CORPORATE GOVERNANCE GUIDELINES
OF RAM HOLDINGS LTD.

(as amended May 12, 2009)

These Corporate Governance Guidelines (the "Guidelines") have been adopted by the Board of Directors (the "Board") of RAM Holdings Ltd. (the "Company") to assist the Board in the exercise of its responsibilities to the Company and all of its shareholders. These Guidelines are not intended to change or interpret any law or regulation applicable to the Company and are subject to the Company's Bye-laws.

A. THE BOARD

1. The Role of the Board of Directors

The primary responsibility of the Board is to oversee the affairs of the Company in the best interests of the Company while day-to-day operation of the Company is the responsibility of management. The Board is responsible for selecting the executive officers of the Company and monitoring their performance. The Board is also responsible for reviewing the procedures established to assure that the Company's management and employees operate in a legal and ethically responsible manner.

2. Director Duties and Responsibilities

Each Director owes a fiduciary duty to act in good faith in his or her dealings with or on behalf of the Company and to exercise the powers and fulfill the duties of the office honestly. Each Director is also expected, when acting in the Company's interests, to exercise whatever skill he or she possesses with reasonable care and to diligently attend to the affairs of the Company. In discharging their duties, each Director is entitled to rely on the honesty and integrity of his or her fellow Directors as well as on the honesty and integrity and the advice, reports and opinions of the management of the Company and its outside advisors and auditors.

Directors are expected to attend the Company's annual shareholders meeting, all Board meetings and meetings of Committees on which they serve. Each member of the Board must make the commitment to spend the time necessary to prepare for Board and Committee meetings, including through advance review of meeting materials, and to meet as frequently as required to properly discharge his or her responsibilities.

3. Chairman of the Board and Chief Executive Officer Positions

At present, the Chairman of the Board and the Chief Executive Officer are separate positions. The Board may, however, at some time in the future, decide to combine these positions if it determines that such combination is the best arrangement for the Company and its shareholders, given the circumstances of the Company and the composition of the Board.

4. Size and Composition of the Board

The Bye-laws of the Company provide that the Board shall consist of not less than 11 and not more than 15 Directors. The Nominating and Corporate Governance Committee will, in accordance with its charter, periodically review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments deemed necessary.

5. Board Membership Criteria

The Nominating and Corporate Governance Committee establishes the criteria for identifying individuals qualified to become Directors.

6. Selection of New Director Candidates

It is the responsibility of the Nominating and Corporate Governance Committee to identify and recommend nominees for membership to the Board, which shall in turn submit its recommendations to the shareholders for election (except as provided in the Bye-laws with respect to vacancies). The Nominating and Corporate Governance Committee considers candidates recommended by Directors and shareholders consistent with the criteria set out above and the Bye-laws of the Company. Shareholders may submit written recommendations for nominees, consistent with the procedures established by the Nominating and Corporate Governance Committee, to the Chair of the Nominating and Corporate Governance Committee, in care of the Company's Secretary.

The Company does not have a policy of limiting the number of other public company boards of directors upon which a Director may serve. However, in considering any prospective nominee, the Nominating and Corporate Governance Committee will consider the number of other boards on which such individual sits in assessing his or her ability to commit the time necessary to service on the Board.

7. Directors Who Change Their Present Job Responsibilities

The Board does not believe that Directors who retire or otherwise change the position they held when they came onto the Board should necessarily leave the Board. However, promptly following such event, the Director must notify the Chairman of the Board and the Chair of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee will review the continued appropriateness of the affected Director remaining on the Board under the circumstances and make a recommendation to the Board regarding his or her continued service. The affected Director is expected to tender his or her resignation if that is deemed by the Board, following such review, to be in the best interests of the Company.

8. Term Limits

The Board does not believe that it should establish limits on the number of terms a Director may serve on the Board. While term limits could help insure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of Directors who over time have developed increasing insight into the Company and its operations. An individual Director's renomination is dependent upon such Director's performance, as well as his or her contributions to the Board and, on a regular basis, the Nominating and Corporate Governance Committee, in consultation with the Chairman, will review each Director's continuation on the Board.

9. Retirement Age

A Director may not stand for re-election in the calendar year following the date of his or her 72nd birthday. This age limit may be waived by the Board.

10. Resignation or Retirement of Officers as Board Members

The Bye-laws of the Company provide that the office of any Director who is also an officer of the Company shall be vacated if such Director resigns his or her position or otherwise ceases to be employed by the Company.

11. Director Orientation/Continuing Education

New Directors are expected to participate in an orientation process that includes (a) reviewing materials regarding the Company's business, compliance programs and code of conduct, (b) reviewing these Guidelines and other policies and procedures developed by the Board, including the charter of any Committee on which such new Director is to serve, and (c) visiting the Company's offices and meeting with key personnel to discuss the Company's business and operations, strategic plans, the environment in which the Company operates and its significant financial, accounting and risk management issues. The orientation process is expected to be undertaken within three months of the time the new Director joins the Board.

12. Board Compensation and Review

The Nominating and Corporate Governance Committee reviews and recommends to the Board, at least once a year, the form and amount of the compensation of Directors, including those who are non-employee Directors, and any additional compensation to be paid for service on a Committee, as Chair of a Committee or as Chairman of the Board. The Nominating and Corporate Governance Committee is to consider customary compensation for directors of comparable companies as well as other relevant factors and may work with an outside consultant in preparing its recommendation to the Board. The form and amount of Board compensation as proposed from time to time by the Nominating and Corporate Governance Committee is subject to discussion and concurrence by the Board. Any such compensation will be set in accordance with the policies and principles established by the Nominating and Corporate Governance Committee and the Board and in accordance with any applicable listing standards or other applicable laws and regulations.

13. Assessing the Board's Performance

The Nominating and Corporate Governance Committee oversees an annual self-evaluation of the Board's performance and reviews the results of such evaluation with the Board, preferably in the last quarter of the year.

14. Independent Advisors

The Board and each Committee have the power to hire, at the expense of the Company, independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

B. BOARD MEETINGS

1. Scheduling and Agendas for Board Meetings

The Board usually meets four times per year in regularly scheduled meetings although it may meet more often if required. Typically, the meetings are held in Bermuda.

Directors are expected to attend meetings of the Board and the Committees on which they serve and to review, prior to each meeting, the materials distributed for such meeting. A Director who is unable to attend a meeting is expected to notify the Chairman of the Board and the Chair of any Committee on which he or she serves in advance of such meeting.

At least one Board meeting each year, normally in November or December, will be devoted to a review of the Company's annual business plan for the following year. One Board meeting will be in conjunction with the annual shareholders' meeting.

The Chairman of the Board and the Corporate Secretary of the Company will develop the agenda for each Board meeting and distribute it in advance to the Board. Directors may suggest additional agenda items and may, at any meeting, raise subjects that are not on the agenda.

2. Board Materials Review and Distribution

Information that is important to the Board's or a Committee's understanding of the business to be conducted will be distributed to the members in advance of each meeting. Such information is to be presented in a concise manner, while still providing the necessary information, so that more meeting time may be spent in discussion. If the subject is too sensitive to be distributed in writing, the presentation will be made at the meeting. Directors shall preserve the confidentiality of confidential material given or presented to the Board. Directors are expected to prepare for meetings by reviewing the materials in advance and contacting senior management, if appropriate, with requests for additional information if needed.

3. Executive Sessions of Outside Directors

The Company's policy is that, at a minimum, the non-employee Directors will meet in executive session at each regularly scheduled Board meeting. These executive sessions of the outside Directors will be chaired by the Chairman of the Board or, in the absence of the Chairman or if the Chairman is not at that time a non-employee Director, the Chair of the Nominating and Corporate Governance Committee.

4. Board Access to Senior Management

Board members may initiate contact with the Company's management at any time.

The Chief Executive Officer will invite key members of management to regularly attend Board meetings so that they may provide additional insight into the items being discussed. The Board expects that management will use this process to give exposure to managers with senior management potential.

C. BOARD COMMITTEES

1. Standing Committees of the Board

The Board has the following standing committees: Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. The Board may at any time form new committees or disband an existing committee, other than the Audit Committee and the Compensation Committee. Only non-employee Directors may serve on these Committees. Each Committee is expected to perform an annual performance evaluation and to review the results of such evaluation with the Board.

2. Assignment and Rotation of Committee Members

The Nominating and Corporate Governance Committee recommends to the Board, and the Board designates, the members and the chair(s) of the Committees (except for the Nominating and Corporate Governance Committee), taking into account the preferences and experience of the individual Directors. With respect to the Nominating and Corporate Governance Committee, the Chairman of the Board will recommend to the Board an individual to serve as Chair of that Committee. The Chair of the Nominating and Corporate Governance Committee and the Chairman of the Board will then recommend to the Board other individuals to serve as members of the Nominating and Corporate Governance Committee.

The Board and the Nominating Corporate Governance Committee will review Committee membership annually and consider whether membership of any Committee should be changed. There are no fixed terms for Committee membership. Committee Chairs shall serve for a term of one year and shall be eligible for reappointment.

3. Committee Meetings

Committee meetings are generally scheduled to coincide with regular Board meetings. The Chair of any Committee may call additional meetings as needed.

4. Committee Agendas

The Chair of each Committee and the Corporate Secretary of the Company will develop the agenda for meetings of such Committee. Committee members may suggest additional agenda items and may, at any meeting, raise subjects that are not on the agenda. All Directors, whether members of a Committee or not, are invited to make suggestions to a Committee Chair for additions to the agenda of his or her Committee or to request that an item from a Committee agenda be considered by the Board. Each Committee Chair will give a periodic report of his or her Committee's activities to the Board.

D. MANAGEMENT REVIEW AND RESPONSIBILITY

1. Formal Evaluation of the Chief Executive Officer

The Compensation Committee evaluates the performance of the Chief Executive Officer at least once per year in light of the corporate goals, objectives and incentive criteria that have been approved by the Compensation Committee as relevant to the Chief Executive Officer's performance and compensation. The objectives upon which the Chief Executive Officer's performance is measured include the Company's performance and relative shareholder return, accomplishment of long-term strategic objectives, leadership development, compensation given to chief executive officers at comparable companies and other factors deemed relevant by the Compensation Committee. The results of this evaluation are then communicated to the Chief Executive Officer by the Chair of the Compensation Committee. The Compensation Committee

has the authority (along with the other non-employee Directors, if so directed by the Board) to approve and set the compensation of the Chief Executive Officer based on this annual evaluation.

2. Formal Evaluation of Executive Officers

The Compensation Committee also reviews the Chief Executive Officer's annual performance evaluations of senior management of the Company and makes recommendations to the Board with respect to compensation of such officers, including any bonuses and incentive compensation plans.

3. Succession Planning

The Nominating and Corporate Governance Committee will, as appropriate and from time to time, make recommendations to the Board regarding succession planning in respect of the Board and the Chief Executive Officer. The Board's succession planning review should include policies and principles for selecting a new Chief Executive Officer, including the evaluation of potential successors to the Chief Executive Officer and policies regarding succession in the event of an emergency or the retirement of the Chief Executive Officer. The Board shall also plan for the succession to certain other senior management positions.

To assist the Board in this process, the Chief Executive Officer will annually provide an assessment of the members of the Company's senior management team and their potential to succeed to the position of Chief Executive Officer and an assessment of those individuals considered potential successors to other senior management positions (such as the Chief Financial Officer and the Chief Risk Manager).

Succession planning will be discussed by the Nominating and Corporate Governance Committee and by the full Board during the non-employee Directors' executive sessions when appropriate.

4. Board Interaction with Institutional Investors, the Press, Customers, etc.

The Board believes that management speaks for the Company. Management appoints persons to interact with institutional investors, the press and members of the public. Individual Directors ordinarily do not communicate directly with these constituencies about Company matters, unless requested to do so by the Board or management. This policy does not preclude non-employee Directors from meeting with shareholders, but it is suggested that any such meetings be held with management present unless otherwise approved by the Board.