

Exposure update for Jefferson County, Alabama

As of November 9, 2011, Columbia Management had minimal exposure to bonds issued by Jefferson County, Alabama, as noted below.

- > Exposure to Jefferson County sewer revenue warrants:
Columbia Tax-Exempt Fund – 0.009% of net assets

- > Exposure to all Jefferson County debt, including school warrants secured by sales tax revenues:
Columbia Tax-Exempt Fund – 0.23% of net assets
Columbia AMT-Free Tax-Exempt Fund – 0.24% of net assets

Note that the sewer system debt was the main cause of the Jefferson County bankruptcy filing. Other Jefferson County bonds may or may not be adversely impacted by the bankruptcy filing.

Investors should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. For a free prospectus, which contains this and other important information about the funds, visit columbiamanagement.com. The prospectus should be read carefully before investing.

Current and future portfolio holdings are subject to risk.

Columbia Funds are distributed by Columbia Management Investment Distributors, Inc., member FINRA, and managed by Columbia Management Investment Advisers, LLC.

There are risks associated with an investment in a bond fund, including credit risk, interest rate risk, and prepayment and extension risk. See the Fund's prospectus for information on these and other risks associated with the Fund. In general, bond prices rise when interest rates fall and vice versa. This effect is more pronounced for longer-term securities. Non-investment grade securities, commonly called "high-yield" or "junk" bonds, have more volatile prices and carry more risk to principal and income than investment grade securities.

Income from tax-exempt funds may be subject to state and local taxes and a portion of income may be subject to the federal and/or state alternative minimum tax for certain investors. Federal income tax rules will apply to any capital gains distribution.