

The Gabelli U.S. Treasury Money Market Fund

The Gabelli U.S. Treasury Money Market Portfolio Team Supports Money Market Industry Reform.

The Gabelli U.S. Treasury Money Market Fund supports the SEC's actions to mandate new standards for the money market industry to better protect investor assets and establish an improved foundation for money market funds in the face of market volatility. These amendments to Rule 2a-7 address new standards in several key areas, including credit quality, liquidity, and maturity of portfolio holdings. By providing enhanced asset protection, these mandates will benefit money market fund investors. While the Gabelli U.S. Treasury Money Market Fund already operates substantially in accordance with the new amendments, there will be some nominal changes, such as new disclosure processes to implement. There would be no noticeable change to the Fund's portfolio composition as the Fund has long placed a significant emphasis on preservation of capital and liquidity. The Fund's low expense ratio has allowed the portfolio managers to take a more conservative investment approach while still offering shareholders an attractive return. Nevertheless, the new regulations are likely to reduce yields for other types of taxable funds, where the new directives require a significant change in portfolio composition.

The fund industry was pleased the new regulations were less restrictive than the SEC initially proposed. However, the SEC is considering additional proposals, which, in our opinion if enacted, will forever change the landscape of the Money Fund Industry. The most significant change would be moving all money market funds from a constant \$1.00 Net Asset Value to a floating NAV. Money market funds serve as a fundamental cash management tool for investors and as a vital source of funding for state and local governments, banks, federal agencies, and businesses. Specifically, any move that would require money market funds to abandon the \$1.00 fixed net asset value will clearly undermine money market funds' value to investors and the significant role that the \$3 trillion industry plays within capital markets in particular and the economy in general.

An investment in any money market fund is not insured or guaranteed by the US government, the Federal Deposit Insurance Corporation or any government agency. Although the Fund seeks to maintain the value of an investment at \$1.00 per share it is possible to lose money by investing in the Fund. ***Investors should consider the investment objectives, risks, sales charges and expense of the fund carefully before investing. The prospectus contains more complete information about this and other matters. The prospectus should be read carefully before investing.***

You can obtain a free prospectus by calling Gabelli & Company, Inc. at 1-800-GABELLI (1-800-422-3554), or contacting your financial representative or by visiting <http://www.gabelli.com>.

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