

March 1, 2010

Prospectus



## The Commerce Funds

The Growth Fund  
CFGRX

The Value Fund  
CFVLX

The MidCap Growth Fund  
CFAGX

The Bond Fund  
CFBNX

The Short-Term Government Fund  
CFSTX

The National Tax-Free Intermediate Bond Fund  
CFNLX

The Missouri Tax-Free Intermediate Bond Fund  
CFMOX

The Kansas Tax-Free Intermediate Bond Fund  
KTXIX

These securities have not been approved or disapproved by the Securities and Exchange Commission, nor has the Securities and Exchange Commission passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.





# TABLE OF CONTENTS

## Summary for Each Fund

<i>Growth</i>	<b>2</b>
<i>Value</i>	<b>6</b>
<i>MidCap Growth</i>	<b>10</b>
<i>Bond</i>	<b>14</b>
<i>Short-Term Government</i>	<b>19</b>
<i>National Tax-Free Intermediate Bond</i>	<b>24</b>
<i>Missouri Tax-Free Intermediate Bond</i>	<b>29</b>
<i>Kansas Tax-Free Intermediate Bond</i>	<b>34</b>
More Information on Securities, Risks and Investment Practices	<b>39</b>
Account Policies and Features	<b>53</b>
Buying Shares	<b>53</b>
Redeeming Shares	<b>57</b>
General Policies	<b>59</b>
Tax Information	<b>63</b>
Service Providers	<b>66</b>
More Information About Fees and Performance	<b>68</b>
Financial Highlights	<b>69</b>

## Commerce Growth Fund – Summary

CUSIP: 200626406



### Investment Objective

The investment objective of the Fund is to seek capital appreciation.



### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. There is no sales charge imposed on purchases of shares.

#### Growth Fund

#### Shareholder Fees

##### (fees paid directly from your investment)

Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	None
Maximum Sales Charge (load) Imposed on Reinvested Distributions	None
Maximum Deferred Sales Charge (load) Imposed on Redemptions	None
Redemption Fees	None

#### Annual Fund Operating Expenses

##### (expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.75%
Other Expenses (1)	<u>0.47%</u>
Shareholder Servicing Fees (1)	0.10%
Other Operating Expenses	0.37%
Total Annual Fund Operating Expenses	1.22%
Less Fee Waiver and/or Expense Reimbursement (2)	<u>0.09%</u>
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement	<u><u>1.13%</u></u>

(1) "Other Expenses" and "Shareholder Servicing Fees" have been restated to reflect current expenses.

(2) The Adviser has contractually agreed to reduce or limit the Total Annual Fund Operating Expenses, excluding interest, taxes and extraordinary expenses, during the current fiscal year to 1.13% of the Fund's average daily net assets through March 1, 2011. After this date, the Adviser or the Fund may terminate the contractual arrangement.

**Example:** This Example is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in shares of the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year, and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$115	\$378	\$662	\$1,469

#### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These

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costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 39% of the average value of its portfolio.



## Principal Investment Strategies

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- Under normal market conditions, invests at least 65% of its total assets in stocks, primarily common stock.
- Using a combination of quantitative and fundamental analysis, the Fund invests principally in stocks of companies that show above-average growth in earnings. The Fund's Adviser believes that investing in companies with strong earnings growth will lead to future capital appreciation.
- The Fund may invest a significant amount of its assets from time to time in the technology sector.
- Generally purchases common stock of companies whose characteristics are comparable to those included in the Russell 1000® Growth Index ("Index"). The capitalization range of the Index was \$262.5 million to \$323.7 billion as of December 31, 2009.



## Principal Risks

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**Investment Risk:** The value of your investment in this Fund may fluctuate, which means that you could lose money. The types of stocks held by the Fund may not perform as well as other types of stocks.

**Market Risk:** The market values of equity securities owned by the Fund may decline, at times sharply and unpredictably.

**Management Risk:** A strategy used by the Adviser may fail to produce the intended results.

**Technology Securities Risk:** The securities of technology companies may be subject to greater price volatility than securities of companies in other sectors. Technology companies may produce or use products or services that prove commercially unsuccessful, or become obsolete, or may be adversely impacted by government regulation. Technology securities may experience significant price movements caused by disproportionate investor optimism or pessimism.

Please see "More Information on Securities, Risks and Investment Practices" for a more detailed description of the investment practices of the Fund and the risks associated with those practices. As with any mutual fund, it is possible to lose money on an investment in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective.

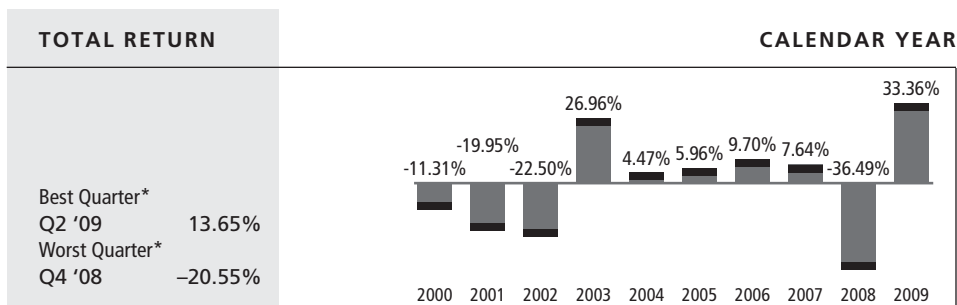
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**Fund Performance**

The bar chart and table below provide an indication of the risks of investing in the Fund by showing: (a) changes in the performance of the Fund’s shares from year to year; and (b) how the average annual total returns of the Fund’s shares compare to those of a broad-based securities market index. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information, please visit the Fund’s website at [www.commercefunds.com](http://www.commercefunds.com) or by calling 1-800-995-6365.

**Year-by-Year Total Returns as of 12/31 Each Year**



\* Please note that “Best Quarter” and “Worst Quarter” figures are applicable only to the time period covered by the bar chart.

After-tax returns below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold Fund shares through tax-deferred arrangements such as a 401(k) plan or individual retirement account (IRA).

**Average Annual Total Returns**

For the periods ended December 31, 2009	1 Year	5 Years	10 Years	Since Inception (12/12/94)
Returns Before Taxes	33.36%	1.14%	-2.55%	6.54%
Returns After Taxes on Distributions	33.27%	1.06%	-3.01%	5.44%
Returns After Taxes on Distributions and Sale of Shares	21.81%	0.98%	-2.19%	5.45%
Russell 1000® Growth Index*	37.21%	1.63%	-3.98%	7.12%

\* The Russell 1000® Growth Index, an unmanaged index, is a market capitalization weighted index of those 1000 Russell companies with higher price-to-book ratios and higher forecasted growth values. The Index figures do not reflect any deduction for fees, taxes or expenses.

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## **Management**

### **Investment Advisor**

Commerce Investment Advisors, Inc. (“Commerce” or the “Adviser”) serves as investment adviser for the Fund.

### **Portfolio Manager**

Joseph C. Williams III, CFA Senior Vice President, has managed the Fund since inception (1994).

### **Purchase and Sale of Fund Shares**

You may purchase, redeem or exchange shares of the Fund on any business day, which is any day the New York Stock Exchange is open for business. You may purchase, redeem or exchange shares of the Fund either through a financial advisor or directly from the Fund. The minimum initial purchase or exchange into the Fund is \$1,000 (\$500 through monthly systematic investment plan accounts). The minimum subsequent investment is \$250 (\$50 through monthly systematic investment plan accounts).

### **Tax Information**

The Fund intends to make distributions each year. The Fund’s distributions are taxable, and will be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case your taxes will be deferred to a later time.

### **Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your financial representative or visit your financial intermediary’s website for more information.

## Commerce Value Fund – Summary

CUSIP: 200626828



### Investment Objective

The investment objective of the Fund is to seek capital appreciation, and secondarily, current income.



### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. There is no sales charge imposed on purchases of shares.

	<b>Value Fund</b>
<b>Shareholder Fees</b>	
<b>(fees paid directly from your investment)</b>	
Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	None
Maximum Sales Charge (load) Imposed on Reinvested Distributions	None
Maximum Deferred Sales Charge (load) Imposed on Redemptions	None
Redemption Fees	None
<b>Annual Fund Operating Expenses</b>	
<b>(expenses that you pay each year as a percentage of the value of your investment)</b>	
Management Fees	0.75%
Other Expenses	<u>0.47%</u>
Shareholder Servicing Fees	0.07%
Other Operating Expenses	0.40%
Total Annual Fund Operating Expenses	1.22%
Less Fee Waiver and/or Expense Reimbursement (1)	<u>0.02%</u>
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement	<u>1.20%</u>

(1) The Adviser has contractually agreed to reduce or limit the Total Annual Fund Operating Expenses, excluding interest, taxes and extraordinary expenses, during the current fiscal year to 1.20% of the Fund's average daily net assets through March 1, 2011. After this date, the Adviser or the Fund may terminate the contractual arrangement.

**Example:** This Example is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in shares of the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year, and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$122	\$385	\$668	\$1,476

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction

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costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 61% of the average value of its portfolio.



## Principal Investment Strategies

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- Under normal market conditions, invests at least 65% of its total assets in stocks, primarily common stock.
- Using a combination of quantitative and fundamental analysis, the Fund invests principally in stock of companies that are selling below fair market value compared to their future potential. The Fund seeks a higher return than the Russell 1000® Value Index ("Index") over time as the stocks it purchases rise in price to more normal valuations. The Fund utilizes a broadly diversified portfolio with value characteristics (low price/book and price/earnings ratios) to achieve capital appreciation and current income.
- Generally purchases common stock of companies whose characteristics are comparable to those included in the Index. The capitalization range of the Index was \$262.5 million to \$323.7 billion as of December 31, 2009.



## Principal Risks

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**Investment Risk:** The value of your investment in this Fund may fluctuate, which means that you could lose money. The types of stocks held by the Fund may not perform as well as other types of stocks.

**Market Risk:** The market values of equity securities owned by the Fund may decline, at times sharply and unpredictably.

**Management Risk:** A strategy used by the Adviser may fail to produce the intended results.

Please see "More Information on Securities, Risks and Investment Practices" for a more detailed description of the investment practices of the Fund and the risks associated with these practices. As with any mutual fund, it is possible to lose money on an investment in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective.



## Fund Performance

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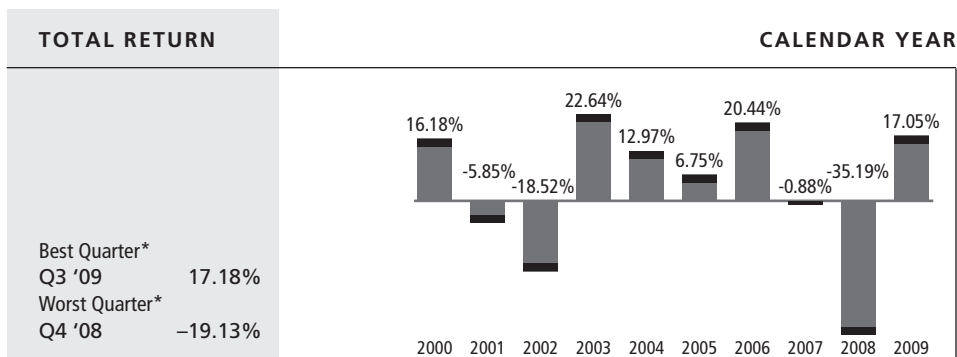
The bar chart and table below provide an indication of the risks of investing in the Fund by showing: (a) changes in the performance of the Fund's shares from year to year; and (b) how

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## Commerce Value Fund – Summary (continued)

the average annual total returns of the Fund's shares compare to those of a broad-based securities market index. The Fund's past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information, please visit the Fund's website at [www.commercefunds.com](http://www.commercefunds.com) or by calling 1-800-995-6365.

### Year-by-Year Total Returns as of 12/31 Each Year



\* Please note that "Best Quarter" and "Worst Quarter" figures are applicable only to the time period covered by the bar chart.

After-tax returns below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold Fund shares through tax-deferred arrangements such as a 401(k) plan or individual retirement account (IRA).

### Average Annual Total Returns

For the periods ended December 31, 2009	1 Year	5 Years	10 Years	Since Inception (3/3/97)
Returns Before Taxes	17.05%	-0.70%	1.78%	3.16%
Returns After Taxes on Distributions	16.74%	-1.51%	1.14%	2.55%
Returns After Taxes on Distributions and Sale of Shares	11.40%	-0.46%	1.50%	2.67%
Russell 1000® Value Index*	19.69%	-0.25%	2.47%	5.55%

\* The Russell 1000® Value Index is an unmanaged market capitalization weighted index of those 1000 Russell companies with lower price-to-book ratios and lower forecasted growth values. The Index figures do not reflect any deduction for fees, taxes or expenses.

## Management

### Investment Advisor

Commerce Investment Advisors, Inc. ("Commerce" or the "Adviser") serves as investment adviser for the Fund.

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### **Portfolio Managers**

Joseph C. Williams III, CFA Senior Vice President, has managed the Fund since inception (1997). Matthew J. Schmitt, CFA Vice President, has co-managed the Fund since 2004.

### **Purchase and Sale of Fund Shares**

You may purchase, redeem or exchange shares of the Fund on any business day, which is any day the New York Stock Exchange is open for business. You may purchase, redeem or exchange shares of the Fund either through a financial advisor or directly from the Fund. The minimum initial purchase or exchange into the Fund is \$1,000 (\$500 through monthly systematic investment plan accounts). The minimum subsequent investment is \$250 (\$50 through monthly systematic investment plan accounts).

### **Tax Information**

The Fund intends to make distributions each year. The Fund's distributions are taxable, and will be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case your taxes will be deferred to a later time.

### **Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your financial representative or visit your financial intermediary's website for more information.

## Commerce MidCap Growth Fund – Summary

CUSIP: 200626505



### Investment Objective

The investment objective of the Fund is to seek capital appreciation.



### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. There is no sales charge imposed on purchases of shares.

#### MidCap Growth Fund

#### Shareholder Fees

##### (fees paid directly from your investment)

Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	None
Maximum Sales Charge (load) Imposed on Reinvested Distributions	None
Maximum Deferred Sales Charge (load) Imposed on Redemptions	None
Redemption Fees	None

#### Annual Fund Operating Expenses

##### (expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.75%
Other Expenses (1)	<u>0.59%</u>
Shareholder Servicing Fees (1)	0.08%
Other Operating Expenses	0.51%
Total Annual Fund Operating Expenses	<u>1.34%</u>

(1) "Other Expenses" and "Shareholder Servicing Fees" have been restated to reflect current expenses.

**Example:** This Example is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in shares of the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year, and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$136	\$425	\$734	\$1,613

#### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 58% of the average value of its portfolio.



## Principal Investment Strategies

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- Under normal market conditions, invests at least 80% of its net assets plus any borrowings for investment purposes (measured at the time of purchase) in mid-cap issuers. These issuers will have public stock market capitalizations within the range of the market capitalization of companies constituting the Russell Midcap Growth® Index (“Index”) at the time of investment. If the market capitalization of a company held by the Fund moves outside this range, the Fund may, but is not required to, sell the securities. The capitalization range of the Index was \$262.5 million to \$15.5 billion as of December 31, 2009.
- Using a combination of quantitative and fundamental analysis, the Fund invests principally in stock of companies that show the potential for above-average earnings growth. The Fund seeks capital appreciation by investing in companies that exhibit high rates of profitability, earnings growth and corporate reinvestment.
- The Fund may invest a significant amount of its assets from time to time in the technology sector.
- The Fund will provide shareholders with at least 60 days’ notice before changing its 80% investment policy.



## Principal Risks

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**Investment Risk:** The value of your investment in this Fund may fluctuate, which means that you could lose money. The types of stocks held by the Fund may not perform as well as other types of stocks.

**Management Risk:** A strategy used by the Adviser may fail to produce the intended results.

**Market Risk:** The market values of equity securities owned by the Fund may decline, at times sharply and unpredictably.

**Mid-Cap and Small-Cap Risk:** Investing in securities of smaller and mid-sized companies may be riskier than investing in larger, more established companies. Smaller and mid-sized companies are more vulnerable to adverse developments because of more limited product lines, markets or financial resources. Also, these stocks may trade less often and in limited volume compared to stocks trading on a national securities exchange. The prices of these stocks may be more volatile than the prices of larger company stocks. As a result, this Fund’s net asset value may be subject to rapid and substantial changes.

**Technology Securities Risk:** The securities of technology companies may be subject to greater price volatility than securities of companies in other sectors. Technology companies may produce or use products or services that prove commercially unsuccessful, or become obsolete, or may be adversely impacted by government regulation. Technology securities may experience significant price movements caused by disproportionate investor optimism or pessimism.

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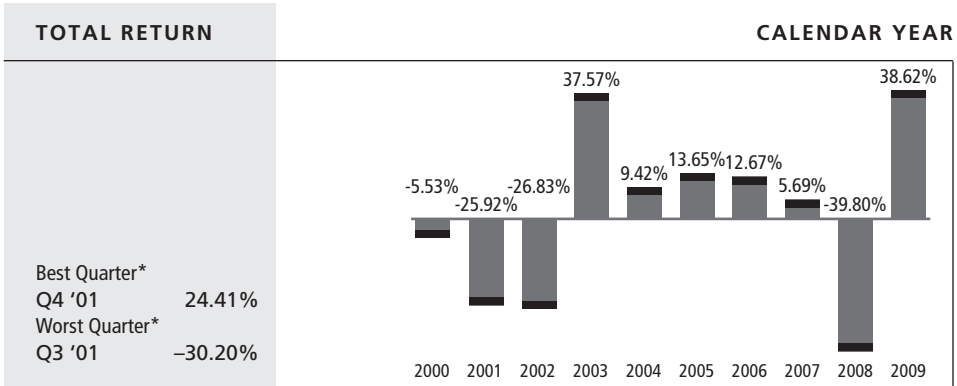
Please see “More Information on Securities, Risks and Investment Practices” for a more detailed description of the investment practices of the Fund and the risks associated with those practices. As with any mutual fund, it is possible to lose money on an investment in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective.



**Fund Performance**

The bar chart and table below provide an indication of the risks of investing in the Fund by showing: (a) changes in the performance of the Fund’s shares from year to year; and (b) how the average annual total returns of the Fund’s shares compare to those of a broad-based securities market index. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information, please visit the Fund’s website at [www.commercefunds.com](http://www.commercefunds.com) or by calling 1-800-995-6365.

**Year-by-Year Total Returns as of 12/31 Each Year**



\* Please note that “Best Quarter” and “Worst Quarter” figures are applicable only to the time period covered by the bar chart.

After-tax returns below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold Fund shares through tax-deferred arrangements such as a 401(k) plan or individual retirement account (IRA).

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## Average Annual Total Returns

For the periods ended December 31, 2009	1 Year	5 Years	10 Years	Since Inception (12/12/94)
Returns Before Taxes	38.62%	2.43%	-1.39%	6.41%
Returns After Taxes on Distributions	38.59%	2.04%	-1.82%	5.68%
Returns After Taxes on Distributions and Sale of Shares	25.14%	2.08%	-1.23%	5.53%
Russell Midcap <sup>®</sup> Growth Index*	46.29%	2.40%	-0.52%	8.25%

\* The Russell Midcap<sup>®</sup> Growth Index, an unmanaged index, measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The Index figures do not reflect any deduction for fees, taxes or expenses. Inception date of the Index return is 12/30/94 as daily value was unavailable at 12/12/94.

## Management

### Investment Advisor

Commerce Investment Advisors, Inc. (“Commerce” or the “Adviser”) serves as investment adviser for the Fund.

### Portfolio Manager

Joseph C. Williams III, CFA Senior Vice President, has managed the Fund since 2006.

## Purchase and Sale of Fund Shares

You may purchase, redeem or exchange shares of the Fund on any business day, which is any day the New York Stock Exchange is open for business. You may purchase, redeem or exchange shares of the Fund either through a financial advisor or directly from the Fund. The minimum initial purchase or exchange into the Fund is \$1,000 (\$500 through monthly systematic investment plan accounts). The minimum subsequent investment is \$250 (\$50 through monthly systematic investment plan accounts).

## Tax Information

The Fund intends to make distributions each year. The Fund’s distributions are taxable, and will be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case your taxes will be deferred to a later time.

## Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your financial representative or visit your financial intermediary’s website for more information.

## Commerce Bond Fund – Summary

CUSIP: 200626208



### Investment Objective

The investment objective of the Fund is to seek total return through current income and, secondarily, capital appreciation.



### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. There is no sales charge imposed on purchases of shares.

	<b>Bond Fund</b>
<b>Shareholder Fees</b>	
<b>(fees paid directly from your investment)</b>	
Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	None
Maximum Sales Charge (load) Imposed on Reinvested Distributions	None
Maximum Deferred Sales Charge (load) Imposed on Redemptions	None
Redemption Fees	None
<b>Annual Fund Operating Expenses</b>	
<b>(expenses that you pay each year as a percentage of the value of your investment)</b>	
Management Fees	0.50%
Other Expenses (1)	<u>0.32%</u>
Shareholder Servicing Fees (1)	0.07%
Other Operating Expenses	0.25%
Total Annual Fund Operating Expenses	0.82%
Less Fee Waiver and/or Expense Reimbursement (2)	<u>0.00%</u>
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement	<u>0.82%</u>

(1) "Other Expenses" and "Shareholder Servicing Fees" have been restated to reflect current expenses.

(2) The Adviser has contractually agreed to reduce or limit the Total Annual Fund Operating Expenses, excluding interest, taxes and extraordinary expenses, during the current fiscal year to 0.88% of the Fund's average daily net assets through March 1, 2011. After this date, the Adviser or the Fund may terminate the contractual arrangement.

**Example:** This Example is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in shares of the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year, and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$84	\$262	\$456	\$1,016

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction

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costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 22% of the average value of its portfolio.



## Principal Investment Strategies

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- **Security Types:** Under normal market conditions, invests at least 80% of its net assets plus any borrowings for investment purposes (measured at the time of purchase) in bonds. In seeking current income and capital appreciation, the Fund invests in a diversified portfolio of investment-grade corporate debt obligations and obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities. The Fund will provide shareholders with at least 60 days notice before changing its 80% investment policy. The Fund may invest up to 80% of its total assets in mortgage-backed and asset-backed securities.
- **Credit Quality:** Invests at least 65% of its total assets in bonds rated at the time of purchase A- or better by one of the four major ratings services or considered by the Adviser to be of equivalent quality. The market-weighted average credit rating of the entire portfolio will be AA-/Aa3 or better. Provided that the Fund maintains its average credit rating of AA-/Aa3 or better, the Fund may invest up to 10% of its total assets in high yield (non-investment-grade) securities, also known as junk bonds.
- **Maturity Distribution:** To achieve capital appreciation, the Fund's average effective duration will be within 30% of the Barclays Capital U.S. Aggregate Bond Index ("Index"), although the Fund has no restriction on the maximum or minimum duration of any individual security it holds. For example, if the duration of the Index were 4.5 years, the Fund's assets would have duration of between 3.15 years and 5.85 years. The duration of the Fund was 4.19 years as of December 31, 2009. Duration is a measure of a fund's sensitivity to interest rates. For example, a portfolio with a duration of 2 years would lose 2% of its value if interest rates rose by 1%, or it would gain 2% if interest rates declined by 2%. A portfolio with a duration of 4 years would be twice as volatile as a portfolio with a duration of 2 years.



## Principal Risks

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**U.S. Government Securities Risk:** The U.S. Government may not provide financial support to U.S. Government agencies, instrumentalities or sponsored enterprises if it is not obligated to do so. Although many U.S. Government securities purchased by the Fund may be chartered or sponsored by Acts of Congress, their securities are neither issued nor guaranteed by the United States Treasury and therefore are not backed by the full faith and credit of the United States. The maximum potential liability of the issuers of some U.S. Government securities held by the Fund may greatly exceed their current resources, including their legal right to support from the U.S. Treasury. It is possible that these issuers will not have the funds to meet their payment obligations in the future.

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**Mortgage-Backed and Asset-Backed Risk:** Mortgage-backed securities, especially collateralized mortgage-backed securities, and asset-backed securities may be subject to risks that include price volatility, liquidity, enhanced sensitivity to interest rates, and greater risk of default during periods of economic downturn than other securities. As a result, these securities may be more difficult to value and liquidate, if necessary.

**Investment Risk:** The value of your investment in this Fund may fluctuate, which means that you could lose money.

**Market Risk:** The market values of fixed-income securities owned by the Fund may decline, at times sharply and unpredictably.

**Interest Rate Risk:** Interest rate risk is the risk that the value of the Fund's portfolio will decline because of rising interest rates. The magnitude of this decline will often be greater for longer-term, fixed-income securities than shorter-term securities.

**Credit Risk:** Credit risk is the risk that an issuer or guarantor of a fixed-income security may be unable or unwilling to make interest and principal payments when due and the related risk that the value of a bond may decline because of concerns about the issuer's ability or willingness to make such payments. Provided that the Fund maintains its average credit rating of AA-/Aa3 or better, the Fund may invest up to 10% of its total assets in high yield securities and up to 35% of its total assets in obligations rated BBB or Baa by certain ratings services. High yield securities and obligations rated BBB or Baa by certain ratings services are riskier than higher-rated obligations.

**Management Risk:** A strategy used by the Adviser could fail to produce the intended results.

**Maturity Risk:** The Fund will not necessarily hold its securities to maturity, which could result in loss of principal.

**Call Risk:** An issuer may exercise its right to pay principal on an obligation held by the Fund (such as a mortgage-backed or asset-backed security) earlier than expected. Under these circumstances, the Fund may be unable to recoup all of its initial investment and will also suffer from having to reinvest in lower yielding securities.

**Extension Risk:** An issuer may exercise its right to pay principal on an obligation held by the Fund (such as a mortgage-backed or asset-backed security) later than expected. This may happen when interest rates rise. Under these circumstances, the value of the obligation will decrease and the Fund will also suffer from the inability to invest in higher-yielding securities.

**High Yield Risk:** High yield securities are subject to greater levels of credit and liquidity risk. High yield securities are considered speculative with respect to an issuer's ability to make principal and interest payments.

**Prepayment Risk:** Prepayment of the underlying mortgage collateral of some fixed-income securities may result in a decreased rate of return and a decline in value of the securities.

**Income Risk:** The Fund's portfolio income may decline because of falling market interest rates.

**Liquidity Risk:** The Fund may not be able to pay redemption proceeds within the time periods described in this Prospectus because of unusual market conditions, an unusually high number of redemption requests or other reasons. Certain portfolio securities may be less liquid than others, which may make them difficult or impossible to sell at an advantageous time or price.

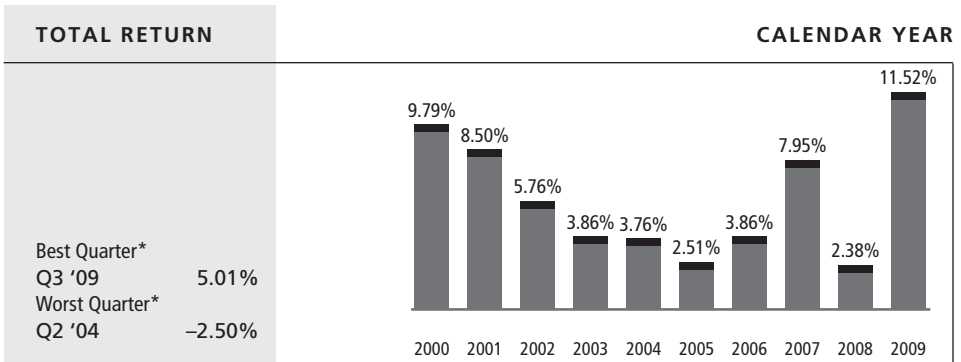
Please see “More Information on Securities, Risks and Investment Practices” for a more detailed description of the investment practices of the Fund and the risks associated with those practices. As with any mutual fund, it is possible to lose money on an investment in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective.



## Fund Performance

The bar chart and table below provide an indication of the risks of investing in the Fund by showing: (a) changes in the performance of the Fund’s shares from year to year; and (b) how the average annual total returns of the Fund’s shares compare to those of a broad-based securities market index. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information, please visit the Fund’s website at [www.commercefunds.com](http://www.commercefunds.com) or by calling 1-800-995-6365.

### Year-by-Year Total Returns as of 12/31 Each Year



\* Please note that “Best Quarter” and “Worst Quarter” figures are applicable only to the time period covered by the bar chart.

After-tax returns below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold Fund shares through tax-deferred arrangements such as a 401(k) plan or individual retirement account (IRA).

*continued*

**Average Annual Total Returns**

<b>For the periods ended December 31, 2009</b>	<b>1 Year</b>	<b>5 Years</b>	<b>10 Years</b>	<b>Since Inception (12/12/94)</b>
Returns Before Taxes	11.52%	5.58%	5.95%	6.39%
Returns After Taxes on Distributions	9.44%	3.81%	3.92%	4.11%
Returns After Taxes on Distributions and Sale of Shares	7.42%	3.71%	3.86%	4.07%
Barclays Capital U.S. Aggregate Index*	5.93%	4.97%	6.33%	6.78%

\* *The Barclays Capital U.S. Aggregate Index is an unmanaged index comprised of the Barclays Capital Government/Corporate Bond Index, Mortgage-Backed Securities Index and Asset-Backed Securities Index. The Index figures do not reflect any deduction for fees, taxes or expenses.*

**Management****Investment Advisor**

Commerce Investment Advisors, Inc. (“Commerce” or the “Adviser”) serves as investment adviser for the Fund.

**Portfolio Manager**

Scott M. Colbert, CFA Senior Vice President, has managed the Fund since inception (1994).

**Purchase and Sale of Fund Shares**

You may purchase, redeem or exchange shares of the Fund on any business day, which is any day the New York Stock Exchange is open for business. You may purchase, redeem or exchange shares of the Fund either through a financial advisor or directly from the Fund. The minimum initial purchase or exchange into the Fund is \$1,000 (\$500 through monthly systematic investment plan accounts). The minimum subsequent investment is \$250 (\$50 through monthly systematic investment plan accounts).

**Tax Information**

The Fund intends to make distributions each year. The Fund’s distributions are taxable, and will be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case your taxes will be deferred to a later time.

**Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your financial representative or visit your financial intermediary’s website for more information.

# Commerce Short-Term Government Fund – Summary

CUSIP: 200626109



## Investment Objective

The investment objective of the Fund is to seek current income with preservation of principal.



## Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. There is no sales charge imposed on purchases of shares.

### Short-Term Government Fund

#### Shareholder Fees

(fees paid directly from your investment)

Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	None
Maximum Sales Charge (load) Imposed on Reinvested Distributions	None
Maximum Deferred Sales Charge (load) Imposed on Redemptions	None
Redemption Fees	None

#### Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.50%
Other Expenses (1)	<u>0.44%</u>
Shareholder Servicing Fees (1)	0.07%
Other Operating Expenses	0.37%
Total Annual Fund Operating Expenses	0.94%
Less Fee Waiver and/or Expense Reimbursement (2)	<u>0.26%</u>
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement	<u>0.68%</u>

(1) "Other Expenses" and "Shareholder Servicing Fees" have been restated to reflect current expenses.

(2) The Adviser has contractually agreed to reduce or limit the Total Annual Fund Operating Expenses, excluding interest, taxes and extraordinary expenses, during the current fiscal year to 0.68% of the Fund's average daily net assets through March 1, 2011. After this date, the Adviser or the Fund may terminate the contractual arrangement.

**Example:** This Example is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in shares of the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year, and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$69	\$274	\$495	\$1,131

*continued*

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 25% of the average value of its portfolio.



### Principal Investment Strategies

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- **Security Types:** Under normal market conditions, the Fund invests at least 80% of its net assets plus any borrowings for investment purposes (measured at the time of purchase) in securities issued or guaranteed by the U.S. Government, its agencies or instrumentalities (including U.S. Treasury bills, notes and bonds) and government mortgage-backed securities (pools of mortgage loans sold to investors by various governmental agencies). The Fund may also purchase other mortgage-backed securities, which are sold by private issuers. The Fund will provide shareholders with at least 60 days notice before changing its 80% investment policy.
- The market-weighted average credit rating of the Fund’s entire portfolio is expected to be Aa3 or better.
- **Maturity Distribution:** Emphasizes purchasing short-term bonds. The Fund invests at least 65% of its total assets in securities issued or guaranteed by the U.S. Government, its agencies or instrumentalities and government mortgage-backed securities that have average lives or remaining maturities of five years or less.
- Actively manages maturities to take advantage of changes in interest rates. The dollar-weighted average maturity of the Fund’s investments will not exceed three years.



### Principal Risks

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**U.S. Government Securities Risk:** Most of the securities in which the Fund invests are not backed by the full faith and credit of the U.S. Government. The U.S. Government may not provide financial support to U.S. Government agencies, instrumentalities or sponsored enterprises if it is not obligated to do so. The maximum potential liability of the issuers of some U.S. Government securities held by the Fund may greatly exceed their current resources, including their legal right to support from the U.S. Treasury. It is possible that these issuers will not have the funds to meet their payment obligations in the future.

**Mortgage-Backed Risk:** Mortgage-backed securities, especially collateralized mortgage-backed securities, may be subject to risks that include price volatility, liquidity, and enhanced sensitivity to interest rates. As a result, mortgage-backed securities may be more difficult to value and liquidate, if necessary.

**Investment Risk:** The value of your investment in this Fund may fluctuate, which means that you could lose money.

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**Market Risk:** The market values of fixed-income securities owned by the Fund may decline, at times sharply and unpredictably.

**Interest Rate Risk:** Interest rate risk is the risk that the value of the Fund's portfolio will decline because of rising interest rates. The magnitude of this decline will often be greater for longer-term, fixed-income securities than shorter-term securities.

**Credit Risk:** Credit risk is the risk that an issuer or guarantor of a fixed-income security may be unable or unwilling to make interest and principal payments when due and the related risk that the value of a bond may decline because of concerns about the issuer's ability or willingness to make such payments.

**Management Risk:** A strategy used by the Adviser could fail to produce the intended results.

**Maturity Risk:** The Fund will not necessarily hold its securities to maturity, which could result in loss of principal.

**Call Risk:** An issuer may exercise its right to pay principal on an obligation held by the Fund (such as a mortgage-backed or asset-backed security) earlier than expected. Under these circumstances, the Fund may be unable to recoup all of its initial investment and will also suffer from having to reinvest in lower yielding securities.

**Extension Risk:** An issuer may exercise its right to pay principal on an obligation held by the Fund (such as a mortgage-backed or asset-backed security) later than expected. This may happen when interest rates rise. Under these circumstances, the value of the obligation will decrease and the Fund will also suffer from the inability to invest in higher-yielding securities.

**Prepayment Risk:** Prepayment of the underlying mortgage collateral of some fixed-income securities may result in a decreased rate of return and a decline in value of the securities.

**Income Risk:** The Fund's portfolio income may decline because of falling market interest rates.

**Liquidity Risk:** The Fund may not be able to pay redemption proceeds within the time periods described in this Prospectus because of unusual market conditions, an unusually high number of redemption requests or other reasons. Certain portfolio securities may be less liquid than others, which may make them difficult or impossible to sell at an advantageous time or price.

Please see "More Information on Securities, Risks and Investment Practices" for a more detailed description of the investment practices of the Fund and the risks associated with those practices. As with any mutual fund, it is possible to lose money on an investment in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective.

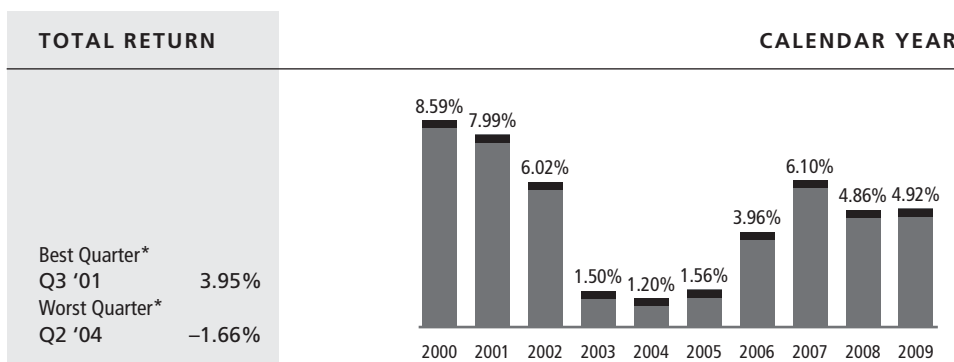
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**Fund Performance**

The bar chart and table below provide an indication of the risks of investing in the Fund by showing: (a) changes in the performance of the Fund’s shares from year to year; and (b) how the average annual total returns of the Fund’s shares compare to those of a broad-based securities market index. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information, please visit the Fund’s website at [www.commercefunds.com](http://www.commercefunds.com) or by calling 1-800-995-6365.

**Year-by-Year Total Returns as of 12/31 Each Year**



\* Please note that “Best Quarter” and “Worst Quarter” figures are applicable only to the time period covered by the bar chart.

After-tax returns below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold Fund shares through tax-deferred arrangements such as a 401(k) plan or individual retirement account (IRA).

**Average Annual Total Returns**

For the periods ended December 31, 2009	1 Year	5 Years	10 Years	Since Inception (12/12/94)
Returns Before Taxes	4.92%	4.27%	4.64%	5.21%
Returns After Taxes on Distributions	3.62%	2.78%	2.95%	3.22%
Returns After Taxes on Distributions and Sale of Shares	3.18%	2.76%	2.94%	3.22%
Citigroup 1-5 Year Treasury/ Government Sponsored Index*	0.86%	4.53%	5.17%	5.69%

\* The Citigroup 1-5 Year Treasury/Government Sponsored Index is an unmanaged index comprised of Treasury securities with a minimum principal amount of \$1 billion and U.S. Government securities with a minimum principal amount of \$100 million. The securities range in maturity from one to five years. The Index figures do not reflect any deduction for fees, taxes or expenses.

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## **Management**

### **Investment Advisor**

Commerce Investment Advisors, Inc. (“Commerce” or the “Adviser”) serves as investment adviser for the Fund.

### **Portfolio Manager**

Scott M. Colbert, CFA Senior Vice President, has managed the Fund since inception (1994).

### **Purchase and Sale of Fund Shares**

You may purchase, redeem or exchange shares of the Fund on any business day, which is any day the New York Stock Exchange is open for business. You may purchase, redeem or exchange shares of the Fund either through a financial advisor or directly from the Fund. The minimum initial purchase or exchange into the Fund is \$1,000 (\$500 through monthly systematic investment plan accounts). The minimum subsequent investment is \$250 (\$50 through monthly systematic investment plan accounts).

### **Tax Information**

The Fund intends to make distributions each year. The Fund’s distributions are taxable, and will be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case your taxes will be deferred to a later time.

### **Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your financial representative or visit your financial intermediary’s website for more information.

# Commerce National Tax-Free Intermediate Bond Fund – Summary

CUSIP: 200626703



## Investment Objective

The investment objective of the Fund is to seek current income exempt from federal income tax as is consistent with the preservation of capital.



## Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. There is no sales charge imposed on purchases of shares.

### National Tax-Free Intermediate Bond Fund

#### Shareholder Fees

##### (fees paid directly from your investment)

Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	None
Maximum Sales Charge (load) Imposed on Reinvested Distributions	None
Maximum Deferred Sales Charge (load) Imposed on Redemptions	None
Redemption Fees	None

#### Annual Fund Operating Expenses

##### (expenses that you pay each year as a percentage of your investment)

Management Fees		0.50%
Other Expenses (1)		<u>0.36%</u>
Shareholder Servicing Fees (1)	0.00%	
Other Operating Expenses	0.30%	
Total Annual Fund Operating Expenses		0.86%
Less Fee Waiver and/or Expense Reimbursement (2)		<u>0.16%</u>
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement		<u>0.70%</u>

(1) "Other Expenses" and "Shareholder Servicing Fees" have been restated to reflect current expenses.

(2) The Adviser has contractually agreed to reduce or limit the Total Annual Fund Operating Expenses, excluding interest, taxes and extraordinary expenses, during the current fiscal year to 0.70% of the Fund's average daily net assets through March 1, 2011. After this date, the Adviser or the Fund may terminate the contractual arrangement.

**Example:** This Example is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in shares of the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year, and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$72	\$258	\$461	\$1,046

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction

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costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 27% of the average value of its portfolio.



## Principal Investment Strategies

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- **Security Types:** Under normal market conditions, invests at least 80% of its net assets plus any borrowings for investment purposes, (measured at the time of purchase) in municipal bonds issued by or on behalf of the states, territories and possessions of the United States, the District of Columbia and their respective authorities, agencies, instrumentalities and political subdivisions, the income from which, in the opinion of bond counsel, is exempt from regular federal income and federal alternative minimum taxes. Alternatively, at least 80% of the Fund's distributed income must be exempt from such taxes. The Fund's 80% investment strategy is fundamental – meaning that it can be changed only by the holders of a majority of the outstanding voting securities of the Fund.
- Up to 20% of the Fund's net assets may be invested in municipal bonds that are not exempt from regular federal income tax or federal alternative minimum taxes.
- **Credit Quality:** The Fund invests in securities that are rated investment grade at the time of purchase by at least one nationally recognized statistical rating organization, or which are unrated but deemed by the Adviser to be of comparable quality to investment grade securities at the time of purchase. The Fund may invest up to 10% of its total assets in such unrated securities. Subsequent to purchase, the Fund's Portfolio securities may be downgraded below investment grade or may be deemed by the Adviser to be no longer comparable to investment grade securities. The Adviser will consider such an event in determining whether the Fund should continue to hold the security. Up to 5% of the Fund's total assets may represent securities downgraded below investment grade after purchase.
- **Maturity Distribution:** The Fund actively manages maturities to take advantage of changes in interest rates. The average dollar-weighted effective maturity of the Fund's portfolio securities will be three to ten years, under normal market conditions.
- The average effective duration of the Fund will be within 30% of the duration of the Barclays Capital 3-15 Year Blend Index ("Index"), although the Fund has no restriction as to the maximum or minimum duration of any individual security it holds. For example, if the duration of the Index were 6.0 years, the Fund's assets would have a duration of between 4.20 years and 7.80 years. The duration of the Index was 6.15 years as of December 31, 2009. Duration is a measure of a fund's sensitivity to interest rates. For example, a portfolio with a duration of 2 years would lose 2% of its value if interest rates rose by 1%, or it would gain 2% if interest rates declined by 2%. A portfolio with a duration of 4 years would be twice as volatile as a portfolio with a duration of 2 years.
- The Fund strives to minimize net realized capital gains.

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## Principal Risks

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**Investment Risk:** The value of your investment in this Fund may fluctuate, which means that you could lose money.

**Market Risk:** The market values of municipal bonds owned by the Fund may decline, at times sharply and unpredictably.

**Interest Rate Risk:** Interest rate risk is the risk that the value of the Fund's portfolio will decline because of rising interest rates. The magnitude of this decline will often be greater for longer-term, fixed-income securities than shorter-term securities.

**Credit Risk:** Credit risk is the risk that an issuer of a municipal bond may be unable or unwilling to make interest and principal payments when due and the related risk that the value of a bond may decline because of concerns about the issuer's ability or willingness to make such payments. If a bond's insurer or provider of other credit enhancement fails to fulfill its obligations or loses its credit rating, the value of the bond could drop.

**Management Risk:** A strategy used by the Adviser could fail to produce the intended results.

**Municipal Bond Risk:** Municipal securities prices can be significantly affected by political changes as well as uncertainties in the municipal market related to taxation, legislative changes or the rights of municipal security holders. In addition, economic conditions at the state, regional and federal level may adversely affect the municipal bond market.

**Tax Risk:** Income from municipal bonds held by the Fund could be declared taxable because of unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of a bond issuer. In addition, a portion of the Fund's otherwise exempt-interest dividends may be taxable to those shareholders subject to the federal alternative minimum tax.

**Income Risk:** The Fund's portfolio income may decline because of falling market interest rates.

**Call Risk:** An issuer may exercise its right to pay principal on an obligation held by the Fund earlier than expected. Under these circumstances, the Fund may be unable to recoup all of its initial investment and will also suffer from having to reinvest in lower yielding securities.

**Liquidity Risk:** The Fund may not be able to pay redemption proceeds within the time periods described in this Prospectus because of unusual market conditions, an unusually high number of redemption requests or other reasons. Certain portfolio securities may be less liquid than others, which may make them difficult or impossible to sell at an advantageous time or price.

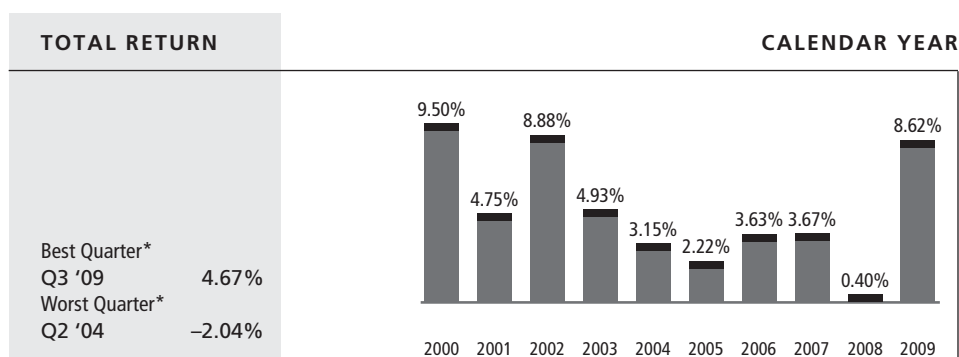
Please see "More Information on Securities, Risks and Investment Practices" for a more detailed description of the investment practices of the Fund and the risks associated with those practices. As with any mutual fund, it is possible to lose money on an investment in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective.



## Fund Performance

The bar chart and table below provide an indication of the risks of investing in the Fund by showing: (a) changes in the performance of the Fund's shares from year to year; and (b) how the average annual total returns of the Fund's shares compare to those of a broad-based securities market index. The Fund's past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information, please visit the Fund's website at [www.commercefunds.com](http://www.commercefunds.com) or by calling 1-800-995-6365.

### Year-by-Year Total Returns as of 12/31 Each Year



\* Please note that "Best Quarter" and "Worst Quarter" figures are applicable only to the time period covered by the bar chart.

After-tax returns below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold Fund shares through tax-deferred arrangements such as a 401(k) plan or individual retirement account (IRA).

### Average Annual Total Returns

For the periods ended December 31, 2009	1 Year	5 Years	10 Years	Since Inception (2/21/95)
Returns Before Taxes	8.62%	3.67%	4.93%	4.77%
Returns After Taxes on Distributions	8.52%	3.57%	4.78%	4.64%
Returns After Taxes on Distributions and Sale of Shares	6.96%	3.65%	4.75%	4.61%
Barclays Capital 3-15 Year Blend Index*	9.46%	4.49%	5.59%	5.69%

\* The Barclays Capital 3-15 Year Blend Index is an unmanaged index comprised of investment-grade municipal securities ranging from 2 to 17 years in maturity. The Index figures do not reflect any deduction for fees, taxes or expenses.

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## **Management**

### **Investment Advisor**

Commerce Investment Advisors, Inc. (“Commerce” or the “Adviser”) serves as investment adviser for the Fund.

### **Portfolio Manager**

Brian P. Musielak, CFA Vice President, has managed the Fund since 1999.

### **Purchase and Sale of Fund Shares**

You may purchase, redeem or exchange shares of the Fund on any business day, which is any day the New York Stock Exchange is open for business. You may purchase, redeem or exchange shares of the Fund either through a financial advisor or directly from the Fund. The minimum initial purchase or exchange into the Fund is \$1,000 (\$500 through monthly systematic investment plan accounts). The minimum subsequent investment is \$250 (\$50 through monthly systematic investment plan accounts).

### **Tax Information**

The Fund intends to make distributions each year. The Fund’s distributions are taxable, and will be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case your taxes will be deferred to a later time.

### **Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your financial representative or visit your financial intermediary’s website for more information.

# Commerce Missouri Tax-Free Intermediate Bond Fund – Summary

CUSIP: 200626802



## Investment Objective

The investment objective of the Fund is to seek current income exempt from federal and, to the extent possible, from Missouri income taxes, as is consistent with the preservation of capital.



## Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. There is no sales charge imposed on purchases of shares.

### Missouri Tax-Free Intermediate Bond Fund

#### Shareholder Fees

##### (fees paid directly from your investment)

Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	None
Maximum Sales Charge (load) Imposed on Reinvested Distributions	None
Maximum Deferred Sales Charge (load) Imposed on Redemptions	None
Redemption Fees	None

#### Annual Fund Operating Expenses

##### (expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.50%
Other Expenses (1)	<u>0.34%</u>
Shareholder Servicing Fees (1)	0.06%
Other Operating Expenses	0.28%
Total Annual Fund Operating Expenses	0.84%
Less Fee Waiver and/or Expense Reimbursement (2)	<u>0.14%</u>
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement	<u>0.70%</u>

(1) "Other Expenses" and "Shareholder Servicing Fees" have been restated to reflect current expenses.

(2) The Adviser has contractually agreed to reduce or limit the Total Annual Fund Operating Expenses, excluding interest, taxes and extraordinary expenses, during the current fiscal year to 0.70% of the Fund's average daily net assets through March 1, 2011. After this date, the Adviser or the Fund may terminate the contractual arrangement.

**Example:** This Example is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in shares of the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year, and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$72	\$255	\$454	\$1,029

*continued*

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 10% of the average value of its portfolio.



## Principal Investment Strategies

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- **Security Types:** Under normal market conditions, invests at least 80% of its net assets plus any borrowings for investment purposes, (measured at the time of purchase) in Missouri municipal bonds, the income from which, in the opinion of bond counsel, is exempt from regular federal income taxes, federal alternative minimum taxes and Missouri taxes. Alternatively, at least 80% of the Fund’s distributed income must be exempt from such taxes. The Fund’s 80% investment strategy is fundamental—meaning that it can be changed only by the holders of a majority of the outstanding voting securities of the Fund.
- The Fund seeks to maximize the proportion of its dividends that are exempt from both federal and Missouri income tax.
- Strives to minimize net realized capital gains.
- **Credit Quality:** The Fund invests in securities that are rated investment grade at the time of purchase by at least one nationally recognized statistical rating organization, or which are unrated but deemed by the Adviser to be of comparable quality to investment grade securities at the time of purchase. The Fund may invest up to 25% of its total assets in such unrated securities. Subsequent to purchase, the Fund’s portfolio securities may be downgraded below investment grade or may be deemed by the Adviser to be no longer comparable to investment grade securities. The Adviser will consider such an event in determining whether the Fund should continue to hold the security. Up to 5% of the Fund’s total assets may represent securities downgraded below investment grade after purchase.
- **Maturity Distribution:** The Fund actively manages maturities to take advantage of changes in interest rates. Under normal market conditions, the average weighted maturity of the Fund’s portfolio securities will be three to ten years.



## Principal Risks

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**Investment Risk:** The value of your investment in this Fund may fluctuate, which means that you could lose money.

**Market Risk:** The market values of municipal bonds owned by the Fund may decline, at times sharply and unpredictably.

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**Interest Rate Risk:** Interest rate risk is the risk that the value of the Fund's portfolio will decline because of rising interest rates. The magnitude of this decline will often be greater for longer-term, fixed-income securities than shorter-term securities.

**Credit Risk:** Credit risk is the risk that an issuer of a municipal bond may be unable or unwilling to make interest and principal payments when due and the related risk that the value of a bond may decline because of concerns about the issuer's ability or willingness to make such payments. If a bond's insurer or provider of other credit enhancement fails to fulfill its obligations or loses its credit rating, the value of the bond could drop.

**Management Risk:** A strategy used by the Adviser could fail to produce the intended results.

**State-Specific Risk:** Because the Fund primarily purchases municipal bonds from Missouri, the Fund is more susceptible to adverse economic, political or regulatory changes affecting municipal bond issuers in that state. Some of the major sectors of Missouri's economy include agriculture, manufacturing, government, services and trade, transportation and utilities. Downturns in these sectors could therefore have a negative effect on the economy of Missouri or the economies of any of its political subdivisions and the ability of these issuers to repay their obligations with respect to municipal bonds.

**Non-Diversified Risk:** The Missouri Tax-Free Intermediate Bond Fund is non-diversified. Non-diversified funds typically hold fewer securities than diversified funds do. Consequently, the change in value of any one security may affect the overall value of a non-diversified portfolio more than it would a diversified portfolio.

**Tax Risk:** Income from municipal bonds held by the Fund could be declared taxable because of unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of a bond issuer. In addition, a portion of the Fund's otherwise exempt-interest dividends may be taxable to those shareholders subject to the federal alternative minimum tax.

**Municipal Bond Risk:** Municipal securities prices can be significantly affected by political changes as well as uncertainties in the municipal market related to taxation, legislative changes or the rights of municipal security holders. In addition, the supply of and demand for Missouri municipal obligations could cause greater volatility in the value of the Fund's shares. The actual payment of principal and interest on the Missouri bonds is dependent on the Missouri General Assembly allotting money each fiscal year for payment. If economic conditions in Missouri decline, the payment of principal and interest on Missouri bonds could be adversely affected.

**Income Risk:** The Fund's portfolio income may decline because of falling market interest rates.

**Call Risk:** An issuer may exercise its right to pay principal on an obligation held by the Fund earlier than expected. Under these circumstances, the Fund may be unable to recoup all of its initial investment and will also suffer from having to reinvest in lower yielding securities.

*continued*

**Liquidity Risk:** The Fund may not be able to pay redemption proceeds within the time periods described in this Prospectus because of unusual market conditions, an unusually high number of redemption requests or other reasons. Certain portfolio securities may be less liquid than others, which may make them difficult or impossible to sell at an advantageous time or price.

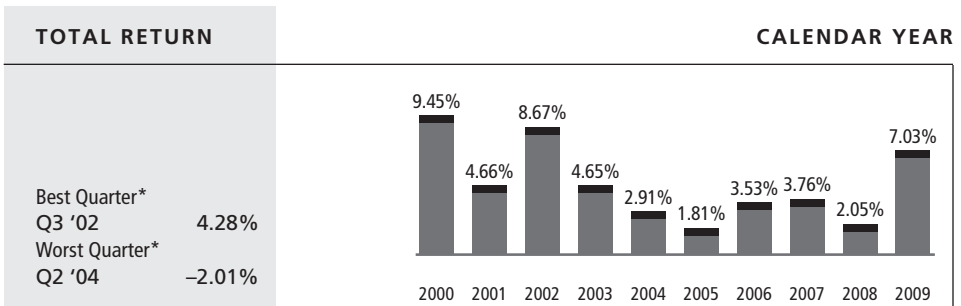
Please see “More Information on Securities, Risks and Investment Practices” for a more detailed description of the investment practices of the Fund and the risks associated with those practices. As with any mutual fund, it is possible to lose money on an investment in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective.



**Fund Performance**

The bar chart and table below provide an indication of the risks of investing in the Fund by showing: (a) changes in the performance of the Fund’s shares from year to year; and (b) how the average annual total returns of the Fund’s shares compare to those of a broad-based securities market index. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information, please visit the Fund’s website at [www.commercefunds.com](http://www.commercefunds.com) or by calling 1-800-995-6365.

**Year-by-Year Total Returns as of 12/31 Each Year**



\* Please note that “Best Quarter” and “Worst Quarter” figures are applicable only to the time period covered by the bar chart.

After-tax returns below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold Fund shares through tax-deferred arrangements such as a 401(k) plan or individual retirement account (IRA).

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## Average Annual Total Returns

For the periods ended December 31, 2009	1 Year	5 Years	10 Years	Since Inception (2/21/95)
Returns Before Taxes	7.03%	3.62%	4.82%	4.66%
Returns After Taxes on Distributions	6.99%	3.57%	4.78%	4.60%
Returns After Taxes on Distributions and Sale of Shares	5.85%	3.61%	4.70%	4.55%
Barclays Capital 3-15 Year Blend Index*	9.46%	4.49%	5.59%	5.69%

\* The Barclays Capital 3-15 Year Blend Index is an unmanaged index comprised of investment-grade municipal securities ranging from 2 to 17 years in maturity. The Index figures do not reflect any deductions for fees, expenses or taxes.

## Management

### Investment Advisor

Commerce Investment Advisors, Inc. (“Commerce” or the “Adviser”) serves as investment adviser for the Fund.

### Portfolio Manager

Brian P. Musielak, CFA Vice President, has managed the Fund since 1999.

## Purchase and Sale of Fund Shares

You may purchase, redeem or exchange shares of the Fund on any business day, which is any day the New York Stock Exchange is open for business. You may purchase, redeem or exchange shares of the Fund either through a financial advisor or directly from the Fund. The minimum initial purchase or exchange into the Fund is \$1,000 (\$500 through monthly systematic investment plan accounts). The minimum subsequent investment is \$250 (\$50 through monthly systematic investment plan accounts).

## Tax Information

The Fund intends to make distributions each year. The Fund’s distributions are taxable, and will be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case your taxes will be deferred to a later time.

## Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your financial representative or visit your financial intermediary’s website for more information.

# Commerce Kansas Tax-Free Intermediate Bond Fund – Summary

CUSIP: 200626786



## Investment Objective

The investment objective of the Fund is to seek current income exempt from federal and, to the extent possible, from Kansas income taxes, as is consistent with the preservation of capital.



## Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. There is no sales charge imposed on purchases of shares.

### Kansas Tax-Free Intermediate Bond Fund

#### Shareholder Fees

##### (fees paid directly from your investment)

Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	None
Maximum Sales Charge (load) Imposed on Reinvested Distributions	None
Maximum Deferred Sales Charge (load) Imposed on Redemptions	None
Redemption Fees	None

#### Annual Fund Operating Expenses

##### (expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.50%
Other Expenses (1)	<u>0.44%</u>
Shareholder Servicing Fees (1)	0.06%
Other Operating Expenses	0.38%
Total Annual Fund Operating Expenses	0.94%
Less Fee Waiver and/or Expense Reimbursement (2)	<u>0.24%</u>
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement	<u>0.70%</u>

(1) "Other Expenses" and "Shareholder Servicing Fees" have been restated to reflect current expenses.

(2) The Adviser has contractually agreed to reduce or limit the Total Annual Fund Operating Expenses, excluding, interest, taxes, and extraordinary expenses, during the current fiscal year to 0.70% of the Fund's average daily net assets through March 1, 2011. After this date, the Adviser or the Fund may terminate the contractual arrangement.

**Example:** This Example is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in shares of the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year, and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$72	\$276	\$497	\$1,133

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## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 16% of the average value of its portfolio.



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## Principal Investment Strategies

- **Security Types:** Under normal market conditions, invests at least 80% of its net assets plus any borrowings for investment purposes (measured at the time of purchase) in Kansas municipal bonds, the income from which, in the opinion of bond counsel, is exempt from regular federal income taxes, federal alternative minimum taxes and Kansas taxes. Alternatively, at least 80% of the Fund’s distributed income must be exempt from such taxes. The Fund’s 80% investment strategy is fundamental – meaning that it can be changed only by the holders of a majority of the outstanding voting securities of the Fund.
- The Fund seeks to maximize the proportion of its dividends that are exempt from both federal and Kansas income tax.
- The Fund strives to minimize net realized capital gains.
- **Credit Quality:** The Fund invests in securities that are rated investment grade at the time of purchase by at least one nationally recognized statistical rating organization, or which are unrated but deemed by the Adviser to be of comparable quality to investment grade securities at the time of purchase. The Fund may invest up to 25% of its total assets in such unrated securities. Subsequent to purchase, the Fund’s portfolio securities may be downgraded below investment grade or may be deemed by the Adviser to be no longer comparable to investment grade securities. The Adviser will consider such an event in determining whether the Fund should continue to hold the security. Up to 5% of the Fund’s total assets may represent securities downgraded below investment grade after purchase.
- **Maturity Distribution:** The Fund actively manages maturities to take advantage of changes in interest rates. Under normal market conditions, the average weighted maturity of the Fund’s portfolio securities will be three to ten years.



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## Principal Risks

**Investment Risk:** The value of your investment in this Fund may fluctuate, which means that you could lose money.

*continued*

**Market Risk:** The market values of municipal bonds owned by the Fund may decline, at times sharply and unpredictably.

**Interest Rate Risk:** Interest rate risk is the risk that the value of the Fund's portfolio will decline because of rising interest rates. The magnitude of this decline will often be greater for longer-term, fixed-income securities than shorter-term securities.

**Credit Risk:** Credit risk is the risk that an issuer of a municipal bond may be unable or unwilling to make interest and principal payments when due and the related risk that the value of a bond may decline because of concerns about the issuer's ability or willingness to make such payments. If a bond's insurer or provider of other credit enhancement fails to fulfill its obligations or loses its credit rating, the value of the bond could drop.

**Management Risk:** A strategy used by the Adviser could fail to produce the intended results.

**State-Specific Risk:** Because the Fund primarily purchases municipal bonds from Kansas, the Fund is more susceptible to adverse economic, political or regulatory changes affecting municipal bond issuers in that state. While Kansas's agricultural sector is a key component of the state's economy, other major sectors include trade, services and manufacturing, including transportation equipment manufacturing. Downturns in these sectors could therefore have a negative effect on the economy of Kansas or the economies of any of its political subdivisions and the ability of these issuers to repay their obligations with respect to municipal bonds.

**Non-Diversified Risk:** The Kansas Tax-Free Intermediate Bond Fund is non-diversified. Non-diversified funds typically hold fewer securities than diversified funds do. Consequently, the change in value of any one security may affect the overall value of a non-diversified portfolio more than it would a diversified portfolio.

**Tax Risk:** Income from municipal bonds held by the Fund could be declared taxable because of unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of a bond issuer. In addition, a portion of the Fund's otherwise exempt-interest dividends may be taxable to those shareholders subject to the federal alternative minimum tax.

**Municipal Bond Risk:** Municipal securities prices can be significantly affected by political changes as well as uncertainties in the municipal market related to taxation, legislative changes or the rights of municipal security holders. In addition, the supply of and demand for Kansas municipal obligations could cause greater volatility in the value of the Fund's shares. The actual payment of principal and interest on the Kansas bonds is dependent on the Kansas legislature allotting money each fiscal year for payment. If economic conditions in Kansas decline, the payment of principal and interest on Kansas bonds could be adversely affected.

**Income Risk:** The Fund's portfolio income may decline because of falling market interest rates.

**Call Risk:** An issuer may exercise its right to pay principal on an obligation held by the Fund earlier than expected. Under these circumstances, the Fund may be unable to recoup all of its initial investment and will also suffer from having to reinvest in lower yielding securities.

**Liquidity Risk:** The Fund may not be able to pay redemption proceeds within the time periods described in this Prospectus because of unusual market conditions, an unusually

high number of redemption requests or other reasons. Certain portfolio securities may be less liquid than others, which may make them difficult or impossible to sell at an advantageous time or price.

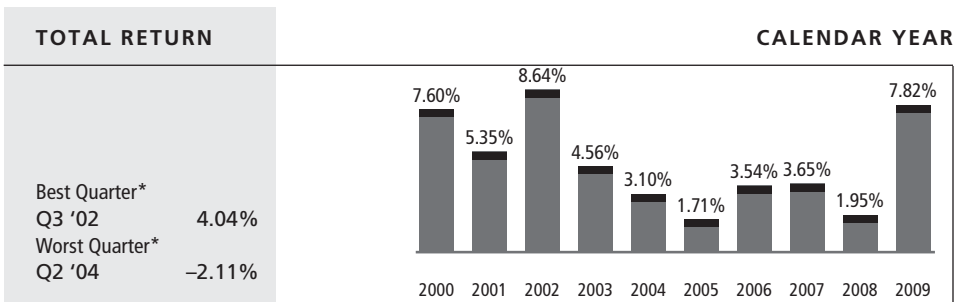
Please see “More Information on Securities, Risks and Investment Practices” for a more detailed description of the investment practices of the Fund and the risks associated with those practices. As with any mutual fund, it is possible to lose money on an investment in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective.



**Fund Performance**

The bar chart and table below provide an indication of the risks of investing in the Fund by showing: (a) changes in the performance of the Fund’s shares from year to year; and (b) how the average annual total returns of the Fund’s shares compare to those of a broad-based securities market index. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. The performance of the Fund prior to December 26, 2000 is represented by the performance of the Kansas Common Trust Fund. More information about such prior performance is available under “More Information About Fees and Performance.” To obtain updated performance information, please visit the Fund’s website at [www.commercefunds.com](http://www.commercefunds.com) or by calling 1-800-995-6365.

**Year-by-Year Total Returns as of 12/31 Each Year**



\* Please note that “Best Quarter” and “Worst Quarter” figures are applicable only to the time period covered by the bar chart.

After-tax returns below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold Fund shares through tax-deferred arrangements such as a 401(k) plan or individual retirement account (IRA).

*continued*

**Average Annual Total Returns**

<b>For the periods ended December 31, 2009</b>	<b>1 Year</b>	<b>5 Years</b>	<b>Since Inception (12/26/00)</b>
Returns Before Taxes	7.82%	3.71%	4.50%
Returns After Taxes on Distributions	7.75%	3.65%	4.44%
Returns After Taxes on Distributions and Sale of Shares	6.35%	3.66%	4.37%
Barclays Capital 3-15 Year Blend Index*	9.46%	4.49%	5.14%

\* *The Barclays Capital 3-15 Year Blend Index is an unmanaged index comprised of investment-grade municipal securities ranging from 2 to 17 years in maturity. The Index figures do not reflect any deduction for fees, taxes or expenses.*

**Management****Investment Advisor**

Commerce Investment Advisors, Inc. (“Commerce” or the “Adviser”) serves as the investment adviser for the Fund.

**Portfolio Manager**

Brian P. Musielak, CFA Vice President, has managed the Fund since 2000.

**Purchase and Sale of Fund Shares**

You may purchase, redeem or exchange shares of the Fund on any business day, which is any day the New York Stock Exchange is open for business. You may purchase, redeem or exchange shares of the Fund either through a financial advisor or directly from the Fund. The minimum initial purchase or exchange into the Fund is \$1,000 (\$500 through monthly systematic investment plan accounts). The minimum subsequent investment is \$250 (\$50 through monthly systematic investment plan accounts).

**Tax Information**

The Fund intends to make distributions each year. The Fund’s distributions are taxable, and will be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case your taxes will be deferred to a later time.

**Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your financial representative or visit your financial intermediary’s website for more information.

## More Information on Securities, Risks and Investment Practices

This table shows some of the principal and non-principal investment methods and securities that the Funds may use. The Funds' Statement of Additional Information (available on request) contains a more complete discussion of the securities and practices each Fund may use, and the risks involved. The Funds' Annual Report shows the securities and practices each Fund is currently using. We encourage you to obtain and read a copy of the Statement of Additional Information and the Annual Report should you have any questions about the Funds' investment policies. The securities, risks and investment practices that are considered to be "principal" securities, risks and investment practices are discussed on pages 2 through 38 of this prospectus.

The Funds publishes on its website ([www.commercefunds.com](http://www.commercefunds.com)) complete portfolio holdings for the Funds as of the end of each calendar quarter subject to a 15 calendar-day lag between the date of the information and the date on which the information is disclosed. In addition, the Funds publish on their website month-end top 10 holdings subject to a 10 calendar-day lag between the date of the information and the date on which the information is disclosed. The portfolio holdings information will be available on the website until the date on which a Fund files its next quarterly portfolio holdings report on Form N-CSR or Form N-Q with the SEC. In addition, a description of the Funds' policies and procedures with respect to the disclosure of the Funds' portfolio securities is available in the Funds' Statement of Additional Information.

### Key:

10 Percent of total assets

10 Percent of net assets

- = No specific percentage limitation on usage; limited only by the objectives and strategies of the Fund
- = not permitted

	Growth	Value	MidCap Growth	Bond	Short-Term Gov't	National Tax-Free	Missouri Tax-Free	Kansas Tax-Free
<b>Investment Securities</b>								
American Depositary Receipts	10 <sup>(1)</sup>	10 <sup>(1)</sup>	10 <sup>(1)</sup>	—	—	—	—	—
Asset-Backed Securities	—	—	—	80 <sup>(2)</sup>	—	—	—	—
Convertible Securities	●	●	●	●	—	—	—	—
Corporate Debt Obligations	●	●	●	●	●	●	●	●
Equity Securities	65+	65+	80+	—	—	—	—	—
Foreign Equity Securities	10 <sup>(1)</sup>	10 <sup>(1)</sup>	10 <sup>(1)</sup>	—	—	—	—	—
Foreign Debt and Foreign Government Securities	—	—	—	20	—	—	—	—
High Yield Securities	●	●	●	10	●	●	●	●
Hybrids	●	●	●	●	●	●	●	●
Illiquid Securities	15	15	15	15	15	15	15	15
Mortgage-Related Securities	—	—	—	80 <sup>(2)</sup>	80+ <sup>(3)</sup>	—	—	—
Municipal Securities	—	—	—	20	—	80+	80+	80+
Preferred Securities	●	●	●	●	●	●	●	●
Real Estate Investment Trusts	—	●	—	●	—	—	—	—

	Growth	Value	MidCap Growth	Bond	Short-Term Gov't	National Tax-Free	Missouri Tax-Free	Kansas Tax-Free
<b>Investment Securities</b>								
Rights Offerings and Warrants	●	●	●	—	—	—	—	—
Stripped Securities	—	—	—	5	5	—	—	—
Technology Securities	●	●	●	—	—	—	—	—
Temporary Investments	●	●	●	●	●	●	●	●
Trust Preferred Securities	●	●	●	●	●	●	●	●
U.S. Government Obligations	●	●	●	●	80+(3)	●	●	●
Variable and Floating Rate Instruments	●	●	●	●	●	●	●	●
Zero Coupon, Deferred Interest, Pay-in-kind and Capital Appreciation Bonds	●	●	●	●	●	●	●	●

	Growth	Value	MidCap Growth	Bond	Short-Term Gov't	National Tax-Free	Missouri Tax-Free	Kansas Tax-Free
<b>Investment Practices</b>								
Borrowings	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>
Combined Transactions	●	●	●	●	●	●	●	●
Custodial Receipts and Trust Certificates	●	●	●	●	●	●	●	●
Equity Swaps	●	●	●	●	●	●	●	●
Futures Contracts & Options on Futures Contracts	●	●	●	●	—	●	●	●
Interest Rate Swaps, Mortgage Swaps, Credit Swaps, Currency Swaps, Total Return Swaps, Interest Rate Floors and Caps, Collars and Options on Swaps	—	—	—	●	●	●	●	●
Investment Company Securities	10 <sup>(4)</sup>	10 <sup>(4)</sup>	10 <sup>(4)</sup>	10 <sup>(4)</sup>	10 <sup>(4)</sup>	10 <sup>(4)</sup>	10 <sup>(4)</sup>	10 <sup>(4)</sup>
Loan Participations	—	—	—	●	—	—	—	—
Mortgage Dollar Rolls	—	—	—	●	●	—	—	—
Options on Securities and Securities Indices	25	25	25	25	25	5 <sup>(5)</sup>	5 <sup>(5)</sup>	5 <sup>(5)</sup>
Repurchase Agreements	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>	33 <sup>1/3</sup>
Standby Commitments	—	—	—	—	—	●	●	●
Unrated Obligations	—	—	—	—	—	10	25	25
When-Issued and Forward Commitments	●	●	●	●	●	25	25	25

(1) The Growth, Value and MidCap Growth Funds may invest up to 10% of their total assets in foreign securities, including ADRs.

(2) Up to 80% of the Bond Fund's total assets may be invested in asset-backed and/or mortgage-related securities.

(3) At least 80% of the Short-Term Government Fund's net assets will be invested in securities issued or guaranteed by the U.S. Government, its agencies and instrumentalities and government mortgage-backed securities.

(4) This 10% limitation does not apply to the acquisition of money market fund shares.

(5) The National, Missouri and Kansas Tax-Free Intermediate Bond Funds may not purchase put and call options or write covered call and put options on securities related to foreign currencies.

**Risks:** The following chart summarizes the types of principal and non-principal risks from which loss may result. More information about certain risks associated with the Funds is provided on the following pages and in the Funds’ Statement of Additional Information, which is available on request. The risks that are considered to be “principal” risks are discussed on pages 3 through 52 of this prospectus.

	Growth	Value	MidCap Growth	Bond	Short-Term Gov't	National Tax-Free	Missouri Tax-Free	Kansas Tax-Free
<b>Risks:</b>								
Asset-Backed Risk				✓				
Call Risk				✓	✓	✓	✓	✓
Credit Risk				✓	✓	✓	✓	✓
Credit Enhancement Risk						•	•	•
Currency Risk	•	•	•	•				
Derivative Risk	•	•	•	•	•	•	•	•
Extension Risk				✓	✓			
Foreign Risk	•	•	•	•				
Futures/Options Risk	•	•	•	•	•	•	•	•
High Yield Security Risk	•	•	•	✓	•	•	•	•
Income Risk				✓	✓	✓	✓	✓
Interest Rate Risk				✓	✓	✓	✓	✓
Investment Companies Risk	•	•	•	•	•	•	•	•
Investment Risk	✓	✓	✓	✓	✓	✓	✓	✓
Investment Style Risk	•	•	•	•	•	•	•	•
Liquidity Risk				✓	✓	✓	✓	✓
Management Risk	✓	✓	✓	✓	✓	✓	✓	✓
Market Risk	✓	✓	✓	✓	✓	✓	✓	✓
Maturity Risk				✓	✓	•	•	•
Mid-Cap and Small-Cap Risk	•	•	✓					
Mortgage-Backed Risk				✓	✓			
Municipal Bond Risk				•		✓	✓	✓
Non-Diversified Risk							✓	✓
Portfolio Turnover Risk	•	•	•	•	•	•	•	•
Prepayment Risk				✓	✓	•	•	•
Real Estate Investment Trusts		•						
Repurchase Agreements	•	•	•	•	•	•	•	•
Short-Term Investing Risk	•	•	•	•	•	•	•	•
State-Specific Risk							✓	✓
Swap Risk				•				

	Growth	Value	MidCap Growth	Bond	Short-Term Gov't	National Tax-Free	Missouri Tax-Free	Kansas Tax-Free
<b>Risks:</b>								
Tax Risk						✓	✓	✓
Technology Securities Risk	✓		✓					
U.S. Government Securities Risk				✓	✓	●	●	●

- *Non-principal risk.*
- ✓ *Principal risk.*

The following section takes a closer look at certain of the Funds' principal investment strategies and related risks, which are summarized in the summary section of each Fund.

It also explores the various other investment securities and techniques that the Adviser may use. The Funds may invest in other securities and are subject to further restrictions and risks that are described in the Statement of Additional Information. Additionally, the Funds may purchase other types of securities or instruments similar to those described in this section if otherwise consistent with the Funds' investment objectives and strategies.

**Asset-Backed Risk:** Asset-backed securities may involve certain risks not presented by other securities. These risks include a greater chance of default during periods of economic downturn than other securities. Also, asset-backed securities may be less liquid and therefore more difficult to value and liquidate, if necessary. Ultimately, asset-backed securities are dependent upon payment of the underlying consumer loans or receivables by individuals, and the certificate holder frequently has no recourse against the entity that originated the loans or receivables. Credit card receivables are generally unsecured and the debtors are entitled to the protection of a number of state and federal consumer credit laws, many of which have given debtors the right to set off certain amounts owed on the credit cards, thereby reducing the balance due. In addition, default may require repossession of the personal property of the debtor, which may be difficult or impossible in some cases. Most issuers of automobile receivables permit the servicers to return possession of the underlying obligations. If the servicers were to sell these obligations to another party, there is a risk that the purchaser would acquire an interest superior to that of the holders of the related automobile receivables. In addition, because of the number of vehicles involved in a typical issuance and technical requirements under state law, the trustee for the automobile receivables may not have an effective security interest in all of the obligations backing such receivables. If the issuer of an asset-backed security defaults on its payment obligations, there is the possibility that, in some cases, a Fund will be unable to possess and sell the underlying collateral and that a Fund's recoveries on repossessed collateral may not be available to support payments on the securities. In the event of a default, a Fund may suffer a loss if it cannot sell collateral quickly and receive the amount owed.

**Call Risk:** An issuer may exercise its right to pay principal on an obligation held by a Fund (such as a mortgage-backed or asset-backed security) earlier than expected. This may happen when interest rates decline. Under these circumstances, a Fund may be unable to recoup all of its initial investment and will also suffer from having to reinvest in lower yielding securities.

**Credit Risk:** An issuer of bonds may default on its obligation to pay interest and repay principal. A bond's credit rating could be downgraded. A Fund could lose money in either

of these instances. The creditworthiness of an issuer may be affected by a number of factors, including the financial condition of the issuer (or guarantor) and, in the case of foreign issuers, the financial condition of the region. Fixed income securities may be rated by one or more nationally recognized statistical rating organizations (“NRSROs”), such as Standard & Poor’s Corporation (“S&P”) and Moody’s Investors Service, Inc. These ratings represent the judgment of the rating organization about the safety of principal and interest payments. They are not guarantees of quality and may be subject to change even after a security has been acquired. Not all fixed income securities are rated. Provided that the Bond Fund maintains its average credit rating of AA–/Aa3 or better, the Bond Fund may invest up to 10% of its total assets in high yield securities and up to 35% of its total assets in obligations rated BBB or Baa by certain ratings services. Subsequent to purchase, portfolio securities of the National Tax-Free Intermediate Bond, Missouri Tax-Free Intermediate Bond and Kansas Tax-Free Intermediate Bond Funds (the “Tax-Free Funds”) may be downgraded below investment grade or may be deemed by the Adviser to be no longer comparable to investment-grade securities. Up to 5% of the Tax-Free Funds’ total assets may represent securities downgraded below investment grade. The Adviser will consider such an event in determining whether the Fund should continue to hold the security. High yield securities and obligations rated BBB or Baa by certain ratings services are riskier than higher-rated obligations. See “High Yield Securities Risk” for more information.

***Credit Enhancement Risk:*** A single enhancement provider may provide credit enhancement to more than one of a Fund’s investments. Having multiple securities’ credit enhanced by the same enhancement provider will increase the adverse effects on a Fund that are likely to result from a downgrading of, or a default by, such an enhancement provider. Adverse developments in the banking or bond insurance industries also may negatively affect that Fund, as it may invest in securities credit enhanced by banks or by bond insurers without limit. Bond insurers that provide credit enhancement for large segments of the fixed-income markets, particularly the municipal bond market, may be more susceptible to being downgraded or defaulting during recessions or similar period of economic stress. Municipal bonds may be covered by insurance that guarantees timely interest payments and repayment of principal on maturity. If a bond’s insurer fails to fulfill its obligations or loses its credit rating, the value of the bond could drop. Insurance does not protect a Fund or its shareholders from losses caused by declines in a bond’s market value.

***Currency Risk:*** Fluctuations in the exchange rates between the U.S. dollar and foreign currencies may negatively affect an investment. A decline in the value of a foreign currency versus the U.S. dollar reduces the dollar value of securities denominated in that currency. Exchange rate movements can be large and unpredictable and can last for extended periods. Absent other events which could otherwise affect the value of a foreign security (such as a change in the political climate or an issuer’s credit quality), appreciation in the value of a foreign currency generally can be expected to increase the value of a foreign currency-denominated security in terms of U.S. dollars. An increase in foreign interest rates or a decline in the value of the foreign currency relative to the U.S. dollar generally can be expected to depress the value of a foreign currency-denominated security.

Although a Fund may invest in securities denominated in foreign currencies, its portfolio securities and other assets are valued in U.S. dollars. Currency exchange rates may fluctuate significantly over short periods of time causing, together with other factors, a Fund’s net asset value to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the foreign exchange markets and the relative merits of

investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates also may be affected unpredictably by the intervention or the failure to intervene by U.S. or foreign governments or central banks, or by currency controls or political developments in the United States or foreign governments or central banks, or by currency controls or political developments in the United States or abroad. To the extent that a Fund's total assets, adjusted to reflect the Fund's net position after giving effect to currency transactions, are denominated in the currencies of foreign countries, the Fund will be more susceptible to the risk of adverse economic and political developments within those countries. The Funds investing in foreign securities are all subject to the possible imposition of exchange control regulations or freezes on convertibility of currency.

**Derivative Risk:** A Fund's transactions in options, futures, options on futures, swaps, interest rate caps, floors and collars, structured securities, inverse floating-rate securities, stripped mortgage-backed securities and foreign currency transactions involve additional risk of loss. Loss can result from a lack of correlation between changes in the value of derivative instruments and the portfolio assets (if any) being hedged, the potential illiquidity of the markets for derivative instruments, or the risks arising from margin requirements and related leverage factors associated with such transactions. The use of these management techniques also involves the risk of loss if the Adviser is incorrect in its expectation of fluctuations in securities prices, interest rates or currency prices. Each Fund may also invest in derivative investments for non-hedging purposes (that is, to seek to increase total return). Investing for non-hedging purposes is considered a speculative practice and presents even greater risk of loss.

Derivative mortgage-backed securities (such as principal-only ("POs"), interest-only ("IOs") or inverse floating rate securities) are particularly exposed to call and extension risks. Small changes in mortgage prepayments can significantly impact the cash flow and the market value of these securities. In general, the risk of faster than anticipated prepayments adversely affects IOs, super floaters and premium priced mortgage-backed securities. The risk of slower than anticipated prepayments generally adversely affects POs, floating-rate securities subject to interest rate caps, support tranches and discount priced mortgage-backed securities. In addition, particular derivative securities may be leveraged such that their exposure (*i.e.*, price sensitivity) to interest rate and/or prepayment risk is magnified.

Some floating-rate derivative debt securities can present more complex types of derivative and interest rate risks. For example, range floaters are subject to the risk that the coupon will be reduced below market rates if a designated interest rate floats outside of a specified interest rate band or collar. Dual index or yield curve floaters are subject to lower prices in the event of an unfavorable change in the spread between two designated interest rates.

**Extension Risk:** An issuer may exercise its right to pay principal on an obligation held by a Fund (such as a mortgage-backed or asset-backed security) later than expected. This may happen when interest rates rise. Under these circumstances, the value of the obligation will decrease and a Fund will also suffer from the inability to invest in higher-yielding securities.

**Foreign Risk:** Foreign securities can be riskier and more volatile than U.S. securities. Adverse political, social and economic developments in foreign countries (including the possible seizure or nationalization of foreign holdings, the possible establishment of exchange controls or the adoption of other governmental restrictions) or changes in the value of foreign currency can make it harder for the portfolio to sell its securities and could

reduce the value of your shares. Changes in or the lack of tax, accounting, and regulatory standards and difficulties in obtaining information about foreign companies can negatively affect investment decisions and the legal remedies for investors may be more limited than the remedies available in the United States. Also, the costs attributable to investing abroad are usually higher than those of investing in the United States. These costs include higher transaction and custody costs as well as the imposition of additional taxes by foreign governments. Foreign investments also involve risks associated with the level of currency exchange rates, less market liquidity, more market volatility and political and economic instability. Additionally, foreign banks and foreign branches of domestic banks are subject to less stringent reserve requirements and to different accounting, auditing and recordkeeping requirements.

Concentration of a Fund's assets in one or a few countries and currencies will subject a Fund to greater risks than if a Fund's assets were not geographically concentrated.

The Bond Fund may invest in foreign debt and in the securities of foreign governments. Investment in sovereign debt obligations by a Fund involves risks not present in debt obligations of corporate issuers. The issuer of the debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due in accordance with the terms of such debt, may attempt to renegotiate the debt at a lower rate or may not honor investments by U.S. entities or citizens, and a Fund may have limited recourse to compel payment in the event of a default. Periods of economic uncertainty may result in the volatility of market prices of sovereign debt, and in turn a Fund's net asset value, to a greater extent than the volatility inherent in debt obligations of U.S. issuers.

The Growth, Value, and MidCap Growth Funds may invest in ADRs, some of which may not be sponsored by the issuing institution. A non-sponsored depository may not be required to disclose material information that a sponsored depository would be required to provide under its contractual relationship with the issuer. Accordingly, there may not be a correlation between such information and the market value of such securities.

***Futures/Options Risk:*** To the extent a Fund uses futures and options, it is exposed to additional volatility and potential losses. Futures (a type of potentially high-risk derivative) are often used to manage or hedge risk because they enable the investor to buy or sell an asset in the future at an agreed-upon price. Options (another type of potentially high-risk derivative) give the investor the right (where the investor purchases the option), or the obligation (where the investor writes (sells) the option), to buy or sell an asset at a predetermined price in the future. Futures and options contracts may be made or sold for any number of reasons, including: to manage Fund exposure to changes in securities prices and foreign currencies; as an efficient means of adjusting Fund overall exposure to certain markets; in an effort to enhance income; as a cash management tool; to protect the value of portfolio securities; and to adjust portfolio duration. Call and put options may be purchased or sold on securities, financial indices, and foreign currencies.

Futures contracts and options may not always be successful hedges; their prices can be highly volatile; using them could lower fund total return; and the potential loss from the use of futures can exceed a Fund's initial investment in such contracts. Futures contracts and related options present the following risks:

- While a Fund may benefit from the use of futures and options on futures unanticipated changes in interest rates, securities prices or currency exchange rates may result in poorer overall performance than if the Fund had not entered into any futures contracts or options transactions.

- Because perfect correlation between a futures position and a portfolio position that is intended to be protected is impossible to achieve, the desired protection may not be obtained and a Fund may be exposed to additional risk of loss.
- The loss incurred by a Fund in entering into futures contracts and in writing call options on futures is potentially unlimited and may exceed the amount of the premium received.
- Futures markets are highly volatile and the use of futures may increase the volatility of a Fund's NAV.
- As a result of the low margin deposits normally required in futures trading, a relatively small price movement in a futures contract may result in substantial losses to a Fund.
- Futures contracts and options on futures may be illiquid, and exchanges may limit fluctuations in futures contract prices during a single day.
- Foreign exchanges may not provide the same protection as U.S. exchanges.

The Trust, on behalf of each Fund, has claimed an exclusion from the definition of the Term "Commodity pool operator" under the Commodity Exchange Act, and therefore, is not subject to registration or regulation as a pool operator under that Act with respect to the Funds.

**High Yield Securities Risk:** Provided that the Bond Fund maintains its average credit rating of AA-/Aa3 or better, the Fund may invest up to 10% of its total assets in high yield securities, which are securities rated "BB" or below by S&P or "Ba" or below by Moody's, and are commonly referred to as "junk bonds." Subsequent to purchase, portfolio securities of the Tax-Free Funds may be downgraded below investment grade or may be deemed by the Adviser to be no longer comparable to investment-grade securities. Up to 5% of the Tax-Free Funds' total assets may represent securities downgraded below investment grade. The Adviser will consider such an event in determining whether the Fund should continue to hold the security. High yield securities tend to be more sensitive to economic conditions than higher-rated securities. As a result, they generally involve more credit risk than securities in the higher-rated categories. During an economic downturn or a sustained period of rising interest rates, highly leveraged issuers of high yield securities may experience financial stress and may not have sufficient revenues to meet their payment obligations. The risk of loss due to default by an issuer of these securities is significantly greater than issuers of higher-rated securities because such securities are generally unsecured and are often subordinated to other creditors. A Fund may have difficulty disposing of certain high yield securities because there may be a thin trading market for such securities. To the extent a secondary trading market does exist, it is generally not as liquid as the secondary market for higher-rated securities. Periods of economic uncertainty generally result in increased volatility in the market prices of these securities and thus in a Fund's net asset value. Markets have recently experienced dramatic volatility and economic uncertainty continues.

**Income Risk:** A Fund's portfolio income may decline because of falling market interest rates. In a falling interest rate environment, a Fund may be required to invest its assets in lower-yielding securities. Because interest rates vary, it is impossible to predict the income or yield of the Fund for any particular period.

**Interest Rate Risk:** Generally, the market value of fixed-income securities can be expected to go up when interest rates go down and to go down when interest rates go up. Longer-term bonds and zero coupon bonds are usually more sensitive to interest rate changes than shorter-term bonds. In general, the longer the average maturity of bonds in a Fund, the more the Fund's share price will go up or down in response to interest rate changes.

**Investment Companies Risk:** The Funds may invest, consistent with their investment policies, in securities of other investment companies subject to statutory limitations prescribed by the Investment Company Act of 1940. These limitations include a prohibition on any Fund acquiring more than 3% of the voting shares of any other investment company, and a prohibition on investing more than 5% of the Fund's total assets in securities of any one investment company or more than 10% of its total assets in securities of all investment companies (except money market funds). The Funds will indirectly bear their proportionate share of any management fees and other expenses paid by such other investment companies. Although the Funds do not expect to do so in the foreseeable future, the Funds are authorized to invest substantially all of their assets in a single open-end investment company or series thereof that has substantially the same investment objectives, policies and fundamental restrictions as the Funds.

Exchange-traded funds are shares of unaffiliated investment companies that are traded like traditional equity securities on a national securities exchange or the NASDAQ® National Market System. The market price of shares of exchange-traded funds is expected to fluctuate based on both changes in the shares' NAVs as well as supply of and demand for the shares on an exchange.

**Investment Risk:** The value of your investment in a Fund may fluctuate, which means that you could lose money. The types of investments held by the Fund may not perform as well as other types of investments.

**Investment Style Risk:** Different investment styles tend to shift in and out of favor depending upon market and economic conditions as well as investor sentiment. A Fund may outperform or underperform other funds that employ a different investment style. Examples of different investment styles include growth and value investing. Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, since growth companies usually invest a high portion of earnings in their business, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market. Growth oriented funds will typically underperform when value investing is in favor. Value stocks are those that are undervalued in comparison to their peers due to adverse business developments or other factors.

**Liquidity Risk:** The Funds may not be able to pay redemption proceeds within the time periods described in this Prospectus because of unusual market conditions, an unusually high number of redemption requests or other reasons. Recent events have caused the markets for some portfolio securities to experience lower valuations and reduced liquidity. Certain portfolio securities may be less liquid than others, which may make them difficult or impossible to sell at a time or price that the Fund would like. A Fund may have to lower the price, sell other securities instead or forgo an investment opportunity. Any of these actions could negatively affect Fund performance.

**Management Risk:** A strategy used by the Adviser may fail to produce the intended results. The Adviser's assessment of companies whose securities are held by a Fund may prove incorrect, resulting in losses or poor performance, even under favorable market and interest rate conditions.

**Market Risk:** General economic conditions and/or the activities of individual companies may cause the value of the securities in a Fund to increase or decrease. Your shares at redemption may be worth more or less than your initial investment.

Recently, U.S. and international markets experienced extraordinary volatility, substantially lower valuations, reduced liquidity, credit downgrades, increased likelihood of default and valuation difficulties. As a result, many of the risks described in this prospectus may be heightened. The U.S. Government has taken numerous steps to alleviate these market concerns, including without limitation, acquiring distressed assets from financial institutions and acquiring ownership interests in those institutions. However, there is no assurance that such actions will be successful. Continuing market problems and government intervention in the economy may adversely effect the Fund.

***Maturity Risk:*** A Fund will not necessarily hold its securities to maturity, which could result in loss of principal. A Fund may invest in bonds of varying maturities. A bond's maturity is one indication of the interest rate exposure of a security. Generally, the longer a bond's maturity, the greater the risk and the higher its yield. Conversely, the shorter a bond's maturity, the lower the risk and the lower its yield.

***Mid-Cap and Small-Cap Risk:*** Investing in securities of smaller and mid-sized companies may be riskier than investing in securities of larger, more established companies. Smaller and mid-sized companies are more vulnerable to adverse developments because of more limited product lines, markets or financial resources. They often depend on a smaller, less experienced management group. Small capitalization companies may be operating at a loss or have significant variations in operating results; may be engaged in a rapidly changing business with products subject to a substantial risk of obsolescence; may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position; and may have substantial borrowings or may otherwise have a weak financial condition. In addition, these companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing, and other capabilities, and a larger number of qualified managerial and technical personnel. Also, these company stocks may trade less often and in limited volume compared to stocks trading on a national securities exchange. Security prices of these company stocks may be more volatile than the prices of larger company stocks. As a result, a Fund's NAV may be subject to rapid and substantial changes if it invests in these stocks.

***Mortgage-Backed Risk:*** In addition to prepayment, call and extension risks, mortgage-backed securities may be subject to special risks, including price volatility, liquidity, and enhanced sensitivity to interest rates. Collateralized mortgage-backed securities (CMOs) may exhibit even more price volatility and interest rate risk than other mortgage-backed securities. They may lose liquidity as CMO market makers may choose not to repurchase, or may offer prices, based on current market conditions, that are unacceptable to the Fund based on the Adviser's analysis of the market value of the security. The Bond Fund may purchase "stripped" mortgage-backed securities (SMBS) and other types of "stripped" securities. SMBS, in particular, are more volatile and sensitive to interest rate changes than ordinary debt securities, and there is a greater risk that a Fund's initial investment in these securities may not be fully recouped. Derivative mortgage-backed securities (such as principal-only ("POs"), interest-only ("IOs") or inverse floating rate securities) are particularly exposed to call and extension risks. Small changes in mortgage prepayments can significantly impact the cash flow and the market value of these securities. In general, the risk of faster than anticipated prepayments adversely affects IOs, super floaters and premium priced mortgage-backed securities. The risk of slower than anticipated prepayments generally adversely affects POs, floating-rate securities subject to interest rate caps, support tranches and discount priced mortgage-backed securities. In addition, particular derivative securities may be leveraged such that their exposure (i.e., price

sensitivity) to interest rate and/or prepayment risk is magnified. The recent and unprecedented disruption in the residential mortgage-backed securities market (and in particular, the “subprime” residential mortgage market), the broader mortgage-backed securities market and the asset-backed securities market have resulted in downward price pressures and increasing foreclosures and defaults in residential and commercial real estate. Concerns over inflation, energy costs, geopolitical issues, the availability and cost of credit, the mortgage market and a declining real estate market have contributed to increased volatility and diminished expectations for the economy and markets going forward, and have contributed to dramatic declines in the housing market, with falling home prices and increasing foreclosures and unemployment, and significant asset write-downs by financial institutions. These conditions have prompted a number of financial institutions to seek additional capital, to merge with other institutions and, in some cases, to fail. The continuation or worsening of this general economic downturn may lead to further declines in income from, or the value of, real estate, including the real estate which secures the mortgage-backed securities held by certain of the Funds. Additionally, a lack of credit availability, higher mortgage rates and decreases in the value of real property have occurred and may continue to occur or worsen, and potentially prevent borrowers from refinancing their mortgages, which may increase the likelihood of default on their mortgage loans. These economic conditions may also adversely affect the amount of proceeds the holder of a mortgage loan or mortgage-backed securities (including the mortgage-backed securities in which certain of the Funds may invest) would realize in the event of a foreclosure or other exercise of remedies. Moreover, even if such mortgage-backed securities are performing as anticipated, the value of such securities in the secondary market may nevertheless fall or continue to fall as a result of deterioration in general market conditions for such mortgage-backed securities or other asset-backed or structured products. Trading activity associated with market indices may also drive spreads on those indices wider than spreads on mortgage-backed securities, thereby resulting in a decrease in value of such mortgage-backed securities, including the mortgage-backed securities owned by the Funds.

***Municipal Bond Risk:*** Payment on municipal bonds held by a Fund relating to certain projects may be secured mortgages or deeds of trust. In the event of a default, enforcement of a mortgage or deed of trust will be subject to statutory enforcement procedures and limitations on obtaining a deficiency judgment. Moreover, collection of the proceeds from that foreclosure may be delayed and the amount of the proceeds received may not be enough to pay the principal or accrued interest on the defaulted municipal bonds. The obligations of the issuer to pay the principal of and interest on a municipal bond are subject to the provisions of bankruptcy, insolvency and other laws affecting the rights and remedies of creditors, such as the Federal Bankruptcy Act, and laws, if any, that may be enacted by Congress or state legislatures extending the time for payment of principal or interest or imposing other constraints upon the enforcement of such obligations. There is also the possibility that, as a result of litigation or other conditions, the power or ability of the issuer to pay when due the principal of or interest on a municipal bond may be materially affected. Municipal lease obligations and certificates of participation are subject to the added risk that the governmental lessee will fail to appropriate funds to enable it to meet its payment obligations under the lease. Although these obligations may be secured by the leased equipment or facilities, the disposition of the property in the event of non-appropriation or foreclosure might prove difficult, time consuming and costly, and result in a delay in recovering or the failure to fully recover a Fund’s original investment.

***Non-Diversified Risk:*** The Missouri Tax-Free Intermediate Bond and the Kansas Tax-Free Intermediate Bond Funds are non-diversified. Non-diversified funds typically hold fewer securities than diversified funds do. Consequently, the change in value of any one security may affect the overall value of a non-diversified portfolio more than it would a diversified portfolio. In addition, a non-diversified portfolio may be more susceptible to economic, political and regulatory developments than a diversified investment portfolio with similar objectives. When the Funds' assets are concentrated in obligations payable from revenues of similar projects issued by issuers located in the same state, or in industrial development bonds, the Fund will be subject to the particular risks (including legal and economic conditions) relating to such securities to a greater extent than if its assets were not so concentrated.

***Portfolio Turnover Risk:*** The Funds may buy and sell investments relatively often. Such a strategy could hinder performance because it often involves higher expenses, including brokerage commissions, and may increase the amount of capital gains (and, in particular, short-term gains) realized by a portfolio. Shareholders must pay tax on such capital gains. Tax and transaction costs lower a Fund's effective return for investors.

***Prepayment Risk:*** Prepayment of the underlying mortgage collateral of some fixed-income securities may result in a decreased rate of return. When interest rates are falling, the issuers of fixed income securities may repay principal earlier than expected. As a result, a Fund may have to reinvest these prepayments at the then prevailing lower rates, thus reducing its income. In the case of mortgage-backed or asset-backed issues—securities backed by pools of loans—payments due on the security may also be received earlier than expected. This may happen when market interest rates are falling and the underlying loans are being prepaid. Conversely, payments may be received more slowly when interest rates are rising, as prepayments on the underlying loans slow. This may affect the value of the mortgage- or asset-backed issue if the market comes to view the interest rate to be too low relative to the term of the investment. Either situation can affect the value of the instrument adversely.

***Real Estate Investment Trust ("REIT") Risk:*** REITs are pooled investment vehicles that invest primarily in either real estate or real estate related loans. The value of a REIT is affected by changes in the value of the properties owned by the REIT or securing mortgage loans held by the REIT. REITs are dependent upon cash flow from their investments to repay financing costs and the ability of a REIT's manager. REITs also are subject to risks generally associated with investments in real estate. These risks include: changes in the value of real estate properties and difficulties in valuing and trading real estate; risks related to general and local economic conditions; overbuilding and increased competition; increases in property taxes and operating expenses; changes in zoning laws; casualty and condemnation losses; variations in rental income; changes in the appeal of property to tenants; and changes in interest rates. A Fund will indirectly bear its proportionate share of any expenses, including management fees, paid by a REIT in which it invests.

***Repurchase Agreement Risk:*** Repurchase agreements involve the purchase of securities by a Fund subject to the seller's agreement to repurchase them at a mutually agreed upon date and price. In the event of a default, a Fund will suffer a loss to the extent that the proceeds from the sale of the underlying securities and other collateral are less than the repurchase price and the Fund's costs associated with delay and enforcement of the repurchase agreement. To the extent that a Fund focuses its transactions with a limited number of counterparties, it will be more susceptible to the risks associated with one or more counterparties. In addition, in the event of bankruptcy, a Fund could suffer additional losses

if a court determines that the Fund's interest in the collateral is unenforceable by the Fund. With respect to collateral received in repurchase transactions, a Fund may have significant exposure to financial services and mortgage markets. Such exposure, depending on market conditions, could have a negative impact on a Fund, including minimizing the value of any collateral.

**Short-Term Investing Risk:** For temporary defensive purposes, the Adviser may decide to suspend the normal investment activities of a Fund by investing up to 100% of its assets in cash and cash equivalent short-term obligations, including money market instruments, a term that includes bank obligations, commercial paper, U.S. Government obligations, foreign government securities (if permitted) and repurchase agreements. Bank obligations include obligations of foreign banks or foreign branches of U.S. banks. The Adviser may temporarily adopt a defensive position to reduce changes in the value of the Fund's shares that may result from adverse market, economic, political or other conditions. When the Adviser pursues a temporary defensive strategy, the Funds may not be following their stated objectives and may not profit from favorable developments that they would have otherwise profited from if they were pursuing their normal investment strategies.

**State-Specific Risk:** The Missouri Tax-Free Intermediate Bond Fund and the Kansas Tax-Free Intermediate Bond Fund invest their assets predominantly in Missouri or Kansas bonds, respectively. The actual payment of principal and interest on these bonds is dependent on the Missouri General Assembly or Kansas legislature allotting money each fiscal year for these payments. You should also be aware that provisions of the Missouri Constitution and Kansas Constitution and other laws could result in certain adverse consequences affecting Missouri bonds or Kansas bonds. When a Fund's assets are concentrated in bonds payable from revenues of similar projects issued by issuers located in the same state, or in industrial development bonds, the Fund will be subject to the particular risks (including legal and economic conditions) relating to such securities to a greater extent than if its assets were not so concentrated.

**Swap Risk:** The use of interest rate, mortgage, credit, total return and currency swaps is a highly specialized activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. The use of a swap requires an understanding not only of the referenced asset, reference rate, or index but also of the swap itself, without the benefit of observing the performance of the swap under all possible market conditions. If the Investment Adviser is incorrect in its forecasts of market values, credit quality, interest rates and currency exchange rates, the investment performance of a Fund would be less favorable than it would have been if these investment instruments were not used.

**Tax Risk:** A fund that invests in municipal bonds may be more adversely impacted by changes in tax rates and policies than other funds. Interest income on municipal bonds is normally not subject to regular federal income tax. Any proposed or actual changes in federal income tax rates or exempt statutes that apply to interest income, therefore, can significantly affect the demand for and supply, liquidity, price and marketability of municipal bonds, which could in turn affect a fund's ability to buy and sell municipal bonds at favorable yield and price levels.

**Technology Securities Risk:** Technology companies may produce or use products or services that prove commercially unsuccessful, become obsolete or become adversely impacted by government regulation. Competitive pressures in the technology companies,

and a Fund's concentration in technology securities may subject it to more volatile price movements than a more diversified securities portfolio. In certain instances, technology securities may experience significant price movements caused by disproportionate investor optimism or pessimism with little or no basis in fundamental economic conditions. As a result of these and other reasons, investments in the technology industry can experience sudden and rapid appreciation and depreciation.

***U.S. Government Securities Risk:*** The U.S. Government may not provide financial support to U.S. Government agencies, instrumentalities or sponsored enterprises if it is not obligated to do so. U.S. Treasury obligations are backed by the full faith and credit of the U.S. Government. Obligations of certain U.S. Government agencies, authorities, instrumentalities or sponsored enterprises can be supported by either (i) the full faith and credit of the U.S. Treasury (such as obligations of the Government National Mortgage Association ("GNMA")), (ii) the discretionary authority of the U.S. Government to purchase certain obligations of the issuer (such as obligations of the Federal National Mortgage Association ("FNMA")), or (iii) only the credit of the issuer (such as the Federal Home Loan Mortgage Corporation ("FHLMC")). Although many U.S. Government securities purchased by a Fund, such as those issued by the FNMA, FHLMC and the Federal Home Loan Banks may be chartered or sponsored by Acts of Congress, their securities are neither issued nor guaranteed by the United States Treasury and therefore are not backed by the full faith and credit of the United States. The maximum potential liability of the issuers of some U.S. Government securities held by a Fund may greatly exceed their current resources, including their legal right to support from the U.S. Treasury. It is possible that these issuers will not have the funds to meet their payment obligations in the future.

The following information is intended to help you understand more fully how to purchase and redeem shares of Commerce Funds. It will also explain the features you can use to customize your Commerce Funds account to meet your needs.

### **Buying Shares**

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#### **How Are Shares Priced?**

You pay no sales charges (loads) to invest in shares of these Funds. Your share price is each Fund's net asset value (NAV), which is generally calculated as of the close of trading (usually 4 p.m. Eastern time) on the New York Stock Exchange (NYSE). Your order will be priced at the next NAV calculated after your order is received in proper form by The Commerce Funds' Transfer Agent. Therefore, to receive the NAV of any given day, The Commerce Funds must receive your order in proper form by the close of regular trading on the NYSE that day. If The Commerce Funds receives your order after the NYSE closes, you will receive the NAV that is calculated on the close of trading on the following day. The Commerce Funds are open for business on the same days as the NYSE. Shares will not be priced on the days on which the NYSE is closed for trading. Each Fund's investments are valued based on market value, or where market quotations or pricing service prices are not readily available, based on fair value calculated according to procedures adopted by the Board of Trustees. A Fund may also fair value price if the value of a security it holds has been materially affected by significant events occurring before the Fund's pricing time but after the close of the primary markets or exchanges on which the security is traded. This most commonly happens with foreign securities, but it may also occur with domestic securities.

Significant events that could affect a large number of securities in a particular market may include, but are not limited to: situations relating to one or more single issuers in a market sector; significant fluctuations in foreign markets; market disruptions or market closings; governmental actions or other developments, as well as the same or similar events which may affect specific issuers or the securities markets even though not tied directly to the securities markets. Other significant events that could relate to a single issuer may include, but are not limited to, corporate actions such as reorganizations, mergers and buy-outs; corporate announcements on earnings; significant litigation; and regulatory news such as governmental approvals.

One effect of using an independent fair value service and fair valuation may be to reduce stale pricing arbitrage opportunities presented by the pricing of Fund shares. However, fair valuation involves the risk that the values used by the Funds to price their investments may be different from those used by other investment companies and investors to price the same investments.

Trading in foreign securities is generally completed before the end of regular trading on the NYSE and may occur on weekends and U.S. holidays and at other times when the NYSE is closed. As a result, there may be delays in reflecting changes in the market values of foreign securities in the calculation of the NAV for any Fund invested in foreign securities. You may not be able to redeem or purchase shares of an affected Fund during these times.

Investments in other registered mutual funds (if any) are valued based on the NAV of those mutual funds (which may use fair value pricing as discussed in their prospectuses).

However, investments in exchange traded funds are valued at their last sale price or official closing price at the principal exchange or system on which they traded. If no sale occurs, these investments will be valued at the last bid price.

Certain short-term securities may be valued at amortized cost, which approximates fair value.

*Note: The time at which transactions and shares are priced and the time by which orders must be received may be changed in case of an emergency or if regular trading on the NYSE is stopped at a time other than 4 p.m. Eastern time. In the event the NYSE does not open for business because of an emergency, the Funds may, but are not required to, open one or more of the Funds for purchase, redemption and exchange transactions if the Federal Reserve wire payment system is open. In addition, on any business day when Securities Industry and Financial Markets Association (“SIFMA”) recommends that bond markets close early, each Fund reserves the right to close at or prior to the SIFMA recommended closing time. If a Fund does so, it will cease granting same business day credit for purchase and redemption orders received after the Fund’s closing time and credit will be given on the next business day. To learn whether a Fund is open for business during an emergency situation, please call 1-800-995-6365.*

<p><b>How to Calculate NAV</b></p> $\text{NAV} = \frac{(\text{Value of Assets}) - (\text{Liabilities})}{\text{Number of Outstanding Shares}}$
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**What Is The Minimum Investment For The Funds?**

	<b>Initial Investment</b>	<b>Additional Investments</b>
Regular account	\$1,000	\$250
Automatic investment account	\$500	\$50/month
Individual retirement accounts (except SEP, SIMPLE IRAs and Mandatory Rollovers), Keogh plans, corporate retirement plans, public employer deferred plans, profit sharing plans and 401(k) plans	\$1,000	\$250
SEP and SIMPLE IRAs	\$50	\$50/month

**What Is The Minimum Investment If I Am An Employee Of Commerce Bancshares Or Another Commerce Funds Service Provider?**

For employees, directors, officers and retirees (as well as their legal dependents) of Commerce Bancshares, Inc., Goldman, Sachs & Co., Boston Financial Data Services (“BFDS”) and State Street Bank and Trust Company and their subsidiaries or affiliates, the following investment minimums apply:

	<b>Initial Investment</b>	<b>Additional Investments</b>
Regular account	\$250	\$100
Automatic investment account	\$100	\$25/quarter
Individual retirement accounts (including SEP, SIMPLE and Roth IRAs) and Keogh plans	\$100	\$25/quarter

**How Do I Buy Shares?**

The following section describes features and gives specific instructions on how to purchase Fund shares directly from The Commerce Funds. See “General Policies” for a description of The Commerce Funds’ excessive trading policies. The Commerce Funds has authorized

certain dealers to purchase shares of Funds on behalf of their clients. Some of the account features and instructions described in this section may not be applicable to clients of these dealers.

### 1. Consider The Following Features To Customize Your Account:

- **Making Automatic Investments:** The Automatic Investment feature lets you transfer money from your financial institution account into your Fund account automatically either on the 1st or the 15th of the month. The Automatic Investment feature is one way to use dollar cost averaging to invest (see below). Only accounts at U.S. financial institutions that permit automatic withdrawals through the Automated Clearing House are eligible. Check with your financial institution to determine eligibility.
- **Using Dollar Cost Averaging:** Dollar cost averaging involves investing a dollar amount at regular intervals. Because more shares are purchased during periods with lower share prices and fewer shares are purchased when the price is higher, your average cost per share may be reduced. In order to be effective, dollar cost averaging should be followed on a regular basis. You should be aware, however, that shares bought using dollar cost averaging are made without regard to their price on the day of investment or to market trends. In addition, while you may find dollar cost averaging to be beneficial, it will not prevent a loss if you ultimately redeem your shares at a price that is lower than their purchase price. Dollar cost averaging does not assure a profit or protect against a loss in a declining market. Since dollar cost averaging involves investment in securities regardless of fluctuating price levels, you should consider your financial ability to continue to purchase through periods of low price levels. You can invest through dollar cost averaging on your own or through the Automatic Investment feature described above.

### 2. Contact The Commerce Funds To Open Your Account:



#### By Mail:

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Complete an account application. Mail the completed application and a check payable to The Commerce Funds to:

The Commerce Funds  
c/o Shareholder Services  
P.O. Box 219525  
Kansas City, MO 64121-9525



#### In Person

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You are welcome to stop by a Commerce Bank office location, where a registered investment representative can assist you in opening an account.

- Federal regulations require you to provide a certified Taxpayer Identification Number upon opening or reopening an account.
- If your check used for investment does not clear, a fee may be imposed by the Transfer Agent. All payments by check must be in U.S. dollars and must be drawn only on U.S. financial institutions.

## How Do I Add To My Commerce Funds Account?

To add to your original investment, you may either mail your additional investment to the address above or you may use Electronic Funds Transfer.



### By Electronic Funds Transfer:

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To use Electronic Funds Transfer, have your bank send your investment to:

State Street Bank and Trust Company, with these instructions:

- ABA #011000028
- DDA #99042814
- Beneficiary: Commerce Funds
- Your name and address
- Your social security or tax ID number
- Name of the Fund
- Your new account number

## What Are My Options For Changing My Investment Within The Commerce Funds?

- **Changing Shares From Fund To Fund:** As a shareholder, you have the privilege of exchanging your shares for shares of any other Commerce Fund. Exchanges may also be made into the Service Shares of Goldman Sachs Institutional Liquid Assets Prime Obligations Portfolio (“Money Market Fund”). Goldman Sachs Asset Management, L.P., an affiliate of Goldman, Sachs & Co. a unit of the Investment Management Division of Goldman, Sachs & Co., and a co-administrator of the Trust, serves as investment adviser for the Money Market Fund.

Shares being exchanged are subject to the minimum initial and subsequent investment requirements as described above. The Commerce Funds reserves the right to reject any exchange request and the exchange privilege may be modified or terminated at any time. At least 60 days’ notice of any material modification or termination of the exchange privilege will be given to shareholders except where notice is not required under the regulations of the Securities and Exchange Commission (SEC). Before exchanging your shares, you should consider carefully the investment objectives, policies, risks and expenses of the Fund you are acquiring. In addition, please see “General Policies” for a description of The Commerce Funds’ excessive trading policies.

- **Making Automatic Exchanges:** You may request on your account application that a specified dollar amount of shares be automatically exchanged for shares of any other Commerce Fund. These automatic exchanges may be made on any one day of each month and are subject to the following conditions: 1) the minimum dollar amount for automatic exchanges must be at least \$250 per month; 2) the value of the account in the originating Fund must be at least \$1,000 after the exchange; 3) the value of the account in the acquired Fund must equal or exceed the acquired Fund’s minimum initial investment requirement; and 4) the names, addresses and taxpayer identification number for the shareholder accounts of the exchanged and acquired Funds must be identical.
- **Cross Reinvesting Of Distributions:** You may invest dividend or capital gain distributions from one Fund to another Fund. If you elect to reinvest the distributions

paid by one Fund in shares of another Fund of The Commerce Funds, the dividends or distributions will be treated as received by you for tax purposes. Cross reinvestment privileges do not apply to the Money Market Fund described under “Changing Shares From Fund to Fund.”

## **Redeeming Shares**

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**You May Sell Shares At Any Time:** Your shares will be sold at the NAV next calculated after The Commerce Funds’ Transfer Agent receives your properly completed order. Your order will be processed promptly and you will generally receive the proceeds within one week. PLEASE NOTE: If the Fund has not yet collected payment for the shares you are selling, it may delay sending the proceeds until payment has been collected, which could be up to 15 business days. Please see “General Policies” for a description of The Commerce Funds’ excessive trading policies.

**Receipt Of Proceeds From A Sale:** Proceeds will normally be wired the business day after your request to redeem shares is received in good order by the Transfer Agent. Payment by check will ordinarily be made within seven calendar days following redemption or you can have your proceeds sent by federal wire to your financial institution account. Your request to wire proceeds is subject to the financial institution’s wire charges.

Written requests to sell shares must be signed by each shareholder, including each joint owner. Certain types of redemption requests will need to include a Signature Guarantee. You may obtain a Signature Guarantee from most banks or securities dealers. Guarantees from notaries public will not be accepted.

### **How Do I Redeem Shares From My Commerce Funds Account?**

The following section describes how to redeem shares directly through The Commerce Funds. The Commerce Funds has authorized certain dealers to redeem shares of Funds on behalf of their clients. Some of the account features and instructions described in this section may not be applicable to clients of these dealers.

#### **1. Consider Using An Automated Redemption:**

- **Making Automatic Withdrawals:** If you are a shareholder with an account valued at \$5,000 or more, you may withdraw amounts in multiples of \$100 or more from your account on a monthly, quarterly, semi-annual or annual basis through the Automatic Withdrawal feature. At your option, you may choose to have your automatic withdrawal paid either by check or directly deposited into a financial institution account. Withdrawals paid by check are distributed on or about the 15th of the month. Direct deposits made to a financial institution account can be made on any day of the month. To participate in this feature, supply the necessary information on the account application or in a subsequent written request. This feature may be suspended should the value of your account fall below \$500.

## 2. Contact The Commerce Funds To Redeem Shares From Your Account



### By Mail:

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Write a letter to us that gives the following information:

- names of all account owners
- your account number
- the name of the Fund
- the dollar amount you want to redeem
- what we should do with the proceeds

Each owner, including each joint owner should sign the letter. Mail your request to:

The Commerce Funds  
c/o Shareholder Services  
P.O. Box 219525  
Kansas City, MO 64121-9525



### By Telephone – Requesting Proceeds Be Wired:

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Call The Commerce Funds with your request. Please see “What Are The Important Things To Consider When Contacting The Commerce Funds by Telephone?” below for specific instructions. When requesting a redemption by wire you must be redeeming shares in the amount of \$1,000 or more. Also, the Fund must have your financial institution account information already on file. Proceeds will be wired directly to this designated account.



### By Telephone – Requesting Proceeds Be Sent By Check:

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Call The Commerce Funds at **1-800-995-6365** (8 a.m.-5 p.m. CST) with your request. Please see “What Are The Important Things to Consider When Contacting The Commerce Funds by Telephone?” below for specific instructions. The check will be made payable to the shareholder(s) of record and sent to the address listed on your account.



### In Person:

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You are welcome to stop by a Commerce Bank office location, where a registered investment representative can assist you in redeeming shares from your account.

## What Are The Important Things To Consider When Contacting The Commerce Funds By Telephone?

You may call us at **1-800-995-6365** (8 a.m.-5 p.m. CST) to explain what you want to do. To make additions by phone or request electronic transfers or request redemptions, we need your prior written authorization. If you did not check the appropriate box on your original account application, you must send us a letter that gives us this authorization.

Telephone purchases will be made at the NAV next determined after the Transfer Agent receives an order in good form. If you should experience difficulty in redeeming your shares by telephone (e.g., because of unusual market activity), we urge you to consider redeeming your shares by mail.

You should note that the Transfer Agent may act on a telephone purchase or redemption request from any person representing himself to be you and reasonably believed by the Transfer Agent to be genuine. Neither The Commerce Funds nor any of its service contractors will be liable for any loss or expense in acting on telephone instructions that are reasonably believed to be genuine. In attempting to confirm that telephone instructions are genuine, The Commerce Funds will use all procedures considered reasonable; the Funds may be liable for any losses if they fail to do so.

## General Policies

**Dividend and Distribution Policies:** As a Fund shareholder, you are entitled to any dividends and distributions from net investment income and net realized capital gains. You may choose one of the following distribution options for dividends and capital gains:

- (1) reinvest all dividend and capital gain distributions in additional shares,
- (2) receive dividend distributions in cash and reinvest capital gain distributions in additional shares,
- (3) receive all dividend and capital gain distributions in cash, or
- (4) have all dividend and capital gain distributions deposited directly into your designated account at a financial institution.

If you do not select an option when you open an account, all distributions will automatically be reinvested in additional shares of the same Fund. For your protection, if you elect to have distributions mailed to you and these cannot be delivered, they will be reinvested in additional shares of the same Fund. To change your distribution option, contact The Commerce Funds at **1-800-995-6365** (8 a.m.-5 p.m. CST). The change will become effective after it is received and processed by the Transfer Agent.

Fund	Monthly Dividends*	Quarterly Dividends**	Annual Dividends***	Net Realized Capital Gains****
Growth			X	X
Value		X		X
MidCap Growth			X	X
Bond	X			X
Short-Term Government	X			X
National Tax-Free				
Intermediate Bond	X			X
Missouri Tax-Free				
Intermediate Bond	X			X
Kansas Tax-Free				
Intermediate Bond	X			X

\* Monthly dividends are declared daily but are only distributed on or about the last business day of the month.

\*\* Quarterly dividends are both declared and paid at the end of each calendar quarter month.

\*\*\* Annual dividends are both declared and paid in December.

\*\*\*\* Each Fund declares and distributes net realized capital gains annually (December).

## The Commerce Funds Reserves The Right To:

- **In-Kind Redemptions:** The Trust reserves the right to pay redemptions by a distribution “in-kind” of securities (instead of cash) from the Funds. See the Statement of Additional Information for further information about the terms of these redemptions.
- **Automatic Redemption:** Redeem your account involuntarily if, after 60 days’ written notice, your account’s value remains below a \$500 minimum balance. We will not redeem your account involuntarily if the value falls below the minimum balance solely as a result of market conditions. Retirement accounts and certain other accounts will not be subject to automatic liquidation.
- **Suspension/Delay in Payment:** Suspend or delay the payment of redemption proceeds when the NYSE is closed (other than for customary weekend and holiday closings), during periods when trading on the NYSE is restricted as determined by the SEC, during any emergency as determined by the SEC or during other periods of unusual market conditions.
- **Excessive Trading Policies:** Without notice, The Commerce Funds may stop offering shares of a Fund, reject or restrict any purchase order (including exchanges), or bar an investor, including transactions accepted by a financial intermediary, who the Adviser believes is engaging in excessive trading from purchasing or exchanging shares of a Fund. In accordance with the policy and procedures adopted by the Board of Trustees, The Commerce Funds discourage market timing or other excessive trading practices. Purchases and exchanges should be made with a view to longer term investment purposes only. Excessive, short-term (market timing) trading practices may disrupt portfolio management strategies, increase brokerage and administrative costs, harm fund performance and result in dilution in the value of Fund shares held by longer-term shareholders. To minimize harm to the Funds and its shareholders (or the Adviser), the Funds (or the Adviser) will reject purchase or exchange orders if, in the Fund’s (or Adviser’s) judgment, an investor has a history of excessive trading or if an investor’s trading, in the judgment of the Funds (or the Adviser), has been or may be disruptive to a Fund. In making this judgment, trades executed in multiple accounts under common ownership or control may be considered together to the extent they can be identified. No waivers of the provisions of the policy established to detect and deter market timing and other excessive trading activity are permitted that would harm the Funds or its shareholders or would subordinate the interests of the Funds or its shareholders to those of the Adviser or any affiliated person or associated person of the Adviser. The Commerce Funds and the Adviser will not be liable for any loss resulting from rejected purchase or exchange orders.

Pursuant to the policy adopted by the Board of Trustees, the Adviser has developed criteria that it uses to identify trading activity that may be excessive. The Adviser reviews information provided by the Transfer Agent, Boston Financial Data Services, and other sources, on behalf of the Funds, relating to the trading activity in the Funds in order to assess the likelihood that a Fund may be the target of excessive trading. The Adviser will apply the criteria in a manner that, in the Adviser’s judgment, will be uniform.

Omnibus accounts include multiple investors and such accounts typically provide the Funds with a net purchase or redemption request on any given day where purchasers of Fund shares and redeemers of Fund shares are netted against one another. The identity of individual purchasers and redeemers whose orders are aggregated are not known by the

Funds. The netting effect makes it more difficult to identify, locate and eliminate market timing activities. In addition, those investors who engage in market timing and other excessive trading activities may employ a variety of techniques to avoid detection. There can be no assurance that the Funds and the Adviser will be able to identify all those who trade excessively or employ a market timing strategy, and curtail their trading in every instance.

The Commerce Funds may prohibit additional purchases of Fund shares by a financial intermediary or by certain of the financial intermediary's customers. Financial intermediaries may also monitor their customers' trading activities in the Commerce Funds. The Funds may rely on these intermediaries' excessive trading policies in lieu of applying the Fund's policies. The criteria used by intermediaries to monitor for excessive trading may differ from the criteria used by The Commerce Funds, and there is no assurance that the procedures used by financial intermediaries will be able to curtail excessive trading.

### **Customer Identification Program**

Federal law requires The Commerce Funds to obtain, verify and record identifying information, which may include the name, residential or business street address, date of birth (for an individual), Social Security Number or taxpayer identification number or other identifying information, for each investor who opens an account with The Commerce Funds. Applications without the required information, or (where applicable) without an indication that a Social Security Number or taxpayer identification number has been applied for, may not be accepted by The Commerce Funds. After accepting an application, to the extent permitted by applicable law or their customer identification program, The Commerce Funds reserve the right to (i) place limits on transactions in any account until the identity of the investor is verified, (ii) refuse an investment in The Commerce Funds, or (iii) involuntarily redeem an investor's shares and close an account if The Commerce Funds are unable to verify an investor's identity. The Commerce Funds and their agents will not be responsible for any loss in an investor's account resulting from the investor's delay in providing all required identifying information or from closing an account and redeeming an investor's shares when an investor's identity cannot be verified.

### **Financial Intermediaries**

Financial institutions or their designees that have entered into agreements with The Commerce Funds or its agent may, to the extent permitted by applicable law, enter confirmed purchase orders on behalf of clients and customers, with payment and the order to follow no later than a Fund's pricing on the following business day. If payment is not received by the Funds' Transfer Agent by such time, the financial institution could be held liable for resulting fees or losses. The Commerce Funds may be deemed to have received a purchase or redemption order when a financial institution or its designee accepts the order. Orders received by the Fund in proper form will be priced at the Fund's NAV next computed after they are accepted by the financial institution or its designee. Financial institutions are responsible to their customers and The Commerce Funds for timely transmission of all subscription and redemption requests, investment information, documentation and money.

The Adviser may make payments to financial institutions from time to time to promote the sale, distribution and/or servicing of shares of the Funds. These payments are made out of

the Adviser's own assets and are not an additional charge to the Funds. The payments are in addition to the service fees described in this Prospectus. Such payments are intended to compensate financial institutions for, among other things, recordkeeping, shareholder communications and other administrative or marketing services. The amount of these additional payments is normally not expected to exceed 0.40% (annualized) of the amount sold or invested through the financial institution. These payments may create an incentive for a financial institution or its employees to recommend or sell shares of a Commerce Fund. For further information, please contact your financial institution for details about payments it may receive.

Conflict of interest restrictions may apply to the receipt of compensation by a financial intermediary in connection with the investment of fiduciary funds in Fund shares. Institutions, including banks regulated by the Comptroller of the Currency, Federal Reserve Board and state banking commissions, and investment advisers and other money managers subject to the jurisdiction of the SEC, the Department of Labor or state securities commissions, are urged to consult their legal counsel.

Customers purchasing shares through a financial intermediary should read their account agreements carefully. A financial intermediary's requirements may differ from those listed in this Prospectus. A financial intermediary may also impose account charges, such as asset allocation fees, account maintenance fees, and other charges that will reduce the net return on an investment in a Fund. If a Customer has agreed with a particular financial intermediary to maintain a minimum balance and the balance falls below this minimum, the Customer may be required to redeem all or a portion of the Customer's investment in a Fund.

State securities laws regarding the registration of dealers may differ from federal law. As a result, financial intermediaries investing in the Funds on behalf of their Customers may be required to register as dealers.

### **Shareholder Servicing**

The Funds have adopted a Shareholder Administrative Services Plan that permits each Fund to pay up to 0.25% of the average daily net assets of the Shares held under the plan to third parties, including the Adviser and its affiliates ("Service Organizations"), for providing shareholder services to the Shareholder Administrative Services Plan participants. Because these fees are paid out of the Funds' assets on an on-going basis they will increase the cost of your investment.

These support services may include:

- assisting investors in processing purchase, exchange and redemption requests;
- processing dividend and distribution payments from the Funds;
- providing information to customers showing their positions in the Funds; and
- providing subaccounting with respect to Fund shares beneficially owned by customers or the information necessary for subaccounting.

In addition, Service Organizations may provide distribution services, such as the forwarding of sales literature and advertising to their customers, in connection with the distribution of Fund shares.

The Distributor (and its affiliates) may, out of its administration fee or other resources, pay a fee of up to 0.50% of the amount invested or additional incentives to qualifying dealers

who initiate and are responsible for purchases of shares of The Commerce Funds. In addition, at its expense, the Distributor will provide additional compensation and promotional incentives to dealers in connection with the sales of shares of the Funds. Subject to FINRA regulation, compensation may include promotional and other merchandise, sales and training programs and other special events sponsored by dealers. Compensation may also include payment for reasonable expenses incurred in connection with trips taken by invited registered representatives for meetings or seminars of a business nature.

The Commerce Funds will not issue share certificates. The Transfer Agent will maintain a complete record of your account and will issue you a statement at least quarterly. You will also be sent confirmations of purchases and redemptions.

As a shareholder in the Funds, you will receive an Annual Report and a Semi-Annual Report. To eliminate unnecessary duplication, only one copy of such reports will be sent to the same mailing address. If you would like a duplicate copy to be mailed to you, please contact The Commerce Funds at **1-800-995-6365** (8 a.m.-5 p.m. CST).

## ***Tax Information***

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The following is a brief summary of additional information on the federal income tax consequences of investing in The Commerce Funds. You may also have to pay state and local taxes on your investment, and you should always consult with your tax adviser for specific guidance on your investment in The Commerce Funds.

### **Taxes On Distributions**

Each Fund contemplates declaring as dividends each year all or substantially all of its taxable income. Distributions you receive from the Funds, other than Funds investing in tax exempt bonds, are generally subject to federal income tax, and may also be subject to state or local taxes. This is true whether you reinvest your distributions in additional Fund shares or receive them in cash. For federal tax purposes, Fund distributions attributable to short-term capital gains and net investment income are generally taxable to you as ordinary income, while distributions attributable to the net capital gain of a fund are taxable as long-term capital gains, no matter how long you have owned your Fund shares.

Under current provisions of the Internal Revenue Code (the “Code”), the maximum long-term capital gain tax rate applicable to individuals, estates, and trusts is 15%. A sunset provision provides that the 15% long-term capital gain rate and the taxation of qualified dividends at the long-term capital gain rate will revert back to a prior version of these provisions in the Code for taxable years beginning after December 31, 2010. Also Fund distributions to noncorporate shareholders attributable to qualified dividends received by the Funds from U.S. and certain qualified foreign corporations will generally be taxed at the long-term capital gain rate if certain other requirements are met. The favorable rate applicable to qualified dividends is due to expire for taxable years beginning after December 31, 2010. The amount of a Fund’s distribution that qualifies for this favorable tax treatment may be reduced by a Fund’s securities lending activities, if any, by a high portfolio turnover rate or by investments in debt securities. For these lower rates to apply, the non-corporate shareholder must own the relevant Fund shares for at least 61 days during the 121-day period beginning 60 days before the Fund’s ex-dividend date.

Although distributions are generally treated as taxable to you in the year they are paid, distributions declared in October, November or December but paid in January are taxable as if they were paid in December. A percentage of the Fund's dividends paid to corporate shareholders may be eligible for the corporate dividends-received deduction. This percentage may, however, be reduced as a result of a Fund's securities lending activities, if any, by a high portfolio turnover rate or by investments in debt securities or foreign corporations.

You should note that if you purchase shares just before a distribution, the purchase price would reflect the amount of the upcoming distribution. In this case, you would be taxed on the entire amount of the distribution received, even though, as an economic matter, the distribution simply constitutes a return of your capital. This is known as "buying into a dividend."

### **Taxes On Exchanges And Redemptions**

When you redeem or exchange shares in any Fund, you will generally recognize a gain or loss for federal income tax purposes. This gain or loss will be based on the difference between your tax basis in the shares and the amount you receive for them. To aid in computing your tax basis, you should retain your account statements for the periods during which you held shares. Generally, this gain or loss is long-term or short-term depending on whether your holding period exceeds twelve months, except that any loss realized on shares held for six months or less will be treated as a long-term capital loss to the extent of any capital gain dividends that were received with respect to the shares. Additionally, any loss realized on a sale or redemption of shares of a Fund may be disallowed under "wash sale" rules to the extent the shares disposed of are replaced with other shares of a Fund within a period of 61 days beginning 30 days before and ending 30 days after the shares are disposed of, such as pursuant to a dividend reinvestment in shares of a Fund. If disallowed, the loss will be reflected in an adjustment to the basis of the shares acquired.

The one major exception to these tax rules is that distributions on, and sales, exchanges and redemptions of, shares held in an IRA (or other tax qualified plan) will not be currently taxable, provided such shares were not acquired with borrowed funds.

### **Tax Consequences Of The National Tax-Free Intermediate Bond, Missouri Tax-Free Intermediate Bond And Kansas Tax-Free Intermediate Bond Funds**

The National Tax-Free Intermediate Bond, Missouri Tax-Free Intermediate Bond and Kansas Tax-Free Intermediate Bond Funds' ("Tax Free Funds") distributions will generally constitute tax-exempt income for shareholders for federal income tax purposes. It is possible, depending on their investments, that a portion of the Tax Free Funds' distributions could be taxable to shareholders as ordinary income or capital gains. Moreover, although distributions are exempt for federal income tax purposes, they will generally constitute taxable income for state and local income tax purposes except that, subject to limitations that vary depending on the state, distributions from interest paid by a state or municipal entity may be exempt from tax in that state. If you receive an exempt-interest dividend with respect to any share and the share is held by you for six months or less, any loss on the sale or exchange of the share will be disallowed to the extent of such dividend amount.

You should note that a portion of the Tax Free Funds' distributions of tax-exempt income may constitute an item of tax preference for purposes of the federal alternative minimum

tax. In addition, investors that are generally exempt from U.S. tax on interest income, such as IRAs, other tax advantaged accounts, tax-exempt entities and non-U.S. investors, will not gain additional benefit from the tax-exempt status of a Fund's distributions of interest attributable to exempt bonds. Because a Fund's pre-tax returns will tend to be lower than those of funds that own taxable bonds of comparable quality, shares of a Fund will normally not be suitable investments for those kinds of investors. Moreover, investment in the Tax Free Funds by IRAs and other tax advantaged retirement accounts is especially unsuitable because subsequent distributions made from such accounts to their holders will be subject to tax. The Tax Free Funds are now required to report the amount of distributions constituting tax exempt income to shareholders and the Internal Revenue Service. You must report such amounts on your federal income tax return.

*Missouri Taxes:* Resident individuals, trusts and estates resident in Missouri, and corporations within Missouri tax jurisdiction will not be subject to Missouri income tax on dividends from the Missouri Tax-Free Intermediate Bond Fund that are derived from interest on obligations of the State of Missouri and its political subdivisions (to the extent such interest is exempt from federal income tax) or on obligations issued by the U.S. Government, the Government of Puerto Rico, the Virgin Islands or Guam. Resident individuals, trusts and estates and corporations generally will be subject to Missouri income tax on other dividends received from the Fund, including dividends derived from interest on obligations of other issuers and all long-term and short-term capital gains.

*Kansas Taxes:* Resident individuals, trusts and estates resident in Kansas, and corporations within Kansas tax jurisdiction will not be subject to Kansas income tax on dividends from the Kansas Tax-Free Intermediate Bond Fund that are derived from interest on obligations of the State of Kansas and its political subdivisions (to the extent such interest is exempt from federal income tax) or on obligations issued by the U.S. Government, the Government of Puerto Rico, the Virgin Islands or Guam. Resident individuals, trusts and estates and corporations generally will be subject to Kansas income tax on other dividends received from the Fund, including dividends derived from interest on obligations of other issuers and all long-term and short-term capital gains.

## **Other Information**

When you open your account, you should provide your Social Security Number or tax identification number on your Account Application. By law, each Fund must withhold 28% of your taxable distributions and any redemption proceeds if you do not provide your correct taxpayer identification number, or certify that it is correct, or if the IRS instructs the Fund to do so.

Non-U.S. investors may be subject to estate tax and U.S. withholding on taxable distributions. However, withholding is generally not required on properly designated distributions of long-term capital gains and of short-term capital gains and qualified interest income paid to non-U.S. investors with respect to any Fund year beginning before January 1, 2010. Although this designation will be made for capital gain distributions, the Funds do not anticipate making any qualified interest income designations. Therefore, all distributions of interest income will be subject to withholding when paid to non-U.S. investors. More information about U.S. taxation of non-U.S. investors is included in the Statement of Additional Information.

## Service Providers

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### Investment Adviser and Co-Administrator: Commerce Investment Advisors, Inc. (The “Adviser”)

Commerce Investment Advisors, Inc., a subsidiary of Commerce Bank, N.A., known collectively as “Commerce,” serves as Adviser for the Funds, selecting investments and making purchases and sale orders for securities in each Fund’s portfolio. Commerce Bank and Commerce Investment Advisors each have offices at 922 Walnut Street, Kansas City, Missouri 64106 and 8000 Forsyth Boulevard, St. Louis, Missouri 63105. Commerce Bank is a subsidiary of Commerce Bancshares, Inc., a registered multi-bank holding company. Commerce has provided investment management services to The Commerce Funds since 1994, to private and public pension funds, endowments and foundations since 1946 and to individuals since 1906. As of December 31, 2009, the Adviser and its affiliates had approximately \$12.8 billion in assets under management.

The Adviser receives a fee for the advisory services provided and expenses assumed under the Advisory Agreement. During the last fiscal year, the Funds paid the Adviser the following fees, calculated as a percentage of the Funds’ average daily net assets:

	<b>Actual Rate Paid In Fiscal Year 2009</b>
Growth Fund	0.75%
Value Fund	0.75%
MidCap Growth Fund	0.75%
Bond Fund	0.50%
Short-Term Government Fund	0.50%
National Tax-Free Intermediate Bond Fund	0.50%
Missouri Tax-Free Intermediate Bond Fund	0.50%
Kansas Tax-Free Intermediate Bond Fund	0.50%

The Adviser has contractually agreed to waive fees and/or reimburse expenses with respect to all Funds (other than the MidCap Growth Fund) through March 1, 2011.

## Fund Managers:

Person	Fund(s)	Experience
Scott M. Colbert, CFA	Bond, Short-Term Government	Senior Vice President Joined Commerce in 1993 Fund manager since inception 22 years of experience
Brian P. Musielak, CFA	National Tax-Free, Missouri Tax-Free and Kansas Tax-Free Intermediate Bond*	Vice President Joined Commerce in 1995 Fund manager since 1999 (*since inception) 14 years of experience
Matthew J. Schmitt, CFA	Value	Vice President Joined Commerce in 2002 Fund manager since 2004 15 years of experience
Joseph C. Williams III, CFA	Growth, MidCap Growth* and Value	Senior Vice President Joined Commerce in 1975 Fund manager since inception (*since 2006) 32 years of experience

The Value Fund is co-managed by Messrs. Schmitt and Williams, each of whom is jointly responsible for making recommendations to the Fund.

Additional information about the Fund Managers' compensation, other accounts managed by the Fund Managers and the Fund Managers' ownership of securities in the Funds is available in the Statement of Additional Information.

### Activities of Other Accounts Managed by the Adviser and its Affiliates

The Adviser and its affiliates engage in proprietary trading and advise accounts and funds that have investment objectives similar to those of The Commerce Funds and/or that compete for transactions in the same types of securities, currencies and investments as the Funds. The Adviser and its affiliates will not have any obligation to make available any information regarding their proprietary activities or strategies, or the activities or strategies used for other accounts managed by them, for the benefit of the management of the Funds. The results of The Commerce Funds' investment activities, therefore, may differ from those of the Adviser, its affiliates and other accounts managed by the Adviser and its affiliates. Moreover, it is possible that a Fund could sustain losses during period in which the Adviser and its affiliates and other accounts achieve significant profit on their trading for proprietary or other accounts. Transactions by one or more other accounts advised by the Adviser or its affiliates may have the effect of diluting or otherwise disadvantaging the values, prices or investment strategies of The Commerce Funds. For more information about conflicts of interest, see the Statement of Additional Information.

### Co-Administrator: Goldman Sachs Asset Management ("GSAM" or the "Co-Administrator")

GSAM serves as Co-Administrator of each of the Funds. GSAM is located at 200 West Street, New York, New York 10282. GSAM is a unit of the Investment Management Division of Goldman, Sachs & Co., the Distributor of the Funds.

**Distributor: Goldman, Sachs & Co. (“Goldman” or the “Distributor”)**

Shares of each Fund are sold on a continuous basis by Goldman as Distributor. Goldman is located at 200 West Street, New York, New York 10282.

**Transfer Agent: State Street Bank And Trust Company (“State Street” or the “Transfer Agent”)**

State Street has delegated its responsibilities as Transfer Agent to its affiliate, Boston Financial Data Services (“BFDS”). State Street is located at 225 Franklin Street, Boston, Massachusetts 02110. BFDS is located at 330 W. 9th Street, Kansas City, Missouri 64105.

**Custodian: State Street Bank And Trust Company (the “Custodian”)**

State Street also serves as the Custodian of each of the Funds.

***More Information About Fees and Performance***

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**Other Operating Expenses**

The Adviser and GSAM are Co-Administrators of the Fund. Other Operating Expenses in the fee tables include a Co-Administration fee at an annual rate of 0.15% of the average daily net assets of each Fund. Of this amount, the Adviser currently retains 0.12% of the average daily net assets of each Fund.

**Additional Performance Information – Kansas Tax-Free Intermediate Bond Fund**

The performance of the Fund prior to December 26, 2000 is represented by the performance of the Kansas Tax-Free Fund (the “Kansas Common Trust Fund”), the predecessor common trust fund that, in all material respects, had the same investment objective, policies, guidelines and investment limitations as the Fund. The Kansas Common Trust Fund was not registered under the Act and therefore was not subject to certain investment restrictions imposed by the Act. If the Kansas Common Trust Fund had been registered under the Act, the performance shown may have been adversely affected. The total return calculations in the bar chart and table on pages 37 and 38 for the period prior to December 26, 2000 have been restated to include the expenses of the Fund.



## **Financial Highlights**

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The following tables describe the Funds' performance for the periods indicated. The total return figures show how much you would have earned (or lost) on an investment in a Fund during each time period, assuming you had reinvested all dividends and distributions. Some of the information reflects financial results for a single Fund share. The information has been derived from the Funds' financial statements, which have been audited by KPMG LLP, the Funds' independent registered public accounting firm. Their report, along with the Funds' financial statements, is incorporated by reference into the Funds' Statement of Additional Information (available upon request).


**Growth Fund**

	<b>For the Fiscal Years Ended 10/31</b>				
	<b>2009<sup>(a)</sup></b>	<b>2008</b>	<b>2007</b>	<b>2006<sup>(b)</sup></b>	<b>2005</b>
<b>Net asset value, beginning of year</b>	\$ 18.44	\$ 29.11	\$ 25.56	\$ 22.56	\$ 20.82
<b>Income (loss) from investment operations:</b>					
Net investment income <sup>(c)</sup>	0.10	0.05	0.04	0.04	0.14 <sup>(d)</sup>
Net realized and unrealized gain (loss)	2.75	(10.39)	3.55	3.08	1.63
Total from investment operations	2.85	(10.34)	3.59	3.12	1.77
<b>Distributions to shareholders:</b>					
From net investment income	(0.05)	(0.04)	(0.04)	(0.12)	(0.03)
From net realized gains	—	(0.29)	—	—	—
Total distributions	(0.05)	(0.33)	(0.04)	(0.12)	(0.03)
<b>Net asset value, end of year</b>	<u>\$ 21.24</u>	<u>\$ 18.44</u>	<u>\$ 29.11</u>	<u>\$ 25.56</u>	<u>\$ 22.56</u>
<b>Total return<sup>(e)</sup></b>	15.55%	(35.82)%	14.04%	13.86%	8.52%
<b>Net assets at end of year (in 000's)</b>	\$110,522	\$111,319	\$223,441	\$173,813	\$150,676
<b>Ratio of net expenses to average net assets</b>	1.13%	1.11%	1.13%	1.13%	1.13%
<b>Ratio of net investment income (loss) to average net assets</b>	0.52%	0.18%	0.15%	0.16%	0.64% <sup>(d)</sup>
<b>Ratios assuming no expense reductions:</b>					
Ratio of expenses to average net assets	1.20%	1.11%	1.14%	1.18%	1.23%
Ratio of net investment income (loss) to average net assets	0.45%	0.18%	0.14%	0.11%	0.54% <sup>(d)</sup>
<b>Portfolio turnover rate</b>	39%	43%	70%	47%	40%

(a) On February 10, 2009, all outstanding Institutional Shares were redesignated as Shares.

(b) On February 3, 2006, all outstanding Service Shares were converted into Institutional Shares.

(c) Calculated based on the average shares outstanding methodology.

(d) Reflects income recognized from a special dividend which amounted to \$0.14 per share and 0.62% of average net assets.

(e) Assumes investment at the net asset value at the beginning of the year, reinvestment of all dividends and distributions, and a complete redemption of the investment at the net asset value at the end of the year. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.



## Value Fund

	For the Fiscal Years Ended 10/31				
	2009 <sup>(a)</sup>	2008	2007	2006 <sup>(b)</sup>	2005
<b>Net asset value, beginning of year</b>	\$ 16.31	\$ 29.02	\$ 29.53	\$ 24.96	\$ 22.70
<b>Income (loss) from investment operations:</b>					
Net investment income <sup>(c)</sup>	0.30	0.39	0.36	0.35	0.27
Net realized and unrealized gain (loss)	0.50	(9.84)	1.90	4.66	2.28
Total from investment operations	0.80	(9.45)	2.26	5.01	2.55
<b>Distributions to shareholders:</b>					
From net investment income	(0.30)	(0.39)	(0.36)	(0.34)	(0.29)
From net realized gains	—	(2.87)	(2.41)	(0.10)	—
Total distributions	(0.30)	(3.26)	(2.77)	(0.44)	(0.29)
<b>Net asset value, end of year</b>	<u>\$ 16.81</u>	<u>\$ 16.31</u>	<u>\$ 29.02</u>	<u>\$ 29.53</u>	<u>\$ 24.96</u>
<b>Total return<sup>(d)</sup></b>	5.19%	(36.04)%	8.11%	20.29%	11.26%
<b>Net assets at end of year (in 000's)</b>	\$63,622	\$ 64,726	\$141,455	\$120,685	\$111,761
<b>Ratio of net expenses to average net assets</b>	1.20%	1.14%	1.13%	1.18%	1.18%
<b>Ratio of net investment income to average net assets</b>	1.98%	1.74%	1.25%	1.28%	1.12%
<b>Ratios assuming no expense reductions:</b>					
Ratio of expenses to average net assets	1.22%	1.14%	1.13%	1.18%	1.19%
Ratio of net investment income to average net assets	1.96%	1.74%	1.25%	1.28%	1.11%
<b>Portfolio turnover rate</b>	61%	45%	55%	49%	37%

(a) On February 10, 2009, all outstanding Institutional Shares were redesignated as Shares.

(b) On February 3, 2006, all outstanding Service Shares were converted into Institutional Shares.

(c) Calculated based on the average shares outstanding methodology.

(d) Assumes investment at the net asset value at the beginning of the year, reinvestment of all dividends and distributions, and a complete redemption of the investment at the net asset value at the end of the year. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.


**MidCap Growth Fund**

	<b>For the Fiscal Years Ended 10/31</b>				
	<b>2009<sup>(a)</sup></b>	<b>2008</b>	<b>2007</b>	<b>2006<sup>(b)</sup></b>	<b>2005</b>
<b>Net asset value, beginning of year</b>	\$ 21.13	\$ 37.60	\$ 33.61	\$ 28.45	\$ 24.72
<b>Income (loss) from investment income</b>					
<b>(loss) operations:</b>					
Net investment income (loss) <sup>(c)</sup>	0.02	0.01	(0.11)	(0.11)	(0.14)
Net realized and unrealized gain (loss)	3.81	(13.72)	4.14	5.27	3.87
Total from investment operations	3.83	(13.71)	4.03	5.16	3.73
<b>Distributions to shareholders:</b>					
From net investment income	(0.01)	—	—	—	—
From net realized gains	(0.89)	(2.76)	(0.04)	—	—
Total distributions	(0.90)	(2.76)	(0.04)	—	—
<b>Net asset value, end of year</b>	<u>\$ 24.06</u>	<u>\$ 21.13</u>	<u>\$ 37.60</u>	<u>\$ 33.61</u>	<u>\$ 28.45</u>
<b>Total return<sup>(d)</sup></b>	19.76%	(39.07)%	12.01%	18.14%	15.09%
<b>Net assets at end of year (in 000's)</b>	\$48,771	\$ 40,444	\$100,357	\$91,874	\$75,274
<b>Ratio of net expenses to average net assets</b>	1.33%	1.21%	1.18%	1.22%	1.28%
<b>Ratio of net investment loss to average net assets</b>	0.12%	0.02%	(0.32)%	(0.35)%	(0.54)%
<b>Ratios assuming no expense reductions:</b>					
Ratio of expenses to average net assets	1.33%	1.21%	1.18%	1.22%	1.29%
Ratio of net investment loss to average net assets	0.12%	0.02%	(0.32)%	(0.35)%	(0.55)%
<b>Portfolio turnover rate</b>	58%	57%	65%	64%	87%

(a) On February 10, 2009, all outstanding Institutional Shares were redesignated as Shares.

(b) On February 3, 2006, all outstanding Service Shares were converted into Institutional Shares.

(c) Calculated based on the average shares outstanding methodology.

(d) Assumes investment at the net asset value at the beginning of the year, reinvestment of all dividends and distributions and a complete redemption of the investment at the net asset value at the end of the year. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.



## Bond Fund

	For the Fiscal Years Ended 10/31				
	2009 <sup>(a)</sup>	2008	2007	2006 <sup>(b)</sup>	2005
<b>Net asset value, beginning of year</b>	\$ 17.29	\$ 18.39	\$ 18.12	\$ 18.12	\$ 18.71
<b>Income (loss) from investment operations:</b>					
Net investment income <sup>(c)</sup>	0.96	0.85	0.82	0.78	0.76
Net realized and unrealized gain (loss)	1.91	(1.07)	0.31 <sup>(d)</sup>	0.06	(0.49)
Total from investment operations	2.87	(0.22)	1.13	0.84	0.27
<b>Distributions to shareholders:</b>					
From net investment income	(0.99)	(0.88)	(0.86)	(0.84)	(0.86)
<b>Net asset value, end of year</b>	\$ 19.17	\$ 17.29	\$ 18.39	\$ 18.12	\$ 18.12
<b>Total return<sup>(e)</sup></b>	17.00%	(1.37)%	6.37% <sup>(f)</sup>	4.76%	1.46% <sup>(g)</sup>
<b>Net assets at end of year (in 000's)</b>	\$570,560	\$495,168	\$537,430	\$548,713	\$569,200
<b>Ratio of net expenses to average net assets</b>	0.81%	0.79%	0.82%	0.85%	0.83%
<b>Ratio of net investment income to average net assets</b>	5.23%	4.62%	4.50%	4.35%	4.11% <sup>(g)</sup>
<b>Ratios assuming no expense reductions:</b>					
Ratio of expenses to average net assets	0.81%	0.79%	0.82%	0.85%	0.84%
Ratio of net investment income to average net assets	5.23%	4.62%	4.50%	4.35%	4.10% <sup>(g)</sup>
<b>Portfolio turnover rate</b>	22%	9%	23%	38%	23%

(a) On February 10, 2009, all outstanding Institutional Shares were redesignated as Shares.

(b) On February 3, 2006, all outstanding Service Shares were converted into Institutional Shares.

(c) Calculated based on the average shares outstanding methodology.

(d) Reflects an increase of \$0.19 per share and 1.06% of average net assets due in payments received for class action settlements received this year.

(e) Assumes investment at the net asset value at the beginning of the year, reinvestments of all dividends and distributions, and a complete redemption of the investment at the net asset value at the end of the year. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

(f) Total return reflects the impact of payments received for class action settlements received this year. Excluding such payments the total return would have been 5.31%.

(g) Reflects an increase of 0.06% to total return and 0.04% of average net assets per share due to a payment made by the Trust's Fund Accounting Agent relating to a distribution in excess of net investment income.


**Short-Term Government Fund**

	<b>For the Fiscal Years Ended 10/31</b>				
	<b>2009<sup>(a)</sup></b>	<b>2008</b>	<b>2007</b>	<b>2006<sup>(b)</sup></b>	<b>2005</b>
<b>Net asset value, beginning of period</b>	\$ 17.53	\$ 17.65	\$ 17.56	\$ 17.57	\$ 18.16
<b>Income (loss) from investment operations:</b>					
Net investment income <sup>(c)</sup>	0.56	0.66	0.69	0.61	0.53
Net realized and unrealized gain (loss)	0.79	(0.03)	0.16	0.11	(0.42)
Total from investment operations	1.35	0.63	0.85	0.72	0.11
<b>Distributions to shareholders:</b>					
From net investment income	0.72	(0.75)	(0.76)	(0.73)	(0.70)
<b>Net asset value, end of period</b>	<u>\$ 18.16</u>	<u>\$ 17.53</u>	<u>\$ 17.65</u>	<u>\$ 17.56</u>	<u>\$ 17.57</u>
<b>Total return<sup>(d)</sup></b>	7.85%	3.60%	4.97%	4.21%	0.63%
<b>Net assets at end of period (in 000's)</b>	\$105,981	\$78,455	\$87,511	\$129,940	\$157,183
<b>Ratio of net expenses to average net assets</b>	0.68%	0.68%	0.68%	0.68%	0.68%
<b>Ratio of net investment income to average net assets</b>	3.14%	3.68%	3.91%	3.49%	3.00%
<b>Ratios assuming no expense reductions:</b>					
Ratio of expenses to average net assets	0.93%	0.90%	0.90%	0.89%	0.91%
Ratio of net investment income to average net assets	2.89%	3.46%	3.69%	3.28%	2.77%
<b>Portfolio turnover rate</b>	25%	30%	15%	28%	32%

(a) On February 10, 2009, all outstanding Institutional Shares were redesignated as Shares.

(b) On February 3, 2006, all outstanding Service Shares were converted into Institutional Shares.

(c) Calculated based on the average shares outstanding methodology

(d) Assumes investment at the net asset value at the beginning of the year, reinvestment of all dividends and distributions, and a complete redemption of the investment at the net asset value at the end of the year. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.



## National Tax-Free Intermediate Bond Fund

	For the Fiscal Years Ended 10/31				
	2009 <sup>(a)</sup>	2008	2007	2006 <sup>(b)</sup>	2005
<b>Net asset value, beginning of year</b>	\$ 17.82	\$ 18.83	\$ 19.07	\$ 19.05	\$ 19.59
<b>Income (loss) from investment operations:</b>					
Net investment income <sup>(c)</sup>	0.70	0.70	0.71	0.72	0.72
Net realized and unrealized gain (loss)	1.20	(0.96)	(0.19)	0.13	(0.51)
Total from investment operations	1.90	(0.26)	0.52	0.85	0.21
<b>Distributions to shareholders:</b>					
From net investment income	(0.70)	(0.70)	(0.71)	(0.73)	(0.71)
From net realized gains	(0.18)	(0.05)	(0.05)	(0.10)	(0.04)
Total distributions	(0.88)	(0.75)	(0.76)	(0.83)	(0.75)
<b>Net asset value, end of year</b>	<u>\$ 18.84</u>	<u>\$ 17.82</u>	<u>\$ 18.83</u>	<u>\$ 19.07</u>	<u>\$ 19.05</u>
<b>Total return<sup>(d)</sup></b>	10.89%	(1.47)%	2.81%	4.57%	1.09%
<b>Net assets at end of year (in 000's)</b>	\$163,878	\$136,575	\$145,265	\$154,304	\$162,792
<b>Ratio of net expenses to average net assets</b>	0.70%	0.70%	0.70%	0.70%	0.70%
<b>Ratio of net investment income to average net assets</b>	3.77%	3.76%	3.78%	3.80%	3.71%
<b>Ratios assuming no expense reductions:</b>					
Ratio of expenses to average net assets	0.85%	0.82%	0.83%	0.88%	0.87%
Ratio of net investment income to average net assets	3.62%	3.64%	3.65%	3.62%	3.54%
<b>Portfolio turnover rate</b>	27%	45%	42%	42%	48%

(a) On February 10, 2009, all outstanding Institutional Shares were redesignated as Shares.

(b) On February 3, 2006, all outstanding Service Shares were converted into Institutional Shares.

(c) Calculated based on the average shares outstanding methodology.

(d) Assumes investment at the net asset value at the beginning of the year, reinvestment of all dividends and distributions, and a complete redemption of the investment at the net asset value at the end of the year. Returns do not reflect the deduction of taxes that a shareholder would pay on capital gains or other taxable distributions or the redemption of Fund shares.


**Missouri Tax-Free Intermediate Bond Fund**

	<b>For the Fiscal Years Ended 10/31</b>				
	<b>2009<sup>(a)</sup></b>	<b>2008</b>	<b>2007</b>	<b>2006<sup>(b)</sup></b>	<b>2005</b>
<b>Net asset value, beginning of year</b>	\$ 18.27	\$ 19.01	\$ 19.22	\$ 19.19	\$ 19.83
<b>Income (loss) from investment operations:</b>					
Net investment income <sup>(c)</sup>	0.67	0.69	0.71	0.74	0.74
Net realized and unrealized gain (loss)	1.05	(0.66)	(0.19)	0.10	(0.62)
Total from investment operations	1.72	0.03	0.52	0.84	0.12
<b>Distributions to shareholders:</b>					
From net investment income	(0.67)	(0.69)	(0.71)	(0.75)	(0.74)
From net realized gains	(0.02)	(0.08)	(0.02)	(0.06)	(0.02)
Total distributions	(0.69)	(0.77)	(0.73)	(0.81)	(0.76)
<b>Net asset value, end of year</b>	<u>\$ 19.30</u>	<u>\$ 18.27</u>	<u>\$ 19.01</u>	<u>\$ 19.22</u>	<u>\$ 19.19</u>
<b>Total return<sup>(d)</sup></b>	9.54%	0.10%	2.77%	4.48%	0.61%
<b>Net assets at end of year (in 000s)</b>	\$229,687	\$169,838	\$148,824	\$159,628	\$172,124
<b>Ratio of net expenses to average net assets</b>	0.70%	0.70%	0.68%	0.65%	0.65%
<b>Ratio of net investment income to average net assets</b>	3.50%	3.63%	3.74%	3.87%	3.77%
<b>Ratios assuming no expense reductions:</b>					
Ratio of expenses to average net assets	0.83%	0.81%	0.82%	0.88%	0.87%
Ratio of net investment income to average net assets	3.37%	3.52%	3.60%	3.64%	3.55%
<b>Portfolio turnover rate</b>	10%	7%	21%	15%	19%

(a) On February 10, 2009, all outstanding Institutional Shares were redesignated as Shares.

(b) On February 3, 2006, all outstanding Service Shares were converted into Institutional Shares.

(c) Calculated based on the average shares outstanding methodology.

(d) Assumes investment at the net asset value at the beginning of the year, reinvestment of all dividends and distributions, and a complete redemption of the investment at the net asset value at the end of the year. Returns do not reflect the deduction of taxes that a shareholder would pay on capital gains or other taxable distributions or the redemption of Fund shares.



## Kansas Tax-Free Intermediate Bond Fund

	For the Fiscal Years Ended 10/31				
	2009 <sup>(a)</sup>	2008	2007	2006 <sup>(b)</sup>	2005
<b>Net asset value, beginning of year</b>	\$ 17.90	\$ 18.58	\$ 18.78	\$ 18.75	\$ 19.33
<b>Income (loss) from investment operations:</b>					
Net investment income <sup>(c)</sup>	0.63	0.64	0.66	0.70	0.69
Net realized and unrealized gain (loss)	1.20	(0.63)	(0.14)	0.08	(0.56)
Total from investment operations	1.83	0.01	0.52	0.78	0.13
<b>Distributions to shareholders:</b>					
From net investment income	(0.64)	(0.64)	(0.66)	(0.70)	(0.69)
From net realized gains	(0.04)	(0.05)	(0.06)	(0.05)	(0.02)
Total distributions	(0.68)	(0.69)	(0.72)	(0.75)	(0.71)
<b>Net asset value, end of year</b>	<u>\$ 19.05</u>	<u>\$ 17.90</u>	<u>\$ 18.58</u>	<u>\$ 18.78</u>	<u>\$ 18.75</u>
<b>Total return<sup>(d)</sup></b>	10.33%	0.01%	2.82%	4.28%	0.68%
<b>Net assets at end of year (in 000's)</b>	\$75,878	\$68,986	\$69,270	\$69,075	\$68,128
<b>Ratio of net expenses to average net assets</b>	0.70%	0.70%	0.68%	0.65%	0.65%
<b>Ratio of net investment income to average net assets</b>	3.38%	3.46%	3.55%	3.75%	3.64%
<b>Ratios assuming no expense reductions:</b>					
Ratio of total expenses to average net assets	0.93%	0.90%	0.92%	0.98%	1.00%
Ratio of net investment income to average net assets	3.15%	3.26%	3.31%	3.42%	3.29%
<b>Portfolio turnover rate</b>	16%	13%	18%	33%	13%

(a) On February 10, 2009, all outstanding Institutional Shares were redesignated as Shares.

(b) On February 3, 2006, all outstanding Service Shares were converted into Institutional Shares.

(c) Calculated based on the average shares outstanding methodology.

(d) Assumes investment at the net asset value at the beginning of the year, reinvestment of all dividends and distributions, and a complete redemption of the investment at the net asset value at the end of the year. Returns do not reflect the deduction of taxes that a shareholder would pay on capital gains or other taxable distributions or the redemption of Fund shares.

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March 1, 2010

## The Commerce Funds

### How Can I Contact The Commerce Funds?

If you would like more information about The Commerce Funds, you may request the following documents:

#### Statement of Additional Information

The Statement of Additional Information (SAI) contains additional information about the Funds and is incorporated by reference into this prospectus.

#### Securities and Exchange Commission Reports

You can review and copy, after paying a duplicating fee, the reports of the Funds and the SAI by writing to the SEC's Public Reference Section, Washington, D.C. 20459-1520 or by electronic request to: [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by visiting the Public Reference Room. Call the SEC at 1-202-551-8090 for information on operation of the public reference room. You can get copies of this information for free on the SEC's EDGAR database at <http://www.sec.gov>.

#### Annual and Semi-Annual Reports

The Funds' annual and semi-annual reports contain additional information about the Funds' investments. The annual report also discusses market conditions and investment strategies that significantly affected the Funds' performance during their last fiscal year. To make shareholder inquiries, to receive free copies of the SAI and the annual and semi-annual reports, or to request other information about the Funds, contact The Commerce Funds in writing, via the World Wide Web, or by telephone, as listed below. You can also access and download the annual and semi-annual reports and the SAI at the Funds' website listed below.

P.O. Box 219525  
Kansas City, Missouri 64121-9525

[www.commercefunds.com](http://www.commercefunds.com)

1-800-995-6365  
(8 a.m. – 5 p.m. CST)

The Funds' investment company registration number is  
811-8598

