



**IMMEDIATE RELEASE**

**TIMEFRAME FOR INITIAL DISTRIBUTION PAYMENT OF  
RESERVE PRIMARY FUND**

New York, September 30, 2008 - The Board of Trustees of The Reserve Fund (the "Trust") announced yesterday its approval of a distribution of \$20 billion, that is expected to occur on or about October 13, 2008.

Investors may wonder why the distribution cannot be made until on or about October 13th. The two-week time frame for the initial distribution is necessary to ensure an orderly pro-rata distribution. Money market management systems, including those for the Fund, are programmed to accommodate a constant \$1.00 NAV. Making a distribution to holders that have made redemption requests since September 15, 2008 necessitated a series of system modifications designed to ensure an accurate and equitable distribution of funds.

This process is being undertaken to ensure that on the day of the distribution, the Fund will reflect appropriate investor balance information. This balance takes into account an investor's opening balance as of September 15, 2008, less any redemption transactions (check, debit card, ACH) that settled after September 15, 2008, plus any purchases through dividend reinvestment executed between September 15 and September 17, 2008. Additionally, a liquidation management system is being developed to track and maintain the payment status of all investors allowing for accurate, future payments to be made at such time the final distribution plan is approved.

This model also allows check, debit card and ACH transactions to continue until the final liquidation date and ensures appropriate tracking of income to the Fund, which will be distributed as part of the final liquidation payment.

The Fund cannot currently estimate when additional distributions to investors will be made. When the plan is finalized, it will be made available on our website, [www.TheR.com](http://www.TheR.com).

###