

TREMISIS ENERGY ACQUISITION CORP
Form PRER14A
April 03, 2006
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SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No. 4)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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TREMISIS ENERGY ACQUISITION CORPORATION

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common stock of Tremisis Energy Acquisition Corporation

(2) Aggregate number of securities to which transaction applies:

25,600,000

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

Average of high and low prices for common stock on November 30, 2005 (\$5.45)

(4) Proposed maximum aggregate value of transaction:

\$169,520,000

(5) Total fee paid:

\$18,138.64

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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This proxy statement is dated _____, 2006 and is first being mailed to Tremisis stockholders on or about _____, 2006.

Tremisis Energy Acquisition Corporation

1755 Broadway, Suite 604

New York, New York 10019

To the Stockholders of Tremisis Energy Acquisition Corporation:

You are cordially invited to attend a special meeting of the stockholders of Tremisis Energy Acquisition Corporation (Tremisis), relating to the proposed merger of our subsidiary, RAM Energy Acquisition, Inc., into RAM Energy, Inc., and related matters. The meeting will be held at 10:00 a.m., eastern time, on _____, 2006, at the offices of Graubard Miller, Tremisis counsel, at The Chrysler Building, 405 Lexington Avenue, 19th Floor, New York, New York 10174.

At this meeting, you will be asked to consider and vote upon the following proposals:

(1) to adopt the Agreement and Plan of Merger, dated as of October 20, 2005, as amended, among Tremisis, RAM Energy Acquisition, Inc., a Delaware corporation and wholly owned subsidiary of Tremisis (Merger Sub), RAM Energy, Inc., a Delaware corporation (RAM), and the stockholders of RAM, and the transactions contemplated thereby we refer to this proposal as the merger proposal;

(2) to approve an amendment to the certificate of incorporation of Tremisis to change the name of Tremisis from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc. we refer to this proposal as the name change amendment;

(3) to approve an amendment to the certificate of incorporation of Tremisis to increase the number of authorized shares of Tremisis common stock from 30,000,000 to 100,000,000 we refer to this proposal as the capitalization amendment;

(4) to approve an amendment to the certificate of incorporation of Tremisis to remove the preamble and sections A through D, inclusive, of Article Sixth from the certificate of incorporation from and after the closing of the merger, as these provisions that will no longer be applicable to Tremisis, and to redesignate section E of Article Sixth as Article Sixth we refer to this proposal as the Article Sixth amendment; and

(5) to approve the 2006 Long-Term Incentive Plan (an equity-based incentive compensation plan) we refer to this proposal as the incentive compensation plan proposal.

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The affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock on the record date is required to approve each of the merger proposal, the name change amendment, the capitalization amendment and the Article Sixth Amendment. The approval of the incentive compensation plan will require the affirmative vote of the holders of a majority of the shares of Tremisis common stock represented in person or by proxy and entitled to vote at the meeting.

The adoption of the merger proposal is conditioned on the adoption of the name change amendment and the capitalization amendment, and neither the name change amendment nor the capitalization amendment will be presented to the meeting for adoption unless the merger is approved. The adoption of the Article Sixth amendment and the incentive compensation plan proposal are not conditions to the merger proposal or to the adoption of either of the name change amendment or the capitalization amendment, but if the merger is not approved, neither will be presented at the meeting for adoption.

Each Tremisis stockholder who holds shares of common stock issued in Tremisis initial public offering (IPO) has the right to vote against the merger proposal and at the same time demand that Tremisis convert such stockholder's shares into cash equal to a pro rata portion of the funds held in the trust account into which a substantial portion of the net proceeds of Tremisis IPO was deposited. On April 3, 2006, the record date for the

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meeting of stockholders, the conversion price was approximately \$5.49 in cash for each share of Tremisis common stock. These shares will be converted into cash only if the merger agreement is consummated. However, if the holders of 1,265,000 or more shares of common stock issued in Tremisis IPO vote against the merger proposal and demand conversion of their shares, Tremisis will not consummate the merger. Prior to exercising conversion rights, Tremisis stockholders should verify the market price of Tremisis common stock as they may receive higher proceeds from the sale of their common stock in the public market than from exercising their conversion rights. Shares of Tremisis common stock are quoted on the Over-the-Counter Bulletin Board under the symbol TEGY. On April 3, 2006, the record date, the last sale price of Tremisis common stock was \$.

Tremisis initial stockholders who purchased their shares of common stock prior to its IPO, and presently own an aggregate of approximately 17.9% of the outstanding shares of Tremisis common stock, have agreed to vote all of their shares on the merger proposal in accordance with the vote of the majority of the votes cast by the holders of shares issued in the IPO. The initial stockholders have also indicated that they intend to vote FOR the adoption of the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal.

After careful consideration, Tremisis board of directors has determined that the merger proposal is fair to and in the best interests of Tremisis and its stockholders. Tremisis board of directors has also determined that the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal are in the best interests of Tremisis stockholders. Tremisis board of directors unanimously recommends that you vote or give instruction to vote FOR the adoption of the merger proposal, the name change amendment proposal, the capitalization amendment proposal, the Article Sixth amendment proposal and the incentive compensation plan proposal.

Enclosed is a notice of special meeting and proxy statement containing detailed information concerning the merger proposal and the transactions contemplated thereby, as well as detailed information concerning the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal. Whether or not you plan to attend the special meeting, we urge you to read this material carefully.

Your vote is important. Whether you plan to attend the special meeting or not, please sign, date and return the enclosed proxy card as soon as possible in the envelope provided.

I look forward to seeing you at the meeting.

Sincerely,

Lawrence S. Coben

Chairman of the Board and

Chief Executive Officer

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Neither the Securities and Exchange Commission nor any state securities commission has determined if this proxy statement is truthful or complete. Any representation to the contrary is a criminal offense.

SEE RISK FACTORS BEGINNING ON PAGE 25 FOR A DISCUSSION OF VARIOUS FACTORS THAT YOU SHOULD CONSIDER IN CONNECTION WITH THE MERGER.

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Tremisis Energy Acquisition Corporation

1775 Broadway, Suite 604

New York, New York 10019

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON _____, 2006

TO THE STOCKHOLDERS OF TREMISIS ENERGY ACQUISITION CORPORATION:

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Tremisis Energy Acquisition Corporation (Tremisis), a Delaware corporation, will be held at 10:00 a.m. eastern time, on _____, 2006, at the offices of Graubard Miller, Tremisis counsel, at The Chrysler Building, 405 Lexington Avenue, 19th Floor, New York, New York 10174 for the following purposes:

- (1) to consider and vote upon the adoption of the Agreement and Plan of Merger, dated as of October 20, 2005, as amended, among Tremisis, RAM Energy Acquisition, Inc., a Delaware corporation and wholly owned subsidiary of Tremisis (Merger Sub), RAM Energy, Inc., a Delaware corporation (RAM), and the stockholders of RAM (the RAM stockholders), and the transactions contemplated thereby. RAM's board of directors and stockholders have already approved and adopted the merger agreement;
- (2) to consider and vote upon an amendment to the certificate of incorporation of Tremisis to change the name of Tremisis from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc.;
- (3) to consider and vote upon an amendment to the certificate of incorporation of Tremisis to increase the number of authorized shares of Tremisis common stock from 30,000,000 to 100,000,000;
- (4) to consider and vote upon an amendment to the certificate of incorporation of Tremisis to remove the preamble and sections A through D, inclusive, of Article Sixth from the certificate of incorporation from and after the closing of the merger, as these provisions will no longer be applicable to Tremisis, and to redesignate section E of Article Sixth as Article Sixth; and
- (5) to consider and vote upon the approval of the 2006 Long-Term Incentive Plan (an equity-based incentive compensation plan).

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These items of business are described in the attached proxy statement, which we encourage you to read in its entirety before voting. Only holders of record of Tremisis common stock at the close of business on April 3, 2006 are entitled to notice of the special meeting and to vote at the special meeting and any adjournments or postponements of the special meeting. Only the holders of record of Tremisis common stock on that date are entitled to have their votes counted at the Tremisis special meeting and any adjournments or postponements of it. Tremisis will not transact any other business at the special meeting except for business properly brought before the special meeting or any adjournment or postponement of it by Tremisis board of directors.

A complete list of Tremisis stockholders of record entitled to vote at the special meeting will be available for 10 days before the special meeting at the principal executive offices of Tremisis for inspection by stockholders during ordinary business hours for any purpose germane to the special meeting.

Your vote is important regardless of the number of shares you own. The first, second, third and fourth proposals must be approved by the holders of a majority of the outstanding shares of Tremisis common stock. The fifth proposal must be approved by the holders of a majority of the shares of Tremisis common stock present in person or represented by proxy and entitled to vote at the meeting.

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All Tremisis stockholders are cordially invited to attend the special meeting in person. However, to ensure your representation at the special meeting, you are urged to complete, sign, date and return the enclosed proxy card as soon as possible. If you are a stockholder of record of Tremisis common stock, you may also cast your vote in person at the special meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank on how to vote your shares. If you do not vote or do not instruct your broker or bank how to vote, it will have the same effect as voting against the merger, the name change amendment, the capitalization amendment and the Article Sixth amendment.

The board of directors of Tremisis unanimously recommends that you vote **FOR** each of the proposals, which are described in detail in the accompanying proxy statement.

By Order of the Board of Directors

Lawrence S. Coben

Chairman of the Board and

Chief Executive Officer

, 2006

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SUMMARY OF THE MATERIAL TERMS OF THE MERGER

The parties to the merger are Tremisis Energy Acquisition Corporation, RAM Energy, Inc., and RAM Acquisition, Inc, which was formed by Tremisis to effect the merger and is referred to as Merger Sub. See the section entitled *The Merger Proposal*.

RAM Energy, Inc., together with its subsidiaries, which we refer to collectively as RAM, is an independent oil and gas company engaged in the acquisition, exploration, exploitation and development of oil and natural gas properties and the production of oil and natural gas. Its properties are located principally in Texas, Louisiana and Oklahoma. See the section entitled *Business of RAM*.

On closing of the merger, the Merger Sub will merge into RAM and RAM will become a wholly owned subsidiary of Tremisis. See the section entitled *The Merger Proposal*.

In return for all of their stock in RAM, the stockholders of RAM will receive from Tremisis 25,600,000 shares of Tremisis common stock and cash equal to \$30,000,000 or such lesser amount as may be available from Tremisis trust account after payments to Tremisis stockholders who vote against the merger and demand that their shares be converted into cash. Also, RAM will pay its stockholders a one-time extraordinary dividend or redeem a portion of its outstanding stock immediately prior to the merger, in an aggregate amount of up to the difference between \$40,000,000 and the amount of cash they receive from Tremisis. See the section entitled *The Merger Agreement Merger Consideration*.

As a result of the merger and assuming that no Tremisis stockholder demands that Tremisis convert its shares to cash, as permitted by Tremisis certificate of incorporation, the stockholders of RAM will own approximately 77% of the outstanding Tremisis common stock and the present stockholders of Tremisis (or their transferees) will own approximately 23% of the outstanding Tremisis common stock. See the section entitled *The Merger Agreement Merger Consideration*.

12.5% of the Tremisis shares to be received by the RAM stockholders will be placed in escrow until June 30, 2007 as a fund for the payment of indemnification claims that may be made by Tremisis as a result of breaches of RAM's covenants, representations and warranties in the merger agreement and a lawsuit to which RAM is a party. See the section entitled *The Merger Agreement Escrow Agreement*.

In addition to voting on the merger, the stockholders of Tremisis will vote on proposals to change its name to RAM Energy Resources, Inc., to increase the number of shares of common stock it is authorized to issue to 100,000,000 from 30,000,000, to amend its charter to delete certain provisions that will no longer be applicable after the merger and to approve a long term incentive plan. See the sections entitled *Name Change Amendment Proposal*, *Capitalization Amendment Proposal*, *Article Sixth Amendment Proposal* and *2006 Long-Term Incentive Plan Proposal*.

The stockholders of RAM have agreed not to sell any of the shares of Tremisis common stock they receive in the merger for six months and no more than 50% of the shares they receive for a further six months, subject to certain exceptions. Tremisis has agreed to register their shares with the SEC on request in certain circumstances. See the section entitled *The Merger Agreement Lock-Up Agreement*.

None of Tremisis present officers and directors will continue in such positions after the merger. After the merger, the directors of Tremisis will be three persons who have been designated by the RAM stockholders and one person who has been designated by Lawrence S. Coben, chairman and chief executive officer of Tremisis, and Isaac Kier, secretary, treasurer and a director of Tremisis. The stockholders of RAM and Messrs. Coben and Kier have agreed to vote their shares of Tremisis stock in favor of their respective designees to serve as directors of Tremisis through the annual meeting of stockholders of Tremisis to be held in 2008. See the section entitled *The Merger Agreement Election of Directors; Voting Agreement*.

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After the merger, all of the officers of Tremisis will be persons who presently hold similar positions with RAM. Larry E. Lee, RAM's president and chief executive officer, will enter into a three-year employment agreement with Tremisis, effective upon the merger, pursuant to which he will hold similar positions with Tremisis. See the section entitled *The Merger Agreement Employment Agreement*.

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QUESTIONS AND ANSWERS ABOUT THE PROPOSALS

- Q. Why am I receiving this proxy statement?**
- A. Tremisis and RAM have agreed to a business combination under the terms of the Agreement and Plan of Merger dated October 20, 2005, as amended on November 11, 2005, and February 15, 2006 that is described in this proxy statement. This agreement is referred to as the merger agreement. A copy of the merger agreement, as amended, is attached to this proxy statement as Annex A, which we encourage you to review.
- In order to complete the merger, Tremisis stockholders must vote to approve (i) the merger agreement, (ii) an amendment to Tremisis' certificate of incorporation to change the name of Tremisis from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc., and (iii) an amendment to Tremisis' certificate of incorporation to increase the number of shares of authorized common stock from 30,000,000 to 100,000,000. Tremisis stockholders will also be asked to vote to approve (i) an amendment to Tremisis' certificate of incorporation to make certain modifications to Article Sixth thereof and (ii) the incentive compensation plan, but such approvals are not conditions to the merger. The incentive compensation plan has been approved by Tremisis' board of directors and will be effective upon consummation of the merger, but stockholder approval is necessary to obtain incentive stock option tax treatment. Tremisis' amended and restated certificate of incorporation, as it will appear if all amendments to its certificate of incorporation are approved, is annexed as Annex B hereto. The incentive compensation plan is annexed as Annex C hereto.
- Tremisis will hold a special meeting of its stockholders to obtain these approvals. This proxy statement contains important information about the proposed merger, the other proposals and the meeting of Tremisis stockholders. You should read it carefully.
- Your vote is important. We encourage you to vote as soon as possible after carefully reviewing this proxy statement.
- Q. Why is Tremisis proposing the merger?**
- A. Tremisis was organized to effect a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business in either the energy or the environmental industry and their related infrastructures. RAM is an independent oil and gas company engaged in the acquisition, exploration, exploitation and development of oil and gas properties and the production of oil and gas. Tremisis believes that RAM, with its estimated net proved reserves of 18.8 million barrels of oil equivalent, or Boe, at December 31, 2005 and its interests in approximately 2,900 wells, is positioned for significant growth in present and future energy markets and believes that a business combination with RAM will provide Tremisis stockholders with an opportunity to participate in a company with significant growth potential.
- Q. What is being voted on?**
- A. There are five proposals on which the Tremisis stockholders are being asked to vote. The first proposal is to adopt and approve the merger agreement and the transactions contemplated thereby. We refer to this proposal as the merger proposal.
- The second proposal is to approve an amendment to the certificate of incorporation to change the name of Tremisis from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc. We refer to this proposal as the name change amendment.

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The third proposal is to approve an amendment to the certificate of incorporation to increase the number of authorized shares of Tremisis common stock from 30,000,000 to 100,000,000. We refer to this proposal as the capitalization amendment.

The fourth proposal is to approve an amendment to the certificate of incorporation to remove the preamble and sections A through D, inclusive, of Article Sixth from the certificate of incorporation from and after the closing and to redesignate section E of Article Sixth as Article Sixth. The items being removed will no longer be operative upon consummation of the merger; therefore, this amendment is being proposed to revise the certificate of incorporation on a going-forward basis. We refer to this proposal as the Article Sixth amendment.

The fifth proposal is to approve Tremisis 2006 Long-Term Incentive Plan. We refer to this proposal as the incentive compensation plan proposal.

- Q. What vote is required in order to adopt the merger proposal?** A. The approval of the merger will require the affirmative vote of holders of a majority of the outstanding shares of Tremisis common stock. If the holders of 20% or more of the shares of the common stock issued in Tremisis initial public offering (the IPO) pursuant to its prospectus, dated May 12, 2004, vote against the merger and demand that Tremisis convert their shares into a pro rata portion of Tremisis trust account as of the record date, then the merger will not be consummated. No vote of the holders of Tremisis warrants is necessary to adopt the merger proposal or other proposals and Tremisis is not asking the warrant holders to vote on the merger proposal or the other proposals. Tremisis will not consummate the merger transaction unless both the name change amendment and the capitalization amendment are also approved. The approvals of the Article Sixth amendment and the incentive compensation plan proposal are not conditions to the consummation of the merger. The incentive compensation plan has been approved by Tremisis Board of Directors and will be effective upon consummation of the merger, subject to stockholder approval of the plan. If the merger proposal is not approved, none of the other proposals will be presented for approval.
- Q. What vote is required in order to adopt the name change amendment?** A. The approval of the name change amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock. The approval of the name change amendment is a condition to the consummation of the merger.
- Q. What vote is required in order to adopt the capitalization amendment?** A. The approval of the capitalization amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock. The approval of the capitalization amendment is a condition to the consummation of the merger.
- Q. What vote is required in order to adopt the Article Sixth amendment?** A. The approval of the Article Sixth amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock. The approval of the Article Sixth amendment is not a condition to the consummation of the merger or to the effectuation of the name change amendment or the capitalization amendment.

