

Columbia Management’s Money Market Funds and GSE Holdings

On September 7, 2008, the U.S. Treasury Department announced plans to take control of Fannie Mae and Freddie Mac to provide greater stability to U.S. financial markets. Under terms of the plan, the Treasury Department will purchase senior-preferred stock in each company as needed to maintain a positive net worth. It will also make available secured short-term debt to Fannie Mae, Freddie Mac and 12 federal home-loan banks as needed as a liquidity backstop, and purchase mortgage-backed securities of the agencies in the open market. The Treasury Department will receive \$1 billion of senior preferred stock with a 10% cumulative coupon, and warrants representing ownership stakes of 79.9% of Fannie Mae and Freddie Mac.

The actions now being taken by the Treasury are meant to stabilize financial markets, ensure mortgage availability and affordability, and protect the American taxpayer.

Columbia Cash Reserves, Columbia Money Market Reserves, Columbia Government Reserves and Columbia Government Plus Reserves may hold securities issued by Government Sponsored Entity (GSEs). The GSE securities currently held in these funds are AAA-rated senior debt obligations (ratings by S&P and Moody’s) and are consistent with the investment objectives of the funds. At this time, Columbia Management believes its GSE fund holdings continue to be in the best interest of fund shareholders.

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

Please read and consider the investment objectives, risks, charges and expenses for any fund carefully before investing. For a prospectus, which contains this and other important information about the fund, contact your Columbia Management representative or financial advisor or go to www.columbiamanagement.com.

Columbia Management Group, LLC (“Columbia Management”) is the investment management division of Bank of America Corporation. Columbia Management entities furnish investment management services and products for institutional and individual investors. Columbia Funds are distributed by **Columbia Management Distributors, Inc.**, member FINRA and SIPC. Columbia Management Distributors, Inc. is part of Columbia Management and an affiliate of Bank of America Corporation.

The opinions expressed here are strictly those of Columbia Management and are subject to change without notice. Other divisions of Bank of America and/or affiliates of Columbia Management may have opinions that are inconsistent with these opinions. This report does not constitute investment advice and is issued without regard to specific investment objectives or the financial situation of any particular recipient.

The credit quality ratings represent those of Moody’s Investors Service, Inc. (“Moody’s”) or Standard & Poor’s Corporation (“S&P”) credit ratings. The ratings represent their opinions as to the quality of the securities they rate. Ratings are relative and subjective and are not absolute standards of quality. The security’s credit quality does not eliminate risk.

NOT FDIC INSURED	May Lose Value
NOT BANK ISSUED	No Bank Guarantee

WEB-17/156115-0908 08/AR58213