



IMMEDIATE RELEASE

Additional Information Regarding the Reserve Primary Fund

New York, May 27, 2010—To date, there have been six distributions made to shareholders representing approximately 98.6% of the Fund's assets as of the close of business on September 15, 2008, as follows:

| Distribution Date | Distribution Amount |
|--------------------------|----------------------------|
| October 30, 2008 | \$26.0 billion |
| December 3, 2008 | \$14.4 billion |
| February 20, 2009 | \$3.4 billion |
| April 17, 2009 | \$2.3 billion |
| October 2, 2009 | \$1.0 billion |
| January 29, 2010 | \$3.4 billion |
| Total | \$50.5 billion |

The Fund has remaining assets, as of the date hereof, of approximately \$328,042,123, which includes \$170,212,500 of the proceeds of the sale of Lehman Brothers Holdings, Inc. securities previously held by the Fund. Claims for fees, expenses and indemnification have been made against the Fund assets equal to approximately \$106,227,142 (as detailed below).

Assets and Requested Expenses

An Order has been issued by the U.S. District Court in SEC v. Reserve Management Company, Inc. et al. (the "Court Order") giving the Court the responsibility for reviewing claims by the Fund's adviser and distributor for management fees and expenses, including Rule 12b-1 fees, and claims by others for indemnifiable expenses. Following the review, the Court will determine the amount of these expenses payable out of the Fund's assets. Until the results of the review of claims for management fees and expenses and indemnification expenses is completed and approved by the Court, a complete statement of the Fund's expenses cannot be given.

The following chart reflects the main expense requests that have been submitted to the Court to date for its approval.

| Requested Information | Amount |
|-------------------------------------|----------------------|
| Management Fees ¹ | \$24,394,643 |
| 12b-1 Fees ¹ | \$2,876,763 |
| Costs Incurred ² | \$2,436,251 |
| Excluded Expenses ³ | \$2,975,874 |
| Fund Expenses ⁴ | \$6,380,000 |
| Potential Litigation ⁵ | \$8,000,000 |
| Indemnifiable Expenses ⁶ | \$59,163,611 |
| Total | \$106,227,142 |

Total Remaining Fund Assets⁷ \$328,042,123

Investors should be aware that the information in the table above, in all likelihood, will be only revised as a result of the determination by the Court or as a result of changed circumstances. Additional information regarding this Fund is posted on our website, TheR.com.

Characterization of Distributions

During the year ending December 31, 2009, the Fund did not distribute any net investment income. As a result a Form 1099-DIV was not issued to shareholders for 2009. Please contact your tax professional for assistance in preparing tax information regarding the Fund as neither the Fund nor Reserve Management Company, Inc. provides tax advice to shareholders.

Any income the Fund has received since September 2008 is included in Total Remaining Fund Assets. Previous postings on our website showed a separate Undistributed Net Income line item in the amount of \$192,452,886 and a corresponding statement that the amount shown would be reduced by Fund expenses. To avoid confusion and to more accurately depict amounts potentially available for distribution, that line item has been deleted.

The Fund did not issue audited financial statements for the year ended May 31, 2009, and will not issue audited financial statements for the fiscal year ended May 31, 2010, because the Fund is in liquidation; however, KPMG has advised the Fund that it will continue to perform "agreed upon procedures" in connection with the distributions to shareholders as the Fund is liquidated.

¹ RMCI submitted claims to the Court for \$24,394,643 in management fees for the period from September 15, 2008 to September 9, 2009 and \$2,876,763 in 12b-1 fees (for applicable classes) as well as interest on these fees.

² For the period from September 10, 2009 to December 31, 2009, these are the main costs RMCI has incurred that relate to the Fund, which include management and operating expenses, for which RMCI is seeking reimbursement. RMCI is incurring additional costs, including those for 2010, for which it will seek reimbursement from the Court.

³ Under the comprehensive management agreement between RMCI and the Fund, certain expenses, unlike operating expenses which are paid out of the comprehensive management fee, may be treated as expenses of the Fund, called "Excluded Expenses." This amount reflects \$2,213,060 in extraordinary operating expenses and \$762,814 in extraordinary legal expenses for the period of September 15, 2008 to September 9, 2009 that RMCI has advised the Court that it has paid on behalf of the Fund and for which RMCI is seeking reimbursement from the Court.

⁴ These are estimated expenses for payment of ongoing counsel's fees and costs, accounting fees and for other expenses incurred in connection with the Fund's operation, liquidation and distribution.

⁵ This amount represents a reserve to cover potential litigation expenses incurred by the Independent Trustees in the amount of \$5,500,000 in the event any claims against them are pursued and an indemnification reserve of \$2,500,000 requested by State Street Bank & Trust Company, the Fund's custodian.

⁶ These are potentially indemnifiable expenses sought by RMCI relating to the legal defense cost, both incurred and anticipated, in connection with covered proceedings as defined in the Declaration of Trust.

⁷ This amount equals (i) the value of the Fund's investments, plus (ii) cash held at the custodian bank. The Fund may also be entitled to some portion of the proceeds from an insurance policy covering the Fund and other parties, although given the claims on the policy there is no guarantee that the Fund will receive any amount.

Pursuant to the Court Orders issued on November 25, 2009, December 11, 2009, and January 26, 2010 an Expense Fund in the initial amount of \$83.5 million was created, which shall not be distributed unless ordered by the Court, and which will be used to satisfy (a) anticipated costs and expenses of the Fund, including legal and accounting fees; (b) claims for management fees and expenses; (c) claims for indemnification; and (d) potential claims by shareholders alleging that their accounts should have been classified as "omnibus accounts" and not subject to the straddler offset. As set forth in the Court Orders, the Expense Fund is subject to adjustment. The amount of the Expense Fund is included in Total Remaining Fund Assets.

An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Resrv Partners, Inc., Distributor. Member FINRA. 5/10

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