

IMPORTANT INFORMATION REGARDING

Primary Liquidating Fund: Primary Fund-In Liquidation
(formerly known as Reserve Primary Fund)

JURY VERDICT IN CASE OF
SEC vs. RMCI

New York, November 15, 2012: This *Fund Update* is intended to provide shareholders with current information regarding the case of Securities and Exchange Commission v. Reserve Management Company, Inc. et al., 09-Civ. 4346 (PGG)(S.D.N.Y.), that will directly affect the Primary Fund-In Liquidation.

On Monday, November 12, 2012, the jury returned a verdict in the above-referenced matter. The jury found that Defendant Reserve Management Company, Inc. (“RMCI”) and Defendant Resrv Partners knowingly or recklessly violated certain provisions of the federal securities laws and that RMCI and Defendant Bruce Bent II negligently violated certain provisions of the federal securities laws. The jury found that the SEC had not proved the remainder of its claims against Defendants by a preponderance of the evidence, including claims that Defendant Bruce Bent Sr. violated any federal securities laws or that Bruce Bent II knowingly or recklessly violated any federal securities laws.

One or more parties to the case may appeal from the verdict. Please be aware that, as previously disclosed, the Primary Fund-In Liquidation does not anticipate making any further distributions unless and until the Court resolves various pending motions, including motions by RMCI seeking certain fees and expenses from the Fund.