

December 23, 2008

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Elizabeth G. Osterman, Esq.  
Associate Director  
Office of Investment Company Regulation and  
Office of Special Projects  
Division of Investment Management  
United States Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

Re: Request for No-Action Relief on Behalf of the Columbia Funds, et al.

Dear Ms. Osterman:

We are writing to you on behalf of the Columbia Funds (as defined below), Bank of America Corporation ("BAC"), and any of BAC's current or future affiliated persons specifically referred to herein (the "BAC Affiliates") to respectfully request assurance that the staff of the Division of Investment Management will not recommend enforcement action against the Columbia Funds, BAC, and the BAC Affiliates to the U.S. Securities and Exchange Commission ("Commission") under sections 10(f), 17(a) and (d) of the Investment Company Act of 1940, as amended (the "1940 Act"), and rule 17d-1 thereunder, in the circumstances described below.

*Background and Statement of Facts:*

On September 15, 2008, BAC entered into an Agreement and Plan of Merger ("Plan of Merger") with Merrill Lynch & Co., Inc. ("ML"), the parent company of Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), Merrill Lynch Government Securities, Inc. ("GSI") and Merrill Lynch Money Markets Inc. ("MMI") (MLPF&S, GSI and MMI, collectively, the "Covered Broker-Dealers"). Pursuant to the Plan of Merger, a wholly-owned merger subsidiary of BAC will, subject to the conditions and terms of the Plan of Merger, merge with and into ML (the "Merger"), with ML continuing as the surviving company that will be a subsidiary of BAC. Assuming satisfaction of the conditions and terms of the Merger, the Merger is expected to be consummated by January 1, 2009.

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A significant portion of ML's investment advisory business was transferred to BlackRock, Inc. ("BlackRock") in 2006 (the "2006 Transaction"). More specifically, on September 29, 2006, BlackRock acquired substantially all of ML's global investment management business, including its Merrill Lynch Investment Managers, L.P. ("MLIM") and other investment advisers under common control with MLIM (collectively, the "Covered Advisers"). The investment advisory contracts for the registered investment companies managed by the Covered Advisers (the "Covered Funds") were also assigned to BlackRock. In exchange, for ML's contribution, ML received newly issued shares of common stock (more than 45% of the outstanding common shares) and preferred stock (100% of the outstanding preferred shares) of BlackRock.

Prior to the consummation of the 2006 Transaction, ML, BlackRock, their affiliated persons, and the registered investment companies advised by investment advisers controlled by or under common control with BlackRock sought and received no-action assurances to enable such persons to rely on certain exemptive orders previously granted by the Commission ("Exemptive Orders"). The Exemptive Orders provided relief under the 1940 Act to certain of the Covered Advisers, Covered Funds, Covered Broker-Dealers and other affiliated persons thereof to engage in certain transactions as described below.

Certain registered investment companies ("Columbia Funds")<sup>1</sup> advised by or subadvised by Columbia Management Advisors, LLC ("CMA"), BAC and certain BAC Affiliates (as described below) wish to rely on the Exemptive Orders described below ("Subject Orders") following the Merger. We have been advised by BAC and CMA that there is no express or implied understanding between the parties to the Merger and their affiliates with respect to the amount or level of any transactions that may be entered into in reliance on the Subject Orders (as requested in this letter) after the Merger.<sup>2</sup>

The need for the requested relief results from the Plan of Merger, pursuant to which BAC will wholly own ML. Section 2(a)(3)(C) of the 1940 Act defines "affiliated person" of another person to include any person controlling, controlled by or under common control with such other person. Section 2(a)(9) of the 1940 Act creates a presumption of control over a company by any person owning more than 25% of the company's voting securities. BAC through its ownership of ML will be presumed to control ML and the Covered Broker-Dealers. Because BAC also controls various other entities including CMA, a registered investment adviser to the Columbia

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<sup>1</sup> The term "Columbia Funds" only includes funds whose investment objective is to seek income exempt from applicable income taxes and taxable money market funds, as more fully described in the particular Subject Orders.

<sup>2</sup> We also are not requesting, and we understand the staff is not taking, any position with respect to section 15(f) of the 1940 Act.

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Funds, these entities and the Covered Broker-Dealers will be deemed to be under common control and therefore affiliated persons of each other.

The affiliations between the Covered Broker-Dealers, on the one hand, and CMA and the Columbia Funds, on the other, will create prohibitions on certain transactions involving the Covered Broker-Dealers and the Columbia Funds after the Merger, including principal transactions prohibited by section 17(a) of the 1940 Act, joint transactions prohibited by section 17(d) of the 1940 Act and rule 17d-1 thereunder, and the Columbia Funds' acquisition of securities during the existence of an underwriting syndicate of which a Covered Broker-Dealer is a principal underwriter prohibited by section 10(f) of the 1940 Act that are not permitted by rule 10f-3 thereunder.

Accordingly, we are requesting relief on behalf of the Columbia Funds, BAC, and the BAC Affiliates to rely on the following three Exemptive Orders -- the Subject Orders -- after the Merger: (1) CMA Tax-Exempt Fund, et al., Investment Company Act Release Nos. 15475 (Dec. 11, 1986) (notice) and 15520 (Jan. 5, 1987) (order); (2) Merrill Lynch Ready Assets Trust, et al., Investment Company Act Release Nos. 18693 (May 6, 1992) (notice) and 18748 (June 2, 1992) (order); and (3) Apex Municipal Fund, et al., Investment Company Act Release Nos. 25052 (June 26, 2001) (notice) and 25074 (July 24, 2001) (order).

Set forth below is a brief description of the three Subject Orders, which are currently relied upon by the Covered Advisers, certain of the Covered Funds described below and certain affiliated persons thereof, as provided in the Subject Orders.

CMA Tax-Exempt Fund, et al. (File No. 812-5990)

This order permits certain tax-exempt Covered Funds to engage in principal transactions involving certain high quality, short-term tax-exempt securities with MLPF&S. The order grants relief under sections 6(c) and 17(b) of the 1940 Act from section 17(a) thereof and is subject to various terms and conditions.

Following the Merger, the material representations and the terms and conditions of the order will be applicable to CMA, any Columbia Funds that invest primarily in a portfolio of tax-exempt securities and that seek to rely on the order, MLPF&S and ML. We believe that allowing the Columbia Funds to engage in transactions with MLPF&S in reliance on the order would be appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

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CMA has advised us that, during the year ended November 30, 2008, the Columbia Funds that invest primarily in a portfolio of tax-exempt securities engaged in more than \$20.9 billion aggregate purchase and \$ 9.1 billion aggregate sales transactions in short-term tax-exempt securities with MLPF&S on a principal basis.

Merrill Lynch Ready Assets Trust, et al. (File No. 812-7285)

This order permits certain taxable money market funds advised by the Covered Advisers to engage in principal transactions in certain taxable money market securities with certain Covered Broker-Dealers. The order grants relief under sections 6(c) and 17(b) of the 1940 Act from section 17(a) thereof and is subject to various terms and conditions.

Following the Merger, the material representations and the terms and conditions of the order will be applicable to CMA, any Columbia Funds that are taxable money market funds and that seek to rely on the order, MLPF&S, GSI, MMI and ML. We believe that allowing the Columbia Funds to engage in transactions with the Covered Broker-Dealers named above in reliance on the order would be appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

CMA has advised us that, during the year ended November 30, 2008, the Columbia Funds that are taxable money market funds engaged in approximately \$270.3 billion aggregate purchase and \$162.7 million aggregate sales transactions in taxable money market securities with MLPF&S, GSI and MMI on a principal basis.

Apex Municipal Fund, et al. (File No. 812-11262)

This order permits certain tax-exempt Covered Funds to purchase “eligible municipal securities,” as defined in rule 10f-3(a)(3) under the 1940 Act, through group orders where MLPF&S is a member of the underwriting syndicate. The order grants relief under sections 6(c), 10(f) and 17(b) of the 1940 Act from sections 10(f) and 17(a) thereof and is subject to various terms and conditions.

Following the Merger, the material representations and the terms and conditions of the order will be applicable to CMA, any tax-exempt Columbia Funds that invest in eligible municipal securities and that seek to rely on the order, MLPF&S and ML. We believe that allowing the Columbia Funds to purchase eligible municipal securities through group orders where MLPF&S is a member of the underwriting syndicate in reliance on the order would be appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

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CMA has advised us that, during the year ended November 30, 2008, the tax-exempt Columbia Funds purchased approximately \$668 million of eligible municipal securities through group orders in underwritten offerings. CMA has advised us that, of these purchases, MLPF&S was part of the underwriting syndicate in approximately \$205 million of purchases.

*Rationale for Request for No-Action Relief:*

The reasons for and factors supporting this request are materially the same as those set forth in the Subject Orders, which reasons and factors apply equally to the Columbia Funds, BAC and the BAC Affiliates. Thus, BAC and the BAC Affiliates propose that upon consummation of the Merger, and subject to the specific requests made above, the Columbia Funds, BAC, and the BAC Affiliates (including CMA) be able to rely on the Subject Orders, subject to the Subject Orders' material representations and terms and conditions. The Columbia Funds, BAC, and the BAC Affiliates (including CMA) will comply with the terms and conditions of the Subject Orders as though such terms and conditions were imposed directly on them under the relevant Subject Order.

The Staff has previously granted no-action relief in various situations involving parties who, as a result of changes in circumstances, including such as those involved here, have sought to rely on exemptive orders previously granted. *See, e.g.,* Merrill Lynch & Co., Inc. (pub. avail. Sept. 27, 2006); Evergreen Investment Management Company, LLC (pub. avail. Oct. 11, 2005); MTB Investment Advisors, Inc. (pub. avail. Oct. 21, 2003); Neuberger Berman Management Inc. (pub. avail. April 30, 2003); AAL Mutual Funds (pub. avail. Dec. 12, 2002); UBS Global Asset Management (US), Inc. (pub. avail. Nov. 21, 2002); Frank Russell Investment Company (pub. avail. Oct. 18, 2002); PIMCO Funds (pub. avail. Aug. 6, 2002); UBS Paine Webber (pub. avail. May 9, 2002); AIM Advisor Funds, Inc. (pub. avail. Feb. 12, 2002); and United Asset Management Corporation (pub. avail. Sept. 24, 2001).

Based upon the facts and representations discussed herein, it is respectfully requested that the staff advise the Columbia Funds, BAC, and the BAC Affiliates that the staff will not recommend that the Commission take enforcement action under sections 10(f), 17(a) and 17(d) of the 1940 Act, and rule 17d-1 thereunder, against any such persons if such persons act in reliance on the Subject Orders as provided herein.<sup>3</sup>

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<sup>3</sup> As discussed above, our request is limited to certain sections of the 1940 Act and the rules thereunder and specific entities in the case of each Subject Order.

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If, for any reason, the staff does not concur with our conclusions, we respectfully request a conference with the staff before any adverse written response to this letter is issued. Should you have any questions regarding this request, please contact me at (202) 887-1515 or Marco E. Adelfio at (202) 887-1530.

Very truly yours,



Robert M. Kurucza

cc: Janet M. Grossnickle, Branch Chief  
Barbara T. Heussler, Senior Counsel  
*Securities and Exchange Commission*

Marco E. Adelfio  
Kenneth C. Fang  
*Morrison & Foerster LLP*