



## **RAM Holdings Ltd. Commences Tender Offer for Series A Preference Shares and Solicitation of Proxies and Consents for Certain Amendments to the Series A Preference Shares and RAM Reinsurance Company Ltd. Commences Tender Offer for Class B Preference Shares**

HAMILTON, Bermuda, Jan 29, 2010 /PRNewswire via COMTEX News Network/ -- RAM Holdings Ltd. (BSX: RAMR) (Pink Sheets: RAMR) ("RAM Holdings") announced today the commencement by RAM Holdings of a tender offer to purchase any and all of the outstanding Non-Cumulative Preference Shares, Series A, with a par value of US \$0.10 per share and a liquidation preference of US \$1,000 per share (the "Series A Preference Shares"), of RAM Holdings (the "Series A Tender Offer"), and the commencement by RAM Reinsurance Company Ltd. ("RAM Re"), RAM Holdings' operating subsidiary, of a tender offer to purchase any and all of the outstanding Class B Preference Shares, with a par value of US \$1,000 per share and a liquidation preference of US \$100,000 per share (the "Class B Preference Shares", and together with the Series A Preference Shares, the "Preference Shares") of RAM Re (the "Class B Tender Offer", and together with the Series A Tender Offer, the "Tender Offers"), each upon the terms and subject to the conditions set forth in the Purchase Offer Memorandum and Proxy Statement dated as of January 29, 2010, and the accompanying Proxy, Consent and Letter of Transmittal (together, the "Offer Documents").

Upon the terms and subject to the conditions of the Series A Tender Offer, RAM Holdings is offering to purchase Series A Preference Shares at a price per share equal to (a) \$250.00 (the "Series A Total Consideration"), comprised of \$200.00 (the "Series A Purchase Price") and \$50.00 (the "Series A Early Tender Premium"), in the case of Series A Preference Shares tendered (and not subsequently validly withdrawn) on or before 5:00 p.m., New York City time, on February 11, 2010 (such time and date, as the same may be modified, the "Series A Early Tender Deadline") and accepted by RAM Holdings, or (b) \$200.00, which is the Series A Purchase Price, in the case of Series A Preference Shares tendered after the Series A Early Tender Deadline but no later than the Series A Expiration Date (as defined below), and such shares are accepted by RAM Holdings.

Upon the terms and subject to the conditions of the Class B Tender Offer, RAM Re is offering to purchase Class B Preference Shares at a price per share equal to (a) \$25,000.00 (the "Class B Total Consideration"), comprised of \$20,000.00 (the "Class B Purchase Price") and \$5,000.00 (the "Class B Early Tender Premium"), in the case of Class B Preference Shares tendered (and not subsequently validly withdrawn) on or before the 5:00 p.m., New York City time, on February 11, 2010 (such time and date, as the same may be modified, the "Class B Early Tender Deadline") and accepted by RAM Re, or (b) \$20,000.00, which is the Class B Purchase Price, in the case of Class B Preference Shares tendered after the Class B Early Tender Deadline but no later than the Class B Expiration Date (as defined below), and such shares are accepted by RAM Re. In connection with the Series A Tender Offer, RAM Holdings is also soliciting proxies and consents from holders of the Series A Preference Shares in connection with a Special General Meeting to be held at Canon's Court, 22 Victoria Street, Hamilton HM EX, Bermuda, on February 11, 2010 at 6:00 p.m., New York City time, and at which such holders will consider certain amendments (the "Series A Proposed Amendments") to the certificate of designations of Series A Preference Shares to modify the terms of such shares.

In connection with the Class B Tender Offer, RAM Re is also soliciting proxies and consents from holders of the Class B Preference Shares in connection with a Special General Meeting to be held at Canon's Court, 22 Victoria Street, Hamilton HM EX, Bermuda, on February 11, 2010 at 6:30 p.m., New York City time, and at which such holders will consider certain amendments (the "Class B Proposed Amendments", and together with the Series A Proposed Amendments, the "Proposed Amendments") to the certificate of designation, preferences and rights of the Class B Preference Shares to modify the terms of such shares. Holders may not tender their Preference Shares in the Tender Offers without voting for and consenting to the applicable Proposed Amendments.

### **Certain Information Regarding the Tender Offers**

The Series A Tender Offer commenced today and will expire at 11:59 p.m., New York City time, on February 26, 2010, unless extended or earlier terminated (such date and time, as the same may be extended or earlier terminated, the "Series A Expiration Date"). The Class B Tender Offer commenced today and will expire at 11:59 p.m., New York City time, on February 26, 2010, unless extended or earlier terminated (such date and time, as the same may be extended or earlier terminated, the

"Class B Expiration Date", and together with the Series A Expiration Date, the "Expiration Dates"). Each of RAM Holdings and RAM Re will pay for all validly tendered and not subsequently validly withdrawn Preference Shares accepted for purchase promptly after the applicable Expiration Date.

Deutsche Bank Securities Inc. is acting as dealer manager for the Tender Offers. Questions regarding the Tender Offers may be directed to Deutsche Bank Securities Inc. at: (866) 627-0391 (toll-free) or (212) 250-2955.

D.F. King & Co., Inc. is acting as tender agent and information agent for the Tender Offers. Requests for copies of the Offer Documents may be directed to D.F. King & Co., Inc. at (212) 269-5550 (banks and brokers) or (800) 347-4750 (toll-free).

This press release is for informational purposes only and does not constitute an offer to purchase, the solicitation of an offer to purchase or a solicitation of tenders. No recommendation is made by RAM Holdings, RAM Re, the dealer manager, tender agent or information agent or any of their respective affiliates as to whether or not holders of Preference Shares should tender their Preference Shares pursuant to the applicable Tender Offer or vote in favor of and consent to the applicable Proposed Amendments. Each Tender Offer is being made solely pursuant to the Offer Documents, which more fully set forth and govern the terms and conditions of such Tender Offer. The Offer Documents contain important information and should be read carefully before any decision is made with respect to the applicable Tender Offer.

### **Forward-Looking Statements**

This release contains statements that may be considered "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and the current views of the economic and operating environment and are not guarantees of future performance. A number of risks and uncertainties, including economic competitive conditions, could cause actual results to differ materially from those projected in forward-looking statements. Our actual results could differ materially from those expressed or implied in the forward-looking statements. Among the factors that could cause actual results to differ materially are: (i) our ability to execute our business strategy; (ii) changes in general economic conditions, including inflation, foreign currency exchange rates, interest rates and other factors; (iii) the loss of significant customers with whom we have a concentration of our reinsurance in force; (iv) legislative and regulatory developments; (v) changes in regulation or tax laws applicable to us or our customers; (vi) more severe losses or more frequent losses associated with our products; (vii) losses on credit derivatives; (viii) changes in our accounting policies and procedures that impact RAM Holdings' reported financial results; and (ix) other risks and uncertainties that have not been identified at this time. We undertake no obligation to revise or update any forward-looking statement to reflect changes in conditions, events, or expectations, except as required by law.

RAM Holdings Ltd. is a Bermuda-based holding company. Its operating subsidiary, RAM Reinsurance Company Ltd., provides financial guaranty reinsurance for U.S. and international public finance and structured finance transactions. More information can be found at [www.ramre.com](http://www.ramre.com).

RAM Holdings Ltd.

RAM Re House

46 Reid Street

Hamilton

Bermuda

SOURCE RAM Holdings Ltd.