



IMMEDIATE RELEASE

**Important Notice for Reserve Interstate Tax-Exempt Fund Investors with
Checking, Debit Card and Automated Clearing House Services**

New York, December 11, 2008 – In preparation for the Interstate Tax-Exempt Fund's final reconciliations and upcoming interim and full distributions, the Fund is suspending checking, debit card and ACH transactions.

Checks received in proper form prior to December 12, 2008 will be honored. Checks received by the Fund on or after that date will not be processed. Debit cards will be cancelled as of December 11, 2008. Outstanding authorized debit card transactions made on or before December 11, 2008 will be processed. ACH transactions received prior to December 12, 2008 will be honored. If you have recurring ACH transactions applied against your account, make sure to redirect the payments from/to a different account as these transactions will not be processed on or after December 12, 2008. Any ACH Automatic Transfer Plans previously established with The Reserve will be cancelled.

Neither the Fund nor their affiliates will be responsible for any penalties or charges resulting from dishonored checks or from the cancellation and termination of the service transactions after the cut-off dates indicated above.

This release supersedes previous releases regarding the total amount allowable for checking, debit card and ACH services.

These modifications to the service transactions are being made in order to move ahead with the next step of the liquidation process.

If you have further questions please contact Customer Service at 800-637-1700.

An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the funds. Money market yields may vary.

Resrv Partners, Inc., Distributor. Member FINRA. 12/08

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