 (the "Record Date") as the record date for the purpose of determining unitholders entitled to receive notice of, and to attend and vote at, the Meeting. Persons registered as unitholders on the books of the Fund as of the close of business on the Record Date are entitled to receive notice of and to attend and vote at the Meeting.

DATED at Winnipeg, this 24th day of April 2009.
By order of the Board of Trustees
of North West Company Fund

John D. King
Vice-President, Finance & Secretary

Board of Trustees

NOMINEES FOR ELECTION TO THE BOARD

The Fund is an open-ended mutual fund trust governed by the laws of the Province of Manitoba and created pursuant to a Declaration of Trust dated as of January 31, 1997 which was amended on March 2, 1997, June 4, 1998, February 25, 2003, June 9, 2005 and June 1, 2007 (the "Declaration of Trust"). The Fund is administered by a Board of Trustees (the "Board"). The principal and head office of the Fund is located at 77 Main Street, Winnipeg, Manitoba R3C 2R1.

The Fund is a limited-purpose trust and is restricted to:

(a) investing in such securities as may be approved from time to time by the Trustees;

(b) disposing of any part of the assets of the Fund;

(c) temporarily holding cash and investments for the purpose of paying the expenses and liabilities of the Fund, paying amounts payable by the Fund in connection with the redemption of any units and making distributions to unitholders; and

(d) undertaking such other business and activities as shall be approved by the Trustees from time to time provided that such business or activity does not result in the Fund not being considered either a "unit trust" or a "mutual fund trust" for purposes of the Income Tax Act.

The Declaration of Trust currently provides for a Board of Trustees consisting of a minimum of seven Trustees and a maximum of 11 Trustees. It is proposed that the number of Trustees to be elected at this year's Meeting be 10, all of whom shall hold office until the next Annual Meeting of the Unitholders of the Fund or until his or her earlier removal or resignation.

The following profiles provide information on each of the current and proposed Trustees including other positions and offices within the Company and the Fund now held by them, and their principal occupation or employment. Information regarding Trustee compensation and the approximate number of units beneficially owned, directly or indirectly, or subject to control or direction by each of them is shown in the tables below.

H. Sanford Riley, 58
Winnipeg, Manitoba

Chairman of the Board of The North West Company ("NWC") since 2008. President & CEO of Richardson Financial Group Limited since 2002; Chairman of Investors Group Inc. from 2001 to 2002; President & CEO of Investors Group Inc. from 1992 to 2001; Chancellor of the University of Winnipeg; Chairman, University of Winnipeg Foundation; Director, Molson Coors Brewing Company, James Richardson & Sons affiliated companies, and The Canada West Foundation. Mr. Riley was appointed to the Order of Canada in July, 2002; NWC Director from 2003 to 2007; and NWF Trustee since 2005.

Edward S. Kennedy, 49
Winnipeg, Manitoba

President & CEO, NWC; Chairman & CEO, The North West Company (International) Inc.; Edward joined NWC in 1989. Board member of Destination Winnipeg Inc., Red River College, St. John's Ravenscourt School, the Winnipeg Poverty Reduction Council, the Advisory Board of the Richard Ivey School of Business (University of Western Ontario) and the Advisory Board of the University of Alberta School of Retailing; member of the Young Presidents' Organization, the Associates of the Asper School of Business (Faculty of Management, University of Manitoba), as well as a member and past officer of the Business Council of Manitoba.

Edward is also co-chairing the Major Donor Cabinet during this year's Winnipeg United Way campaign. Edward is a past director of Transport Nanuk Inc., The Conference Board of Canada, Balmoral Hall School, Buhler Industries and the Alaska Growth Fund. In June 2006, Edward was presented with the Retail Council of Canada's "Distinguished Canadian Retailer of the Year" award. In October 2007, he was presented with the University of Alberta School of Retailing's "Henry Singer Award" for exceptional leadership in the retail sector. He was a NWC Director from 1989 to 2007; and a NWF Trustee since 2005.

David G. Broadhurst, 67
Toronto, Ontario

Member of:
Audit Committee
Governance and Nominating Committee
Pension Supervisory Committee

President of Poynton Investments Limited; President & COO of Reeve Court Insurance Limited (Bermuda) from 1998 to 2001; Investment Banker with First Marathon Securities Limited from 1996 to 1998; and previously spent his entire career with Price Waterhouse Canada retiring in 1996 as the Senior Tax Partner. Director, MCAN Mortgage Corporation; Director, Canadian Opera Company; Trustee, Art Gallery of Ontario Foundation; NWC Director from 2005 to 2007; and NWF Trustee since 1997.

Frank J. Coleman, 55
Corner Brook, Newfoundland and Labrador

Member of:
Governance and Nominating Committee (Chair)

President & CEO of the Coleman Group of Companies since 1991; Chair of Board of Directors, of Humber Capital Corporation; President & CEO of Humber Valley Paving Ltd. and Humber Valley Aggregates and Asphalt Ltd.; Director, Canadian Council of Grocery Distributors and United Grocers Inc.; NWC Director from 1999 to 2007; and NWF Trustee since 2005.

Wendy F. Evans, 58
Toronto, Ontario

Member of:
Audit Committee
Human Resources and Compensation Supervisory Committee

President, Evans and Company Consultants Inc. since 1987 providing international marketing, financial and management services. Adjunct Professor, Ted Rogers School of Retail Management, Ryerson University. Director, Sun Life Financial Trust, Director, Canadian Cancer Society, Corporate Cabinet Member, Conservation Foundation, past Chair of the Granite Club. Served on the Advisory Board of the Ontario Retail Sector Strategy and as Chair of the Retail Learning Initiative.

Robert J. Kennedy, 59
Winnipeg, Manitoba

Member of:
Audit Committee
Human Resources and Compensation Supervisory Committee

Chief Executive Officer, WiBand Communications Corp. since 1999; Worldwide Business Development Executive of the IBM Corporation from 1997 to 1999; CEO and founder of PBSC Computer Training Centres from 1985 to 1997; CEO and founder of ComputerLand Western Canada from 1978 to 1987; NWC Director from 2003 to 2007; and NWF Trustee since 2005.

Gary J. Lukassen, 65
Mississauga, Ontario

Member of:
Audit Committee (Chair)

Executive Vice-President and Chief Financial Officer of the Hudson's Bay Company (HBC) from 1989 until his retirement in 2001; Director of the HBC from 1987 to 2001; Senior Vice-President, Finance and Administration of the HBC from 1987 to 1989; Director, AbitibiBowater Inc.; NWC Director from 1987 to 2007; and NWF Trustee since 2005.

Keith G. Martell, 46
Saskatoon, Saskatchewan

Member of:
Human Resources and Compensation Supervisory Committee (Chair)

Executive Chairman of the First Nations Bank of Canada since 1996; Executive Director of Finance of the Federation of Saskatchewan Indian Nations from 1994 to 1997; Chartered Accountant with KPMG from 1985 to 1994; Director, Public Sector Pension Investment Board of Canada, Potash Corporation of Saskatchewan Inc. and Saskatoon Friendship Inn; Trustee of the Primrose Lake Settlement Trust; NWC Director from 2000 to 2007; and NWF Trustee since 2005.

James G. Oborne, 67
Winnipeg, Manitoba

Member of:
Governance and Nominating Committee
Human Resources and Compensation Supervisory Committee
Pension Supervisory Committee (Chair)

Chairman of Westgate Capital Group and Managing Partner of the Vision Capital Fund LP since 1990; Chairman of a large public sector pension plan in Manitoba from 1979 to 1993; thereafter the CEO of its investment management subsidiary to the sale of such in 1999; Investment Dealer working in various capacities in Montreal, Toronto and Winnipeg with two national firms from 1965 to 1989; In addition to serving as a Director of roughly 25 corporations across Canada in the last 25 years, reflecting his pension and venture capital management responsibilities, he continues as a Director of Lumira Capital Corp. in Toronto; NWC Director from inception in 1987 to 2007; and NWF Trustee since 2005.

Ian Sutherland, 64
Oro Medonte, Ontario

Member of:
Audit Committee
Human Resources and Compensation Supervisory Committee
Pension Supervisory Committee

Chairman of the Board of NWC from 1997 to 2008; CEO of NWC from 1993 to 1997; For most of his career, he has been an officer of MCAN Mortgage Corporation and its predecessor, The Mutual Trust Company; Director and Chairman, MCAN Mortgage Corporation; Director, Renasant Financial Partners Ltd.; Trustee, Strongco Income Fund; NWC Director since he participated in the founding of the Company and the purchase of Northern Stores from the Hudson's Bay Company in 1987; NWC Director from 1978 to 2007; and NWF Trustee since 1997.

BOARD OF TRUSTEES COMPENSATION

Trustee Fees

Trustees who are not officers or employees of the Company are entitled to a quarterly fee as detailed in the following table:

	Chair pre - June 11, 2008	Chair post - June 11, 2008	Trustee pre - June 11, 2008	Trustee post - June 11, 2008
Board fee per quarter	$ 20,000	$ 30,000	$ 5,000	$ 7,500
Audit Committee fee per quarter	2,000	3,000	–	–
Other Committee fees per quarter	1,500	2,000	–	–
Fee per Board Meeting attended	1,000	–	1,000	1,200
Fee per Committee Meeting attended	–	–	1,000	1,200

Trustee fees earned in the year ended January 31, 2009 are reflected on the following chart:

Name	Fees earned ($)	Unit-based awards[1] ($)	Total ($)
H. Sanford Riley	$ –	$ 94,772	$ 94,772
David G. Broadhurst	–	41,759	41,759
Frank J. Coleman	34,251	13,179	47,430
Wendy F. Evans	–	44,959	44,959
Robert J. Kennedy	–	44,959	44,959
Gary J. Lukassen	11,800	37,630	49,430
Keith G. Martell	21,287	26,359	47,646
James G. Oborne	38,251	13,179	51,430
Ian Sutherland	–	62,007	62,007
Total	**$ 105,589**	**$ 378,803**	**$ 484,392**

1 Market value of Deferred Unit Rights at the date of vesting

The Trustees do not have any option-based awards and none were granted in 2008. The Trustees do not have any unit-based awards that have not vested.

Deferred Unit Plan

At the June 8, 2006 Annual and Special Meeting of Unitholders, the unitholders passed a resolution approving the adoption by the Fund of a deferred unit plan (the "Deferred Unit Plan") which authorized the Board of Trustees to grant awards ("Awards") of deferred units ("Deferred Unit Rights or DUR's") to Trustees, other than a Trustee who is also an employee of the Fund, the Company or an affiliate of the Fund. The Fund granted 27,588 Deferred Units to Trustees in the last financial year which includes distribution equivalent deferred units granted based on distributions paid by the Fund.

The principal purpose of the Deferred Unit Plan is to enhance the ability of the Fund and the Company to attract and retain independent Trustees whose training, experience and ability contribute to the effective governance of the Fund, the Company and affiliates of the Fund and to directly align the interests of such independent Trustees with the interests of unitholders. The Deferred Unit Plan is designed to permit such independent Trustees to defer the receipt of all or a portion of the cash compensation otherwise payable to them for services to the Fund and the Company.

Under the terms of the Deferred Unit Plan, each participant may elect to receive all or any portion of the participant's annual retainer, Chair retainers and meeting fees (other than fees for service on a special or other ad hoc committee unless otherwise determined by the Board) in Deferred Units.

Participants are credited with Awards on a quarterly basis. The number of DUR's underlying an Award is calculated on the date of grant by dividing the portion of the Participant's fees that are payable to the Participant in units for the current quarter, by the fair market value of the units on the date that the Award is granted. Fair market value is the weighted average trading price of the units on the Toronto Stock Exchange for the five trading days on which the units traded immediately preceding such date.

Each Award will entitle the holder to be issued the number of units designated in the Award and such Awards will be exercisable by the Participant at any time and from time to time at the Participant's option up to but not later than December 31st of the first calendar year commencing after the date a Participant ceases to be a Trustee.

The Deferred Unit Plan provides that the maximum number of units reserved for issuance from time to time pursuant to Awards shall not exceed a number of units equal to 2% of the aggregate number of issued and outstanding units; plus the number of units issuable upon exchange of outstanding Exchangeable Securities (as defined in the Deferred Unit Plan), if any. The aggregate number of Awards granted to any single Participant shall not exceed 2% of the issued and outstanding units, calculated on an undiluted basis.

The Fund is proposing to amend its Deferred Unit Plan to include a provision which provides that, except with the approval of the unitholders of the Fund given by the affirmative vote of a majority of the votes, excluding the votes attaching to units beneficially owned by insiders to whom units may be issued pursuant to any unit compensation arrangement and their associates, no Deferred Units shall be granted to any Participant if such grant could result, at any time, in:

(a) the number of underlying units reserved for issuance to Insiders pursuant to the Deferred Unit Plan and any other unit compensation arrangements exceeding 5% of the issued and outstanding units;

(b) the issuance to insiders, within a one-year period, of a number of underlying units and any other unit compensation arrangements exceeding 5% of the issued and outstanding Units; or

(c) the issuance to any one insider and such insider's associates, within a one-year period, of a number of underlying units exceeding 5% of the issued and outstanding units.

Deferred Unit Plan As at January 31, 2009	**Number of securities to be issued upon exercise of deferred units**	**Weighted-average issue price of deferred units**	**Number of securities remaining for future issuance under equity compensation plans (excluding securities reflected in the first column)**
Equity Compensation Plans approved by unitholders	70,265	$ 16.35	895,146
As at April 24, 2009			
Equity Compensation Plans approved by unitholders	70,565	$ 16.35	894,846

Current Trust Unit and Deferred Unit Rights Ownership

The following table summarizes the current number and value of Trust Units and DUR's for each of the Fund's Trustees as of January 31, 2009. The number of DUR's that each Trustee holds has been rounded to the nearest whole number. DUR's do not carry any voting rights.

The table also indicates the value of the Trust Units or DUR's each Trustee needs in order to meet the unit ownership guideline for Trustees. Each Trustee is required to accumulate at least three times the value of the $30,000 annual retainer in Trust Units or DUR's by the fifth anniversary of their election.

Name[3]	**Trustee Since**	**Year**	**Trust Units Beneficially Owned or Subject to Control or Direction**	**Number of DUR's**	**Total Number of Trust Units and DUR's**	**Total Value of Trust Units and DUR's[1] ($)**	**Value of Trust Units / DUR's required to meet Ownership Guideline ($)**
H. Sanford Riley	2005	2008	11,000	12,359	23,359	$ 377,014	$ 90,000
		2007	10,000	5,822	15,822	291,441	
		Change	+1,000	+6,537	+7,537	+85,573	
Edward S. Kennedy[2]	2005	2008	423,534	–	423,534	6,835,839	90,000
		2007	423,425	–	423,425	7,799,489	
		Change	+109	–	+109	-963,650	
David G. Broadhurst[4]	1997	2008	15,000	7,991	22,991	371,075	90,000
		2007	15,000	4,987	19,987	368,161	
		Change	–	+3,004	+3,004	+2,914	
Frank J. Coleman	2005	2008	116,500	2,190	118,690	1,915,657	90,000
		2007	108,500	1,246	109,746	2,021,521	
		Change	+8,000	+944	+8,944	-105,864	

Name[3]	Trustee Since	Year	Trust Units Beneficially Owned or Subject to Control or Direction	Number of DUR's	Total Number of Trust Units and DUR's	Total Value of Trust Units and DUR's[1] ($)	Value of Trust Units / DUR's required to meet Ownership Guideline ($)
Wendy F. Evans	2005	2008	5,300	8,046	13,346	$ 215,404	$ 90,000
		2007	5,300	4,781	10,081	185,692	
		Change	–	+3,265	+3,265	+29,712	
Robert J. Kennedy[9,10]	2005	2008	3,000	8,162	11,162	180,155	90,000
		2007	6,000	4,888	10,888	200,557	
		Change	-3,000	+3,274	+274	-20,402	
Gary J. Lukassen[7,8]	2005	2008	15,250	7,134	22,384	361,278	90,000
		2007	14,250	4,365	18,615	342,888	
		Change	+1,000	+2,769	+3,769	+18,390	
Keith G. Martell	2005	2008	6,000	4,182	10,182	164,337	90,000
		2007	6,000	2,309	8,309	153,052	
		Change	–	+1,873	+1,873	+11,285	
James G. Oborne[5,6]	2005	2008	195,000	2,401	197,401	3,186,052	90,000
		2007	195,000	1,439	196,439	3,618,406	
		Change	–	+962	+962	-432,354	
Ian Sutherland[4]	1997	2008	946,600	17,800	964,400	15,565,416	90,000
		2007	967,000	12,840	979,840	18,048,653	
		Change	-20,400	+4,960	-15,440	-2,483,237	

1 Closing unit price as of January 31, 2009 was $16.14
Closing unit price as of January 31, 2008 was $18.42

2 Mr. Edward S. Kennedy is not eligible to participate in the Deferred Units Rights Plan as he is an employee of the Company.

3 The average age of the nominated Trustees is 59. The mandatory retirement age for Trustees is 70.

4 Mr. Ian Sutherland and Mr. David G. Broadhurst serve together as directors of MCAN Mortgage Corporation.

5 Mr. James G. Oborne was a Director and founding member along with five others of Futureview Inc., a company that went public in January 2001 on the Winnipeg Stock Exchange using its Keystone Company Program and subsequently became listed on the TSX Venture Exchange. The shares of Futureview Inc. were suspended from trading in 2003 due to the company's failure to complete a required qualifying transaction as required by TSX Venture Exchange policy. The company was wound up in April 2004 after the external public shareholders had been returned 100 percent of their original investment and all corporate liabilities had been paid.

6 Mr. James G. Oborne was a Director of Jazz Golf Equipment Inc. from prior to it being a Reporting Issuer until October 6, 2006, at which time he resigned due to a disagreement as to corporate strategy being directed by the major shareholder's representatives on the Board of Directors. On October 27, 2006, the Board via press release announced approval of the sale of assets to a subsidiary of Ensis Growth Fund Inc., the largest shareholder and creditor of Jazz, under the Bankruptcy and Insolvency Act, subsequently Court approved on November 22, 2006. The shares ceased trading on January 5, 2007.

7 Mr. Gary J. Lukassen was a Director of Stelco Inc. from June 2002 until March 31, 2006. On January 29, 2004, Stelco Inc. filed for and was granted Court protection under the Companies' Creditors Arrangement Act ("CCAA"). Stelco Inc. emerged from Court protection under the CCAA on March 31, 2006.

8 Mr. Gary J. Lukassen is a Director of AbitibiBowater Inc. On April 16, 2009, AbitibiBowater Inc. filed a voluntary petition in the United States under Chapter 11 of the United States Bankruptcy Code, and on April 17, 2009, filed for creditor protection under the Companies' Creditors Arrangement Act in Canada.

9 Mr. Robert J. Kennedy was a Director and officer of WiBand Corporation. In December 2001, WiBand Communications Corp. was sold to OA Group Inc. an issuer listed on the TSX Venture Exchange. Shares were exchanged and the shareholders of WiBand Communications Corp. received shares in OA Group Inc. As a condition of the share exchange, Mr. Kennedy was to be included on the management slate of the Board of Trustees of OA Group Inc. He was elected to the Board of Trustees OA Group Inc. on June 20, 2002. Upon seeing the financial condition of OA Group Inc. Mr. Kennedy resigned on July 8, 2002. OA Group Inc. went into receivership on July 15, 2002. Mr. Kennedy bought certain assets from the receiver and continues the business under the WiBand name.

10 Mr. Robert J. Kennedy was a Director of Jazz Golf Equipment Inc. In 2006, Jazz Golf Equipment Inc., a company listed on the TSX Venture Exchange filed a proposal under the Bankruptcy Act to sell its assets to Ensis Corporation to become a private company. Under the proposal, all creditors were to be satisfied. Mr. Kennedy resigned on November 22, 2006 from the Board. Jazz Golf Equipment Inc. was de-listed from the TSX Venture Exchange.

ATTENDANCE OF TRUSTEES

The following table summarizes the attendance of the current Trustees for meetings for the financial year of the Company ended January 31, 2009. Committee membership is subject to change on an annual basis after the Annual General Meeting of Unitholders of the Fund. The table below reflects the number of meetings that a Trustee attended for the period of time they were a member of that committee. Trustees who are members of Committees are expected to attend Committee meetings.

	Board (5 Meetings)		Audit Committee (5 Meetings)		Governance and Nominating Committee (4 Meetings)		Human Resources and Compensation Supervisory Committee (9 Meetings)		Pension Supervisory Committee (3 Meetings)		
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Total %**
H. Sanford Riley	5 of 5	100	–	–	–	–	4 of 4	100	3 of 3	100	100
Edward S. Kennedy	5 of 5	100	–	–	–	–	–	–	–	–	100
David G. Broadhurst	5 of 5	100	5 of 5	100	2 of 2	100	–	–	3 of 3	100	100
Frank J. Coleman	5 of 5	100	–	–	4 of 4	100	4 of 4	100	–	–	100
Wendy F. Evans	5 of 5	100	5 of 5	100	–	–	9 of 9	100	–	–	100
Robert J. Kennedy	5 of 5	100	2 of 2	100	2 of 2	100	8 of 9	89	–	–	94
Gary J. Lukassen	5 of 5	100	5 of 5	100	2 of 2	100	–	–	–	–	100
Keith G. Martell	5 of 5	100	3 of 3	100	–	–	9 of 9	100	–	–	100
James G. Oborne	5 of 5	100	3 of 3	100	2 of 2	100	5 of 5	100	3 of 3	100	100
Ian Sutherland	5 of 5	100	2 of 2	100	–	–	5 of 5	100	–	–	100

- The Chairman of the Board and the President & CEO are not members of any committees but attend meetings of the committees as invited guests.
- Other Trustees will often attend committee meetings as invited guests.
- All board meetings have in-camera sessions where only independent Trustees attend.

Appointment of Auditors

Unitholders are invited each year to vote on the appointment of the auditors and on authorizing the Board of Trustees to set the auditor's compensation. The Board recommends that the Company's current auditors, PricewaterhouseCoopers LLP, be reappointed as auditors. PricewaterhouseCoopers LLP were first appointed as auditors of the Company on June 10, 1987, and as auditors of the Fund as of January 31, 1997.

The persons named in the enclosed form of proxy, if named as proxy, intend to vote in favour of the resolution reappointing PricewaterhouseCoopers LLP as the auditors of the Fund, unless a unitholder has specified in the proxy that their units are to be withheld from voting in favour of the resolution.

AUDIT FEES

Fees paid to the external auditors in the past two years with respect to services provided to the Fund and the Company were:

	2008	2007
Audit fees	$ 435,320	$ 298,632
Audit related fees[1]	25,200	23,056
Tax fees[2]	194,513	249,978
Other fees[3]	5,405	16,301
Total	**$ 660,438**	**$ 587,967**

1 Audit related fees include store audit procedures, review of procedures for the Fund, and confirmation of compliance with senior debt covenants.
2 Tax compliance services and tax planning advice.
3 Canadian Public Accountability Board fees and advice on the reorganization of the Fund.

Amendments to the Declaration of Trust

Section 8.1 of the Declaration of Trust currently provides as follows:

> **Number of Trustees**
> The Trustees shall consist of not more than eleven nor less than seven Trustees, with the number of Trustees from time to time within such range being fixed by the Trustees, provided that until otherwise so determined by resolution, the number of Trustees shall be nine.

The Trustees are of the view that it is in the best interests of the Fund and its unitholders to increase the maximum number of Trustees from eleven to twelve to allow for succession planning for Trustees that are nearing the mandatory retirement age. At the Meeting, unitholders will be asked to vote on the following resolution, with or without variation:

"BE IT RESOLVED THAT:

1. the amended and restated declaration of trust of the North West Company Fund dated June 1, 2007 (the "Declaration of Trust") be and is hereby amended by deleting Section 8.1 – Number of Trustees in its entirety and replacing with the following section:

   8.1 Number of Trustees
   The Trustees shall consist of not more than twelve nor less than seven Trustees, with the number of Trustees from time to time within such range being fixed by the Trustees; and

2. The Trustees be and are hereby authorized to execute and deliver an amendment to the Declaration of Trust or a further amended and restated Declaration of Trust reflecting the amendment approved by this resolution."

The Trustees recommend that unitholders vote in favour of the foregoing resolutions. The persons named in the enclosed form of proxy, if named as proxy, intend to vote in favour of the foregoing resolutions, unless a unitholder has specified in the proxy that their units are to be withheld from voting in favour of the resolutions.

Approve an Amendment to and Renewal of Deferred Unit Plan

The unitholders approved the adoption of the Deferred Unit Plan (for the purposes of this summary, the "Plan") of the Fund on June 8, 2006, a summary of certain material particulars of which are set forth below. For securities-based compensation plans which do not have a fixed number of underlying securities issuable, such as the Plan, the TSX requires that all unallocated options, rights or other entitlements which may be granted under such securities-based compensation plan be approved every three years.

The following summary is qualified in its entirety by the Plan, a copy of which is available in the Management Information Circular dated April 21, 2006 filed on SEDAR at *www.sedar.com.*

Purpose of the Plan

The principal purpose of the Plan is to enhance the ability of the Fund and the North West Company (for the purposes of this summary, the "Company") to attract and retain Trustees of the Fund who are not otherwise employees of the Fund, the Company or an affiliate of the Fund (for the purposes of this summary, "Trustees"); and directors who are not otherwise employees of the Fund, the Company or an affiliate of the Fund (for the purposes of this summary, "Directors") whose training, experience and ability will promote the interests of the Fund, the Company and its affiliates and to directly align the interests of such Trustees and Directors (collectively, the "Participants") with the interests of unitholders by providing compensation in the form of units. The Plan is designed to permit Participants to defer the receipt of all or a portion of the cash compensation otherwise payable to them for services to the Company.

Administration of the Plan

The Plan is administered by the Corporate Governance and Nominating Committee of the Board of the Company (for the purposes of this summary, the "Board") or such other committee as the Board considers appropriate (for the purposes of this summary, the "Committee"). The determinations of the Committee are subject to review and approval by the Board whose determination is final, conclusive and binding on all parties. The Committee is permitted to delegate to one or more of its members or to one or more agents such administrative duties as it deems advisable, and the Committee or any person to whom it has delegated duties as aforesaid may employ one or more persons to render advice with respect to any responsibility of the Committee.

Award Grants and Elections

Each Participant may elect in each year to receive all or any portion of such Participant's annual cash retainer, chair retainer and meeting fees (other than fees for service on a special or other ad hoc committee unless otherwise determined by the Board) (the "Eligible Fees"), as applicable, in Deferred Units. Participants who have elected to receive Eligible Fees as Deferred Units will be credited with Deferred Units on the date in each quarter, which is three business days following the publication by the Fund of its financial results for the previous quarter (or the previous financial year in the case of the first quarter), or such other date determined by the Board from time to time that does not fall within a Blackout Period (as defined in the Plan).

The number of Deferred Units underlying an award under the Plan is calculated on the date of grant by dividing the portion of the Annual Deferred Unit Retainer and the amount of Eligible Fees a Participant has elected to receive as Deferred Units by the "Fair Market Value" of the units on the date such an award is granted. The term "Fair Market Value" is defined in the Plan to mean, with respect to a unit, the weighted average of the price at which the units traded on the Toronto Stock Exchange ("TSX") for the five trading days on which the units traded on the said exchange immediately preceding such date.

Discretionary Grants in Special Circumstances

The Board may determine from time to time, upon the advice of the Committee, that special circumstances exist that would reasonably justify the grant to a Participant of Deferred Units as compensation in addition to any regular retainer or fee to which the Participant is otherwise entitled.

Exercise of Deferred Units

Each Participant under the Plan who is awarded Deferred Units is entitled to be issued the number of units designated in such an award and such award will be exercisable by such Participant at any time and from time to time at such Participant's option up to but not later than December 31st of the first calendar year commencing after the date such Participant ceases, for any reason whatsoever, to be a Trustee or Director.

Number of Units Reserved for Issuance

The number of units reserved for issuance from time to time pursuant to awards granted under the Plan and outstanding at any time may not exceed a number of units equal to 2% of the aggregate number of: (i) issued and outstanding units; plus (ii) the number of units issuable upon exchange of outstanding units or other securities in the capital of the Company or any other affiliate of the Fund that are exchangeable into units, if any. If any award granted under the Plan should expire, terminate or be cancelled for any reason without the units issuable thereunder having been issued in full or if any units are issued pursuant to any award granted under the Plan, any such units will be available for the purposes of the granting of further awards under the Plan.

As of January 31, 2009, there were 70,265 Deferred Units that have been awarded to Participants but which have not been exercised under the Plan, representing approximately 0.1% of the issued and outstanding Units.

Assignability

The right to receive Deferred Units pursuant to the Plan may only be exercised by the Participant granted such Deferred Units. No assignment, sale, transfer, pledge or charge of an award of Deferred Units, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell transfer, pledge or charge such award will terminate and be of no further force or effect.

Notwithstanding the foregoing, where a Participant has died, his or her estate may exercise such Participant's Deferred Units.

Amendments

The Plan provides that the Fund retains the right to amend from time to time or to terminate the terms and conditions of the Plan by resolution of the Board, and that any amendments are subject to the prior consent of any applicable regulatory bodies, including the TSX. The TSX requires that unitholders approve any amendments to the Plan. Accordingly, the Plan may not be amended without the approval of unitholders.

Proposed Amendment to the Plan

The Fund is proposing to amend its Deferred Unit Plan to include a provision which provides that, except with the approval of the unitholders of the Fund given by the affirmative vote of a majority of the votes, excluding the votes attaching to units beneficially owned by insiders to whom units may be issued pursuant to any unit compensation arrangement and their associates, no Deferred Units shall be granted to any Participant if such grant could result, at any time, in:

(a) the number of underlying units reserved for issuance to Insiders pursuant to the Deferred Unit Plan and any other unit compensation arrangements exceeding 5% of the issued and outstanding units;

(b) the issuance to insiders, within a one-year period, of a number of underlying units and any other unit compensation arrangements exceeding 5% of the issued and outstanding Units; or

(c) the issuance to any one insider and such insider's associates, within a one-year period, of a number of underlying units exceeding 5% of the issued and outstanding units.

At the Meeting, unitholders will be asked to vote on the following resolution, with or without variation:

"BE IT RESOLVED THAT:

1. the amendment to the Deferred Unit Plan of the Fund, as described in the Management Information Circular dated April 24, 2009, and the renewal of the Deferred Unit Plan, as amended, be and is hereby approved and the Fund may grant all unallocated Deferred Units pursuant to and in accordance with the Deferred Unit Plan until June 11, 2012, being the date that is three years from the date hereof;

2. all unallocated Deferred Units under the Deferred Unit Plan, as amended, be and are hereby approved; and

3. any Trustee of the Fund be and is hereby authorized to do such things and to execute and deliver all documents that such director and officer may, in their discretion, determined to be necessary in order to give full effect to the intent and purpose of this resolution."

The Trustees recommend that unitholders vote in favour of the foregoing resolutions. The persons named in the enclosed form of proxy, if named as proxy, intend to vote in favour of the foregoing resolutions, unless a unitholder has specified in the proxy that their units are to be withheld from voting in favour of the resolutions.

Approve the Adoption of Unit Option Plan

The Trustees are recommending that the Fund adopt a Unit Option Plan, the particulars of which are as follows:

Purpose of the Plan

The Unit Option Plan will be a component of the Company's current long-term incentive plan, as the Unit Purchase Loan Plan will expire January 31, 2011. The purpose of the Unit Option Plan (for the purposes of this summary, the "Plan") is to promote long-term unitholder value creation by:

- fostering greater alignment of interests between participating executives of Participating Companies (which is defined in the Plan to mean The North West Company LP and such other affiliates of the Fund as the Board of Trustees may designate) and unitholders of the Fund, by providing a long term incentive vehicle that allows them to accumulate a meaningful financial interest in the Fund, commensurate with the responsibility, time horizon of the role, commitment and risk associated with their role;
- supporting a compensation plan that is competitive and rewards long term success of the Fund as measured in total unitholder returns for the Fund; and
- assisting the Fund and Participating Companies in attracting, retaining, and motivating qualified individuals with the experience and ability to deliver strong results and support their business strategy.

The Plan will be administered by the Board or any committee of the Board responsible for the administration of the Plan as designated by the Board (the "Administrators").

The particulars of the Plan are as follows:

Eligible Participants

Eligible participants ("Participants") are employees of a Participating Company approved for participation in this Plan by the Administrators.

Number of Units

Options may be granted in respect of authorized and unissued units of the Fund, provided that the aggregate number of underlying units of the Fund reserved for issuance upon the exercise of all options granted under the Plan and all other compensation plans, shall not exceed 5% of the issued and outstanding units of the Fund.

Limitations on Underlying Units

The total number of underlying units issuable to any Participant shall not exceed 5% of the issued and outstanding units at the date of the grant of the option. Except with the approval of the unitholders of the Fund given by the affirmative vote of a majority of the votes, excluding the votes attaching to units beneficially owned by insiders to whom units may be issued pursuant to any unit compensation arrangement and their associates, no options shall be granted to any Participant if such grant could result, at any time, in:

(a) the number of underlying units reserved for issuance to Insiders pursuant to options and any other unit compensation arrangements exceeding 5% of the issued and outstanding units;

(b) the issuance to insiders, within a one-year period, of a number of underlying units and any other unit compensation arrangements exceeding 5% of the issued and outstanding Units; or

(c) the issuance to any one insider and such insider's associates, within a one-year period, of a number of underlying units exceeding 5% of the issued and outstanding units.

Exercise Price

The Administrators shall determine the number of options issued, the expiration date of each option, the extent to which each option is exercisable from time to time during the term of the option and any other terms and conditions relating to each option. The exercise price shall be the Fair Market Value on the date the option is granted. "Fair Market Value" means the volume weighted average closing price of the units on the TSX for the five trading days immediately preceding such date. If the five-day averaging period described above for determining Fair Market Value is not required under Canadian law or by the Toronto Stock Exchange, then the Fair Market Value for purposes of options subject to the U.S. Internal Revenue Code of 1986, as amended, shall be determined by utilizing the five-day averaging period previously described, but only in situations in which the size of the option and the optionee are designated in advance of the five-day averaging period. In the event that such units are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the units as determined by the Administrators in their sole discretion.

Maximum Term

Subject to an automatic extension as set forth under "Blackouts" below, in no event may the term of an option exceed 120 months (10 years) from the date of the grant of an option.

Blackouts

If the term of an option terminates during a blackout period of the Fund under the Fund's disclosure policy, or within nine business days following the expiration of a blackout period, the terms for such options shall be automatically extended to the date which is the tenth business day after the end of the blackout period.

Termination of Options

Subject to certain exceptions noted below and to any express resolution passed by the Administrators, an option shall expire and terminate immediately upon the holder of the options ceasing to be a Participant, unless such person was terminated without cause or due to the death, disability or qualified retirement of such person.

The Administrators may, in their sole discretion, at the time of the granting of options, determine the provisions relating to expiration and vesting of an option upon the retirement or termination of employment of the holder of an option. The provisions relating to such expiration shall be contained in a written option agreement, instrument or certificate between the Fund and such person.

If the holder of an option is terminated without cause prior to the expiration of all vested options held by such person, such person shall be deemed to continue to be a Participant under the Plan for a period ending at the earlier of 90 days or until all vested options held by such person have expired. All unvested options immediately expire upon such termination without cause.

If the holder of an option retires from employment with the Fund or any Participating Company prior to the expiration of all options held by such person, and such retirement is approved by the Administrators as a qualified retirement, such person shall be deemed to continue to be a Participant under the Plan until the options have expired. The exercise date of all options (whether vested or unvested) shall be accelerated or amended, as applicable, to the date that is 90 days following the third anniversary of the date of the qualified retirement.

If the holder of an option shall die holding a vested option, the person's personal representative, heirs or legatees may, at any time during the period commencing on the date of the grant of probate of the will or letters of administration of the estate and ending on the earlier of: (a) the expiry time of such vested option; and (b) the date that is one year from the date of the grant of probate or letters of administration, exercise the option.

Non-Assignability of Options

Options are non-assignable.

Amendments

The Board may amend or discontinue the Plan at any time, provided, however, that no such amendment or discontinuance may materially and adversely affect any option previously granted to the Participant without the consent of the Participant, except to the extent required by law. Notwithstanding the foregoing, the Plan may not be amended to effect any of the following without unitholder approval:

(a) an increase to Plan maximum or number of units reserved for issuance under the Plan;

(b) an amendment to the amendment provisions granting additional powers to the Administrators to amend the Plan or entitlements without unitholder approval;

(c) a reduction in the exercise price of options or other entitlements held by insiders;

(d) an extension to the term of options held by insiders; or

(e) a change to the insider participation limits to a level that would require the Fund to obtain disinterested unitholder approval under the rules or policies of the TSX or applicable securities regulatory authorities.

For greater certainty, unitholder approval shall not be required for the following amendments and the Board may make the following changes without unitholder approval, subject to any regulatory approvals including, where required, the approval of the TSX:

(a) amendments of a "housekeeping" nature;

(b) a change to the vesting provisions of any option;

(c) a change to the expiration provisions of any option that does not entail an extension beyond the original expiration date, as extended in accordance with the Plan;

(d) the addition of a form of financial assistance and any amendment to a financial assistance provision, which is adopted; and

(e) a change to the Participants of the Plan.

Notwithstanding the foregoing or anything contained in this Plan to the contrary, with respect to Options subject to the U.S. Internal Revenue Code of 1986, as amended, no amendment or other action will: (1) reduce the exercise price to an amount less than the Fair Market Value of the underlying units on the date of grant, (2) provide financial assistance to the holder of an option that directly or indirectly reduces the exercise price to an amount less than the Fair Market Value of the underlying units on the date of grant, regardless of whether the holder of an option in facts benefits from the financial assistance, or (3) extend the term of an option beyond the original expiration date, unless (with respect to all three prohibitions) the option is treated as a new option for purposes of the U.S. Internal Revenue Code of 1986, as amended, and the exercise price (as modified, if applicable) equals or exceeds the Fair Market Value as of the date of the change, or, with respect an extension of the option term, the exercise of the option would violate an applicable law or would jeopardize the ability of the Fund, the Company or a Participating Company to continue as a going concern and the option term is extended to no more than 30 days after the exercise would no longer violate applicable law or jeopardize the ability of the Fund, the Company or a Participating Company to continue as a going concern.

At the Meeting, unitholders will be asked to vote on the following resolution, with or without variation:

"BE IT RESOLVED THAT:

1. the adoption of the Unit Option Plan of the Fund, as more particularly described in the Management Information Circular dated April 24, 2009, be and is hereby approved and the Fund may grant options to purchase units pursuant to and in accordance with the Unit Option Plan until June 11, 2012, being the date that is three years from the date hereof; and

2. any Trustee of the Fund be and is hereby authorized to do such things and to execute and deliver all documents that such director and officer may, in their discretion, determined to be necessary in order to give full effect to the intent and purpose of this resolution."

The Trustees recommend that unitholders vote in favour of the foregoing resolutions. The persons named in the enclosed form of proxy, if named as proxy, intend to vote in favour of the foregoing resolutions, unless a unitholder has specified in the proxy that their units are to be withheld from voting in favour of the resolutions.

Report of the Governance and Nominating Committee

The Governance and Nominating Committee is responsible for developing and recommending to the Board a set of corporate governance principles applicable to the Fund. This responsibility includes monitoring compliance with any rules, regulations, procedures or guidelines promulgated by regulatory authorities having jurisdiction over the Fund (including applicable stock exchanges) relating to corporate governance.

The committee is also responsible for making recommendations to the Board regarding the size and composition of the Board and its committees, identifying and recommending suitable Trustee candidates, setting Trustee's compensation, and surveying and evaluating Board performance.

The current members of the Governance and Nominating Committee are: Frank J. Coleman (Chair), David G. Broadhurst and James G. Oborne, each of whom is "independent" within the meaning of NI 58-101.

2008 Activities

The committee met four times in 2008 with members attending as shown in the table on page 12. Some meetings include an in-camera session with only committee members. In accordance with its mandate, the accomplishments of the committee include, but are not limited to, the following:

- Reviewed the skills and experience required for Trustee and Board effectiveness;
- Reviewed the size of the Board, the average age of the Trustees and the mandatory retirement age;
- Reviewed the criteria for selecting new Trustees;
- Reviewed the process for evaluating the performance of Trustees and the Board as a whole;
- Recommended to the Board for approval the members of the Audit Committee, Human Resources and Compensation Supervisory Committee and the Pension Supervisory Committee;
- Recommended the members of the Governance and Nominating Committee to the Board for approval;
- Recommended the Committee Chairmen;
- Reviewed the amount and nature of compensation of the Trustees and the Chairman;
- Reviewed the mandates of the Board and each Committee; and
- Recommended to the Board that Trustees be individually nominated for election to the Board.

Report of the Audit Committee

The Audit Committee is responsible for reviewing the effectiveness of the Fund's financial reporting procedures and internal controls, recommending the appointment of the external auditors and reviewing the performance of the Fund's external auditors. The full text of the Audit Committee mandate is attached as Appendix "A" to this Management Information Circular as well as the Fund's annual information form dated April 24, 2009, a copy of which is available on SEDAR at *www.sedar.com* and on the Company's website at *www.northwest.ca*.

The current members of the Audit Committee are: Gary J. Lukassen (Chair), David G. Broadhurst, Wendy F. Evans, Robert J. Kennedy and Ian Sutherland. Each of the members of the Audit Committee is "independent' and "financially literate" within the meaning of Multilateral Instrument 52-110 pertaining to Audit Committees.

2008 Activities

The committee met five times in 2008 with members attending as shown in the table on page 12. In accordance with its mandate, the accomplishments of the committee include, but are not limited to, the following:

Financial Reporting and Accounting Policies and Procedures

- Reviewed the annual and interim financial statements, Management's Discussion and Analysis, Annual Information Form, Management Information Circular, news releases and other disclosure documents containing material financial information prior to their approval by the Board;
- Reviewed the selection of accounting policies and any changes to accounting policies;
- Reviewed significant judgments made in connection with the preparation of financial statements;
- Monitored the design and effectiveness of disclosure controls and procedures, and internal controls over financial reporting; and
- Reviewed management's report on compliance with the Fund's Code of Conduct policy.

External Auditor

- Recommended to the Board the firm of chartered accountants to be nominated for appointment as external auditors by the unitholders;
- Reviewed and approved the terms of engagement and compensation of the external auditors;
- Evaluated the performance of the external auditors;
- Reviewed and approved the Fund's policy on hiring current or former employees from the external auditor;
- Reviewed and approved the annual client services plan;
- Reviewed the overall scope and plan of the annual audit and the proposed materiality levels;
- Reviewed the results of the audit and the external auditors' opinion on accounting controls and the quality of financial reporting;
- Discussed with the external auditors any items in the written disclosure required by the Canadian Institute of Chartered Accountants General Assurance and Auditing Recommendations, Section 5751, Communications With Those Having Oversight Responsibility for the Financial Reporting Process;
- Monitored the relationship between the external auditor and management, and met with the external auditors without management;
- Reviewed reports from the external auditors confirming their independence from the Fund and its affiliated entities; and
- Reviewed and approved the non-audit services provided by the external auditors, as well as the external auditor's conclusion that the provision of those services does not prevent them from meeting professional standards for objectivity and legal requirements for independence.

Internal Auditor

- Reviewed and approved the mandate of the internal audit department;
- Reviewed the independence, qualifications, staffing, budget and annual plan of the internal auditor;
- Met regularly with the internal auditor to ensure appropriate compliance with the Fund's system of internal controls; and
- Met with the internal auditor without management.

Report of the Pension Supervisory Committee

The Pension Supervisory Committee is responsible for overseeing matters relating to the investment policies, actuarial valuations, regulatory requirements, communication of pension information to employees and performance of the Fund's pension investments.

The current members of the Pension Supervisory Committee are: James G. Oborne (Chair), David G. Broadhurst and Ian Sutherland, each of whom is "independent" within the meaning of National Instrument 58-101.

2008 Activities

The committee met three times in 2008 with members attending as shown on page 12. In accordance with its mandate, the accomplishments of the committee include, but are not limited to, the following:

- Reviewed pension plan investment returns;
- Evaluated the pension fund manager performance; and
- Reviewed the material assumptions and funding requirements.

Executive Compensation

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis ("CD&A") explains our compensation philosophy, the design of our overall executive compensation program, and how each element of the program contributes to the overall objectives. The CD&A outlines what the Board of Trustees intended the company to pay, make payable, award, grant, give or otherwise provide to each of the named executive's (our CEO, CFO and the three other most highly paid executives of our company) in 2008 relative to performance. It also explains the roles and responsibilities, process for, and the committee's determination of, the compensation of our Named Executive Officers ("NEO's"). Finally, we outline the other benefits provided to our NEO's and describe several of our key executive compensation policies.

SUMMARY

NWC adopts a "pay-for-performance" approach aligned with the Company's and the Fund's strategic philosophy of generating superior long-term total returns through a mix of business growth and yield from sustainable cash flow available for distributions to unitholders.

In order to ensure NWC is able to attract and retain top talent, base salaries are set at the median of the competitive market with the ability to generate upper quartile pay through incentive programs by achieving upper quartile performance.

Annual incentives are aligned to reward growth in Earnings Before Interest and Taxes ("EBIT") plus a credit or minus a charge for the net source or use of working capital over the previous year. In 2008, EBIT exceeded prior year performance in all areas of the business but fell short of target. On a consolidated basis, the annual incentive plan paid 81.6% of target amounts based on the 2008 performance of the Company.

Medium and long term incentive programs (the "M/LTIP") are aligned to reward longer term growth in Earnings Per Unit ("EPU") for those measured on the performance of the Company and growth in business unit EBIT plus a credit or minus a charge for the net change in operating assets used for those with accountability for a specific store banner or business unit. A new M/LTIP was commenced in 2008 with the first payment scheduled for 2011. The Fund's unit price declined in 2008 from $18.42 at the start of the year to $16.14 as of January 31, 2009. Total unitholder return, net of distributions, was -5.2% and remained in the top quartile compared to the TSX Composite, Consumer Durables/Apparel Group, Retailing Group and Food/Staples Retailing Group.

Benefits provided to the executives are generally consistent with those provided to other salaried employees of the Company including health plans and insurance plans. Executives in the Canadian division, excluding Giant Tiger, are entitled to a cash payment equal to 10% base salary in lieu of supplemental benefits and perquisites typically provided for these position levels at comparator companies.

EXECUTIVE COMPENSATION PHILOSOPHY

NWC's compensation philosophy reflects a total return approach to business performance. The Company and the Fund are strategically positioned in businesses that offer the opportunity for both capital growth and income or yield potential. When achieved, these two components are intended to produce superior long-term returns to unitholders. Within each business unit the compensation performance targets for growth and yield will vary depending on the amount of capital and resources invested in growth versus business sustaining activities.

All NWC business units embrace a pay-for-performance approach that places a meaningful amount of pay "at risk", linked directly to the attainment of company-wide and business unit goals that are aligned with top quartile total investor return performance. At the executive level, the Company's total compensation objective is to pay in the upper quartile of the market when sustainable upper quartile financial performance is achieved. This is measured as best as possible using average annual growth in EBIT, return on net assets and average annual total investor return, relative to the performance and pay practices of similar-sized North American publicly-traded retailers (the "market').

Market Competitive Base Salaries

Base salaries are targeted at the 50th percentile of the market with total compensation targeted at the upper quartile of the market for upper quartile performance. The amount of annual incentive and medium-to-longer term pay is dependent upon both business unit, and Company-wide success in meeting specific performance goals. The Company's overall compensation strategy is weighted towards these pay-for-performance components.

Pay-for-Performance

NWC believes in pay-for-performance, which is why between 55% - 75% of the compensation for our NEO's is linked to a combination of achievement of Company goals and unit performance. The mix of incentive rewards are aligned to the planning horizon associated with the executives role. For the NEO's, 27.5% - 50% of total compensation is tied to longer term performance through unit grants, and through unit options if approved at the upcoming Annual and Special Meeting of Unitholders.

In addition to the philosophy stated above, NWC executive compensation programs are designed to:

- Attract and retain top talent;
- Motivate superior performance;
- Align rewards to the time horizon of the position;
- Focus on key performance measures that drive yield and annual growth for unitholders; and
- Be consistent with prevailing views of good governance.

OVERVIEW OF THE COMPENSATION PROCESS

Role of the Human Resources and Compensation Supervisory Committee

The Human Resources and Compensation Supervisory Committee is accountable for oversight of the Company's overall compensation principles and policies and at a more detailed level, the Company's executive compensation programs, including the design of CEO compensation. The committee consists of entirely independent Trustees. The committee reviews, adjusts if required and approves any compensation decisions recommended by the CEO for his direct reports. The committee reports back to the Board of Trustees the results of its reviews and specific proposals regarding changes to compensation programs and actions, in general, and seeks the Board's approval of decisions impacting CEO compensation.

Role of Compensation Consultant

The committee selects and retains the services of an independent consultant to provide professional advice related to the executive compensation plans. Hewitt Associates (the "Consultant") is retained by the committee and provides no other consulting services to the Company. The Consultant fees paid in 2008 were $53,993. The consultant has direct interaction with the committee's chairman, the Chairman of the Board, attends committee meetings, and provides independent benchmarking of peer companies, general industry compensation information and trends in executive compensation. The committee recognizes that independence from management is fundamental to its effectiveness in managing executive compensation programs and during 2008 held in-camera sessions as required. The Consultant meets with management to collect information, to solicit management's input and to fully understand the Company's plans, goals and actual performance.

Role of Management

The CEO and other executives' roles in the executive compensation review process are to support the committee and work with the Consultant to secure required input, conduct detailed financial modeling, preview materials and manage timelines.

Competitive Market Review

Once every three years an in-depth market review is conducted to ensure base pay, incentives and total compensation for each executive position is competitive. In September 2007, the Human Resources and Compensation Supervisory Committee initiated a search for an executive compensation consultant to undertake this process. Hewitt Associates (the "Consultant") was selected and sought to gain consensus from the committee on the approach, methodology and comparator companies in advance of conducting the detailed compensation review. The review focused on Canadian executive officers only, as a market review had been conducted in 2007 for NWC's U.S. executives.

Benchmark Comparator Groups Used to Set Competitive Pay

An initial list of 20 Canadian retail companies, extracted from proxy information, ranging in size from $150.0 million to $13.0 billion in revenues and 19 U.S. retail companies ranging from US$734.0 million to US$5.6 billion were presented to the committee. Particularly in Canada, it was difficult to get a robust sample of retail companies, as organizations vary widely in terms of size, complexity, organizational structure, merchandise focus, and ownership. The Consultant was also able to draw upon their Total Compensation Measurement ("TCM") database to extract relevant market data, particularly for those executive positions that typically do not get reported in proxy information. From the original benchmark comparator groups, for the purposes of determining long term incentive compensation levels and mix, data was excluded for: (i) those companies where the CEO was a controlling or significant shareholder; (ii) subsidiary companies; and (iii) private companies that do not disclose performance. For long term incentive ("LTI") compensation, this left a smaller group of eight more relevant and comparable companies to benchmark LTI practices. Companies identified with an asterisk (*) were the companies used to benchmark LTI.

The primary comparator group used for Canadian executives includes the companies listed below:

Canadian Comparator Companies

Proxy analysis comparator group	TCM comparator groups
Alimentation Couche-Tard	Best Buy Canada
Brick Group *	Brick Group
Canadian Tire *	Canadian Tire
Danier Leather	Danier Leather
Forzani *	Easyhome
Hart Stores	Home Depot Canada
Indigo Books & Music	Hudson's Bay Company
Jean Coutu Group	Indigo Books & Music
Le Chateau	Katz Group Canada
Leon's Furniture	Liquor Control Board of Ontario
Liquor Stores Income Fund	Loblaw Companies
Loblaw Companies	Lowe's Companies Canada
Metro *	Nike Canada
Reitmans (Canada)	Reitmans (Canada)
Richelieu Hardware *	Rona
Rona *	Sears Canada

Canadian Comparator Companies

Proxy analysis comparator group	TCM comparator groups
Sears Canada Shoppers Drug Mart * Sleep Country Canada Sobeys *	Shoppers Drug Mart Staples Business Depot Toys R Us (Canada) Wal-Mart Canada World Kitchen YSL Beaute Canada

Companies identified with an asterisk (*) were the companies used to benchmark LTI.

US Comparator Companies

Proxy analysis comparator group	TCM comparator groups
99 Cents Only Big Lots Cabelas Casey's General Stores Cost Plus Dollar Tree Dress Barn Duckwall-ALCO Eddie Bauer Freds	Gander Mountain Co. Genesco Ingles Markets Pathmark Stores Pricesmart Spartan Stores Stage Stores Stein Mart Weis Markets

For U.S. executives, compensation data was gathered in 2007 from the following survey sources:

- Mercers 2006 U.S. Retail Compensation & Benefits Survey;
- Food Marketing Institute 2007 Management Compensation Study for U.S. Retailers and Wholesalers; and
- Towers Perrin custom survey.

Consideration was given to the blend of food and general merchandise companies' representative in the data and geographical differences.

The committee used the peer group data in two ways:

- **Overall Competitiveness:** The committee used the data to establish appropriate performance targets for median and upper quartile performance, to establish appropriate pay mixes for various levels of executive positions, and to get an overall sense of whether pay practices were competitive relative to performance level achieved when looking back at the historical data; and
- **Individual Competitiveness:** The committee compared the overall pay of individual executives, if jobs were sufficiently similar to make that comparison relative. Each executive's pay was determined by individual and Company performance, along with internal banding of various executive levels for incentive pay programs. The peer group data was used as a market check ensuring that individual base pay is within range of the market median and total compensation is within the broad middle range of peer group pay.

In the years that fall in between the more detailed review process described above, salaries are set annually by monitoring industry practices through various salary budget surveys, with a particular emphasis on retail industry practices and adjusted as required for general business and economic factors. Actual increases by executive vary based on individual performance and depending on how close their current salary is to the position's target base salary target.

Annual Compensation Review

Annually (February/March), the CEO presents compensation recommendations, in accordance with approved compensation programs for the executive group, excluding himself, to the Human Resources and Compensation Supervisory Committee. The committee reviews these recommendations, finalizes CEO compensation and in turn recommends approval of all executive compensation to the Board of Trustees.

As part of the committee's annual executive compensation work, the committee reviews and approves compensation related to the prior and upcoming fiscal year as follows:

In relation to the prior fiscal year:

- **Financial Results and Incentive Plan Adjustments:** Company-wide and business unit results are reviewed and recommended for approval by the committee to the Board. Results for the purpose of calculating incentive payments may be adjusted up or down, at the discretion of the Board, to reflect certain unusual, unplanned, material revenue or expense items. The net amount of these adjustments is typically less than $1.0 million at the Company-wide level, based on a materiality threshold for each adjustment of $250,000. For other business units, stores and departments, various thresholds have been set based on the size of the business. Currency fluctuations are not factored into the incentive earnings calculations;
- **Assessment of Individual Performance:** For the CEO position, the independent Trustees meet in-camera to review his performance based on achievement of the agreed-upon objectives, contribution to the Company's performance and other leadership accomplishments. The review is discussed with the CEO and is shared with the committee for consideration in setting CEO compensation. For other executives, the committee reviews a summarized performance assessment and compensation recommendation from the CEO;
- **Incentive Plan Calculations:** The committee approves the detailed calculations by type of incentive for each executive position; and
- **Base Salary Reviews:** The compensation recommendation for the CEO is developed by the Consultant with consideration to the CEO's recommendation for salary increases for the organization as a whole. The Consultant prepares an analyses showing median CEO compensation among the peer group in terms of base salary, annual incentive, long term incentive and resulting total direct compensation. The committee uses the analyses and exercises its discretion based on the CEO's individual performance. The CEO does not take part in the recommendations or committee discussions regarding his pay or decisions. For all other executive officer positions, the CEO makes recommendations for base salary increases based on competitive pay analysis, business environment, and the individual executive's performance.

In relation to the upcoming fiscal year:

- **Annual Incentive Plan Targets:** The committee reviews the prior year's performance and then approves targets based on a set of established principles. To align with median total return performance, target incentives are based on achieving 5% comparable business EBIT growth, plus a credit or minus a charge for the net source or use of working capital, over the previous year. Added to this target is the planned contribution from new growth investments. To achieve upper quartile pay-for-performance, the maximum incentive is set at 10% comparable business growth plus cost of capital adjustments and any planned contribution from new business growth;
- **Performance Objectives:** Following discussion with the independent Trustees, the Chairman of the Board meets with the CEO at the beginning of the year to agree upon the CEO's performance objectives for the year. The CEO presents an operating plan to the Board, from which the specific objectives for each executive are determined; and
- **Medium/Long Term Incentive Target and Awards:** The committee reviews the calculations for the Restricted Share Unit ("RSU") and Performance Share Unit ("PSU") awards for the current performance cycle. The number and type of share units, the performance criteria and vesting schedule are all reviewed by the committee and approved by the Board. If the Option Plan is approved at the upcoming Annual and Special Meeting of Unitholders, Option Plan awards will be administered by the committee as part of this process.

Our 2008 Executive Compensation Program

Elements of Executive Compensation

The 2008 program consisted of the following elements of compensation:

- Base Salary;
- Annual cash incentive award;
- Two forms of medium term incentive awards - restricted share units and performance share units; and
- Unit Purchase Loan Program (Canadian executives only).

In addition to the various elements of direct compensation, executives also received the Company benefit package.

Compensation Mix

The following table shows how each executive level's target total direct compensation is broken down as a percentage of each element of pay. This mix reflects the proportionate amount of influence and focus each level has on decision making and business results within the respective planning horizon while reinforcing the pay-for-performance link and alignment with unitholder interests.

Level of position	Base Salary	Short term incentive (1-year)	Medium and long term incentive (3-7 years)
President & CEO	25%	25%	50%
Executive Vice-President	45%	27.5%	27.5%
Vice-President	50%	25%	25%

Base Salary

In setting base salaries for 2008, the committee considered the following:

- **Market Data from the Consultant:** Current market data was provided by the Consultant for each executive position in Canada as part of the review process described previously. Market median salaries were established for each position;
- **The Overall Corporate Merit Budget:** The Company's overall budget for base salary increases in 2008 was 3.5% while the average merit increase for executives was 5%. This was established, based on Company performance in 2007, projected performance in 2008, and salary survey data on planned 2008 salary increases, specific to executive positions in the retail industry in Canada and the U.S. Individual pay increases were more than the budgeted rate in certain situations based on individual performance and proximity to the median base salary target for the specific position; and
- **Individual Performance:** The level of an individual executive's salary in relation to the target median salary in the market, and the individual's skills, experience, performance and potential were all considered in the setting of the individual executive's salary.

Incentive Plans

The table below provides a summary of the annual and long term incentive plans NWC had in place for executives and other senior management in 2008:

Name of the Plan	Goals of the Plan	Type of Incentive
Annual Incentive Plan Rewards performance over a one-year time frame	Attach significant percentage of annual pay to achievement of financial targets	Cash payment based on: Consolidated EBIT +/- cost of capital and/ or business unit EBIT +/- cost of capital on changes in net working capital over the previous year, with weighting on each ranging from 0% - 100% depending on whether the executive has primarily company-wide or business unit accountabilities
Restricted Share Unit Plan Rolling three year performance cycle Awarded annually starting in 2008 with first payment in 2011	Align rewards to medium-term planning horizons associated with these positions Attraction and retention Align interests with unitholders	Cash payment based on: Vesting and pay-out at the end of three years Distribution equivalents accrued over the three years in the form of additional RSU's Pay-out amount equals the fair market value on vesting determined by the volume-weighted average unit price for the five days preceding the vesting date multiplied by the number of units vested
Performance Share Unit Plan Rolling three year performance cycle Awarded annually starting in 2008 with payment in 2011	To specifically reward the achievement of consolidated earnings per unit and business unit financial goals over a three year performance cycle Align interests with unitholders Align the pay-for-performance philosophy See "2008 – 2010 Performance Cycle Targets" for performance hurdles	Cash payment linked to: Achievement of pre-determined financial targets Vesting and pay-out at the end of three years Distribution equivalents accrued over the three years in the form of additional PSU's 100% vesting of awards based on approximately 7.5% cumulative compound annual growth over three years, or 24.2%, in earnings per unit or business unit EBIT +/- cost of capital on changes in net assets over the previous year Pay-out amount equals the fair market value on vesting determined by the volume-weighted average unit price for the five days preceding the vesting date multiplied by the number of units vested

Name of the Plan	Goals of the Plan	Type of Incentive
Unit Purchase Loan Plan The loans granted under this plan expire on January 31, 2011 and no further loans are being granted	Align awards with long-term planning horizons associated with these positions Attraction and retention Align interests with unitholders	Loans are provided to executives to purchase units of the Fund through the open market. The loans are interest-free, limited recourse and are repaid through the after-tax distributions on the units pledged as security against the loan Value based on unit price appreciation
Alaska Medium Term Incentive Rolling three year share of improvement plan Awarded in 2006, 2007 and paid out in 2009, 2010, respectively. This program is being terminated on January 31, 2010	Encourage medium term sustainable growth of the business	Cash payment linked to: Share of average improvements in Alaskan EBIT over three year time frame Share of improvement determined by position

Annual Incentive Plan

The annual incentive plan rewards the achievement of EBIT based financial performance targets, adjusted for cost of capital and unusual items. Annual incentive compensation ranges from zero, if EBIT finishes below the previous year, up to 150% of target, if the Company achieves specific upper quartile financial objectives.

Target incentives for executives with overall corporate accountabilities are based 100% on achieving consolidated, adjusted EBIT targets. Executives accountable for business units, store banners or merchandise lines of business have their target incentives primarily focused on the performance of these respective areas with a small percentage (10% - 20%) on consolidated EBIT performance.

In 2008, the President & CEO and other Company executives were eligible to receive annual incentive plan awards in the following ranges:

	Payment levels based on performance (% base salary)			
	Below Last Year	**Last Year**	**Target[1]**	**Maximum[2]**
President & CEO	0	40	80	120
Executive Vice-President	0	30	60	90
Vice-President	0	25	50	75

1 Target incentives are based on achieving 5% comparable business EBIT growth, plus a credit or minus a charge for the net source or use of working capital, over the previous year. Added to this target is the planned contribution from new growth investments.

2 To achieve upper quartile pay-for-performance, the maximum incentive is set at 10% comparable business growth plus cost of capital adjustments and any planned contribution from new business growth. Refer to the "Incentive Plan Awards - Value Vested or Earned" table on page 31 for actual awards received by each NEO for 2008 performance.

Medium/Long-Term Incentives

Three different programs were in place in 2008, aligned to various performance cycles, and planning horizon of work and deliver the appropriate mix of medium (three year) and long term (ten year) results. The Option Plan will be introduced in 2009, subject to unitholder approval.

Medium/Long-Term Compensation Blend

LTI blend	**Restricted Share Units** (as % of LTI compensation)	**Performance Share Units** (as % of LTI compensation)	**Options** (as % of LTI compensation)
Executives (2008)	50%	50%	–
Executives (proposed 2009)	15%	50%	35%

Restricted Share Units ("RSU's")

RSU's represented 50% of executives LTI compensation in 2008 and are time vested awards that fully vest at the end of the third year of the performance cycle. They are designed for attraction, retention and alignment of value earned with unitholder value created over their three year vesting period. Each executive is given an RSU agreement detailing the terms of their award.

Performance Share Units ("PSU's")

PSU's represented 50% of executives LTI compensation and are performance vested and paid out based on the level of achievement of pre-set financial targets. They are designed to reward financial target attainment over the medium term as follows:

Corporate: Three year rolling fully diluted earnings per unit growth target.

Operating & Business Units: Three year rolling operating earnings growth targets. Operating earnings are defined as operating margin less administrative costs and a cost of capital factor (year-over-year change in cost of capital on net assets employed).

2008 - 2010 Performance Cycle Targets

Corporate Earnings Per Unit[1]	PSU Vesting (%)
Less than 7.7%	PSU's will be forfeited
7.7%	25% of target
15.8%	50% of target
24.2%	100% of target

1 Earnings per unit growth is measured based on a three year cumulative compound growth rate.

Vesting of PSUs for operating and business units are based on three year cumulative compound earnings growth, with vesting targets at 100% of target between 20.8% - 24.2%.

Unit Purchase Loan Program ("UPLP")

The Company is currently phasing out its previous long term incentive program for Canadian executives, the UPLP, whereby the Company extended loans to executives and key management for the purpose of purchasing NWC Fund units through the open market. The loans are interest-free, limited recourse with the after-tax value of distributions used as repayment of the loan. This program achieved its objectives by ensuring a high degree of alignment between unitholder and executive interests and was a relatively cost effective method of delivering LTI compensation. The value to the employee was delivered through price appreciation and distributions of the underlying units supporting the loan. The disadvantages to the program were the accounting treatment impact on the balance sheet, the opportunity cost of the capital tied up in loans and the generally unfavorable view in the market of loan programs. No new loans are being extended and the current loans will be settled no later than January 31, 2011.

Indebtedness of Named Executive Officers – UPLP

	Company Involvement	Largest amount outstanding during the year ended January 31, 2009 ($)	Amount outstanding as at January 31, 2009 ($)	Security purchases during the year ended January 31, 2009 (units)	Security for indebtedness as at January 31, 2009 (units)	Amount forgiven during the year ended January 31, 2009 ($)
Edward S. Kennedy	Loan	$ 3,261,869	$ 3,141,766	–	160,051	–
Léo P. Charrière	Loan	1,254,956	1,199,080	–	74,460	–
Russell J. Zwanka	Loan	1,151,073	1,097,847	–	70,930	–
Rex Wilhelm	n/a	–	–	–	–	–
Michael W. McMullen	Loan	1,210,554	1,154,888	–	74,182	–

Other Elements of 2008 Compensation

General Employee Benefits and Perquisites

NWC officers are eligible to receive benefits, generally offered on the same basis to other employees. These benefits include medical and dental insurance, life insurance, accidental death insurance, short term disability insurance and employee-paid long-term disability insurance. In addition, officers are eligible for an annual executive wellness assessment designed for health awareness and preventative care. In lieu of executive perquisites such as company cars, memberships, financial counseling and tax preparation, executives of the Company, with the exclusion of those in the Giant Tiger, and The North West Company International divisions, receive a benefit, payable in cash equal to 10% base salary.

Post Employment Benefits

Retirement Savings

All current officers and executives in Canada participate in a non-contributory Defined Benefit Pension Plan. The annual benefit payable is based on a range of 1.4% to 1.7% per year of service of the average of the final three years of remuneration. Remuneration includes base earnings plus bonuses. Upon death, reduced payments continue to the spouse, if applicable. Officers and executives may elect to contribute to the plan to provide for enhanced ancillary benefits. The benefit is not reduced for early retirement at age 60 if the member has 10 years of service as an officer or executive of the Company. For retirement between ages 55 and 60 years, or before age 65 for those without 10 years service, the benefit is reduced by three percent for each year.

Officers and executives may elect to accumulate their benefits through an alternative defined contribution arrangement. The benefits under this option will be based on the balance accumulated in their defined contribution account. Currently, there are no active participants in this program.

Executives in The North West Company International division have the option to participate in The North West Company International 401(k) Plan, a defined contribution plan qualified under sections 401(a) and 401(k) of the Internal Revenue Code. Eligible employees may elect to contribute a portion of their salary to the plan, and the Company provides 50% matching contributions on the employees' contributions up to 6% of base salary.

See the "Present Value of Accumulated Pension Benefits" table on page 32 for additional information regarding the value of these pension benefits.

SUMMARY COMPENSATION TABLE
2008 FISCAL YEAR

The following table sets forth the compensation paid to the Chief Executive Officer and the Chief Financial Officer, along with the three next most highly paid executive officers of the Corporation (the Named Executive Officers or "NEOs") for the year ended January 31, 2009. In light of the changes to the required summary compensation disclosure pursuant to NI 51-102FS, North West has chosen to adhere to the transition provisions of this instrument which require disclosure of compensation in this chart only for the year ended January 31, 2009. For information regarding the compensation paid to our executives in prior years, please see the Management Information Circular for fiscal year 2007 which is available on *www.sedar.com*. Readers should bear in mind that the numbers for prior years may not be directly comparable to the numbers contained within the chart below.

					Non-Equity incentive plan compensation ($)				
Name / principal position	**Year**	**Salary ($)[1]**	**Unit-based awards ($)[2]**	**Option awards ($)[3]**	**Annual incentive plans[4]**	**LTI plans [5]**	**Change in pension value ($)[6]**	**All other compensation ($)[7]**	**Total compensation ($)**
Edward S. Kennedy President & CEO	**2008**	$ 626,538	$ 1,280,000	n/a	$ 418,065	$ –	$ 374,100	$173,693	$ 2,872,396
Léo P. Charrière Executive Vice-President & CFO	**2008**	328,692	203,500	n/a	163,144	–	142,000	77,490	914,826
Russell J. Zwanka[8] Executive Vice-President, Procurement & Marketing	**2008**	310,961	192,500	n/a	164,595	–	91,900	71,949	831,905
Rex Wilhelm[9] President & COO, The North West Company (International) Inc.	**2008**	252,517	165,795	n/a	125,605	129,063	8,410	–	681,390
Michael W. McMullen Executive Vice-President, Northern Canada Retail	**2008**	259,135	160,416	n/a	129,515	–	26,200	68,569	643,835

1 Reflects actual salary earned during the fiscal year. This includes the dollar value of cash and non-cash base salary earned during the financial year.

2 Represents the dollar amount based on the grant date fair value of the award for the fiscal year under the Company's RSU and PSU Plans multiplied by the number of units granted. The grant date fair market value is equal to the volume weighted average closing market price for the five days prior to and including October 21, 2008 which was the date the plan was approved by the Human Resources and Compensation Supervisory Committee. In order to approximate the relative value compared to a freely traded unit, a discount factor of 10% was assigned to RSU's and 25% for PSU's to determine the number of RSU's and PSU's awarded to each participant. The targeted LTI compensation for each type of award was divided by this discounted value to determine the number of share units to be awarded. During 2008, the total RSUs and PSUs granted to each NEO were as follows:

Executive	**RSU**	**PSU**
Edward S. Kennedy	48,941	58,720
Léo P. Charrière	7,781	9,337
Russell J. Zwanka	7,360	8,832
Rex Wilhelm	5,841	7,010
Michael W. McMullen	6,134	7,360

3 No options were awarded in 2008.

4 Represents the dollar value of all amounts earned for services performed during the fiscal year that are related to awards under non-equity incentive plans and all earnings on any such outstanding awards. For 2008, the payment was made on April 22, 2009.

5 Represents a cash based incentive payment for select International executives for 3-year improvement in Alaska Commercial EBIT ending with the reporting fiscal year. This program is being phased out with the last payment to be received in May 2010.

6 Details outlined on page 32.

7 Includes the value of perquisites and other benefits that are not generally available to all employees. Details of the components in this column are provided in the following All Other Compensation table.

8 Mr. Russell J. Zwanka resigned effective March 12, 2009 with no vested unit awards.

9 All dollars shown for Mr. Rex Wilhelm are represented in Canadian dollars. The 2008 average foreign exchange rate of 1.0852 has been applied.

ALL OTHER COMPENSATION DETAIL
2008 FISCAL YEAR

Name	Year	Flexible benefits	Interest subsidy on UPLP loan	Life insurance premium	Total all other compensation
Edward S. Kennedy	2008	$ 62,654	$ 108,864	$ 2,175	$ 173,693
Léo P. Charrière	2008	32,870	43,329	1,291	77,490
Russell J. Zwanka	2008	31,096	39,718	1,135	71,949
Rex Wilhelm	2008	–	–	–	–
Michael W. McMullen	2008	25,914	41,775	880	68,569

OUTSTANDING EQUITY-BASED AWARDS
2008 FISCAL YEAR

	Unit - based Awards		Option - based Awards			
Name	Number of share units that have not vested[1] (#)	Market or payout value of unit-based awards that have not vested[2] ($)	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)
Edward S. Kennedy	109,901	$ 1,048,146	–	–	n/a	–
Léo P. Charrière	17,473	166,639	–	–	n/a	–
Russell J. Zwanka	16,528	157,631	–	–	n/a	–
Rex Wilhelm	13,118	135,763	–	–	n/a	–
Michael W. McMullen	13,774	131,359	–	–	n/a	–

1 As additional units are automatically credited to represent distributions paid on units under the Share Unit Plan, the number of share units represented include distribution equivalents automatically credited. Units shown have been rounded to the nearest whole unit.

2 Share units were valued based on the closing unit price on January 31, 2009, which was $16.14. The value of the PSU's was calculated at the minimum vesting threshold of 25%. The value of unvested awards for Mr. Rex Wilhelm is shown in Canadian dollars, using a 2008 average exchange rate of 1.0852.

INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED
2008 FISCAL YEAR

The following table shows the value of equity-based awards that vested and non-equity incentive plan compensation earned by the NEOs during the year ended January 31, 2009.

Name	Option - based awards value vested during the year	Unit - based awards value vested during the year ($)	Non - equity incentive plan compensation value earned during the year ($)
Edward S. Kennedy	–	–	$ 418,065
Léo P. Charrière	–	–	163,144
Russell J. Zwanka	–	–	164,595
Rex Wilhelm	–	–	125,605
Michael W. McMullen	–	–	129,515

The annual incentive award paid to each NEO, expressed as a percentage of base salary, for each business performance measure are shown in the table below:

Name	NWC Consolidated EBIT	NWC International EBIT	NCR EBIT	NCR Total Gross Profit	Giant Tiger West Total Food Gross Profit	Crescent Multi Food Contribution Margin	2008 Actual STI Award (% base salary)	2008 Target STI Award (% base salary)	2008 Actual STI as % or Target	2008 Actual STI ($)
Edward S. Kennedy	65.3%	–	–	–	–	–	65.3%	80%	81.6%	$ 418,065
Léo P. Charrière	48.9%	–	–	–	–	–	48.9%	60%	81.6%	163,144
Russell J. Zwanka	7.4%	–	–	29.7%	10.7%	4.5%	52.3%	60%	87.1%	164,595
Rex Wilhelm	8.2%	38.1%	–	–	–	–	46.3%	50%	92.6%	125,605
Michael W. McMullen	9.8%	–	39.5%	–	–	–	49.3%	60%	82.2%	129,515

PRESENT VALUE OF ACCUMULATED PENSION BENEFITS 2008 FISCAL YEAR

Name	Number of years credited service (total/executive) #[2]	Annual benefits payable ($)		Accrued obligation at start of year ($)	Compensatory change ($)	Non-compensatory change ($)	Accrued obligation at year end ($)
		At year end	At age 65				
Edward S. Kennedy[1]	19.17/14.17	$ 286,000	$ 598,700	$ 2,661,800	$ 374,100	$ (540,600)	$ 2,495,300
Léo P. Charrière	5.67	54,400	157,600	497,500	142,000	(88,600)	550,900
Russell J. Zwanka	3.50	27,500	219,700	188,800	91,900	(68,700)	212,000
Michael W. McMullen	1.92	10,300	66,300	21,400	26,200	(6,600)	41,000

1 Mr. Edward S. Kennedy has 19.17 years total credited service and 14.17 years in the executive Defined Benefit Pension Plan. He participated in a defined contribution pension plan for 5 years.

2 Total credited service and service in the executive Defined Benefit Pension Plan. Where there is one number reported in the column, these are one and the same.

Refer to the "Post Employment Benefits – Retirement Savings" on page 29 of this CD&A for information regarding the terms and conditions of payments and benefits under the plan, including the formula for determining benefits.

VALUE OF ACCUMULATED DEFINED CONTRIBUTION BENEFITS 2008 FISCAL YEAR

Shown in U.S. dollars.

Name	Accumulated Value at start of year	Compensatory[1]	Non Compensatory	Accumulated Value at end of year
Rex Wilhelm	$ 327,723	$ 7,750	$ 17,978	$ 234,802

1 Compensatory value reported in the "Summary Compensation Table" on page 30 has been converted using a 2008 average exchange rate of 1.0852.

All United States employees with 6+ months of service are eligible to contribute to the 401(k) plan with Pre-Tax Contributions. The Company makes a 50% Employer Matching Contribution on the first 6% of eligible compensation up to the contribution limit.

Termination and Change of Control Benefits

The following table summarizes the payments that would be received by each NEO in each circumstance where the executive ceases to be employed by North West. The amounts calculated are based on positions and compensation as of January 31, 2009. Amounts received upon acceleration of RSU and PSU awards are based on January 31, 2009 closing unit price of $16.14. The value is calculated by multiplying the number of qualifying units by $16.14.

The actual amount that the executive could receive in the future as a result of a termination of employment could differ materially from the amounts set forth below as a result of changes in unit price or base salary, timing of the termination, the vesting and granting of additional unit awards.

A Change of Control is triggered if one or both of the following events occur:

- The majority of all of the assets of the Company are sold; or
- A third party acquires more than 50% of the Company's equity.

The Change of Control is in effect for 12 months following the actual Change of Control and is enforceable by the Company other than for cause, death, retirement or disability, or if the executive resigns for "good reason", which includes unilateral reductions in salary, bonus opportunities and/or benefits, forced geographical relocations, reductions in level of responsibility or title/function, or changes in business' corporate structure that negatively affects the executive's position in the hierarchy.

TERMINATION & CHANGE OF CONTROL BENEFITS CONTINUED

Name	Termination for Cause ($)	Termination Other than for Cause ($)	Change of Control ($)	Retirement/Death or Disability ($)	Resignation ($)
Edward S. Kennedy					
Cash Serverance Benefit[1]	nil	$ 1,408,000	$ 2,325,852	$ nil	nil
Accelerated PSU Vesting[2]	nil	nil	967,520	322,507	nil
Accelerated RSU Vesting[2]	nil	nil	806,266	268,755	nil
Continuation of Employee Benefits	nil	nil	nil	nil	nil
Total	**nil**	**$ 1,408,000**	**$ 4,099,638**	**$ 591,262**	**Nil**
Léo P. Charrière[3]					
Cash Serverance Benefit[1]	nil	$ 732,600	$ 825,731	$ nil	nil
Accelerated PSU Vesting[2]	nil	nil	153,821	51,274	nil
Accelerated RSU Vesting[2]	nil	nil	128,184	40,395	nil
Continuation of Employee Benefits	nil	nil	nil	nil	nil
Total	**nil**	**$ 732,600**	**$ 1,107,736**	**$ 91,669**	**Nil**
Russell J. Zwanka					
Cash Serverance Benefit[1]	nil	$ 346,500	$ 517,262	$ nil	nil
Accelerated PSU Vesting[2]	nil	nil	145,506	48,502	nil
Accelerated RSU Vesting[2]	nil	nil	121,255	40,418	nil
Continuation of Employee Benefits	nil	nil	nil	nil	nil
Total	**nil**	**$ 346,500**	**$ 784,023**	**$ 88,920**	**Nil**
Rex Wilhelm[4]					
Cash Serverance Benefit[1]	nil	$ 405,000	$ 576,502	$ nil	nil
Accelerated PSU Vesting[2]	nil	nil	115,481	38,494	nil
Accelerated RSU Vesting[2]	nil	nil	96,234	32,078	nil
Continuation of Employee Benefits	nil	nil	nil	nil	nil
Total	**nil**	**$ 405,000**	**$ 788,217**	**$ 70,572**	**Nil**
Michael W. McMullen					
Cash Serverance Benefit[1]	nil	$ 288,750	$ 429,555	$ nil	nil
Accelerated PSU Vesting[2]	nil	nil	121,255	40,418	nil
Accelerated RSU Vesting[2]	nil	nil	101,046	33,682	nil
Continuation of Employee Benefits	nil	nil	nil	nil	nil
Total	**nil**	**$ 288,750**	**$ 651,856**	**$ 74,100**	**Nil**

1 Cash severance benefit equals lump sum severance payment plus 10% flexible benefit cash payment for Termination Other than for Cause. For Change of Control it is based on total cash compensation defined as base salary plus the average of the actual bonuses paid to the executive, over the prior three years multiplied by the number of months of applicable severance by position.

2 Where an executive is terminated without cause within 24 months following a change of control all earned RSUs and PSUs, including any distribution equivalents, 100% of the outstanding RSUs and PSUs shall be deemed to be earned share units and eligible for redemption. In the case of retirement, disability or death, any share units that have not been earned will be prorated based on the proportionate amount of time worked in the performance cycle and shall be deemed earned and eligible for redemption. The value is calculated by multiplying the number of qualified share units by the January 31, 2009 closing unit price of $16.14.

3 Mr. Léo P. Charrière's termination provision is outlined in his initial letter of offer providing a lump sum payment equal to 24 months base salary plus 10% flexible benefit payment in the event of termination other than for cause.

4 All amounts shown for Mr. Rex Wilhelm have been converted into Canadian dollars using an average exchange rate of 1.0852.

Corporate Policies Covering Executive Compensation

Unit Ownership Guidelines

In 2008, minimum ownership guidelines were established outlining the minimum levels of unit ownership for members of the executive committee. These guidelines are designed to align the interests of executives with the interests of unitholders, demonstrate financial commitment to the Company through personal unit ownership, and promote the Company's long term commitment to sound corporate governance.

Any units purchased through the open market or the Employee Ownership Plan, released under the UPLP, and up to 50% of after-tax RSU's will be included in the number of units reported for each executive. Any units held by the Company under the UPLP less the number of units to secure the loan balance will also be included. PSU's will only be included on vesting if converted into units. Stock options, once in place, will not be included.

Once an executive achieves the guidelines, if the unit price declines and the market value of the units held drops below the minimum, as long as they hold the minimum number of units (at peak price) going forward the executive is considered to be in compliance.

Executives are expected to maintain ownership levels that meet or exceed the guidelines within five years of being appointed to the position. If the guidelines have not been met, the executive must retain any units acquired through the exercise of unit options, less the portion required to be sold to cover the tax cost associated with the option exercise. The after-tax value of any vested RSU's or PSU's must also be converted to units until such time as the guidelines have been met.

The table below shows the market value of units held by each of the NEO's as of January 31, 2009, based on the closing price of the Fund on the TSX on January 31st and the actual ownership as a multiple of their respective base salary.

Name	Market value of units ($)[1]	Net ownership as multiple of base salary	Minimum ownership as multiple of salary
Edward S. Kennedy	$ 3,914,183	6.12	4.0
Léo P. Charrière	1,481,784	4.45	2.0
Russell J. Zwanka	573,333	1.82	2.0
Rex Wilhelm	25,502	0.09	2.0
Michael W. McMullen	110,497	0.42	2.0

1 Includes any units purchased through the open market, Employee Ownership Plan, released units under the UPLP, units held by the Company under the UPLP less the units held to secure the loan balance, and up to 50% of the after-tax RSU's multiplied by the January 31, 2009 closing price of $16.14.

Employment Agreements

There are no employment agreements currently in effect for executives. The Human Resources & Supervisory Committee is currently working on an employment agreement for Edward Kennedy, President & CEO which will come into effect in 2009.

Report of the Human Resources and Compensation Supervisory Committee

The Human Resources and Compensation Supervisory Committee makes recommendations to the Board of Trustees on, among other things, executive compensation, the compensation of the CEO, and reviews other aspects of executive compensation, such as the Fund's unit compensation plans. The committee reviews and approves the total compensation philosophy of the Fund and the key elements of the program design. The Human Resources and Compensation Supervisory Committee also ensures that the Fund complies with securities legislation with respect to executive compensation disclosure in its Management Information Circular.

The current members of the Human Resources and Compensation Supervisory Committee are: Keith G. Martell (Chair), Wendy F. Evans, Robert J. Kennedy, James G. Oborne and Ian Sutherland each of whom is "independent" within the meaning of NI 58-101. The committee met nine times in 2008 with members attendance as shown in the table on page 12.

Committee Independence

The committee recognizes that independence from management is fundamental to its effectiveness in managing executive compensation programs and during 2008 held in-camera sessions as required. In addition, the Human Resources and Compensation Supervisory Committee is permitted, without any separate approval being required, to retain consulting firms at the expense of the Fund, to assist the committee in the evaluation of the CEO and other executive officers and in setting executive compensation.

Review of Compensation Programs and Compensation Consultant Advice

The committee has engaged the services of an external compensation consultant. The mandate of the consultant is to provide service to the Company and work for the committee in its review of executive compensation practices, executive compensation design, market trends and regulatory considerations. The consultant does not recommend compensation levels. The committee is responsible for reviewing and making final decisions subject to necessary Board approval. The committee has the final authority to hire and terminate the consultant and to approve the fees of any independent compensation consultant to assist in determining compensation for executives. The consultant may perform other services for the Company, with the approval of the committee Chair.

The committee reviews and approves executive compensation levels on an annual basis. Every three years the committee conducts an in-depth review of executive compensation including its program components and a survey of compensation for similar executives in roles at other retail companies, adjusted for size and complexity of their operations.

2008 Activities

In 2008, the Fund completed the previously noted type of review with the assistance of the Consultant who provided advice and counsel on executive compensation matters. The Chair of the committee has direct access to the Consultant.

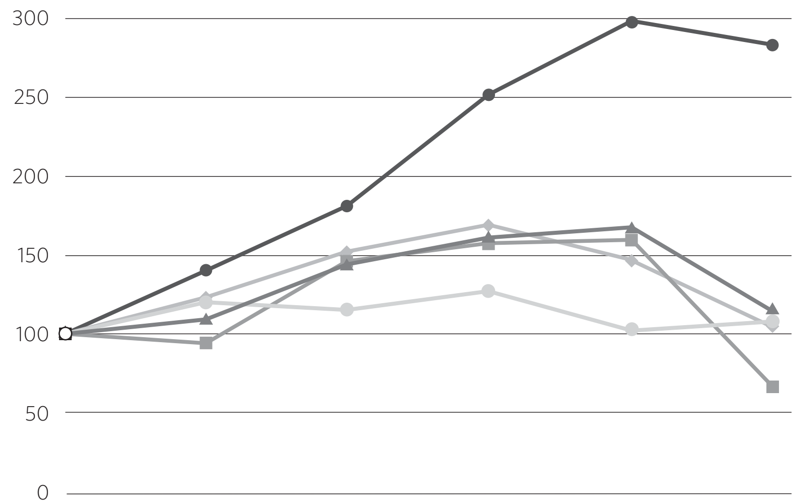
The Human Resources and Compensation Supervisory Committee of the North West Company Fund has reviewed and discussed with management the Compensation Discussion and Analysis on pages 20 to 35 of this Management Information Circular. Based on their review and discussions with management, the committee recommended to the full Board that the Compensation Discussion and Analysis be included in this Management Information Circular.

Human Resources and Compensation Supervisory Committee:
Keith G. Martell, Chair
Wendy F. Evans
Robert J. Kennedy
James G. Oborne
Ian Sutherland

Performance Graph

Set out below is a comparison of the cumulative total return between the Fund, with the TSX Composite, Consumer Durables/Apparel Group, Retailing Group and Food/Staples Retailing Group from January 31, 2004 to January 31, 2009.

Total Return Performance (% at January 31)



	2004	2005	2006	2007	2008	**2009**	**Compound Annual Growth**
NWF.UN	100	139	180	251	298	**283**	23.1%
TSX Composite	100	110	145	162	168	**115**	2.8%
Consumer Durables/ Apparel Group	100	94	146	157	159	**68**	−7.5%
Retailing Group	100	123	152	169	147	**104**	0.7%
Food/Staples Retailing Group	100	120	115	127	102	**108**	1.6%

Note: Assumed $100 invested January 31, 2004 in the Fund, the TSX Composite, Consumer Durables/Apparel Group, Retailing Group and Food/Staples Retailing Group. Fund distributions are reinvested on the ex-distribution date. The above referenced indices already incorporate distributions.

Indebtedness of Trustees and Executives

Neither the Trustees nor officers of the Fund or its affiliated entities, nor any associate or affiliate of any of them, is or was indebted, directly or indirectly, to the Fund or any of its affiliated entities at any time since January 31, 2008, the beginning of the most recently completed financial year, except as previously outlined above under “Indebtedness of Named Executive Officers - UPLP”.

Interest of Informed Persons in Material Transactions

Except as disclosed in this Information Circular, no informed person (within the meaning of applicable securities laws) of the Fund and no proposed nominee for election as a Trustee, or any of their respective associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of the most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Fund or any of its affiliated entities.

Management Contracts

On June 5, 2007, the Fund entered into an administration agreement with its subsidiary NWC GP Inc. The management functions of the Fund and of the Company are not performed to any substantial degree by a person or company other than the Trustees and senior officers of the Company.

Unitholders Relations and Feedback

The Executive Vice-President and Chief Financial Officer of the Fund is responsible for investor relations and ensures that questions and concerns receive prompt responses.

At annual meetings, unitholders are encouraged to ask questions of the Trustees of the Fund and of the officers of the Company. In addition, a 24-hour listen line with an 800 number (1 800 563 0002) and an e-mail address *investorrelations@northwest.ca* provide unitholders with the ability to direct questions to the Fund and the Company. The web site *www.northwest.ca* provides unitholders with access to recent press releases, quarterly reports and general information on the Company and the Fund. Quarterly conference calls are held with analysts, investors and interested persons. Telephone, fax numbers and the Company's web site address are printed on all Company and Fund reports.

Board Expectations of Management

Management is accountable for creating strategy options that achieve sustainable long-term performance, recommending executable plans and then achieving plan goals. The Board actively reviews management's strategy options, including risk management, and monitors agreed-upon strategic action plans. Strategy discussions and timely, relevant performance reporting to the Board follows a pre-set calendar as well as material situations as they arise.

Other Matters

The Trustees know of no other matters to come before the Meeting other than the matters referred to in the Notice of Annual and Special Meeting; however, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

Additional Information

The Fund will provide to any unitholder upon request to its Secretary, a copy of:

(i) its most recent annual information form together with any document or pertinent pages of any document incorporated therein by reference;

(ii) its audited comparative consolidated financial statements for its last fiscal year together with the auditor's report thereon as well as its management's discussion and analysis relating thereto;

(iii) its most recent information circular; and

(iv) any material change reports (other than confidential reports) which have been filed with the various securities regulatory authorities.

Financial information regarding the Fund and its affiliated entities is contained in the Fund's annual consolidated financial statements and management's discussion and analysis relating thereto available on SEDAR at *www.sedar.com* and on the Company's website at *www.northwest.ca*.

The contents of this Information Circular and the sending thereof have been approved by the Trustees.

By Order of the Trustees

John D. King
Vice-President, Finance & Secretary
Winnipeg, Manitoba
April 24, 2009

Appendix "A" Statement of Fund Governance Practices

Effective June 30, 2005, National Instrument 58-101 Disclosure of Corporate Governance Practices ("NI 58-101") and National Policy 58-201 Corporate Governance Guidelines ("NP 58-201") were adopted in Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. In addition, the Company is subject to Multilateral Instrument 52-110 Audit Committees ("52-110"), which has been adopted in various Canadian provinces and territories and which prescribes certain requirements in relation to audit committees.

The Fund is committed to the highest standards of corporate governance. The Board of Trustees ("the Board") and each of their committees have continued to refine the Fund's and the Company's governance policies and practices in light of regulatory initiatives in Canada that have been adopted to improve corporate governance.

The corporate governance practices of the Fund, and its subsidiaries and other operating entities are similar and are set out below.

Disclosure regarding the governance structure and practices of the Fund and its affiliated entities are similar and are set out below.

Composition of the Board of Trustees

The Board of Trustees currently consists of 10 Trustees. The Board of Trustees can presently be a maximum of 11 Trustees but a resolution has been put forward to increase the maximum number of Trustees to 12. The Board of Trustees believes that 12 Trustees is appropriate for an issuer of the size of the Fund, provides for proper succession planning, and believes that the range of expertise and skills facilitate Board effectiveness.

Of the 10 Trustees, nine are independent within the meaning of NI 58-101. Each of H. Sanford Riley, David G. Broadhurst, Frank J. Coleman, Wendy F. Evans, Robert J. Kennedy, Gary J. Lukassen, Keith G. Martell, James G. Oborne and Ian Sutherland is an independent Trustee. Edward S. Kennedy, the President & CEO of the Company is not independent.

The following Trustees are also directors or trustees of other reporting issuers as follows,

H. Sanford Riley	-	Molson Coors Brewing Company
David G. Broadhurst	-	MCAN Mortgage Corporation
Frank J. Coleman	-	Humber Capital Corporation
Wendy F. Evans	-	Sun Life Financial Trust
Gary J. Lukassen	-	AbitibiBowater Inc.
Keith G. Martell	-	First Nations Bank of Canada Potash Corporation of Saskatchewan Inc.
Ian Sutherland	-	MCAN Mortgage Corporation Renasant Financial Partners Ltd. Strongco Income Fund

At all regular and special meetings of the Board of Trustees, the independent Trustees meet separately from management.

In order to ensure that the Board can function independently from management, the Fund and its affiliated entities has separated the roles of Chair of the Board of Trustees and CEO. The Chair of the Board of Trustees is H. Sanford Riley, who is independent. The CEO is Edward S. Kennedy.

Individual Trustees may, with the consent of the Chair of the Governance and Nominating Committee, engage outside advisors at the expense of the Fund.

Committees of the Board are authorized from time to time, and as appropriate, to retain outside advisors at the Fund's expense.

Board Mandate

The general responsibilities of the Board are to supervise the management of the Fund's affairs and to act in the Fund's best interests and to exercise the care, skill and diligence that a reasonably prudent person would exercise in comparable circumstances. In doing so, the Board acts in accordance with the Fund's Declaration of Trust, written mandates and policies of the committees of the Trustees and the Fund's Code of Ethics and other internal policies.

The Trustees are elected by the unitholders and are responsible for the stewardship of the affairs of the Fund. The Trustees discharge their responsibility through the Audit Committee and by supervising and managing the investments and affairs of the Fund. The Trustees also oversee the governance of the Fund, monitoring of financial performance and other financial reporting matters including approval and compliance with the policies and procedures by which the Fund is operated and overseeing the Fund's communications and reporting responsibilities. The Board also supervises and advises the Human Resources and Compensation Supervisory Committee and the Pension Supervisory Committee in the Fund's affiliated entities and is responsible for the following matters:

(a) Strategic Planning Process

On both an ongoing and three year cycle, the Board discusses and reviews management-initiated longer-range strategy options and recommends action plans;

Over the course of the year, ongoing strategy discussions and reviews are scheduled during regular and special board sessions, with the intent of covering a range of issues from business unit performance to talent development;

Prior to the beginning of each fiscal year the Board reviews and approves the Company's annual operating and capital budgets;

The Board monitors progress of the Company's longer-range strategic plan and annual operating plan through timely, relevant updates from management; and

The Board's approval is required for any business principle, resource investment or transaction that would have a significant impact on the Company's strategic positioning.

(b) Risk Management

The Board is responsible for ensuring a process is in place that identifies the principle risks of the Fund and its affiliated entities and ensures that risk management systems are implemented.

The Board, through the Audit Committee, among other things:

(i) reviews financial and accounting related risks;

(ii) reviews disclosure controls and procedures, and internal controls over financial reporting of the Fund and its affiliated entities;

(iii) reviews and recommends for approval, the external auditor; and

(iv) meets to review reports and discuss significant risk areas with the internal and external auditors.

(c) Human Resources and Compensation

The Board through the Human Resources and Compensation Supervisory Committee is responsible to supervise and advise on matters relating to:

(i) the appointment of the President & Chief Executive Officer of the Fund and its affiliated entities ("CEO");

(ii) the review and approval of the compensation programs for senior management including the Fund's unit purchase loan plan and executive annual incentive plan;

(iii) the evaluation of the performance of (i) the CEO; and (ii) each officer who reports to the CEO taking into account evaluations provided by the Human Resources and Compensation Supervisory Committee;

(iv) the review and approval of compensation of the Chair of the Board, Chairs of the committees of the Board and of the Trustees taking into account the recommendations of the Governance and Nominating Committee; and

(v) succession planning, including the appointment, training and monitoring of senior management.

(d) Communications and Disclosure

The Board approves all of the major communications of the Fund, including:

(i) the quarterly and annual financial statements of the Fund and accompanying Management's Discussion & Analysis;

(ii) the Fund's Annual Report;

(iii) the Fund's Annual Information Form;

(iv) the Fund's annual and quarterly press releases; and

(v) the Fund's Annual Notice of Meeting and Annual Management Information Circular.

The Fund communicates with its unitholders through a number of channels including its web site.

The Board approves the Policy on Public Communication and Continuous Secondary Market Disclosure that covers the accurate and timely communication of all material information by the Fund. Unitholders can provide feedback to the Fund in a number of ways, including e-mail or calling toll-free 1 (800) 782 0391.

(e) Governance

The Board, through its Audit Committee, examines the effectiveness of the Fund's internal control system, including information technology security and control. The Audit Committee understands the scope of internal and external auditors' review of internal control over financial reporting and obtains reports on significant findings and recommendations together with management's responses;

The Board meets at least once each fiscal quarter, with additional meetings as required. Each Trustee has a responsibility to attend and participate in meetings of Trustees;

The Governance and Nominating Committee is responsible for considering and recommending nominees for election to the Board. This committee is also responsible for overseeing the evaluation of the Board and each Trustee. In considering nominees for election to the Board, the Governance and Nominating Committee takes into account the appropriate expertise and background to contribute to the support of the Fund's strategy and operations as well as the geographic diversity and the primary markets in which the Fund's affiliated entities operate;

The Governance and Nominating Committee is responsible for reviewing annually the structure and mandates of each committee of the Board and assessing the effectiveness of each committee. It is also the responsibility of the Chair of the Board to ensure its effective operation and to ensure that it discharges its responsibilities; and

The Governance and Nominating Committee reviews the adequacy of, and form of compensation for the Trustees and members of committees of the Board and recommends any changes to the compensation to the Board. In this regard, the committee compares the Trustees' compensation to that of similar issuers.

In addition to those matters which must by law be approved by the Trustees, the Board reviews and approves dispositions, acquisitions or investments which are outside the ordinary course of business of the Fund and its affiliated entities.

The Board also approves changes in senior management. The Trustees have access to management of the Fund and the Fund's advisors in order to assist in their understanding of proposed actions by the Board and the implications of voting for or against such actions.

The size of the Board has enabled it to be extremely flexible with regard to scheduling meetings, including unplanned meetings which are called to review new opportunities. The Board is thus able to act quickly and remain well informed at all times. The management of the Fund has been able to liaise regularly with the Board in seeking approval for any activities outside the normal course of business.

Position Descriptions

It is the responsibility of the Chair of the Board of Trustees to ensure effective operation of the Board and to ensure that it discharges its responsibilities.

The Board has approved a Mandate for each committee and delegated responsibilities as set out in those Mandates. Committee Mandates are reviewed annually and any changes are approved by the Board. It is the responsibility of each Chair of each committee of the Board of Trustees to ensure effective operation of the committee and to ensure that each committee discharges its responsibilities.

A position description has been developed for the CEO. The Human Resources and Compensation Supervisory Committee is responsible for reviewing and approving the corporate objectives (financial and personal) which the CEO is responsible for meeting. This committee also conducts the annual assessment of the CEO's performance against these objectives. The results of the assessment is reported to the Board of Trustees.

Orientation and Continuing Education

Trustees are given the opportunity to individually meet with senior management to improve their understanding of the operations of the Fund and its affiliated entities. For new Trustees, tours are arranged of several of the key operations of certain of the Fund's operating subsidiaries. Trustees are also provided with a reference binder that includes, among other things, information on the organizational structure of the Fund and its affiliated entities, the structure of the Board and its committees and the policies of the Fund. On an ongoing basis, presentations are delivered on various aspects of the activities and functions of the Fund and its affiliated entities. In addition, regardless of whether a meeting of the Board is scheduled, all Trustees regularly receive information on the operations of the Fund and its affiliated entities, including a report from the CEO, a report on corporate development activities, operations reports, a financial overview and other pertinent information. All executives are available for discussions with Trustees concerning any questions or comments which may arise between meetings.

Ethical Business Conduct

The Board of Trustees has adopted a Code of Conduct that governs the behavior of its Trustees, senior management and employees. It is designed to ensure that Trustees, management and employees use independent judgment in considering transactions and agreements in respect of which an individual may have a material interest, and describes other steps taken to encourage and promote a culture of ethical business conduct. A copy of the code can be obtained by contacting the Secretary of the Fund.

Committees of the Board

The Board of Trustees has four committees who oversee the activities of both the Fund and its affiliated entities. The Chair of the Board of the Trustees is an ex-officio non-voting member of all committees of the Board. Committees meet without management present as required. Trustees may attend committee meetings for which they are not a member on an ex-officio basis.

THE NORTH WEST COMPANY

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