



**Robert Deutsch**  
**Managing Director**  
**Global Liquidity**

September 19, 2008

In light of the recent announcement that The Reserve's Primary Fund has "broken the buck" (i.e., fallen below a \$1 net asset value due to its investment loss on debt securities issued by Lehman Brothers Holdings Inc.), I would like to reaffirm our commitment to the time-tested risk management approach that's behind JPMorgan Asset Management's investment decisions and reconfirm to you that:

- JPMorgan's S.E.C. registered, Dublin and Luxembourg domiciled money market funds and liquidity funds have no exposure as of 9/18/08 to:
  - Lehman Brothers
  - AIG (American International Group)
  - WaMu (Washington Mutual)

Our investment process is built upon rigorous management of risk and credit exposure. JPMorgan thoroughly and continuously assesses the investments of its money market funds and defensively positions the JPMorgan money market funds' portfolios. JPMorgan money market funds constantly maintain a strong liquidity and credit quality profile. This strong liquidity position is evidenced by the fact that JPMorgan has never delayed payment of redemption proceeds on a money market fund even in times of great stress in the markets, such as the events surrounding 9/11.

This approach to risk management — along with our stringent focus on credit standards and extensive global liquidity expertise — has allowed us to achieve our objective of maintaining liquidity, preserving capital and providing current income throughout both historical interest rate cycles and major market events. Current market events only validate our commitment to this proven, time-tested evaluation process. All of our money market and liquidity funds have maintained a \$1 net asset value\* and are operating normally.

Our consistent focus on seeking the highest level of principle preservation for our clients is a key reason why over the past 20 years, we have become the largest institutional money market fund manager in the world (iMoneyNet as of 8/31/08). Our money market funds have over \$400 billion in assets under management in over twenty portfolios (data as of 8/31/08).

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Securities are sold through the JPMorgan Distribution Services, Inc., member FINRA/SIPC.



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Thanks again for choosing JPMorgan. I encourage you to reach out to us throughout this challenging market and beyond. Our team of relationship managers and portfolio managers are readily available for discussions. As always, don't hesitate to contact us with any additional questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Deutsch", written over a horizontal line.

Robert Deutsch  
Managing Director  
Global Liquidity

\* All of our money market and liquidity funds distributing share classes have maintained a stable net asset value in all applicable currencies including USD, GBP, EUR, SGD and JPY.

**Views are as of the date of this letter and are subject to change based on the stock market and other conditions. These views should not be construed as recommendation for any specific security.**

Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The views and strategies described may not be suitable for all investors. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, accounting, legal or tax advice. References to future returns are not promises or even estimates of actual returns a client portfolio may achieve. Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation.

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Although money market funds strive to preserve the value of the investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.

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