



**IMMEDIATE RELEASE**

**MANAGEMENT AGREEMENTS FOR RESERVE PRIMARY AND YIELD PLUS FUNDS  
TERMINATE EFFECTIVE SEPTEMBER 30, 2010**

NEW YORK, October 8, 2010—The Board of Trustees of the Reserve Primary Fund and the Reserve Yield Plus Fund announced today that the Board has not renewed the comprehensive fee investment management agreements (the “Agreements”) with Reserve Management Company, Inc. (“RMCI”). As a result, those Agreements, which provided for investment advisory and non-investment services to be provided by RMCI, terminated by their terms as of the close of business on September 30, 2010. The Board has directed that all of the Funds’ assets be invested in the State Street Institutional U.S. Government Money Market Fund -- Institutional Class, pending further distributions to shareholders or others.

RMCI has advised the Board that it will continue to provide non-investment services on an interim basis through November 23, 2010, contingent on the Funds entering into an interim agreement with RMCI that provides for contemporaneous payments sufficient to cover its actual costs in servicing the Funds. Issues related to the foregoing matter are before the Federal District Court.

The Independent Trustees have identified two firms, other than RMCI, to assess whether they could provide needed on-going non-investment services to the Funds and, if so, at what cost. That assessment process is still on-going and has been undertaken under the supervision of the Board and the Federal District Court.

At this point, the Board cannot guarantee that either of these firms or RMCI will be willing to provide non-investment services after November 23, 2010, what the costs of their services might be or when they could commence doing so. In addition, the Board cannot guarantee that RMCI will continue to provide non-investment services through November 23, 2010 if not paid contemporaneously for its actual costs. The Board will take reasonable steps to assure continuity of service to the Funds.

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

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