

SETTLEMENT DISTRIBUTION PLAN¹

1. The Net Settlement Fund (*i.e.*, the Settlement Payments made by Converium and ZFS in connection with their settlements with the Foundation and VEB, plus interest earned thereon, less any and all Administrative Expenses, Foundation Expenses, Principal Counsel's Attorneys' Fees, and Tax Expenses), and monies set aside from the Net Settlement Fund to be placed in a Reserve Fund, shall be distributed to Participating Shareholders who submit timely and valid Claim Forms and who have a Recognized Claim (as defined in paragraph 4 below) pursuant to this Settlement Distribution Plan ("Authorized Claimants"). Claim Forms will be distributed and available on line after a Binding Declaration is entered by the Amsterdam Court of Appeal.
2. This Settlement Distribution Plan reflects the contention that, because of alleged misrepresentations and omissions about Converium's financial condition between 7 January 2002 and 2 September 2004 (the "Relevant Period"), the price of shares of Converium common stock traded on the SWX Swiss Exchange or any other exchange outside the United States ("Converium Shares") was artificially inflated. Converium and ZFS deny this contention and assert that they are not liable to the Participating Shareholders for anything.
3. The objective of this Settlement Distribution Plan is to distribute equitably the settlement proceeds to those Participating Shareholders who suffered economic losses as a result of the alleged misrepresentations and omissions, as opposed to investment losses caused by company-specific factors unrelated to the alleged misrepresentations and omissions or as a result of market factors. This Settlement Distribution Plan reflects the analysis undertaken to that end by the Foundation's market expert, Dr. Scott D. Hakala. The estimated alleged artificial inflation in the price of Converium Shares during the Relevant Period is reflected in Table 1 attached hereto as Exhibit 1.
4. A "Recognized Loss Amount" will be calculated for each purchase or other acquisition of Converium Shares that a Participating Shareholder or his, her or its authorized representative lists on the Claim Form, and for which the Participating Shareholder or his, her or its authorized representative provides adequate documentation. The calculation of Recognized Loss Amounts will depend upon several factors, including (i) when the Converium Shares were purchased or otherwise acquired and (ii) whether they were held until the conclusion of the Relevant Period or

¹ The settlement of this matter was paid in US Dollars; therefore, payment of money to eligible Participating Shareholders will be made in US Dollars. Additionally, the illustrative examples in this plan show all prices in U.S. Dollars. The analysis contained in the expert report of Dr. Scott D. Hakala, the Foundation's market expert, assumed the trading price of Converium common stock on the SWX Swiss Exchange in Swiss francs or any other non-U.S. exchange in any other currency was equivalent to twice the trading price of Converium's American Depositary Shares ("ADS") in U.S. Dollars for each trading day (each ADS represented one half of a share of Converium common stock). Except to the extent defined in this Exhibit A, all capitalized terms in this document shall have the meanings ascribed to them in the Settlement Agreements.

sold or otherwise disposed of during the Relevant Period, and if so, when they were sold or otherwise disposed of. The total of a Participating Shareholder's Recognized Loss Amounts shall be the Participating Shareholder's "Recognized Claim."²

5. Recognized Loss Amounts are based on the level of alleged artificial inflation in the price of Converium Shares at the time of purchase. For economic losses suffered from trading in Converium Shares to be compensable pursuant to the settlements, they must have resulted from a decline in the price of the shares caused by a disclosure of the allegedly misrepresented or omitted information. Here, it is contended that material misrepresentations were made, and material facts were omitted, from 7 January 2002 through and including 2 September 2004, and that those alleged misrepresentations and omissions were corrected, at least in part, by disclosures on 28 October 2002, 19 November 2002, 20 July 2004, and 2 September 2004. The various Recognized Loss Amounts described below are based on the timing of trades in Converium Shares relative to these alleged corrective disclosure dates.
6. The Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim from transactions during the Relevant Period. The Recognized Claim formula is not intended to be an estimate of the amount that a Participating Shareholder might have been able to recover if an action had been instituted and had proceeded to trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlements. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to Authorized Claimants.
7. Payment pursuant to the Settlement Distribution Plan shall be conclusive against all Authorized Claimants. No person shall have any claim against the Foundation, the individual members of the Foundation, Principal Counsel for the Foundation, Converium, ZFS, VEB, or the Administrator or other agent designated by the Foundation arising from distributions made substantially in accordance with the Settlement Agreements, the Settlement Distribution Plan, or any orders of the Amsterdam Court of Appeal or the District Court. Subject to the provisions in Section VIII.A.6 of the Settlement Agreements, the Foundation, Converium, ZFS, VEB, their respective counsel, and all other Releasees³ shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Payments, the Net Settlement Fund, the Settlement Distribution Plan, or the determination, administration, calculation, or payment of any Claim Form, for the non-performance of the Administrator, for the payment or withholding of taxes owed on the Settlement Payments, or for any losses incurred in connection therewith.

² As used in this Settlement Distribution Plan, references to "purchases" of Converium Shares shall include all acquisitions of the shares, and references to "sales" of Converium Shares shall include all dispositions of the shares.

³ The Releasees are those persons and entities defined in the Section XIII.A.71 of the Settlement Agreement between ZFS, the Foundation, and VEB and Section XIII.A.65 of the Settlement Agreement between SHS, the Foundation, and VEB.

8. An Authorized Claimant's Recognized Claim shall be determined in accordance with the following:
- A. For Converium Shares purchased on or after 7 January 2002 through and including 18 November 2002, the Recognized Loss Amount shall be determined as follows:
- (i) If those Converium Shares were sold on or before 25 October 2002, the Recognized Loss Amount shall be zero, because the relative amount of inflation in the share price as calculated by Dr. Hakala remained constant or increased during this period of time.
 - (ii) For those Converium Shares sold on or between 26 October 2002 and 2 September 2004, the Recognized Loss Amount shall be *the lesser of* (1) the purchase price minus the sales price or (2) the amount by which the artificial inflation at the time of purchase (as determined by multiplying the purchase price per Converium Share by the inflation rate for the applicable date of purchase, as set forth in Table 1) exceeds the artificial inflation at the time of sale (as determined by multiplying the selling price per Converium Share by the inflation rate for the applicable date of sale, as set forth in Table 1).
 - (iii) For those Converium Shares held after 2 September 2004, the Recognized Loss Amount shall be *the lesser of* (1) the purchase price minus the 90-Day Look-Back Price⁴ on the date of sale (or the 90-Day Look-Back Price on December 2, 2004 if the security was not sold before December 2, 2004) as set forth in Table 2 attached hereto as Exhibit 2 or (2) the amount of artificial inflation at the time of purchase (as determined by the purchase price multiplied by the inflation rate for the applicable date of purchase, as set forth in Table 1).
- B. For Converium Shares purchased on or after 19 November 2002 through and including 19 July 2004, the Recognized Loss Amount shall be determined as follows:
- (i) For those Converium Shares sold on or before 19 July 2004, the Recognized Loss Amount shall be zero, because the relative amount of inflation in the share price as calculated by Dr. Hakala remained constant or increased during this period of time.
 - (ii) For those Converium Shares sold on or after 20 July 2004 through and including 2 September 2004, the Recognized Loss Amount shall be *the lesser of* (1) the purchase price minus the sales price or (2) the amount by which the artificial

⁴ The 90-Day Look-Back Price is the average of the closing prices of Converium Shares on the SWX Swiss Exchange for the period 2 September 2004 through 30 November 2004.

inflation at the time of purchase (as determined by multiplying the purchase price per Converium Share by the inflation rate for the applicable date of purchase, as set forth in Table 1) exceeds the artificial inflation at the time of sale (as determined by multiplying the selling price per Converium Share by the inflation rate for the applicable date of sale, as set forth in Table 1).

- (iii) For those Converium Shares held after 2 September 2004, the Recognized Loss Amount shall be *the lesser of* (1) the purchase price minus the 90-Day Look-Back Price on the date of sale, as set forth in Table 2 (or the 90-Day Look-Back Price on 2 December 2004 if the security was not sold before 2 December 2004) or (2) the amount of artificial inflation at the time of purchase (as determined by multiplying the purchase price by the inflation rate for the applicable date of purchase, as set forth in Table 1).

C. For Converium Shares purchased on or after 20 July 2004 through and including 2 September 2004, the Recognized Loss Amount shall be determined as follows:

- (i) For those Converium Shares sold on or after 20 July 2004 through and including 2 September 2004, the Recognized Loss Amount shall be *the lesser of* (1) the purchase price minus the sales price or (2) the amount by which the artificial inflation at the time of purchase (as determined by multiplying the purchase price by the inflation rate for the applicable date of purchase, as set forth in Table 1) exceeds the artificial inflation at the time of sale (as determined by multiplying the selling price per Converium Share by the inflation rate for the applicable date of sale, as set forth in Table 1).
- (ii) For those Converium Shares sold or cancelled⁵ after 2 September 2004, the Recognized Loss Amount shall be *the lesser of* (1) the purchase price minus the 90-Day Look-Back price on the date of sale (or the 90-Day Look-Back Price on 2 December 2004 if the share was not sold before 2 December 2004) as set forth in Table 2, or (2) the amount of artificial inflation at the time of purchase (as determined by multiplying the purchase price by the inflation rate for the applicable date of purchase as set forth in Table 1).

- 9. If the Initial Distribution Fund, as defined in paragraph 11 below, equals or exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment, each Authorized Claimant shall receive his, her or its Recognized Claim with the balance, if any, being added to the Reserve Fund.

⁵ On 15 May 2008, the Commercial Court of Zürich declared all SHS shares not owned by SCOR SE cancelled.

10. If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Initial Distribution Fund is greater than the Initial Distribution Fund, each such Authorized Claimant shall receive his/her/its *pro rata* share of the Initial Distribution Fund, subject to the last sentence of this paragraph. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of all Recognized Claims to be paid from the Initial Distribution Fund at the time of distribution, multiplied by the total amount in the Initial Distribution Fund. If the prorated payment calculates to less than USD 10 then such payment shall be equal to USD 10.
11. The Net Settlement Amount will be allocated among all Authorized Claimants. However, in order to provide for the payment of claims submitted after the Claim Date pursuant to the provisions of paragraph 6 of article 907 of Book 7, NCC, subject to the absolute cut-off date of five years after notice of the issuance of the Binding Declaration has been published ("Subsequent Claims"), an amount of at least USD 75,000 will be reserved in the Reserve Fund for those Subsequent Claims before the balance of the Net Settlement Fund (the "Initial Distribution Fund") has been distributed to Authorized Claimants who file Claim Forms by the Claim Date. To the extent sufficient funds remain in the Reserve Fund, Subsequent Claims that calculate to Recognized Claims under this Settlement Distribution Plan shall receive the same *pro rata* share of their Recognized Claim as was distributed in the Initial Distribution. To the extent that there are not sufficient funds in the Reserve Fund for a distribution at that *pro ration* factor, a Participating Shareholder who submits a Subsequent Claim that calculates to a Recognized Claim under this Settlement Distribution Plan will receive a *pro rata* share of the Reserve Fund that shall be that claimant's Recognized Claim divided by the total Recognized Claims of all Subsequent Claims that will receive a distribution. There shall be no distribution for Subsequent Claims until after the time for submitting such claims has expired and any disputes concerning those claims have been resolved.
12. To the extent the monies in the Reserve Fund are not used to pay Subsequent Claims, the balance shall be distributed *pro rata* to all Authorized Claimants who would receive at least USD 20 in such redistribution.
13. If a Participating Shareholder has more than one purchase or sale of Converium Shares during the Relevant Period, all purchases and sales shall be matched on a First In, First Out ("FIFO") basis. Relevant Period sales will be matched first against any Converium Shares held at the beginning of the Relevant Period, and then against purchases of Converium Shares in chronological order, beginning with the earliest purchase made during the Relevant Period. Purchases and sales of Converium Shares shall be deemed to have occurred on the "contract" or "trade" date, as opposed to the "settlement" or "payment" date. The receipt or grant by gift, devise, or operation of law of Converium Shares during the Relevant Period shall not be deemed a purchase or sale of such Converium Shares for the calculation of a Participating Shareholder's Recognized Loss Amounts; nor shall it be deemed an assignment of any claim relating to the purchase of such Converium Shares unless specifically provided in the instrument of gift or assignment.

14. The date of covering a "short sale" is deemed to be the date of purchase or other acquisition of Converium Shares. The date of a "short sale" is deemed to be the date of sale of Converium Shares. In accordance with the Settlement Distribution Plan, however, the Recognized Loss Amount on "short sales" is zero.
15. To the extent a Participating Shareholder had a market gain from his, her, or its overall transactions in Converium Shares during the Relevant Period, the value of the Recognized Claim will be zero. Such Participating Shareholder will in any event be bound by the Settlement. To the extent a Participating Shareholder suffered an overall market loss on his, her, or its overall transactions in Converium Shares during the Relevant Period, but that market loss was less than the Recognized Claim calculated above for such Converium Shares, then the Participating Shareholder's Recognized Claim shall be limited to the amount of the actual market loss.
16. For purposes of determining whether a Participating Shareholder had a market gain from his, her, or its overall transactions in Converium Shares during the Relevant Period or suffered a market loss, the Administrator shall determine the difference between (i) the Total Purchase Amount⁶ and (ii) the sum of the Sales Proceeds⁷ and the Holding Value.⁸ This difference will be deemed a Participating Shareholder's market gain or loss on his, her, or its overall transactions in Converium Shares during the Relevant Period.
17. The sample calculations below have been provided to assist you in using the formulas and tables above to calculate your Recognized Claim (Loss) under the Plan of Allocation formula set forth above. These examples are for informational purposes only and are not a guarantee of actual recovery in any particular circumstance. The actual recovery is a function of several variables that are not yet known, including, without limitation, the number of claims submitted and approved and the amount of attorneys' fees and costs approved.
 - Claimant A buys 100 shares of Converium common stock at USD 51.25 per share on 28 March 2002 and sells those shares for USD 46.75 on 30 August 2002. The relevant provision of the Distribution Plan is paragraph 8.A.i, which governs shares that were purchased on or after 7 January 2002 through and including 18 November 2002 and were sold on or before 25 October 2002. Under that provision, the Recognized Loss Amount shall be zero, even though the amount received for the shares was less than the amount paid for them, because the shares were sold on or before 25 October 2002.

⁶ The "Total Purchase Amount" is the total amount the Participating Shareholder paid for all Converium Shares purchased during the Relevant Period.

⁷ The Administrator shall first match any sales of Converium Shares during the Relevant Period and through 2 December 2004 against the Participating Shareholder's opening position in Converium Shares (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received for sales of each remaining Converium Share sold during the Relevant Period and through 2 December 2004 is the "Sales Proceeds."

⁸ The Administrator shall ascribe a value of USD 11.41 per share holding value for the number of shares of Converium common stock purchased or acquired during the Relevant Period and still held as of 2 December 2004 ("Holding Value").

- Claimant B buys 1,000 shares of Converium common stock on August 30, 2002 for USD 46.75 per share, and sells those shares for USD 7.25 on October 28, 2004. Claimant B's Recognized Loss is USD 20.80. The relevant provision of the Distribution Plan is paragraph 8.A.iii., which governs shares that were purchased on or after 7 January 2002 through and including 18 November 2002 and were held after 2 September 2004. Under that provision, the Recognized Loss Amount shall be *the lesser of* (1) the purchase price [USD 46.75] minus the 90-Day Look-Back Price on the date of sale [USD 10.92, which computes to USD 35.83] or (2) the amount of artificial inflation at the time of purchase [USD 20.80] (as determined by the purchase price [USD 46.75] multiplied by the inflation rate for the applicable date of purchase [44.5%], as set forth in Table 1). Accordingly, the Recognized Loss Amount per share is USD 20.80, the lesser of the two amounts, which computes to a total Recognized Loss Amount of USD 20,800.00.
- Claimant C buys 100 shares of Converium common stock at USD 48.00 on 30 July 2003, and sells those shares for USD 22.50 on 30 August 2004. The relevant provision of the Distribution Plan is paragraph 8.B.ii., which governs shares that were purchased on or after 19 November 2002 through and including 19 July 2004 and were sold on or after 20 July 2004 through and including 2 September 2004. Under that provision, the Recognized Loss Amount shall be *the lesser of* (1) the purchase price [USD 48.00] minus the sales price [USD 22.50] or (2) the amount by which the artificial inflation at the time of purchase [USD 29.66] (as determined by multiplying the purchase price per Converium Share [USD 48.00] by the inflation rate for the applicable date of purchase [61.8%], as set forth in Table 1) exceeds the artificial inflation at the time of sale [USD 4.93] (as determined by multiplying the selling price per Converium Share [USD 22.50] by the inflation rate for the applicable date of sale [21.9%], as set forth in Table 1). Accordingly, the Recognized Loss Amount per share is lesser of USD 25.50 and USD 24.73, which is USD 24.73, which computes to a total Recognized Loss Amount of USD 2,473.00.

EXHIBIT 1

TABLE 1

PERCENTAGE ARTIFICIAL INFLATION FOR CONVERIUM SHARES

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Inflation Percentage</u>
7-Jan-02	17-Mar-02	39.7%
18-Mar-02	29-July-02	41.4%
30-July-02	4-Sept-02	44.5%
5-Sept-02	22-Oct-02	46.0%
23-Oct-02	27-Oct-02	47.6%
28-Oct-02	18-Nov-02	40.0%
19-Nov-02	10-Dec-02	37.2%
11-Dec-02	28-July-03	42.3%
29-July-03	23-Oct-03	61.8%
24-Oct-03	16-Feb-04	63.3%
17-Feb-04	28-Apr-04	61.2%
29-Apr-04	19-July-04	63.0%
20-July-04	20-July-04	34.1%
21-July-04	21-July-04	31.0%
22-July-04	22-July-04	25.8%
23-July-04	25-July-04	18.5%
26-July-04	26-July-04	20.7%
27-July-04	27-July-04	25.2%
28-July-04	30-Aug-04	21.9%
31-Aug-04	31-Aug-04	13.5%
1-Sept-04	1-Sept-04	11.4%
2-Sept-04	30-Nov-04	00.0%

EXHIBIT 2

TABLE 2

**AVERAGE PRICE PER SHARE OF CONVERIUM SHARES
FOR 90-DAY LOOK-BACK PERIOD**

<u>Date</u>	<u>Average Share Closing Price</u>	<u>Date</u>	<u>Average Share Closing Price (USD)</u>
2-Sept-04	17.72	18-Oct-04	14.41
3-Sept-04	18.09	19-Oct-04	14.33
7-Sept-04	17.95	20-Oct-04	14.26
8-Sept-04	17.69	21-Oct-04	14.04
9-Sept-04	17.56	22-Oct-04	13.84
10-Sept-04	17.25	25-Oct-04	13.65
13-Sept-04	16.80	26-Oct-04	13.49
14-Sept-04	16.72	27-Oct-04	13.33
15-Sept-04	16.72	28-Oct-04	13.18
16-Sept-04	16.66	29-Oct-04	13.04
17-Sept-04	16.61	1-Nov-04	12.91
20-Sept-04	16.48	2-Nov-04	12.79
21-Sept-04	16.40	3-Nov-04	12.68
22-Sept-04	16.36	4-Nov-04	12.58
23-Sept-04	16.29	5-Nov-04	12.48
24-Sept-04	16.21	8-Nov-04	12.37
27-Sept-04	16.19	9-Nov-04	12.28
28-Sept-04	16.06	10-Nov-04	12.18
29-Sept-04	15.93	11-Nov-04	12.10
30-Sept-04	15.83	12-Nov-04	12.02
1-Oct-04	15.72	15-Nov-04	11.95
4-Oct-04	15.60	16-Nov-04	11.87
5-Oct-04	15.47	17-Nov-04	11.80
6-Oct-04	15.31	18-Nov-04	11.74
7-Oct-04	15.17	19-Nov-04	11.68
8-Oct-04	15.05	22-Nov-04	11.62
11-Oct-04	14.93	23-Nov-04	11.56
12-Oct-04	14.82	24-Nov-04	11.52
13-Oct-04	14.71	26-Nov-04	11.48
14-Oct-04	14.60	29-Nov-04	11.44
15-Oct-04	14.50	30-Nov-04	11.41