

EXHIBIT 2

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July 27, 2009

Hon. Paul G. Gardephe
United States District Judge
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street
New York, NY 10007-1312

Re: SEC v. Reserve Management Company, Inc. et al. No. 09-CV-4346 (PGG)

Response of BNP Paribas Securities Corporation and BNP Paribas Commodities Futures,
Inc. to SEC's Motion Regarding Distribution of Reserve Primary Fund Assets

Dear Judge Gardephe:

We write on behalf of our clients, BNP Paribas Securities Corporation ("BNPP Securities") and BNP Paribas Commodities Futures, Inc. ("BNPP Commodities"), in response to the motion of the Securities and Exchange Commission (the "SEC") for an order compelling the Reserve Primary Fund (the "Fund") to distribute all Fund assets *pro rata* for all shares for which shareholders have not been fully paid, regardless of the Fund's net asset value at the time that each shareholder redeemed its interests in the Fund, and for other, related relief.

Subject to their reservation of rights below, BNPP Securities and BNPP Commodities have no objection to the prompt *pro rata* distribution of the Fund's remaining assets so that all shareholders who were not paid for their shares prior to September 16, 2008 will receive the same aggregate price per share, under an order consistent with the terms proposed by China Investment Corporation and other parties described as the "Unpaid Timely Redeemer Group" in the document entitled "The Unpaid Timely Redeemer Group's Objections and Proposed Modifications to the Securities and Exchange Commission's Plan of Distribution for the Reserve Primary Fund," dated July 27, 2009.

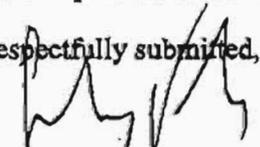
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BNPP Securities and BNPP Commodities are taking this position in response to the SEC's motion, notwithstanding their entitlement to \$1.00 per share with regard to redemption requests in the amount of approximately \$1 billion by BNPP Securities and approximately \$1.4 billion by BNPP Commodities.¹ BNPP Securities and BNPP Commodities believe that the Fund's shareholders are better served by the prompt distribution of the Fund's assets on a *pro rata* basis, rather than by the protracted litigation that is likely to result in the event the motion is denied, which is likely to substantially delay further payment to shareholders and cause the shareholders and the Fund to incur substantial legal expenses.

BNPP Securities and BNPP Commodities reserve their rights to pursue the claims asserted in their respective Complaints, including their claim for payments in the amount of \$1.00 per share with regard to the entire amount of their redemption requests, in the event that: the requested relief is denied; any order requiring prompt distribution of the Fund's assets is reversed or modified on appeal; a prompt distribution of the Fund's assets otherwise does not occur; or any other unpaid shareholder receives preferential treatment.

Respectfully submitted,



Harry Frischer

¹ BNPP Securities and BNPP Commodities each filed complaints against the Fund and others in New York State Supreme Court on June 8, 2009, seeking payment with respect to redemptions effected on September 15 and 16, 2008. These actions were removed to this Court on July 1, 2009, and are docketed as No. 09-CV-5997 and No. 09-CV-5996 respectively.

The Complaint filed by BNPP Securities alleges that on September 15 and 16, 2008, it redeemed its entire investment of approximately \$1 billion in the Fund, that defendants acknowledged their obligation to redeem BNPP Securities shares at a price of \$1.00 per share, and that, net of the interim distributions made by the Fund through the date of the Complaint, \$100,389,236.73 plus interest remains due and owing to BNPP Securities.

The Complaint filed by BNPP Commodities alleges that on September 16, 2008 it redeemed its entire investment of approximately \$1.4 billion in the Fund, that BNPP Commodities is entitled to redeem its shares at a price of \$1.00 per share although the Fund erroneously contends that it is may redeem these shares at a price of only 97 cents per share, and that net of interim distributions \$140,292,576.67 plus interest remains due and owing to BNPP Commodities.

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