



## RAIT FINANCIAL TRUST (RAS) – 1 for 3 REVERSE STOCK SPLIT

Ex - Distribution Date:

### DESCRIPTION:

RAIT Financial Trust (RAS) has announced a **1-for-3 reverse stock split**. Every three RAIT Financial Trust Common Shares will be automatically combined into one Common Share. **The reverse stock split will become effective prior to the opening of business on Friday, July 1, 2011.**

### Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below Rait Financial Trust options will be adjusted as follows.

<b>Adjustment Date:</b>	<b>Friday, July 1, 2011</b>
<b>Option Symbol:</b>	<b>RAS becomes RAS1</b>
<b>Underlying Security:</b>	RAS becomes RAS1
<b>CUSIP:</b>	749227609
<b>Contract Multiplier:</b>	1
<b>Strike Divisor:</b>	unchanged
<b>New Multiplier:</b>	100 (e.g. Premium of 1.00 = \$100)
<b>New Deliverable:</b>	<b>1) 33 (New) RAIT Financial Trust (RAS) Common Shares 2) Cash in lieu of .3333 fractional RAS shares</b>

### GTC Order Cancellation:

On Thursday, June 30, 2011, immediately after the BOX close, all resting orders for RAS in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the adjusted RAS1 series, the BOX Participant will need to reenter the orders before the open on Friday, July 1, 2011.

**Pricing Considerations:** Until the cash in lieu of fractional shares is determined, the underlying price for RAS1 will be determined as follows:  
RAS1 = .333333 (RAS)

### Additional Exchange Info:

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
RAS	C/P	1.00	07/16/2011	RAS1	C/P	1.00	07/16/2011
RAS	C/P	2.00	07/16/2011	RAS1	C/P	2.00	07/16/2011
RAS	C/P	3.00	07/16/2011	RAS1	C/P	3.00	07/16/2011
RAS	C/P	4.00	07/16/2011	RAS1	C/P	4.00	07/16/2011
RAS	C/P	5.00	07/16/2011	RAS1	C/P	5.00	07/16/2011
RAS	C/P	6.00	07/16/2011	RAS1	C/P	6.00	07/16/2011
RAS	C/P	7.00	07/16/2011	RAS1	C/P	7.00	07/16/2011
RAS	C/P	8.00	07/16/2011	RAS1	C/P	8.00	07/16/2011
RAS	C/P	1.00	08/20/2011	RAS1	C/P	1.00	08/20/2011
RAS	C/P	2.00	08/20/2011	RAS1	C/P	2.00	08/20/2011
RAS	C/P	3.00	08/20/2011	RAS1	C/P	3.00	08/20/2011

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
RAS	C/P	4.00	08/20/2011	RAS1	C/P	4.00	08/20/2011
RAS	C/P	5.00	08/20/2011	RAS1	C/P	5.00	08/20/2011
RAS	C/P	6.00	08/20/2011	RAS1	C/P	6.00	08/20/2011
RAS	C/P	1.00	10/22/2011	RAS1	C/P	1.00	10/22/2011
RAS	C/P	2.00	10/22/2011	RAS1	C/P	2.00	10/22/2011
RAS	C/P	3.00	10/22/2011	RAS1	C/P	3.00	10/22/2011
RAS	C/P	4.00	10/22/2011	RAS1	C/P	4.00	10/22/2011
RAS	C/P	5.00	10/22/2011	RAS1	C/P	5.00	10/22/2011
RAS	C/P	6.00	10/22/2011	RAS1	C/P	6.00	10/22/2011
RAS	C/P	7.00	10/22/2011	RAS1	C/P	7.00	10/22/2011
RAS	C/P	8.00	10/22/2011	RAS1	C/P	8.00	10/22/2011
RAS	C/P	1.00	01/21/2012	RAS1	C/P	1.00	01/21/2012
RAS	C/P	2.00	01/21/2012	RAS1	C/P	2.00	01/21/2012
RAS	C/P	3.00	01/21/2012	RAS1	C/P	3.00	01/21/2012
RAS	C/P	4.00	01/21/2012	RAS1	C/P	4.00	01/21/2012
RAS	C/P	5.00	01/21/2012	RAS1	C/P	5.00	01/21/2012
RAS	C/P	6.00	01/21/2012	RAS1	C/P	6.00	01/21/2012
RAS	C/P	7.00	01/21/2012	RAS1	C/P	7.00	01/21/2012

**Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.**