

Primus Guaranty, Ltd.
Primus (Bermuda) Ltd.
Primus CLO I, Ltd.
Primus CLO II, Ltd.

Passive Foreign Investment Company (PFIC) Information

Based on the operations, income and assets of our entire group, and in particular the operations, income and assets of Primus Financial Products, LLC, Primus Guaranty, Ltd. believes that Primus Guaranty, Ltd. and Primus (Bermuda) Ltd. should satisfy either or both of the “income” or “asset” tests and as a result should be and continue to be PFICs. Additionally, Primus (Bermuda) Ltd. has invested in Primus CLO I, Ltd. and Primus CLO II, Ltd., each of which has provided a PFIC Annual Information Statement to Primus (Bermuda) Ltd., prepared on the assumption that (i) each of Primus CLO I, Ltd. and Primus CLO II, Ltd. is a PFIC and (ii) the subordinated notes held by Primus (Bermuda) Ltd. in each of Primus CLO I, Ltd. and Primus CLO II, Ltd. is equity for U.S. federal income tax purposes.

Holders of Primus Guaranty, Ltd. common shares are urged to consult with their tax advisors as to the tax consequences of holding shares directly (in the case of Primus Guaranty, Ltd.) and indirectly (in the case of Primus (Bermuda) Ltd., Primus CLO I, Ltd. and Primus CLO II, Ltd.) of PFICs and the possible advisability of electing to have each of Primus Guaranty, Ltd., Primus (Bermuda) Ltd., Primus CLO I, Ltd. and Primus CLO II, Ltd. treated as a “qualified electing fund”, or QEF, or of making a mark-to-market election with respect to Primus Guaranty, Ltd. In general, once an election is made, the election applies to all subsequent years.

To assist shareholders that are making QEF elections with respect to Primus Guaranty, Ltd., Primus (Bermuda) Ltd., Primus CLO I, Ltd. and Primus CLO II, Ltd., Primus Guaranty, Ltd. has prepared PFIC Annual Information Statements for the tax year ended December 31, 2008 for Primus Guaranty, Ltd. (see page 2) and Primus (Bermuda) Ltd. (see page 3). Additionally, Primus Guaranty, Ltd. is providing for your convenience the PFIC Annual Information Statements prepared and provided by Primus CLO I, Ltd. and Primus CLO II, Ltd.; however, please note that Primus Guaranty, Ltd. did not prepare and is not responsible for the information contained in the PFIC Annual Information Statements provided by Primus CLO I, Ltd. and Primus CLO II, Ltd. These information statements are attached.

Primus (Bermuda) Ltd. owns 25% of the subordinated notes issued by each of Primus CLO I, Ltd. and Primus CLO II, Ltd. Based on the assumptions reflected in the PFIC Annual Information Statements that have been provided by Primus CLO I, Ltd. and Primus CLO II, Ltd., 25% of the income shown on such statements is attributable to Primus (Bermuda) Ltd. On this basis, shareholders of Primus Guaranty, Ltd. would calculate their QEF income with respect to each of Primus CLO I, Ltd. and Primus CLO II, Ltd. according to the table provided below.

| | Total | Per Common Share | Per Common Share Per Day |
|---|------------|---------------------|-----------------------------|
| Primus CLO I Ordinary earnings: | \$ 819,132 | \$ 0.02009 | \$ 0.000055 |
| Primus CLO I Net long-term capital gain: | \$ - | \$ - | \$ - |
| Primus CLO II Ordinary earnings: | \$ - | \$ - | \$ - |
| Primus CLO II Net long-term capital gain: | \$ - | \$ - | \$ - |

It is suggested that the investors consult with their own tax advisors and our disclosure documents on file with the SEC to determine whether to make a QEF election with respect to the ownership interest in Primus Guaranty, Ltd., Primus (Bermuda) Ltd., Primus CLO I, Ltd. and Primus CLO II, Ltd. or a mark-to-market election with respect to the ownership interest in Primus Guaranty, Ltd. This is provided for informational purposes only and is not intended to, and does not, constitute tax, legal or other advice.

ISSUER: PRIMUS GUARANTY, LTD.
 CLARENDON HOUSE, 2 CHURCH STREET
 HAMILTON HM 11, BERMUDA

PASSIVE FOREIGN INVESTMENT COMPANY (PFIC)
 ANNUAL INFORMATION STATEMENT
 FOR TAX YEAR ENDED DECEMBER 31, 2008

EQUITY CLASS OF ISSUER: PGL COMMON SHARES

The following annual information statement is being provided so that you may report your pro rata share of Primus Guaranty, Ltd.'s income in the event that you have elected to treat Primus Guaranty, Ltd. as a "qualified electing fund" ("QEF") under the applicable provisions of the United States Internal Revenue Code of 1986, as amended (the "Code").

- (1) This Information Statement applies to the taxable year of Primus Guaranty, Ltd. ("PGL") beginning on January 1, 2008 and ending on December 31, 2008.
- (2) The below amounts represent the pro rata income of PGL attributable to each of the 40,781,538 common shares, par value \$0.08 per share ("Common Shares"), outstanding as of December 31, 2008.

Investors should adjust the below income amounts by their appropriate share ownership:

(i) If you held PGL Common Shares throughout 2008, multiply the number of shares by the "Per Common Share" amount below.

(ii) If you did not hold PGL Common Shares for the entire period beginning January 1, 2008 and ending December 31, 2008, multiply the number of shares you held by the "Per Common Share Per Day" amount below and by the number of days you owned the shares in 2008.

(iii) If you owned different amounts of PGL Common Shares at different times during 2008, perform the calculation specified in (ii) above separately for each lot of Common Shares owned and use the total amounts yielded from those calculations.

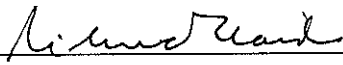
| | Total | Per Common Share | Per Common Share Per Day |
|-----------------------------|-------|------------------|--------------------------|
| Ordinary earnings: | \$ - | \$ - | \$ - |
| Net long-term capital gain: | \$ - | \$ - | \$ - |

- (3) The amount of cash and fair market value of other property distributed or deemed distributed by PGL, with respect to its Common Shares during the taxable year.

| | Distribution Amount | Per Common Share |
|--------------------------------------|---------------------|------------------|
| Total Distributions | \$ - | \$ - |
| Fair market value of other property: | | NONE |

- (4) PGL will permit you to inspect and copy its permanent books of account, records, and such other documents as may be maintained by it that are necessary to establish that PFIC ordinary earnings and net capital gain, as provided in Section 1293(e) of the Code, are computed in accordance with the U.S. federal income tax principles.

Date: March 23, 2009

PRIMUS GUARANTY, LTD.
 By: 
 Title: Chief Financial Officer

ISSUER: PRIMUS (BERMUDA) LTD.
 CLARENDON HOUSE, 2 CHURCH STREET
 HAMILTON HM 11, BERMUDA

PASSIVE FOREIGN INVESTMENT COMPANY (PFIC)
 ANNUAL INFORMATION STATEMENT
 FOR TAX YEAR ENDED DECEMBER 31, 2008

EQUITY CLASS OF ISSUER: PGL COMMON SHARES

The following annual information statement is being provided so that you may report your pro rata share of Primus (Bermuda) Ltd.'s income in the event that you have elected to treat Primus (Bermuda) Ltd. as a "qualified electing fund" ("QEF") under the applicable provisions of the United States Internal Revenue Code of 1986, as amended (the "Code").

- (1) This Information Statement applies to the taxable year of Primus (Bermuda) Ltd. beginning on January 1, 2008 and ending on December 31, 2008.
- (2) The below amounts represent the pro rata income of Primus (Bermuda) Ltd. attributable to each of the 40,781,538 common shares, par value \$0.08 per share, of Primus Guaranty, Ltd. Common Shares ("PGL Common Shares") outstanding as of December 31, 2008.

Investors should adjust the below income amounts by their appropriate share ownership.

(i) If you held PGL Common Shares throughout 2008, multiply the number of shares by the "Per Common Share" amount below.

(ii) If you did not hold PGL Common Shares for the entire period beginning January 1, 2008 and ending December 31, 2008, multiply the number of shares you held by the "Per Common Share Per Day" amount below and by the number of days you owned the shares in 2008.

(iii) If you owned different amounts of PGL Common Shares at different times during 2008, perform the calculation specified in (ii) above separately for each lot of shares owned and use the total amount yielded from those calculations.

| | Total | Per Common Share | Per Common Share Per Day |
|-----------------------------|-------|------------------|--------------------------|
| Ordinary earnings: | \$ - | \$ - | \$ - |
| Net long-term capital gain: | \$ - | \$ - | \$ - |

- (3) The amount of cash and fair market value of other property distributed or deemed distributed by Primus (Bermuda) Ltd. to Primus Guaranty, Ltd. and in turn by Primus Guaranty, Ltd. with respect to the PGL Common Shares during the taxable year.

| | Distribution Amount | Per Common Share |
|--------------------------------------|---------------------|------------------|
| Total Distributions | \$ - | \$ - |
| Fair market value of other property: | | NONE |

- (4) Primus (Bermuda) Ltd. will permit you to inspect and copy its permanent books of account, records, and such other documents as may be maintained by it that are necessary to establish that PFIC ordinary earnings and net capital gain, as provided in Section 1293(e) of the Code, are computed in accordance with the U.S. federal income tax principles.

PRIMUS (BERMUDA) LTD.

Date: March 23, 2009 By: *James Clark*
 Title: Treasurer

ISSUER: PRIMUS CLO I, LTD.
 C/O WALKERS SPV LIMITED
 WALKER HOUSE, 87 MARY STREET
 GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS

TRUSTEE: CITIBANK, N.A.
 388 GREENWICH STREET, 14TH FLOOR
 NEW YORK, NY 10013

PASSIVE FOREIGN INVESTMENT COMPANY (PFIC)
 ANNUAL INFORMATION STATEMENT
 FOR TAX YEAR ENDED October 31, 2008

EQUITY CLASS OF ISSUER: Subordinated Notes

(1) This Information Statement applies to the taxable year of Issuer beginning on November 1, 2007 and ending on October 31, 2008.

(2) The below amounts represent income for the entire Equity Class of \$26,000,000 face and from the Equity Class per \$1,000 face. (Investors should adjust the below income amounts by their appropriate percentage ownership.)

| | Subordinated Notes | | Total |
|------------------------------|--------------------|----------------------------------|---------------------------------------|
| Outstanding Principal Amount | \$ | 26,000,000 | \$ 26,000,000 |
| | Total | Per \$1,000 Original Face Amount | Per \$1,000 Original they are Per Day |
| Ordinary earnings: | \$ 3,276,527 | \$ 126.02028 | \$ 0.34432 |
| Net long term capital gain: | \$ - | \$ - | \$ - |

(3) The amount of cash and fair market value of other property distributed or deemed distributed by Issuer to the Equity Class during the taxable year:

| | Distribution Date | Distribution Amount | Per \$1,000 Original Face Amount |
|----------------------|-------------------|---------------------|----------------------------------|
| Cash: | 1/15/2008 | 2,295,045 \$ | 88.27096 |
| | 4/15/2008 | 2,385,809 \$ | 91.76188 |
| | 7/15/2008 | 735,942 \$ | 28.30546 |
| | 10/15/2008 | 636,939 \$ | 24.49765 |
| Total Distributions: | | \$ 6,053,735 | \$ 232.83596 |

Fair market value of other property:

NONE

(4) Issuer will permit you to inspect and copy Issuer's permanent books of account, records, and such other documents as may be maintained by Issuer that are necessary to establish that PFIC ordinary earnings and net capital gain, as provided in Section 1293(e) of the Code, are computed in accordance with U.S. income tax principles.

Date: 19 March 2009

Primus CLO I, Ltd.

By:

Title:


 Mora Goddard
 Director

ISSUER: PRIMUS CLO II, LTD.
 C/O MAPLES FINANCE LIMITED
 PO BOX 1093 GT BOUNDARY HALL, CRICKET SQUARE
 GRAND CAYMAN, CAYMAN ISLANDS, BRITISH WEST INDIES

TRUSTEE: CITIBANK, N.A.
 388 GREENWICH STREET, 14TH FLOOR
 NEW YORK, NEW YORK 10013

PASSIVE FOREIGN INVESTMENT COMPANY (PFIC)
 ANNUAL INFORMATION STATEMENT
 FOR TAX YEAR ENDED **October 31, 2008**

EQUITY CLASS OF ISSUER: Subordinated Notes

(1) This Information Statement applies to the taxable year of Issuer beginning on **November 1, 2007** and ending on **October 31, 2008**.

(2) The below amounts represent income for the entire Equity Class of \$ 31,500,000 face and from the Equity Class per \$1,000 face. (Investors should adjust the below income amounts by their appropriate percentage ownership.)

| Outstanding Principal Amount | Subordinated Notes | | Total | |
|------------------------------|--------------------|----------------------|-------------|----------------------|
| | \$ | 31,500,000 | \$ | 31,500,000 |
| | Total | Per \$1,000 Original | | Per \$1,000 Original |
| | | Per \$1,000 Original | Face Amount | |
| | | Face Amount | | Per Day |
| Ordinary earnings: | \$ - | \$ - | \$ - | - |
| Net long term capital gain: | \$ - | \$ - | \$ - | - |

(3) The amount of cash and fair market value of other property distributed or deemed distributed by Issuer to the Equity Class during the taxable year.


| | Distribution Date | Distribution Amount | Per \$1,000 Original Face Amount |
|---------------------|-------------------|---------------------|----------------------------------|
| Cash: | 1/15/2008 | \$ 1,190,895 | \$ 37.80619 |
| | 4/15/2008 | \$ 2,115,085 | \$ 67.14556 |
| | 7/15/2008 | \$ 2,054,705 | \$ 65.22873 |
| | 10/15/2008 | \$ 1,767,526 | \$ 56.11194 |
| Total Distributions | | \$ 7,128,211 | \$ 226.29241 |

Fair market value of other property:

NONE

(4) Issuer will permit you to inspect and copy Issuer's permanent books of account, records, and such other documents as may be maintained by Issuer that are necessary to establish that PFIC ordinary earnings and net capital gain, as provided in Section 1293(e) of the Code, are computed in accordance with U.S. income tax principles.

Primus CLO II, Ltd.



Date: 12 March 2009

By:

Christopher Watler

Title:

Director