

September 18, 2008

Dear Client:

The last few days have been a very volatile time in the market and the global credit crisis is impacting all asset classes, including money markets and other cash substitute investments. In fact, just yesterday several money market funds were impacted to the point where their Net Asset Value ("NAV") fell below \$1.00. This is a very rare occurrence and is referred to as "breaking the buck." One money market fund in particular, The Reserve Fund, which many of our clients are invested, broke the buck.

The following is a press release from the The Reserve Fund issued yesterday:

*The Board of Trustees of The Reserve Fund, after reviewing the unprecedented market events of the past several days and their impact on The Primary Fund, a series of The Reserve Fund and taking into account recommendations made by Reserve Management Company, Inc., the investment manager of The Primary Fund, approved the following actions with respect to The Primary Fund only: The value of the debt securities issued by Lehman Brothers Holdings, Inc. (face value \$785 million) and held by the Primary Fund has been valued at zero effective as of 4:00PM New York time today. As a result, the NAV of the Primary Fund, effective as of 4:00PM, is \$0.97 per share. All redemption requests received prior to 3:00PM today will be redeemed at a net asset value of \$1.00 per share. Effective today and until further notice, the proceeds of redemptions from The Primary Fund will not be transmitted to the redeeming investor for a period of up to seven calendar days after the redemption. The seven-day redemption delay will not apply to debit card transactions, ACH transactions or checks written against the assets of the Primary Fund provided that any such transaction from an investor, individually or in the aggregate, does not exceed \$10,000. The Primary Fund will continue to accept purchase orders. Effective tomorrow, September 17, 2008, the NAV for the Primary Fund will be calculated once a day at 5:00PM, New York time.*

Due to these unfortunate circumstances, if you held The Reserve Fund in your account, the balance was marked down 3% this morning. Whether there will be any further write-downs, or whether The Reserve Fund will make investors whole, remains to be seen. We do not have any additional information at this point in time. You can get additional information at [www.reservefunds.com](http://www.reservefunds.com), or feel free to call you representative to discuss this issue further. We will work to keep you apprised as we get additional information.