



IMMEDIATE RELEASE

Statement About The Reserve Yield Plus Fund

New York, October 17, 2008 – As announced on October 9, The Board of Trustees of Reserve Yield Plus Fund (the “Fund”) has voted to liquidate the Fund. The Fund owned Lehman Brothers Holdings Inc. paper that was marked down to zero on September 16, 2008, which brought the net asset value per share of the Fund down to \$0.97 where it remained as of October 16. The Fund is not a money market fund but rather a cash plus fund (categorized as a short-term bond fund by Morningstar). The Board is working on a liquidation plan, which will ensure that all investors are treated fairly and receive their money in the shortest time consistent with the timeline to realize the fair value of the securities.

We expect that the liquidation will occur in stages with proceeds distributed as securities mature or are sold. Currently the Fund’s assets are approximately \$1.2 billion including \$316 million in cash. We intend to begin making payouts as soon as practical.

In order to proceed, we must first move the Fund to a different computer platform that’s able to account for a share price below \$1.00. The need for this capability wasn’t anticipated when the Fund was created. However, the recent unprecedented events in the credit market require these changes.

We apologize for the delay in meeting redemption requests and will continue to provide periodic updates of our progress during this process.

Thank you for your patience.

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