



IMMEDIATE RELEASE

Reserve Primary and Government Funds Disbursement Update

New York, October 22, 2008 – The Reserve is pleased to announce that the Primary Fund's initial distribution will be approximately \$25 billion plus cash accumulated through the distribution date, rather than \$20 billion as previously announced. The Fund has been accumulating cash for this purpose and will continue doing so for future distributions. The Reserve is also evaluating if the federal government's recently announced Money Market Investor Funding Facility will improve the Primary Fund's liquidity.

We are making every effort to return investors' money as quickly as possible. Some final trade reconciliations remain. Based on work already completed, it's now our best estimate that the initial distribution will be made at the end of next week.

The Government Fund has accumulated approximately \$3 billion for its initial distribution. While not set in stone, we currently expect the initial Government Fund distribution will occur relatively soon after the initial Primary Fund distribution. Based on where we are in the trade reconciliation process, the initial Government Fund distribution will be made approximately seven to 10 days after the initial Primary Fund distribution.

This process has proven far more complex and time consuming than anticipated. Once again, we thank all of our investors for their patience.

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