

EXHIBIT 16



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By Facsimile

The Honorable Paul G. Gardephe
United States District Judge
United States Courthouse
500 Pearl Street
New York, New York 10007

Re: In re: The Reserve Fund Securities & Derivatives Litigation, MDL 2011

Dear Judge Gardephe:

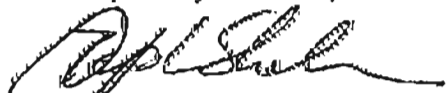
First Data Corporation ("First Data") and Integrated Payment Systems, Inc. ("IPS", investors in the Reserve Primary Fund (the "Fund") and plaintiffs in *First Data Corporation and Integrated Payment Systems, Inc. v. The Reserve Fund et al.*, No. 09 Civ. 1457 (S.D.N.Y.)), respectfully submit this letter in response to the Securities and Exchange Commission's ("SEC") proposed distribution plan for the Fund.

We believe strongly that, as explained fully in their Complaint, First Data and IPS are entitled to payment of our investment at a \$1 per share net asset value ("NAV").

The gravamen of First Data and IPS' claims before this Court is that they contacted the Fund on September 15, 2008 and were defrauded and prevented from redeeming their shares by misrepresentations made specifically to them. If, as claimed by the Securities and Exchange Commission ("SEC"), these types of misrepresentations permeated the operations of the Fund on September 15 and 16, then First Data and IPS believe that the pro rata distribution plan proposed by the SEC is appropriate, provided, however, that the Court issue an order requiring that all investors who received proceeds of redemption requests at a \$1 NAV on or after September 15, 2008 be required to repay those redemptions and instead share in the SEC's pro rata distribution plan. It is particularly unfair to permit any investors whose redemption requests were funded out of the order in which they were received on or after September 15, 2008 to retain the full payment of their redemptions at \$1 per share. Those investors received payment in a completely arbitrary manner, ahead of other investors who have yet to be paid, and they should not be permitted to retain what amounts to a windfall of approximately 1.5 cents per share if the Court approves the SEC's proposal.

In writing this letter, we reserve our rights to pursue all non-enjoined causes of action against Defendants if the Court ultimately approves the SEC's distribution plan, and all causes of action if the Court does not approve the SEC's proposal.

Respectfully submitted,



Ralph Shalom

cc: Attached distribution list