

**SUPPLEMENT TO THE CURRENTLY EFFECTIVE PROSPECTUS
OF EACH OF THE LISTED FUNDS:**

**Cash Reserve Fund, Inc.: Treasury Series
Treasury Money Fund — Institutional Class
DWS U.S. Treasury Money Fund
Treasury Money Fund Investment**

Deutsche Asset Management (“DeAM”), is proposing the following mergers as part of DeAM’s initiative to restructure and streamline the family of DWS funds. In the chart below the Acquired Funds on the left are proposed to be merged into the Acquiring Funds on the right.

Acquired Funds	Acquiring Funds
Cash Reserve Fund, Inc.: Treasury Series	Investor Cash Trust: Treasury Portfolio
Treasury Money Fund — Institutional Class	Investor Cash Trust: Treasury Portfolio
DWS U.S. Treasury Money Fund	Investor Cash Trust: Treasury Portfolio
Treasury Money Fund Investment	Investor Cash Trust: Treasury Portfolio

Completion of each merger is subject to a number of conditions, including final approval by each Fund’s Board and approval by shareholders of the Acquired Fund at a shareholder meeting expected to be held during the early part of 2007. Prior to the shareholder meeting, shareholders of each Acquired Fund will receive (i) a Prospectus/Proxy Statement describing in detail the proposed merger and summarizing the Board’s considerations in recommending that shareholders approve the merger, (ii) a proxy card(s) and instructions on how to submit a vote and (iii) a Prospectus for the applicable Acquiring Fund.

Please retain this supplement for future reference.

**SUPPLEMENT TO THE CURRENTLY EFFECTIVE PROSPECTUSES
OF EACH OF THE LISTED FUNDS:**

Cash Reserve Fund, Inc.

Prime Series

Tax-Free Series

Treasury Series

DWS Communications Fund

DWS Equity Partners Fund

DWS Value Builder Fund

The following information revises "The investment advisor" section in the funds' prospectuses:

Effective March 31, 2007, Investment Company Capital Corp. ("ICCC"), the above-noted funds' current investment advisor, will be merged into Deutsche Investment Management Americas Inc. ("DIMA"). Each fund's Board has approved a new investment management agreement between each fund and DIMA. The new investment management agreements are identical in substance to the current investment management agreement for each fund except for the named investment advisor. ICCC and DIMA are each indirect, wholly owned subsidiaries of Deutsche Bank AG.

Please Retain This Supplement for Future Reference

**SUPPLEMENT TO THE CURRENTLY EFFECTIVE INSTITUTIONAL CLASS PROSPECTUSES
OF EACH OF THE LISTED FUNDS/PORTFOLIOS:**

Cash Account Trust

Government & Agency Securities Portfolio
Money Market Portfolio
Tax-Exempt Portfolio

Cash Management Fund Institutional

Cash Reserve Fund, Inc.

Prime Series
Tax-Free Series
Treasury Series

Daily Assets Fund Institutional

DWS Balanced Fund

DWS Blue Chip Fund

DWS Capital Growth Fund

DWS Commodity Securities Fund

DWS Communications Fund

DWS Core Fixed Income Fund

DWS Core Plus Allocation Fund

DWS Core Plus Income Fund

**DWS Disciplined Long/Short
Growth Fund**

DWS Disciplined Long/Short Value Fund

DWS Disciplined Market Neutral Fund

DWS Dreman Concentrated Value Fund

DWS Dreman High Return Equity Fund

DWS Dreman Mid Cap Value Fund

DWS Dreman Small Cap Value Fund

DWS EAFE® Equity Index Fund

DWS Equity 500 Index Fund

DWS Equity Income Fund

DWS Equity Partners Fund

DWS Europe Equity Fund

DWS Growth & Income Fund

DWS Health Care Fund

DWS High Income Fund

DWS High Income Plus Fund

DWS High Yield Tax Free Fund

DWS Inflation Protected Plus Fund

DWS Intermediate Tax/AMT Free Fund

DWS International Fund

DWS International Select Equity Fund

**DWS International Value Opportunities
Fund**

DWS Large Cap Value Fund

DWS Large Company Growth Fund

DWS Lifecycle Long Range Fund

DWS Managed Municipal Bond Fund

DWS Micro Cap Fund

DWS Mid Cap Growth Fund

DWS Money Market Series

**DWS RREEF Global Real Estate Securities
Fund**

DWS RREEF Real Estate Securities Fund

DWS Short Duration Fund

DWS Short-Term Municipal Bond Fund

DWS Small Cap Growth Fund

DWS Technology Fund

DWS U.S. Bond Index Fund

DWS U.S. Government Securities Fund

DWS Value Builder Fund

Treasury Money Fund

The following information replaces in its entirety the disclosure under "Investment minimums" in the "Buying and Selling Institutional Class Shares" section of each fund's/portfolio's Institutional Class prospectuses:

Investment minimums

Your initial investment must be for at least \$1,000,000. There are no minimum subsequent investment requirements.

The minimum initial investment is waived for:

- Shareholders with existing accounts prior to August 13, 2004 who met the previous minimum investment eligibility requirement.
- Investment advisory affiliates of Deutsche Bank Securities, Inc., DWS funds or Deutsche funds purchasing shares for the accounts of their investment advisory clients.
- Employee benefit plans with assets of at least \$50 million.
- Clients of the private banking division of Deutsche Bank AG.
- Institutional clients and qualified purchasers that are clients of a division of Deutsche Bank AG.
- A current or former director or trustee of the Deutsche or DWS mutual funds.
- An employee, the employee's spouse or life partner and children or stepchildren age 21 or younger of Deutsche Bank or its affiliates or a sub-advisor to any fund in the DWS family of funds or a broker-dealer authorized to sell shares of the funds.
- Registered investment advisors who trade through platforms approved by the Advisor and whose client assets in the aggregate meet the \$1,000,000 minimum investment.

Each fund reserves the right to modify the above eligibility requirements and investment minimums at any time.

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SUPPLEMENT TO THE CURRENTLY EFFECTIVE PROSPECTUSES OF EACH OF THE LISTED FUNDS/PORTFOLIOS:

Cash Account Trust

Government & Agency Securities Portfolio
Money Market Portfolio
Tax-Exempt Portfolio

Cash Management Fund Institutional

Cash Management Fund Investment

Cash Reserve Fund, Inc.

Prime Series
Tax-Free Series
Treasury Series

Cash Reserves Fund Institutional

Daily Assets Fund Institutional

DWS Balanced Fund

DWS Blue Chip Fund

DWS California Tax-Free Income Fund

DWS Capital Growth Fund

DWS Cash Investment Trust

DWS Commodity Securities Fund

DWS Communications Fund

DWS Conservative Allocation Fund

DWS Core Fixed Income Fund

DWS Core Plus Allocation Fund

DWS Core Plus Income Fund

DWS Disciplined Long/Short Growth Fund

DWS Disciplined Long/Short Value Fund

DWS Disciplined Market Neutral Fund

DWS Dreman Concentrated Value Fund

DWS Dreman High Return Equity Fund

DWS Dreman Mid Cap Value Fund

DWS Dreman Small Cap Value Fund

DWS EAFE[®] Equity Index Fund

DWS Emerging Markets Equity Fund

DWS Emerging Markets Fixed Income Fund

DWS Enhanced S&P 500 Index Fund

DWS Equity 500 Index Fund

DWS Equity Income Fund

DWS Equity Partners Fund

DWS Europe Equity Fund

DWS Global Bond Fund

DWS Global Opportunities Fund

DWS Global Thematic Fund

DWS GNMA Fund

DWS Gold & Precious Metals Fund

DWS Growth & Income Fund

DWS Growth Allocation Fund

DWS Growth Plus Allocation Fund

DWS Health Care Fund

DWS High Income Fund

DWS High Income Plus Fund

DWS High Yield Tax Free Fund

DWS Inflation Protected Plus Fund

DWS Intermediate Tax/AMT Free Fund

DWS International Equity Fund

DWS International Fund

DWS International Select Equity Fund

DWS International Value Opportunities Fund

DWS Japan Equity Fund

DWS Large Cap Value Fund

DWS Large Company Growth Fund

DWS Latin America Equity Fund

DWS Lifecycle Long Range Fund

DWS Managed Municipal Bond Fund

DWS Massachusetts Tax-Free Fund

DWS Micro Cap Fund

DWS Mid Cap Growth Fund

DWS Moderate Allocation Fund

DWS Money Funds

DWS Government & Agency Money Fund

DWS Money Market Prime Series

DWS Tax-Exempt Money Fund

DWS Money Market Series

DWS New York Tax-Free Income Fund

DWS Pacific Opportunities Equity Fund

DWS RREEF Global Real Estate Securities Fund

DWS RREEF Real Estate Securities Fund

DWS S&P 500 Index Fund

DWS Short Duration Fund

DWS Short Duration Plus Fund

DWS Short Term Bond Fund

DWS Short-Term Municipal Bond Fund

DWS Small Cap Core Fund

DWS Small Cap Growth Fund

DWS Small Cap Value Fund

DWS Strategic Income Fund

DWS Target 2008 Fund

DWS Target 2010 Fund

DWS Target 2011 Fund

DWS Target 2012 Fund

DWS Target 2013 Fund

DWS Target 2014 Fund

DWS Tax Free Money Fund

DWS Technology Fund

DWS U.S. Bond Index Fund

DWS U.S. Government Securities Fund

DWS U.S. Treasury Money Fund

DWS Value Builder Fund

Investors Cash Trust

Government & Agency Securities Portfolio
Treasury Portfolio

Investors Municipal Cash Fund

Investors Florida Municipal Cash Fund

Investors Michigan Municipal Cash Fund

Investors New Jersey Municipal Cash Fund

Investors Pennsylvania Municipal Cash Fund

Tax-Exempt New York Money Market Fund

Money Market Fund Investment

NY Tax Free Money Fund

Tax Free Money Fund Investment

Tax-Exempt California Money Market Fund

Treasury Money Fund

Treasury Money Fund Investment

The following information supplements disclosure under "Market timing related regulatory and litigation matters" in the "Who Manages and Oversees the Fund" section of each fund's/portfolio's prospectuses:

Legal proceedings

On December 21, 2006, Deutsche Asset Management ("DeAM") settled proceedings with the Securities and Exchange Commission ("SEC") and the New York Attorney General on behalf of Deutsche Asset Management, Inc. ("DAMI") and Deutsche Investment Management Americas Inc. ("DIMA"), the investment advisors to many of the DWS Scudder funds,

regarding allegations of improper trading at DeAM and at the legacy Scudder and Kemper organizations prior to their acquisition by DeAM in April 2002. These regulators alleged that although the prospectuses for certain funds in the regulators' view indicated that the funds did not permit market timing, DAMI and DIMA breached their fiduciary duty to those funds in that their efforts to limit trading activity in the funds were not effective at certain times. The regulators also alleged that DAMI and DIMA breached their fiduciary duty to certain funds by entering into certain market timing arrangements with investors. These trading arrangements originated in businesses that existed prior to the currently constituted DeAM organization, which came together as a result of various mergers of the legacy Scudder, Kemper and Deutsche fund groups, and all of the arrangements were terminated prior to the start of the regulatory investigations that began in the summer of 2003. No current DeAM employee approved these trading arrangements. Under the terms of the settlements, DAMI and DIMA neither admit nor deny any wrongdoing.

The terms of the SEC settlement, which identified improper trading in the legacy Deutsche and Kemper mutual funds only, provide for payment of disgorgement in the amount of \$17.2 million. The terms of the settlement with the New York Attorney General provide for payment of disgorgement in the amount of \$102.3 million, which is inclusive of the amount payable under the SEC settlement, plus a civil penalty in the amount of \$20 million. The total amount payable by DeAM, approximately \$122.3 million, would be distributed to funds and/or shareholders of the affected funds in accordance with a distribution plan to be developed by a distribution consultant. The funds' investment advisors do not believe these amounts will have a material adverse financial impact on them or materially affect their ability to perform under their investment management agreements with the DWS funds. The above-described amounts are not material to Deutsche Bank, and have already been reserved.

Among the terms of the settled orders, DeAM is subject to certain undertakings regarding the conduct of its business in the future, including: formation of a Code of Ethics Oversight Committee to oversee all matters relating to issues arising under the advisors' Code of Ethics; establishment of an Internal Compliance Controls Committee having overall compliance oversight responsibility of the advisors; engagement of an Independent Compliance Consultant to conduct a comprehensive review of the advisors' supervisory compliance and other policies and procedures designed to prevent and detect breaches of fiduciary duty, breaches of the Code of Ethics and federal securities law violations by the advisors and their employees; and commencing in 2008, the advisors shall undergo a compliance review by an independent third party.

In addition, DeAM is subject to certain further undertakings relating to the governance of the mutual funds, including that: at least 75% of the members of the Boards of Trustees/Directors overseeing the DWS Funds continue to be independent of DeAM; the Chairmen of the DWS Funds' Boards of Trustees/Directors continue to be independent of DeAM; DeAM maintain existing management fee reductions for certain funds for a period of five years and not increase management fees for certain funds during this period; the funds retain a senior officer (or independent consultants) responsible for assisting in the review of fee arrangements and monitoring compliance by the funds and the investment advisors with securities laws, fiduciary duties, codes of ethics and other compliance policies, the expense of which shall be borne by DeAM; and periodic account statements, fund prospectuses and the mutual funds' Web site contain additional disclosure and/or tools that assist investors in understanding the fees and costs associated with an investment in the funds and the impact of fees and expenses on fund returns.

DeAM also continues to discuss a settlement with the Illinois Secretary of State regarding market timing matters. As previously disclosed, DeAM expects a settlement with the Illinois Secretary of State to provide for investor education contributions totaling approximately \$4 million and a payment in the amount of \$2 million to the Securities Audit and Enforcement Fund.

The matters alleged in the regulatory settlements described above also serve as the general basis of a number of private class action lawsuits involving the DWS funds. These lawsuits name as defendants various persons, including certain DWS funds, the funds' investment advisors and their affiliates, and certain individuals, including in some cases fund Trustees/Directors, officers, and other parties. Each DWS fund's investment advisor has agreed to indemnify the applicable DWS funds in connection with these lawsuits, or other lawsuits or regulatory actions that may be filed making similar allegations.

Based on currently available information, the funds' investment advisors believe the likelihood that the pending lawsuits will have a material adverse financial impact on a DWS fund is remote and such actions are not likely to materially affect their ability to perform under their investment management agreements with the DWS funds.

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SUPPLEMENT TO THE CURRENTLY EFFECTIVE PROSPECTUSES OF EACH OF THE LISTED FUNDS/PORTFOLIOS:

Cash Account Trust

Government & Agency Securities Portfolio
 Money Market Portfolio
 Tax-Exempt Portfolio

Cash Management Fund Institutional

Cash Management Fund Investment

Cash Reserve Fund, Inc.

Prime Series
 Tax-Free Series
 Treasury Series

Cash Reserves Fund Institutional

Daily Assets Fund Institutional

DWS Balanced Fund

DWS Blue Chip Fund

DWS California Tax-Free Income Fund

DWS Capital Growth Fund

DWS Cash Investment Trust

DWS Commodity Securities Fund

DWS Communications Fund

DWS Conservative Allocation Fund

DWS Core Fixed Income Fund

DWS Core Plus Allocation Fund

DWS Core Plus Income Fund

DWS Disciplined Market Neutral Fund

DWS Dreman Concentrated Value Fund

DWS Dreman Financial Services Fund

DWS Dreman High Return Equity Fund

DWS Dreman Mid Cap Value Fund

DWS Dreman Small Cap Value Fund

DWS EAFE® Equity Index Fund

DWS Emerging Markets Equity Fund

DWS Emerging Markets Fixed Income Fund

DWS Enhanced S&P 500 Index Fund

DWS Equity 500 Index Fund

DWS Equity Income Fund

DWS Equity Partners Fund

DWS Europe Equity Fund

DWS Global Bond Fund

DWS Global Opportunities Fund

DWS Global Thematic Fund

DWS GNMA Fund

DWS Gold & Precious Metals Fund

DWS Growth & Income Fund

DWS Growth Allocation Fund

DWS Growth Plus Allocation Fund

DWS Health Care Fund

DWS High Income Fund

DWS High Income Plus Fund

DWS High Yield Tax Free Fund

DWS Inflation Protected Plus Fund

DWS Intermediate Tax/AMT Free Fund

DWS International Equity Fund

DWS International Fund

DWS International Select Equity Fund

DWS International Value Opportunities Fund

DWS Japan Equity Fund

DWS Large Cap Value Fund

DWS Large Company Growth Fund

DWS Latin America Equity Fund

DWS Lifecycle Long Range Fund

DWS Managed Municipal Bond Fund

DWS Massachusetts Tax-Free Fund

DWS Micro Cap Fund

DWS Mid Cap Growth Fund

DWS Moderate Allocation Fund

DWS Money Funds

DWS Government & Agency Money Fund

DWS Money Market Prime Series

DWS Tax-Exempt Money Fund

DWS Money Market Series

DWS New York Tax-Free Income Fund

DWS Pacific Opportunities Equity Fund

DWS RREEF Global Real Estate Securities Fund

DWS RREEF Real Estate Securities Fund

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Tax-Exempt New York Money Market Fund

Money Market Fund Investment

NY Tax Free Money Fund

Tax Free Money Fund Investment

Tax-Exempt California Money Market Fund

Treasury Money Fund

Treasury Money Fund Investment

The following information supplements disclosure in the purchase and redemption information section of each fund's/portfolio's prospectuses:

The fund's investment advisor (the "Advisor"), DWS Scudder Distributors, Inc. (the "Distributor") and/or their affiliates may pay additional compensation, out of their own assets and not as an additional charge to the fund, to selected affiliated and unaffiliated brokers, dealers, participating insurance companies or other financial intermediaries ("financial advisors") in connection with the sale and/or distribution of fund shares or the retention and/or servicing of fund investors and fund shares ("revenue sharing"). Such revenue sharing payments are in addition to any distribution or service fees payable under any Rule 12b-1 or service plan of any fund, any record keeping/sub-transfer agency fees payable by the

fund (generally by reimbursement to the Distributor or an affiliate) to certain financial advisors for performing such services and any sales charges, commissions, non-cash compensation arrangements expressly permitted under applicable rules of the NASD or other concessions described in the fee table or elsewhere in this prospectus or the SAI as payable to all financial advisors. For example, the Advisor, the Distributor and/or their affiliates may compensate financial advisors for administrative, sub-accounting, or shareholder processing services and/or for providing a fund with "shelf space" or access to a third party platform or fund offering list, or other marketing programs including, without limitation, inclusion of the fund on preferred or recommended sales lists, mutual fund "supermarket" platforms and other formal sales programs; granting the Distributor access to the financial advisor's sales force; granting the Distributor access to the financial advisor's conferences and meetings; assistance in training and educating the financial advisor's personnel; and, obtaining other forms of marketing support. The level of revenue sharing payments made to financial advisors may be a fixed fee or based upon one or more of the following factors: gross sales, current assets and/or number of accounts of the fund attributable to the financial advisor, the particular fund or fund type or other measures as agreed to by the Advisor, the Distributor and/or their affiliates and the financial advisors or any combination thereof. The amount of these revenue sharing payments is determined at the discretion of the Advisor, the Distributor and/or their affiliates from time to time, may be substantial, and may be different for different financial advisors based on, for example, the nature of the services provided by the financial advisor.

The Advisor, the Distributor and/or their affiliates currently make revenue sharing payments from their own assets in connection with the sale and/or distribution of DWS Fund shares or the retention and/or servicing of investors and DWS Fund shares to financial advisors in amounts that generally range from .01% up to .50% of assets of the fund serviced and maintained by the financial advisor, .05% to .40% of sales of the fund attributable to the financial advisor, a flat fee of \$12,500 up to \$500,000, or any combination thereof. These amounts are subject to change at the discretion of the Advisor, the Distributor and/or their affiliates. Receipt of, or the prospect of receiving, this additional compensation, may influence your financial advisor's recommendation of this fund or of any particular share class of the fund. You should review your financial advisor's compensation disclosure and/or talk to your financial advisor to obtain more information on how this compensation may have influenced your financial advisor's recommendation of this fund. Additional information regarding these revenue sharing payments is included in the fund's SAI, which is available to you on request at no charge (see the back cover of this prospectus for more information on how to request a copy of the SAI).

The Advisor, the Distributor and/or their affiliates may also make such revenue sharing payments to financial advisors under the terms discussed above in connection with the distribution of both DWS funds and non-DWS funds by financial advisors to retirement plans that obtain record keeping services from ADP, Inc. on the DWS Scudder branded retirement plan platform (the "Platform") with the level of revenue sharing payments being based upon sales of both the DWS funds and the non-DWS funds by the financial advisor on the Platform or current assets of both the DWS funds and the non-DWS funds serviced and maintained by the financial advisor on the Platform.

It is likely that broker-dealers that execute portfolio transactions for the fund will include firms that also sell shares of the DWS funds to their customers. However, the Advisor will not consider sales of DWS fund shares as a factor in the selection of broker-dealers to execute portfolio transactions for the DWS funds. Accordingly, the Advisor has implemented policies and procedures reasonably designed to prevent its traders from considering sales of DWS fund shares as a factor in the selection of broker-dealers to execute portfolio transactions for the fund. In addition, the Advisor, the Distributor and/or their affiliates will not use fund brokerage to pay for their obligation to provide additional compensation to financial advisors as described above.

Please Retain This Supplement for Future Reference

**SUPPLEMENT TO THE CURRENTLY EFFECTIVE PROSPECTUS
OF EACH OF THE LISTED FUNDS:**

<p>DWS Pacific Opportunities Fund</p> <p>Investors Cash Trust: Government & Agency Securities Portfolio</p> <p>DWS Government & Agency Money Fund</p> <p>Cash Reserve Fund, Inc.: Tax-Free Series</p> <p>Tax Free Money Fund Investment</p> <p>DWS Tax-Exempt Money Fund</p>	<p>DWS Tax-Free Money Fund</p> <p>Cash Reserve Fund, Inc.: Treasury Series</p> <p>Treasury Money Fund — Institutional Class</p> <p>DWS U.S. Treasury Money Fund</p> <p>Treasury Money Fund Investment</p> <p>Tax-Exempt New York Money Market Fund</p> <p>DWS Cash Investment Trust</p>
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Deutsche Asset Management (“DeAM”), is proposing the following mergers as part of DeAM’s initiative to restructure and streamline the family of DWS funds. In the chart below the Acquired Funds on the left are proposed to be merged into the Acquiring Funds on the right.

Acquired Funds	Acquiring Funds
DWS Pacific Opportunities Fund	DWS International Fund
Investors Cash Trust: Government & Agency Securities Portfolio	Cash Account Trust: Government & Agency Securities Portfolio
DWS Government & Agency Money Fund	Cash Account Trust: Government & Agency Securities Portfolio
Cash Reserve Fund, Inc.: Tax-Free Series	Cash Account Trust: Tax-Exempt Portfolio
Tax Free Money Fund Investment	Cash Account Trust: Tax-Exempt Portfolio
DWS Tax-Exempt Money Fund	Cash Account Trust: Tax-Exempt Portfolio
DWS Tax-Free Money Fund	Cash Account Trust: Tax-Exempt Portfolio
Cash Reserve Fund, Inc.: Treasury Series	Investors Cash Trust: Treasury Portfolio
Treasury Money Fund — Institutional Class	Investors Cash Trust: Treasury Portfolio
DWS U.S. Treasury Money Fund	Investors Cash Trust: Treasury Portfolio
Treasury Money Fund Investment	Investors Cash Trust: Treasury Portfolio
Tax-Exempt New York Money Market Fund	NY Tax Free Money Fund Investment
DWS Cash Investment Trust	DWS Money Market Fund

Completion of each merger is subject to a number of conditions, including final approval by each Fund’s Board and approval by shareholders of the Acquired Fund at a shareholder meeting expected to be held during the fourth quarter of 2006. Prior to the shareholder meeting, shareholders of each Acquired Fund will receive (i) a Prospectus/Proxy Statement describing in detail the proposed merger and summarizing the Board’s considerations in recommending that shareholders approve the merger, (ii) a proxy card(s) and instructions on how to submit a vote and (iii) a Prospectus for the applicable Acquiring Fund.

Please Retain This Supplement for Future Reference

Cash Reserve Fund

Institutional Shares

Prime Series

Treasury Series

Tax-Free Series

Prospectus

August 1, 2006

Like shares of all mutual funds, 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.

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- 37** Policies You Should Know About
- 43** Understanding Distributions and Taxes

Cash Reserve Fund — Prime Series

The Series' Main Investment Strategy

The Prime Series seeks a high level of current income consistent with liquidity and the preservation of capital by investing in high quality short-term money market instruments.

While Investment Company Capital Corp. or the gives priority to earning income and maintaining a stable price of \$1.00 per share, all money market instruments, including US Treasury obligations, can change in value when interest rates change or a creditworthiness changes.

The fund will invest more than 25% of its total assets in obligations of banks and other financial institutions.

The Prime Series seeks current income by investing in high quality, short-term money market securities and maintains a dollar-weighted average maturity of 90 days or less. The Advisor actively adjusts the average maturity of the Prime Series in response to its outlook for interest rates and the economy. The Prime Series is managed in accordance with Rule 2a-7 under the Investment Company Act of 1940, as amended (the "1940 Act"). Institutional Shares of the Prime Series may be purchased only by eligible institutions. The Prime Series follows two policies designed to maintain a stable share price:

- Generally, Prime Series securities are valued in US dollars and have remaining maturities of 397 days (approximately 13 months) or less at the time of purchase. The Prime Series may also invest in securities that have features that reduce their maturities to 397 days or less at the time of purchase.
- The Prime Series buys US Treasury obligations, money market instruments and other debt obligations that at the time of purchase:

- have received one of the two highest short-term ratings from two nationally recognized statistical rating organizations (NRSROs);
- have received one of the two highest short-term ratings from one NRSRO (if only one organization rates the security);
- are unrated, but are determined to be of comparable quality by the Advisor; or
- have no short-term rating, but are rated in one of the top three highest long-term rating categories by at least one NRSRO, and are determined to be of comparable quality by the Advisor.

Principal investments

The Prime Series may invest in high quality, short-term, US dollar-denominated money market instruments paying a variable or interest rate. The Prime investments may include:

- Debt obligations issued by US and foreign banks, financial institutions, corporations, municipalities or other entities, including certificates of deposit, bankers' acceptances, commercial paper, variable rate demand notes, funding agreements and US Treasury obligations. Securities that do not satisfy the maturity restrictions for a money market fund may be specifically structured so that they are eligible investments for money market funds. For example, some securities have features which have the effect of shortening the security's maturity.
- US government securities that are issued or guaranteed by the US Treasury, or by agencies or instrumentalities of the US government.
- Repurchase agreements, which are agreements to buy securities at one price, with a simultaneous agreement to sell back the securities at a future date at an agreed-upon price.
- Asset-backed securities, which are generally participations in a pool of assets whose payment is derived from the payments generated by the underlying assets. Payments on the asset-backed security generally consist of interest and/or principal.

- The Prime Series may invest up to 10% of its total assets in non-affiliated money market mutual funds with investment objectives and policies that are comparable to those of the Prime Series. The Prime Series may invest only in non-affiliated money market mutual funds that maintain an “AAA” rating by an NRSRO.

The Advisor limits exposure to any one issuer.

Working in conjunction with the portfolio managers, the credit team screens potential issuers and develops a list of securities the series may buy. The managers, looking for attractive yield and weighing considerations such as credit quality, economic outlooks and possible interest rate movements, then decide which securities on this list to buy. The managers may adjust the series’ exposure to interest rate risk, typically seeking to take advantage of possible rises in interest rates and to preserve yield when interest rates appear likely to fall.

The Main Risks of Investing in the Series

Set forth below are some of the prominent risks associated with money market mutual funds and the Advisor’s approaches to contain them. Although the Advisor attempts to assess the likelihood that these risks may actually occur and to limit them, there is no guarantee that it will succeed. If a security no longer meets the Prime Series’ credit rating requirements, we will attempt to sell that security within a reasonable time, unless selling the security would not be in the Prime Series’ best interest.

There are several risk factors that could reduce the yield you get from the Prime Series or make it perform less well than other investments.

Interest Rate Risk. Money market instruments, like all debt securities, face the risk that the securities will decline in value because of changes in interest rates. Generally, investments subject to interest rate risk will decrease in value when interest rates rise and increase in value when interest rates decline. To minimize such price fluctuations, the Prime Series limits the average maturity of the securities held by the Prime Series to 90 days or less. Generally, rates of short-term investments fluctuate less than longer-term bonds. The Prime Series primarily buys securities with remaining

maturities of 397 days (approximately 13 months) or less which are less sensitive to interest rate changes than those of longer-term bonds.

Credit Risk. A money market instrument's credit quality depends on the issuer's ability to pay interest on the security and repay the debt: the lower the credit rating, the greater the risk that the security's issuer will default, or fail to meet its payment obligations. The credit risk of a security may also depend on the credit quality of any bank or financial institution that provides credit enhancement for it. An issuer's creditworthiness could decline, which in turn may cause the value of that issuer's securities in the Prime Series' portfolio to decline. Additionally, some securities issued by US government agencies or instrumentalities are supported only by the credit of that agency or instrumentality. There is no guarantee that the US government will provide support to such agencies or instrumentalities and such securities may involve risk of loss of principal and interest. To minimize credit risk, the Prime Series only buys securities determined by the Advisor to be of high quality with minimal credit risk. Also, the Prime Series primarily buys securities with remaining maturities of 397 days (approximately 13 months) or less. This reduces the risk that the issuers' creditworthiness will change, or that the issuer will default on the principal and interest payments of the obligation.

Market Risk. Although individual securities may outperform their market, the entire market may decline as a result of rising interest rates, regulatory developments or deteriorating economic conditions.

Concentration Risk. Because the fund will invest more than 25% of its total assets in obligations of banks and other financial institutions, it may be vulnerable to setbacks in that industry. Banks and other financial institutions are highly dependent on short-term interest rates and can be adversely affected by downturns in the US and foreign economies or changes in banking regulations.

Security Selection Risk. While the Prime Series invests in short-term securities, which by nature are relatively stable investments, the risk remains that the securities in which the Prime Series invests will decline in value. This could cause the Prime Series' returns to lag behind those of similar money market funds.

Repurchase Agreement Risk. A repurchase agreement exposes the Prime Series to the risk that the party that sells the securities may default on its obligation to repurchase them. In this circumstance, the Prime Series can lose money because:

- it cannot sell the securities at the agreed-upon time and price; or
- the securities lose value before they can be sold.

The Prime Series seeks to reduce this risk by monitoring the creditworthiness of the sellers with whom it enters into repurchase agreements. The Prime Series also monitors the value of the securities to ensure that they are at least equal to the total amount of the repurchase obligations, including interest and accrued interest.

Prepayment Risk. When a bond issuer, such as an issuer of asset-backed securities, retains the right to pay off a high yield-bond before it comes due, the issuer may prepay principal earlier than scheduled and the Prime Series may have no choice but to reinvest the proceeds at lower interest rates. Thus, prepayment may reduce the Prime Series' income. It may also create a capital gains tax liability, because bond issuers usually pay a premium for the right to pay off bonds early.

An investment in the Prime Series is not insured or guaranteed by the FDIC or any other government agency. Although the Prime Series seeks to preserve the value of your investment at \$1.00 per share, this share price isn't guaranteed and you could lose money by investing in the Prime Series.

The Series' Performance History

While past performance isn't necessarily a sign of how the Prime Series will do in the future, it can be valuable for an investor to know.

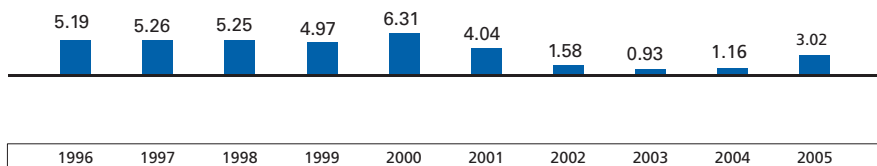
The bar chart shows how the total returns for the Prime Series Institutional Shares have varied from year to year, which may give some idea of risk. The table shows how the Prime Series Institutional Shares returns over different periods average out. All figures on this page assume reinvestment of dividends and distributions. As always, past performance is no guarantee of future results.

As of December 31, 2005, the Prime Series Institutional Shares' **7-day yield** was 4.01%. To learn the current 7-day yield, investors may call the fund's Service Center at 1-800-730-1313.

The **7-day yield**, which is often referred to as the "current yield," is the income generated by the Prime Series Institutional Shares over a seven-day period. This amount is then annualized, which means that we assume the Prime Series Institutional Shares generate the same income every week for a year. The "total return" of the Prime Series Institutional Shares is the change in the value of an investment in the Prime Series Institutional Shares over a given period. Average annual returns are calculated by averaging the year-by-year returns of the Prime Series Institutional Shares over a given period.

Cash Reserve Fund — Prime Series Institutional Shares

Annual Total Returns (%) as of 12/31 each year



2006 Total Return as of June 30: 2.20%

For the periods included in the bar chart:

Best Quarter: 1.61%, Q3 2000

Worst Quarter: 0.20%, Q3 2003

Average Annual Total Returns (%) as of 12/31/2005

1 Year	5 Years	10 Years
3.02	2.14	3.75

How Much Investors Pay

The fee table below describes the fees and expenses that you may pay if you buy and hold Prime Series Institutional Shares.

Fee Table	
Shareholder Fees (paid directly from your investment)	None
Management Fees ¹	0.29%
Distribution and/or Service (12b-1) Fees	None
Other Expenses ²	0.04
Total Annual Fund Operating Expenses³	0.33

¹ Amended and restated to reflect a new Investment Management Agreement that went into effect on July 1, 2006. Includes an Administrative Services Agreement fee of 0.10%.

² Restated on an annualized basis to reflect approved fee changes that went into effect on July 1, 2006.

³ Through September 30, 2006 the advisor and the administrator have contractually agreed to waive a portion of their fees and/or reimburse expenses so that total annual operating expenses will not exceed .318%. Although there can be no assurance that the current (or any) waiver/expense reimbursement arrangement will be maintained beyond September 30, 2006, the advisor has committed to review the continuance of waiver/expense reimbursement arrangements by September 30, 2006.

Based on the costs above, this example helps you compare the series' expenses to those of other mutual funds. The example assumes the expenses above remain the same, that you invested \$10,000, earned

5% annual returns, reinvested all dividends and distributions and sold your shares at the end of each period. This is only an example; actual expenses will be different.

Example	1 Year	3 Years	5 Years	10 Years
	\$34	\$106	\$185	\$418

Cash Reserve Fund — Treasury Series

The Series' Main Investment Strategy

The Treasury Series seeks a high level of current income consistent with liquidity and the preservation of capital by investing in securities issued by the US Treasury.

While the Advisor gives priority to earning income and maintaining a stable price of \$1.00 per share, all money market instruments, including US Treasury obligations, can change in value when interest rates change or an issuer's creditworthiness changes.

The Treasury Series seeks current income by investing in short-term securities issued by the US Treasury and maintains a dollar-weighted average maturity of 90 days or less. The Advisor actively adjusts the average maturity of the Treasury Series in response to its outlook for interest rates and the economy. The Treasury Series is managed in accordance with Rule 2a-7 under the 1940 Act. Institutional Shares of the Treasury Series may be purchased only by eligible institutions. The Treasury Series follows the following policy designed to maintain a stable share price:

- Generally, Treasury Series securities are valued in short-term securities issued by the US dollars and have remaining maturities of 397 days (approximately 13 months) or less at the time of purchase or have features that reduce their maturities to 397 days or less at the time of purchase.

Principal Investments

While the Treasury Series may invest, to a limited extent, in repurchase agreements, the Advisor expects that under normal market conditions 100% of the Treasury Series will be invested in US Treasury securities. The Treasury Series' investments may include:

- US Treasury obligations.

- US government securities that are issued or guaranteed by the US Treasury.
- The Treasury Series may invest up to 10% of its total assets in non-affiliated money market mutual funds with investment objectives and policies that are comparable to those of the Treasury Series. The Treasury Series may invest only in non-affiliated money market mutual funds that maintain an “AAA” rating by a nationally recognized statistical ratings organization.

Working in conjunction with the portfolio managers, the credit team screens potential issuers and develops a list of securities the series may buy. The managers, looking for attractive yield and weighing considerations such as credit quality, economic outlooks and possible interest rate movements, then decide which securities on this list to buy. The managers may adjust the series’ exposure to interest rate risk, typically seeking to take advantage of possible rises in interest rates and to preserve yield when interest rates appear likely to fall.

The Main Risks of Investing in the Series

Below are set forth some of the prominent risks associated with money market mutual funds and the Advisor’s approaches to contain them. Although the Advisor attempts to assess the likelihood that these risks may actually occur and to limit them, there is no guarantee that it will succeed. If a security no longer meets the Treasury Series’ credit rating requirements, we will attempt to sell that security within a reasonable time, unless selling the security would not be in the Treasury Series’ best interest.

There are several risk factors that could reduce the yield you get from the Treasury Series or make it perform less well than other investments.

Interest Rate Risk. Money market instruments, like all debt securities, face the risk that the securities will decline in value because of changes in interest rates. Generally, investments subject to interest rate risk will decrease in value when interest rates rise and increase in value when interest rates decline. The yield on US Treasury securities is generally less than the yields on other taxable investments because Treasury securities are generally viewed as involving minimal credit risk as compared to other taxable investments. To minimize such price fluctuations, the Treasury Series limits the average maturity of the securities held by the Treasury Series to 90 days or less. Generally, rates of short-term investments fluctuate less than longer-term bonds. The Treasury Series primarily buys securities with remaining maturities of 397 days (approximately 13 months) or less which are less sensitive to interest rate changes than longer-term bonds.

Market Risk. Although individual securities may outperform their market, the entire market may decline as a result of rising interest rates, regulatory developments or deteriorating economic conditions.

Security Selection Risk. While the Treasury Series invests in short-term securities, which by nature are relatively stable investments, the risk remains that the securities in which the Treasury Series invests will decline in value. This could cause the Treasury Series' returns to lag behind those of similar money market funds.

An investment in the Treasury Series is not insured or guaranteed by the FDIC or any other government agency. Although the Treasury Series seeks to preserve the value of your investment at \$1.00 per share, this share price isn't guaranteed and you could lose money by investing in the Treasury Series.

The Series' Performance History

While past performance isn't necessarily a sign of how the Treasury Series will do in the future, it can be valuable for an investor to know.

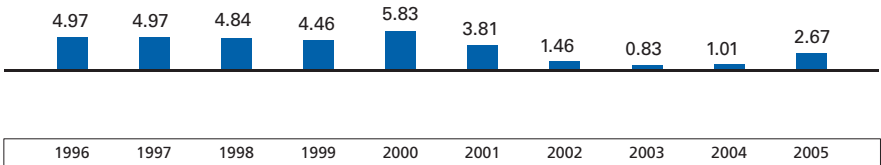
The bar chart shows how the total returns for the Treasury Series Shares have varied from year to year, which may give some idea of risk. The table shows how the Treasury Series Institutional Shares returns over different periods average out. All figures on this page assume reinvestment of dividends and distributions. As always, past performance is no guarantee of future results.

As of December 31, 2005, the Treasury Series Institutional Shares' **7-day yield** was 3.52%. To learn the current 7-day yield, investors may call the fund's Service Center at 1-800-730-1313.

The **7-day yield**, which is often referred to as the "current yield," is the income generated by the Treasury Series Institutional Shares over a seven-day period. This amount is then annualized, which means that we assume the Treasury Series Institutional Shares generate the same income every week for a year. The "total return" of the Treasury Series Institutional Shares is the change in the value of an investment in the Treasury Series Institutional Shares over a given period. Average annual returns are calculated by averaging the year-by-year returns of the Treasury Series Institutional Shares over a given period.

Cash Reserve Fund — Treasury Series

Annual Total Returns (%) as of 12/31 each year



2006 Total Return as of June 30: 2.02%

For the periods included in the bar chart:

Best Quarter: 1.53%, Q4 2000

Worst Quarter: 0.17%, Q1 2004

Average Annual Total Returns (%) as of 12/31/2005

1 Year	5 Years	10 Years
2.67	1.95	3.47

How Much Investors Pay

The fee table below describes the fees and expenses that you may pay if you buy and hold Treasury Series Institutional Shares.

Fee Table	
Shareholder Fees (paid directly from your investment)	None
Management Fees ¹	0.26%
Distribution and/or Service (12b-1) Fees	None
Other Expenses ²	0.06
Total Annual Fund Operating Expenses	0.32

¹ Amended and restated to reflect a new Investment Management Agreement that went into effect on July 1, 2006. Includes an Administrative Services Agreement fee of 0.10%.

² Restated on an annualized basis to reflect approved fee changes that went into effect on July 1, 2006.

Based on the costs above, this example helps you compare the series' expenses to those of other mutual funds. The example assumes the expenses above remain the same, that you invested \$10,000, earned

5% annual returns, reinvested all dividends and distributions and sold your shares at the end of each period. This is only an example; actual expenses will be different.

Example	1 Year	3 Years	5 Years	10 Years
	\$33	\$103	\$180	\$406

Cash Reserve Fund — Tax-Free Series

The Series' Main Investment Strategy

The Tax-Free Series seeks a high level of current income exempt from federal income tax as is consistent with liquidity and the preservation of capital by investing in high quality short-term municipal securities.

While the Advisor gives priority to earning tax-free income and maintaining a stable price of \$1.00 per share, all money market instruments can change in value when interest rates change or an issuer's creditworthiness changes.

The Tax-Free Series seeks tax-exempt current income by investing in high quality, short-term municipal securities and maintains a dollar-weighted average maturity of 90 days or less. The Advisor actively adjusts the average maturity of the Tax-Free Series in response to its outlook for interest rates and the economy. The Tax-Free Series is managed in accordance with Rule 2a-7 under the 1940 Act. Institutional Shares of the Tax-Free Series may be purchased only by eligible institutions. The Tax-Free Series follows two policies designed to maintain a stable share price:

- Generally, Tax-Free Series securities are valued in US dollars and have remaining maturities of 397 days (approximately 13 months) or less at the time of purchase. The Tax-Free Series may also invest in securities that have features that reduce their maturities to 397 days or less at the time of purchase.
- The Tax-Free Series buys municipal securities and other debt obligations that at the time of purchase:
 - have received one of the two highest short-term ratings from two nationally recognized statistical rating organizations (NRSROs);
 - have received one of the two highest short-term ratings from one NRSRO (if only one organization rates the security);

- are unrated, but are determined to be of comparable quality by the Advisor; or
- have no short-term rating, but are rated in one of the top three highest long-term rating categories by at least one NRSRO, and are determined to be of comparable quality by the Advisor.

Principal investments

While it is the policy of the Tax-Free Series to invest at least 80% of its assets in securities exempt from regular federal income tax, the Advisor expects that under normal market conditions 100% of the Tax-Free Series will be so invested. The Tax-Free Series invests in high quality, short-term, US dollar-denominated municipal securities. The Tax-Free Series' investments may include:

- Municipal notes and short-term municipal bonds.
- Variable rate demand notes.
- Tax-exempt commercial paper.
- Municipal trust receipts ("MTRs"). Municipal trust receipts are also sometimes called municipal asset-backed securities, synthetic short-term derivatives, floating rate trust certificates, or municipal securities trust receipts. MTRs are typically structured by a bank, broker-dealer or other financial institution by depositing municipal securities into a trust or partnership coupled with a conditional right to sell, or put, the holder's interest in the underlying securities at par plus accrued interest to a financial institution. MTRs are generally issued as fixed or variable rate instruments. These trusts are structured so that the purchaser of the MTR is considered to be investing in the underlying municipal securities. This structure is intended to allow the tax-exempt status of interest generated by the underlying assets to pass through to the purchaser. The Tax-Free Series may invest up to 35% of its net assets in MTRs.
- The Tax-Free Series may invest up to 10% of its total assets in non-affiliated money market mutual funds with investment objectives and policies that are comparable to those of the Tax-Free Series. The Tax-Free Series may invest only in non-affiliated money market mutual funds that maintain an "AAA" rating by a nationally recognized statistical ratings organization.

The Advisor limits exposure to any one issuer.

Working in conjunction with the portfolio managers, the credit team screens potential issuers and develops a list of securities the series may buy. The managers, looking for attractive yield and weighing considerations such as credit quality, economic outlooks and possible interest rate movements, then decide which securities on this list to buy. The managers may adjust the series' exposure to interest rate risk, typically seeking to take advantage of possible rises in interest rates and to preserve yield when interest rates appear likely to fall.

The Main Risks of Investing in the Series

Set forth below are some of the prominent risks associated with money market mutual funds and the Advisor's approaches to contain them. Although the Advisor attempts to assess the likelihood that these risks may actually occur and to limit them, there is no guarantee that it will succeed. If a security no longer meets the Tax-Free Series' credit rating requirements, we will attempt to sell that security within a reasonable time, unless selling the security would not be in the Tax-Free Series' best interest.

There are several risk factors that could reduce the yield you get from the Tax-Free Series or make it perform less well than other investments.

Interest Rate Risk. Money market instruments, like all debt securities, face the risk that the securities will decline in value because of changes in interest rates. Generally, investments subject to interest rate risk will decrease in value when interest rates rise and increase in value when interest rates decline. To minimize such price fluctuations, the Tax-Free Series limits the average maturity of the securities held by the Tax-Free Series to 90 days or less. Generally, rates of short-term investments fluctuate less than longer-term bonds. The Advisor primarily buys securities with remaining maturities of 397 days (approximately 13 months) or less which are less sensitive to interest rate changes than longer-term bonds.

Credit Risk. A money market instrument's credit quality depends on the issuer's ability to pay interest on the security and repay the debt: the lower the credit rating, the greater the risk that the security's issuer will default, or fail to meet

its payment obligations. The credit risk of a security may also depend on the credit quality of any bank or financial institution that provides credit enhancement for it. An issuer's creditworthiness could decline, which in turn may cause the value of that issuer's securities in the Tax-Free Series' portfolio to decline. To minimize credit risk, the Tax-Free Series only buys securities determined by the Advisor to be of high quality with minimal credit risk. Also, the Tax-Free Series primarily buys securities with remaining maturities of 397 days (approximately 13 months) or less. This reduces the risk that the issuers' creditworthiness will change, or that the issuer will default on the principal and interest payments of the obligations.

Market Risk. Although individual securities may outperform their market, the entire market may decline as a result of rising interest rates, regulatory developments or deteriorating economic conditions.

Security Selection Risk. While the Tax-Free Series invests in short-term securities, which by nature are relatively stable investments, the risk remains that the securities in which the Tax-Free Series invests will decline in value. This could cause the Tax-Free Series' returns to lag behind those of similar money market funds.

Special Tax Features. Political or legal actions could change the tax-exempt status of the series' dividends. Also, to the extent that the Tax-Free Series invests in taxable securities, a portion of its income would be subject to regular federal income taxation.

Municipal Trust Receipts Risk. The Tax-Free Series' investment in MTRs is subject to similar risks as other investments in debt obligations, including interest rate risk, credit risk and security selection risk. Additionally, investments in MTRs raise certain tax issues that may not be presented by direct investments in municipal bonds. There is some risk that certain issues could be resolved in a manner that could adversely impact the performance of the Tax-Free Series.

An investment in the Tax-Free Series is not insured or guaranteed by the FDIC or any other government agency. Although the Tax-Free Series seeks to preserve the value of your investment at \$1.00 per share, this share price isn't guaranteed and you could lose money by investing in the Tax-Free Series.

The Series' Performance History

While past performance isn't necessarily a sign of how the Tax-Free Series will do in the future, it can be valuable for an investor to know.

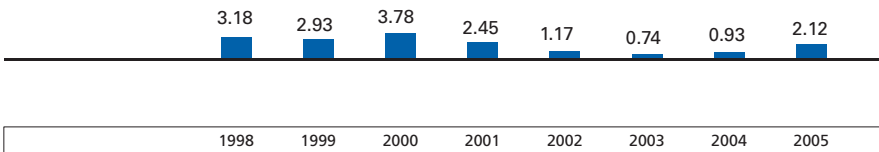
The bar chart shows how the total returns for the Tax-Free Series Institutional Shares have varied from year to year, which may give some idea of risk. The table shows how the Tax-Free Series Institutional Shares returns over different periods average out. All figures on this page assume reinvestment of dividends and distributions. As always, past performance is no guarantee of future results.

As of December 31, 2005, the Tax-Free Series Institutional Shares' **7-day yield** was 3.04% and the Tax-Free Series Institutional Shares' **7-day taxable equivalent yield** was 4.68%. To learn the current 7-day yield, investors may call the fund's Service Center at 1-800-730-1313.

The **7-day yield**, which is often referred to as the "current yield," is the income generated by the Tax-Free Series Institutional Shares over a seven-day period. This amount is then annualized, which means that we assume the Tax-Free Series Institutional Shares generate the same income every week for a year. The **7-day taxable equivalent yield** demonstrates the yield on a taxable investment necessary to produce an after-tax yield equal to a fund's tax free yield. Yield is the income generated by the Tax-Free Series Institutional Shares over a seven-day period. This amount is then annualized, which means that we assume the fund generates the same income every week for a year. The "total return" of the Tax-Free Series Institutional Shares is the change in the value of an investment in the Tax-Free Series Institutional Shares over a given period. Average annual returns are calculated by averaging the year-by-year returns of the Tax-Free Series Institutional Shares over a given period.

Cash Reserve Fund — Tax-Free Series Institutional Shares

Annual Total Returns (%) as of 12/31 each year



2006 Total Return as of June 30: 1.47%

For the periods included in the bar chart:

Best Quarter: 0.98%, Q4 2000

Worst Quarter: 0.14%, Q3 2003

Average Annual Total Returns (%) as of 12/31/2005

1 Year	5 Years	Since Inception*
2.12	1.48	2.24

* Inception of Institutional Shares: 6/27/1997.

How Much Investors Pay

The fee table below describes the fees and expenses that you may pay if you buy and hold Tax-Free Series Institutional Shares.

Fee Table	
Shareholder Fees (paid directly from your investment)	None
Management Fees ¹	0.30%
Distribution and/or Service (12b-1) Fees	None
Other Expenses ²	0.04
Total Annual Fund Operating Expenses³	0.34

¹ Amended and restated to reflect a new Investment Management Agreement that went into effect on July 1, 2006. Includes an Administrative Services Agreement fee of 0.10%.

² Restated on an annualized basis to reflect fee changes that went into effect on July 1, 2006.

³ Through September 30, 2006 the advisor and the administrator have contractually agreed to waive a portion of their fees and/or reimburse expenses so that total annual operating expenses will not exceed .334%. Although there can be no assurance that the current (or any) waiver/expense reimbursement arrangement will be maintained beyond September 30, 2006, the advisor has committed to review the continuance of waiver/expense reimbursement arrangements by September 30, 2006.

Based on the costs above, this example helps you compare the series' expenses to those of other mutual funds. The example assumes the expenses above remain the same, that you invested \$10,000, earned

5% annual returns, reinvested all dividends and distributions and sold your shares at the end of each period. This is only an example; actual expenses will be different.

Example	1 Year	3 Years	5 Years	10 Years
	\$35	\$109	\$191	\$431

Other policies and risks

This prospectus doesn't tell you about every policy or risk of investing in the fund.

If you want more information on each series' allowable securities and investment practices and the characteristics and risks, you may want to request a copy of the Statement of Additional Information (the back cover tells you how to do this).

A complete list of each series' portfolio holdings is posted on www.dws-scudder.com as of the month-end on or after the last day of the following month. This posted information generally remains accessible at least until the date on which the series files its Form N-CSR or N-Q with the Securities and Exchange Commission for the period that includes the date as of which the posted information is current. In addition, the series' top ten holdings and other information about the series is posted on www.dws-scudder.com as of the calendar quarter-end on or after the 15th day following quarter-end. The fund's Statement of Additional Information includes a description of each series' policies and procedures with respect to the disclosure of the series' portfolio holdings.

Although major changes tend to be infrequent, the fund's Board could change each series' investment goal without shareholder approval. Keep in mind that there is no assurance that any mutual fund will achieve its goal.

Who Manages and Oversees the Fund

The investment advisor

ICCC, with headquarters at One South Street, Baltimore, MD 21202, acts as the investment advisor to each series of Cash Reserve Fund (the “fund”). As investment advisor, ICCC under the supervision of the Board of Directors, makes each series’ investment decisions. It buys and sells securities for each series and conducts the research that leads to the purchase and sale decisions. ICCC is also responsible for selecting brokers and dealers and for negotiating brokerage commissions and dealer charges. ICCC may delegate its duties under the Investment Management Agreement for each series and has delegated day-to-day management responsibilities to certain employees of an investment advisor, subject to continued supervision by ICCC. For the year ended March 31, 2006, ICCC received from the fund a fee equal to 0.27% of the Prime average daily net assets, 0.25% of the Treasury average daily net assets (reflecting the effect of fee waivers or expense reimbursements then in effect) and 0.28% of the Tax-Free average daily net assets for its services in the last year. ICCC may, from time to time, voluntarily waive a portion of its advisory fee with respect to any series to preserve or enhance the performance of the series. ICCC may provide compensation to securities dealers and advisors for distribution, administrative and promotional services.

On July 1, 2006, after receiving shareholder approval, the fund amended and restated investment management agreement (the “Investment Management Agreement”) with the Advisor. Pursuant to the Investment Management Agreement, the Advisor provides continuing investment management of the assets of the series.

Effective July 1, 2006, the fund pays the Advisor under the Investment Management Agreement a fee, calculated daily and paid monthly, with respect to each series, at the annual rate shown below:

Average Daily Net Assets	Fee Rate
\$0 – \$500 million	0.215%
Over \$500 million – \$1 billion	0.175%
Over \$1 billion – \$1.5 billion	0.165%
Over \$1.5 billion – \$2.5 billion	0.155%

Average Daily Net Assets	Fee Rate
Over \$2.5 billion – \$3.5 billion	0.145%
Over \$3.5 billion	0.135%

Additionally, Prime Series and Tax-Free Series pay the Advisor an additional 0.020% and 0.030%, respectively, on all assets.

ICCC is an indirect, wholly owned subsidiary of Deutsche Bank AG. Deutsche Bank AG is a major global banking institution that is engaged in a wide range of services, including investment management, mutual fund, retail, private and commercial banking, investment banking and insurance.

Each Series' shareholder report for the semiannual period ended September 30, 2006 contains a discussion regarding the basis for the Board of Directors' renewal of the investment management agreement (see "Shareholder reports" on the back cover).

The portfolio managers

A group of investment professionals is responsible for the day-to-day management of each series of the fund. These investment professionals have a broad range of experience managing money market funds.

Market timing related regulatory and litigation matters

Since at least July 2003, federal, state and industry regulators have been conducting ongoing inquiries and investigations ("inquiries") into the mutual fund industry, and have requested information from numerous mutual fund companies, including DWS Scudder. The DWS funds' advisors have been cooperating in connection with these inquiries and are in discussions with the regulators concerning proposed settlements. Publicity about mutual fund practices arising from these industrywide inquiries serves as the general basis of a number of private lawsuits against the DWS funds. These lawsuits, which previously have been reported in the press, involve purported class action and derivative lawsuits, making various allegations and naming as defendants various persons, including certain DWS funds, the funds' investment advisors and their affiliates, and certain individuals, including in some cases fund Trustees/Directors, officers, and other parties. Each

DWS fund's investment advisor has agreed to indemnify the applicable DWS funds in connection with these lawsuits, or other lawsuits or regulatory actions that may be filed making allegations similar to these lawsuits regarding market timing, revenue sharing, fund valuation or other subjects arising from or related to the pending inquiries. It is not possible to determine with certainty what the outcome of these inquiries will be or what the effect, if any, would be on the funds or their advisors.

With respect to the lawsuits, based on currently available information, the funds' investment advisors believe the likelihood that the pending lawsuits will have a material adverse financial impact on a DWS fund is remote and such actions are not likely to materially affect their ability to perform under their investment management agreements with the DWS funds.

With respect to the regulatory matters, Deutsche Asset Management ("DeAM") has advised the funds as follows:

DeAM expects to reach final agreements with regulators in 2006 regarding allegations of improper trading in the DWS funds. DeAM expects that it will reach settlement agreements with the Securities and Exchange Commission, the New York Attorney General and the Illinois Secretary of State providing for payment of disgorgement, penalties, and investor education contributions totaling approximately \$134 million. Approximately \$127 million of this amount would be distributed to shareholders of the affected DWS funds in accordance with a distribution plan to be developed by an independent distribution consultant. DeAM does not believe that any of the DWS funds will be named as respondents or defendants in any proceedings. The funds' investment advisors do not believe these amounts will have a material adverse financial impact on them or materially affect their ability to perform under their investment management agreements with the DWS funds. The above-described amounts are not material to Deutsche Bank, and they have already been reserved.

Based on the settlement discussions thus far, DeAM believes that it will be able to reach a settlement with the regulators on a basis that is generally consistent with settlements reached by other advisors, taking into account the particular facts and circumstances of market timing at DeAM

and at the legacy Scudder and Kemper organizations prior to their acquisition by DeAM in April 2002. Among the terms of the expected settled orders, DeAM would be subject to certain undertakings regarding the conduct of its business in the future, including maintaining existing management fee reductions for certain funds for a period of five years. DeAM expects that these settlements would resolve regulatory allegations that it violated certain provisions of federal and state securities laws (i) by entering into trading arrangements that permitted certain investors to engage in market timing in certain DWS funds and (ii) by failing more generally to take adequate measures to prevent market timing in the DWS funds, primarily during the 1999–2001 period. With respect to the trading arrangements, DeAM expects that the settlement documents will include allegations related to one legacy DeAM arrangement, as well as three legacy Scudder and six legacy Kemper arrangements. All of these trading arrangements originated in businesses that existed prior to the current DeAM organization, which came together in April 2002 as a result of the various mergers of the legacy Scudder, Kemper and Deutsche fund groups, and all of the arrangements were terminated prior to the start of the regulatory investigations that began in the summer of 2003. No current DeAM employee approved the trading arrangements.

There is no certainty that the final settlement documents will contain the foregoing terms and conditions. The independent Trustees/Directors of the DWS funds have carefully monitored these regulatory investigations with the assistance of independent legal counsel and independent economic consultants. Additional information announced by DeAM regarding the terms of the expected settlements will be made available at www.dws-scudder.com/regulatory_settlements, which will also disclose the terms of any final settlement agreements once they are announced.

Other regulatory matters

DeAM is also engaged in settlement discussions with the Enforcement Staffs of the SEC and the NASD regarding DeAM's practices during 2001–2003 with respect to directing brokerage commissions for portfolio transactions by certain DWS funds to broker-dealers that sold shares in the DWS funds and provided enhanced marketing and distribution for shares in the DWS funds. In addition, DWS Scudder Distributors, Inc. is in settlement discussions with the Enforcement Staff of the NASD regarding DWS Scudder Distributors' payment of non-cash compensation to associated persons of NASD member firms, as well as DWS Scudder Distributors' procedures regarding non-cash compensation regarding entertainment provided to such associated persons. Additional information announced by DeAM regarding the terms of the expected settlements will be made available at www.dws-scudder.com/regulatory_settlements, which will also disclose the terms of any final settlement agreements once they are announced.

Financial Highlights

The tables below provide a picture of each series shares' financial performance for the past five fiscal years. Certain information selected reflects financial results for a single share of each series. The total returns in the table represent the rates of return that an investor would have earned or lost on an investment in a series, assuming reinvestment of all dividends and

distributions. This information has been audited by PricewaterhouseCoopers LLP, independent registered public accounting firm, whose report, along with each series' financial statements, is included in the series' annual report. The annual report is available free of charge by calling the Service Center at 1-800-730-1313.

Cash Reserve Fund – Prime Institutional Series

Years Ended March 31,	2006	2005	2004	2003	2002
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Selected Per Share Data

Net asset value, beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Net investment income	.0346	.0149	.0087	.0140	.0302
Less: Distributions from net investment income	(.0346)	(.0149)	(.0087)	(.0140)	(.0302)
Net asset value, end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Total Return (%)	3.51	1.50	.88	1.40	3.06

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ in thousands)	588,334	342,564	394,967	544,146	750,110
Ratio of expenses (%)	.31	.30	.30	.38	.36
Ratio of net investment income (%)	3.54	1.46	.88	1.42	3.01

Cash Reserve Fund — Treasury Institutional Series

Years Ended March 31,	2006	2005	2004	2003	2002
Selected Per Share Data					
Net asset value, beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Net investment income	.0310	.0130	.0077	.0130	.0281
Less: Distributions from net investment income	(.0310)	(.0130)	(.0077)	(.0130)	(.0281)
Net asset value, end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Total Return (%)	3.14	1.31	.78	1.31	2.85

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ in thousands)	110,653	98,265	99,337	139,460	199,932
Ratio of expenses before expense reductions (%)	.34	.32	.29	.35	.33
Ratio of expenses after expense reductions (%)	.34	.30 ^a	.24 ^a	.30 ^a	.28 ^a
Ratio of net investment income (%)	3.09	1.27	.78	1.33	2.71

^a Total return would have been lower had certain expenses not been reduced.

Cash Reserve Fund – Tax-Free Institutional Series

Years Ended March 31,	2006	2005	2004	2003	2002
Selected Per Share Data					
Net asset value, beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Net investment income	.0240	.0113	.0070	.0107	.0200
Less: Distributions from net investment income	(.0240)	(.0113)	(.0070)	(.0107)	(.0200)
Net asset value, end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Total Return (%)	2.42	1.14	.70	1.07	2.01

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ in thousands)	278,742	276,178	319,888	198,148	168,137
Ratio of expenses (%)	.33	.33	.32	.35	.33
Ratio of net investment income (%)	2.41	1.12	.72	1.06	1.98

How to Invest in the Series

The following pages tell you about many of the services, choices and benefits of being a shareholder. You'll also find information on how to check the status of your account using the method that's most convenient for you.

You can find out more about the topics covered here by speaking with your **financial advisor or a representative of your workplace retirement plan or other investment provider.**

Buying and Selling Fund Shares

You may buy and sell shares of each series through authorized financial advisors as well as directly from the Service Center. The same terms and conditions apply. The price at which you buy and sell shares is based on the next calculation of the Net Asset Value (“NAV”) after the order is received by the Service Center or your financial advisor, provided that your financial advisor forwards your order to the Service Center in a timely manner. You should contact your financial advisor if you have a dispute as to when your order was placed with the fund. Your financial advisor may charge a fee for buying and selling shares for you.

Investment minimums

Your initial investment must be at least \$1,000,000. There are no minimum subsequent investment requirements.

The minimum initial investment is waived for:

- A current or former director or trustee of the Deutsche or DWS mutual funds.
- An employee, the employee’s spouse or life partner and children or stepchildren age 21 or younger of Deutsche Bank or its affiliates or a subadvisor to any fund in the DWS family of funds or a broker-dealer authorized to sell shares of the funds.

The fund and its service providers reserve the right to waive or reduce the investment minimums from time to time at their discretion.

How to contact the fund's Service Center:

By Phone:	1-800-730-1313
First Investments By Mail:	Deutsche Asset Management c/o Scudder Investments PO Box 219356 Kansas City, MO 64121-9356
Additional Investments By Mail:	Deutsche Asset Management c/o Scudder Investments PO Box 219154 Kansas City, MO 64121-9154
By Express Registered or Certified Mail:	Deutsche Asset Management c/o DWS Scudder 210 W. 10th Street Kansas City, MO 64105-1614

Our representatives are available to assist you personally Monday through Friday, 9:00 a.m. to 6:00 p.m., Eastern time each day the New York Stock Exchange is open for business. You can reach the Service Center's automated assistance line 24 hours a day, 7 days a week.

How to open your fund account:

By Mail:	Complete and sign the account application that accompanies this prospectus. (You may obtain additional applications by calling the Service Center.) Mail the completed application along with a check payable to the series you have selected to the Service Center. The addresses are shown under "How to Contact the fund's Service Center."
By Wire:	Call the Service Center to set up a wire account.
Series Name and Series Number:	Cash Reserve Prime Institutional — 311 Cash Reserve Treasury Institutional — 300 Cash Reserve Tax-Free Institutional — 306

Please note that your account cannot become activated until we receive a completed application via mail or fax.

If this is your first investment through a tax-sheltered retirement plan, such as an IRA, you will need a special application form. This form is available from your advisor, or by calling the Service Center at 1-800-730-1313.

How to buy and sell shares

MAIL:

Buying: Send your check, payable to “Cash Reserve Prime Institutional — 311”, “Cash Reserve Treasury Institutional — 300” or “Cash Reserve Tax-Free Institutional — 306” to the Service Center. Be sure to include the series number and your account number (see your account statement) on your check. Please note that we cannot accept cash, money orders, travelers’ checks, starter checks, third-party checks, checks issued by credit card companies or internet based companies, or checks drawn on foreign banks. If you are investing in more than one fund, make your check payable to “Deutsche Asset Management” and include your account number, the names and numbers of the funds you have selected, and the dollar amount or percentage you would like invested in each fund.

Selling: Send a signed letter to the Service Center with your name, your fund number and account number, the fund’s name, and either the number of shares you wish to sell or the dollar amount you wish to receive. Your signature must be signature guaranteed if the amount is more than \$100,000, or if the redemption proceeds will be sent to an address other than the one on record. Unless exchanging into another Deutsche Asset Management Fund, you must submit a written authorization to sell shares in a retirement account.

WIRE:

Buying: You may buy shares by wire only if your account is authorized to do so. Please note that you or your financial advisor must call the Service Center at 1-800-730-1313 by 11:00 a.m. Eastern time for the Treasury Series, 12:00 p.m. Eastern time for the Tax-Free Series, and 4:00 p.m. Eastern time for the Prime Series to notify us in advance of a wire transfer purchase. Inform the Service Center representative of the amount of your purchase and receive a trade confirmation number. Instruct your bank to send payment by wire using the wire instructions noted below. All wires must be received by 4:00 p.m. Eastern time.

Bank Name	Deutsche Bank Trust Company Americas
Routing No:	021001033
Attn:	Deutsche Asset Management Funds
DDA No:	00-226-296
FBO:	(Account name) (Account number)
Credit:	Cash Reserve Prime Institutional — 311 Cash Reserve Treasury Institutional — 300 Cash Reserve Tax-Free Institutional — 306

Refer to your account statement for the account name, number and fund number.

Selling: You may sell shares by wire only if your account is authorized to do so. You will be paid for redeemed shares by wire transfer of funds to your financial advisor or bank upon receipt of a daily authorized redemption request as promptly as feasible. For your protection, you may not change the destination bank account over the phone. To sell by wire, contact your financial advisor or the Service Center at 1-800-730-1313 prior to 11:00 a.m. Eastern time for the Treasury Series, prior to 12:00 p.m. Eastern time for the Tax-Free Series, and prior to 4:00 p.m. Eastern time for the Prime Series. Inform the Service Center representative of the amount of your redemption and receive a trade confirmation number. We must receive your order by 11:00 a.m. Eastern time for the Treasury Series, by 12:00 p.m. Eastern time for the Tax Free Series, and by 4:00 p.m. Eastern time for the Prime Series to wire your account the same business day. Wire transfers may be restricted on holidays and at certain other times.

TELEPHONE TRANSACTIONS:

You may place orders to buy and sell over the phone by calling your financial advisor or the Service Center at 1-800-730-1313. If you pay for shares by check and the check fails to clear, or if you order shares by phone and fail to pay for them by 4:00 p.m. Eastern time, we have the right to cancel your order, hold you liable or charge you or your account for any losses or fees the fund or its agents have incurred. To sell shares you must state whether you would like to receive the proceeds by wire or check.

Exchange Privilege. You can exchange all or part of your shares for shares of certain other Deutsche Asset Management mutual funds.

When you exchange shares, you are selling shares in one fund to purchase shares in another. Exchanges are a shareholder privilege, not a right: we may reject any exchange order. Before buying shares through an exchange, you should be sure to obtain a copy of that fund's prospectus and read it carefully. You will receive a written confirmation of each transaction from the Service Center or your financial advisor.

Please note the following conditions:

- The accounts between which the exchange is taking place must have the same name, address and taxpayer ID number.
- You may make the exchange by phone (if your account has the exchange by phone feature) or by letter.
- If you are maintaining a taxable account, you may have to pay taxes on the exchange.
- Your exchange must meet the minimum investment requirement for the class of shares being purchased.
- The accounts between which you exchange must be the same share class.

Special shareholder services

To help make investing with us as easy as possible, and to help you build your investment, we offer the following special services. You can obtain further information about these programs by calling the Service Center at 1-800-730-1313.

- **Regular Investments:** You can make regular investments automatically from your checking account. You will need to make sure your bank has Automated Clearing House (ACH) services. Transactions take two to three days to be completed and there is a \$50 minimum.
- **Regular Withdrawals:** You can arrange regular monthly, quarterly, semi-annual and annual sales of shares in your account. The minimum transaction is \$50, and the account must have a balance of at least \$10,000 to qualify. You will need to make sure your bank has ACH services. Transactions take two to three days to be completed and there is a \$50 minimum.
- **Checkwriting:** We issue you a checkbook linked to your account. You can sell shares by writing a check for the desired amount free of charge, but you cannot close your account by check. You continue to earn dividends on the shares you sell by check until the check clears. The minimum check amount is \$500.

Policies You Should Know About

Along with the instructions on the previous pages, the policies below may affect you as a shareholder. Some of this information, such as the section on distributions and taxes, applies to all investors, including those investing through financial advisors.

If you are investing through a financial advisor or through a retirement plan, check the materials you received from them about how to buy and sell shares because particular financial advisors or other intermediaries may adopt policies, procedures or limitations that are separate from those described by the series. Please note that a financial advisor may charge fees separate from those charged by a series.

Keep in mind that the information in this prospectus applies only to each series' Institutional Class. Each series has another share class, which is described in a separate prospectus and has different fees, requirements and services.

In order to reduce the amount of mail you receive and to help reduce expenses, we generally send a single copy of any shareholder report and prospectus to each household. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact your financial advisor or call 1-800-730-1313.

Policies about transactions

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means to you: when you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. Some or all of this information will be used to verify the identity of all persons opening an account.

We might request additional information about you (which may include certain documents, such as articles of incorporation for companies) to help us verify your identity, and in some cases the information and/or documents may be required to conduct the verification. The information and documents will be used solely to verify your identity.

We will attempt to collect any missing required and requested information by contacting you or your financial advisor. If we are unable to obtain this information within the time frames established by the fund then we may reject your application order.

The fund will not invest your purchase until all required and requested identification information has been provided and your application has been submitted in “good order.” After we receive all the information, your application is deemed to be in good order and we accept your purchase, you will receive the NAV per share next calculated. In addition, while we attempt to verify your identity, we may limit your ability to purchase or exchange fund shares.

If we are unable to verify your identity within time frames established by the fund, after a reasonable effort to do so, you will receive written notification.

The fund generally will not accept new account applications to establish an account with a non-US address (APO/FPO and US territories are acceptable) or for a non-resident alien.

Because orders placed through a financial advisor must be forwarded to the transfer agent before they can be processed, you’ll need to allow extra time. A representative of your financial advisor should be able to tell you approximately when your order will be processed. It is the responsibility of your financial advisor to forward your order to the transfer agent in a timely manner.

Ordinarily, we receive your purchase order in good order before 11:00 a.m. Eastern time for the Treasury Series, 12:00 p.m. Eastern time for the Tax-Free Series, and 4:00 p.m. Eastern time for the Prime Series (or earlier, if the fund closes early) you will receive the dividends declared on that day. If we receive it after 11:00 a.m. Eastern time for the Treasury Series, 12:00 p.m. Eastern time for the Tax-Free Series, and 4:00 p.m. Eastern time for the Prime Series you will not. You will not receive the dividends declared on the day you sell your shares.

After we or your financial advisor receive your order, we buy or sell your shares at the next price calculated on a day the fund is open for business.

Money from shares you sell is normally sent out within one business day of when your order is processed (not when it is received), although it could be delayed for up to seven calendar days. There are other circumstances when it could be longer: when you are selling shares you bought recently by check and that check hasn't cleared yet (maximum delay: 10 days) or when unusual circumstances prompt the SEC to allow further delays. Certain expedited redemption processes may also be delayed when you are selling recently purchased shares. For additional circumstances where redemption proceeds could be delayed, please see "Other rights we reserve."

You may obtain additional information about other ways to sell your shares by contacting your financial advisor.

When you want to send sale proceeds to a third party or to a new address, you will usually need to place your order in writing and include a signature guarantee. The only exception is if you want money wired to a bank account that is already on file with us; in that case, you don't need a signature guarantee. Also, you don't need a signature guarantee for an exchange, although we may require one in certain other circumstances. A signature guarantee is simply a certification of your signature — a valuable safeguard against fraud. You can get a signature guarantee from an eligible guarantor institution, including commercial banks, savings and loans, trust companies, credit unions, member firms of a national stock exchange, or any member or participant of an approved signature guarantor program. Note that you can't get a signature guarantee from a notary public and we must be provided the original guarantee.

We do not issue share certificates. However, if you currently have shares in certificated form, you must include the share certificates properly endorsed or accompanied by a duly executed stock power when exchanging or redeeming shares. You may not exchange or redeem shares in certificate form by telephone or via the Internet.

Selling shares of trust accounts and business or organization accounts may require additional documentation. Please contact your financial advisor or the Service Center for more information.

During periods of heavy market activity, you may have trouble reaching the Service Center by telephone. If this occurs, you should make your request by mail.

Account statements and fund reports: We or your financial advisor will furnish you with a written confirmation of every transaction that affects your account balance. You will also receive periodic statements reflecting the balances in your account. We will send you a semi-annual and annual report on your series' overall performance, its current holdings and its investing strategies.

Since money market funds hold short-term instruments and are intended to provide liquidity to shareholders, the Advisor does not monitor or limit short-term and excessive trading activity in the series and, accordingly, the Board of the fund has not approved any policies and procedures designed to limit this activity. However, each series reserves the right to and may reject or cancel a purchase or exchange order into the series for any reason, including if, in the opinion of the Advisor, there appears to be a pattern of short-term and excessive trading by an investor in other Deutsche Asset Management or Scudder Investments funds.

How the fund calculates share price

We calculate the daily price of each series' shares (also known as the "Net Asset Value" or "NAV") each day the **fund is open** for business, as of 11:00 a.m. Eastern time for the Treasury Series, as of 12:00 p.m. Eastern time for the Tax-Free Series and as of 4:00 p.m. Eastern time for the Prime Series.

You can find the fund's daily share price for each series in the mutual fund listings of most major newspapers.

The bond markets or other primary trading markets for a series may close early on the day before certain holidays are observed, (for example, on the day after Thanksgiving and the day before Christmas). If the Bond Market Association recommends an early close of the bond markets, a series may also close early. You may call the Service Center at 1-800-730-1313 for additional information about whether a series will close early before a particular holiday. On days a series closes early:

- All orders received prior to a series' close will be processed as of the time a series' NAV is next calculated.
- Redemption orders received after a series' close will be processed as of the time the series' NAV is next calculated.

- Purchase orders received after a series' close will be processed the next business day.

Each series uses the amortized cost method to account for any premiums or discounts above or below the face value of any securities that it buys. This method writes down the premium — or marks up the discount — at a constant rate until maturity. It does not reflect daily fluctuations in market value. Each series' NAV will normally be \$1.00 per share.

Other rights we reserve

You should be aware that we may do any of the following:

- withdraw or suspend the offering of shares at any time
- withhold a portion of your distributions as federal income tax if we have been notified by the Internal Revenue Service that you are subject to backup withholding or if you fail to provide us with a correct taxpayer ID number or certification that you are exempt from backup withholding
- reject a new account application if you don't provide any required or requested identifying information or for other reasons
- refuse, cancel or rescind any purchase or exchange order; freeze any account (meaning you will not be able to purchase fund shares in your account); suspend account services; and/or involuntarily redeem your account if we think that the account is being used for fraudulent or illegal purposes; one or more of these actions will be taken when, at our sole discretion, they are deemed to be in a series' best interest or when a series is requested or compelled to do so by governmental authority or by applicable law
- close and liquidate your account if we are unable to verify your identity, or for other reasons; if we decide to close your account, your series shares will be redeemed at the net asset value per share next calculated after we determine to close your account; you may be subject to gain or loss on the redemption of your fund shares and you may incur tax liability

- close your account and send you the proceeds if your balance falls below a series' minimum account balance; we will give you 60 days' notice so you can either increase your balance or close your account (these policies don't apply to investors with \$100,000 or more in Deutsche fund shares or in any case where a fall in share price created the low balance).
- pay you for shares you sell by "redeeming in kind," that is, by giving you marketable securities (which typically will involve brokerage costs for you to liquidate) rather than cash; a series generally won't make a redemption in kind unless your requests over a 90-day period total more than \$250,000 or 1% of the value of the series' net assets, whichever is less.
- change, add, or withdraw various services, fees and account policies (for example, we may change or terminate the exchange privilege or adjust a series' investment minimum at any time).
- suspend or postpone redemptions as permitted pursuant to Section 22(e) of the Investment Company Act of 1940. Generally, those circumstances are when: 1) the New York Stock Exchange is closed other than customary weekend or holiday closings; 2) trading on the New York Stock Exchange is restricted; 3) an emergency exists which makes the disposal of securities owned by a series or the fair determination of the value of a series' net assets not reasonably practicable; or 4) the SEC, by order, permits the suspension of the right of redemption. Redemption payments by wire may also be delayed in the event of a non-routine closure of the Federal Reserve wire payment system.

Understanding Distributions and Taxes

The fund intends to distribute to its shareholders virtually all of its net earnings. The fund can earn money in two ways: by receiving interest, dividends or other income from securities it holds and by selling securities for more than it paid for them. (The fund's earnings are separate from any gains or losses stemming from your own purchase and sale of fund shares.) The fund may not always pay a dividend or distribution for a given period.

The fund's income dividends are declared daily and paid monthly to shareholders. The fund may take into account capital gains and losses in its daily dividend declarations.

The fund may make additional distributions for tax purposes if necessary.

You can choose how to receive your dividends and distributions. You may have them all automatically reinvested in fund shares (at NAV), all deposited directly to your bank account or all sent to you by check or wire. Tell us your preference on your application. If you don't indicate a preference, your dividends and distributions will all be reinvested.

For federal income tax purposes, distributions of investment income are taxable as ordinary income. The fund does not expect to make distributions that are eligible for taxation as long-term capital gains or as qualified dividend income. Distributions are taxable whether you receive them in cash or reinvest them in additional shares. For retirement plans, reinvestment is the only option.

Because the fund seeks to maintain a stable share price, you are unlikely to have a capital gain or loss when you sell fund shares. For tax purposes, an exchange is the same as a sale.

Dividends from the Tax-Free Series are generally tax-free for most shareholders, meaning that investors who are individuals can receive them without incurring federal income tax liability.

You should consult your tax advisor for more information on your own tax situation, including possible foreign, state and local taxes.

The fund will send you detailed tax information every January. These statements tell you the amount and the tax category of any dividends or distributions you received. They also have certain details on your purchases and sales of shares. Dividends or distributions declared in the last quarter of a given year are taxed in that year, even though you may not receive the money until the following January.

The above discussion is applicable to shareholders who are US persons. If you are a non-US person, please consult your own tax advisor with respect to the US tax consequences to you of an investment in the fund. Additional information may be found in the fund's Statement of Additional Information.

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To Get More Information

Shareholder reports — Additional information about each series' investments is available in the series' annual and semiannual reports to shareholders. In the series' annual report, you will find a discussion of the market conditions and investment strategies that significantly affected each series' performance during its last fiscal year.

Statement of Additional Information (SAI) — This tells you more about the series' features and policies, including additional risk information. The SAI is incorporated by reference into this document (meaning that it's legally part of this prospectus).

For a free copy of any of these documents or to request other information about the fund, call

1-800-730-1313, or contact Deutsche Asset Management at the address listed below. The series' SAI and shareholder reports are also available through the DWS Scudder Web site at www.dws-scudder.com. These documents and other information about the series are available from the EDGAR Database on the SEC's Internet site at www.sec.gov. If you like, you may obtain copies of this information, after paying a copying fee, by e-mailing a request to publicinfo@sec.gov or by writing the SEC at the address listed below. You can also review and copy these documents and other information about the series, including the series' SAI, at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

Deutsche Asset Management

Institutional Money Funds —
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1-800-730-1313

SEC

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1-800-SEC-0330

Distributor

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