



RAM Holdings Ltd. Allows Withdrawal Rights With Respect to the Tender Offer for its Series A Preference Shares and RAM Reinsurance Company Ltd. Allows Withdrawal Rights With Respect to the Tender Offer for its Class B Preference Shares

HAMILTON, Bermuda, Feb 18, 2010 /PRNewswire via COMTEX News Network/ -- RAM Holdings Ltd. (BSX: RAMR) (Pink Sheets: RAMR) ("RAM Holdings") and RAM Reinsurance Company Ltd. ("RAM Re" and, together with RAM Holdings, the "Companies") announced today that, in response to a shareholder request, RAM Holdings will allow withdrawal rights with respect to RAM Holdings' previously announced 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 RAM Re will allow withdrawal rights with respect to RAM Re's previously announced 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").

Holders of Series A Preference Shares may validly withdraw their previously tendered Series A Preference Shares at any time prior to 5:00 p.m., New York City time, on February 24, 2010 (the "Series A Amended Withdrawal Deadline"). Holders of Class B Preference Shares may validly withdraw their previously tendered Class B Preference Shares at any time prior to 5:00 p.m. New York City time on February 24, 2010 (the "Class B Amended Withdrawal Deadline").

As described 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"), 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(the "Series A Early Tender Premium"), in the case of Series A Preference Shares tendered (and not subsequently validly withdrawn) on or before 5:00 p.m., New York City time, on February 11, 2010, (such time and date, as the same may be modified, the "Series A Early Tender Deadline") and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 per share, which is the Series A Purchase Price, in the case of Series A Preference Shares tendered (and not subsequently validly withdrawn) after the Series A Early Tender Deadline but no later than 11:59 p.m., New York City time, on February 26, 2010, unless extended or earlier terminated (such time and date, as the same may be modified, the "Series A Expiration Date"), and accepted by RAM Holdings. If you tendered your Series A Preference Shares prior to the Series A Early Deadline and you withdraw such previously tendered shares prior to the Series A Amended Withdrawal Deadline, you will forfeit the Series A Early Tender Premium, even if your Series A Preference Shares are later retendered.

As described in the Companies' press release dated February 12, 2010 (the "February 12 Press Release"), RAM Re has extended the Class B Early Tender Deadline for the Class B Tender Offer to 11:59 p.m., New York City time, on February 26, 2010 (such date and time, as the same may be modified, the "Class B Expiration Date"). As described in the Offer Documents, RAM Re is offering to purchase Class B Preference Shares at a price per share equal to \$25,000.00 (the "Class B Total Consideration"), comprised of the Class B Purchase Price of \$20,000.00 and the Class B Early Tender Premium of \$5,000.00, in the case of Class B Preference Shares tendered (and not subsequently validly withdrawn) on or before the Class B Early Tender Deadline and accepted by RAM Re.

Except as described in this press release, the terms of each of the Tender Offers set forth in the Offer Documents, as modified by the February 12 Press Release, remain unchanged.

Certain Information Regarding the Tender Offers

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.

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