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**PRIMUS FINANCIAL APPOINTS CANDACE LAU-HANSEN AS  
GLOBAL HEAD OF MARKETING**

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**As First Anniversary Approaches, First Triple-A Rated Provider of Credit Risk  
Protection Strengthens Management Team**

**NEW YORK, January 21, 2003** – Primus Financial Products, LLC, the only AAA/Aaa rated operating company providing credit risk protection on single name, investment grade corporations, sovereigns and financials, today announced the appointment of Candace Lau-Hansen as its Global Head of Marketing.

Ms. Lau-Hansen will be responsible for helping to further build Primus' business by broadening and expanding the firm's relationships with derivatives dealers and credit portfolio managers around the world.

"We're pleased to welcome Candace to our team," said Primus CEO Thomas Jasper. "We are confident that her wealth of knowledge, experience and contacts in the insurance and credit markets will help ensure our continued success."

"As Primus approaches its first anniversary, we have made major strides in all areas of our strategic plan – attracting top talent, growing our business, expanding our capital base, diversifying our portfolio and implementing strong risk management standards," Jasper continued. "We look forward to further progress and growth in 2003, as an increasing range of derivatives dealers and credit portfolio managers recognize our ability to help them more effectively manage their credit risks."

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Ms. Lau-Hansen, who will report to Primus Chief Financial Officer Joseph Bauman, most recently served as Global Head of Reinsurance Sales and Managing Director, Structured Credit Products at J.P. Morgan Securities. There, she managed a global marketing team for the reinsurance sector that focused on synthetic risk transfer and other structured products. Prior to that, she served as a Managing Director within the Financial Institutions Group, Global Investment Banking and as Vice President of Chase Manhattan's European Insurance Group in Paris. Prior to her 11-year career at J.P. Morgan Chase, she held positions at ABN-AMRO Bank in New York and Bankers Trust Company. Lau-Hansen holds a BA in political science from Yale University.

Primus was capitalized in March 2002, when its parent company – Primus Guaranty, Ltd. – successfully raised \$155 million in equity capital from four major financial institutions: XL Capital Ltd, Radian Group Inc., CalPERS/PCG Corporate Partners LLC and AEGON USA. At December 31<sup>st</sup>, 2002 Primus' total capital was \$ 243 million.

#### **About Primus Financial Products, LLC\***

Primus Financial Products, LLC, [[www.primusfinancial.com](http://www.primusfinancial.com)] a subsidiary of Primus Guaranty, Ltd., is the only triple-A rated company dedicated to providing investment grade credit risk protection to derivatives dealers and credit portfolio managers. Primus Financial seeks to invest in credit risk by selling protection to its customers in the form of credit default swaps on more than 1,200 investment-grade corporations and sovereigns.

The credit derivatives market has been rapidly expanding, with the notional amount outstanding expected estimated to be nearly \$2 trillion at the end of 2002. As the first company of its kind, Primus Financial is adding breadth and liquidity to the credit derivatives market by enabling derivatives dealers and credit portfolio managers to better manage their risk. Firms are now able to reduce the exposure they have to individual corporations by entering into credit default swaps with Primus Financial. Unlike brokers and intermediaries, Primus Financial holds and manages the risks in its portfolio, effectively functioning as an investor in single-name, investment grade corporate and sovereign financial obligations.

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\*Primus Financial's credit standing is based on its own capital base and asset diversification, and obligations of Primus Financial do not represent obligations of Primus Guaranty, Ltd. or any other Primus affiliate.

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