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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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In re SCOR HOLDING (SWITZERLAND) AG : Case No. 04 Civ. 7897 (DLC)
SECURITIES LITIGATION :
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_____x

~~Proposed~~^g ORDER PRELIMINARILY APPROVING PROPOSED
SETTLEMENTS

WHEREAS, Lead Plaintiff the Public Employees' Retirement System of Mississippi, on behalf of the Class (as defined below), has applied to the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure for an order approving (i) the settlement of the above-captioned litigation in accordance with the Amended Stipulation of Settlement as to Zurich Financial Services ("ZFS") on file herein (the "ZFS Stipulation"), which, together with the exhibits annexed thereto, sets forth the terms and conditions for a proposed settlement of the Action against ZFS (the "ZFS Settlement"), and for dismissal of the Action with prejudice as against ZFS; certain directors of Converium Holding AG ("Converium"), namely, Terry G. Clarke, Peter C. Colombo, George F. Mehl, Jurgen Foerterer, Anton K. Schnyder, Derrell J. Hendrix, and George G.C. Parker (the "Director Defendants"); and the underwriters of the initial public offering of Converium securities that took effect on or about December 11, 2001 and was completed in January 2002 (the "Underwriters of the Converium IPO") upon the terms and conditions set forth therein; and (ii) the settlement of the above-captioned litigation

in accordance with the Stipulation of Settlement as to SCOR Holding (Switzerland) AG (“SHS”), formerly known as Converium Holding AG, on file herein (the “SHS Stipulation”); and, together with the ZFS Stipulation, the “Stipulations”), which, together with the exhibits annexed thereto, sets forth the terms and conditions for a proposed settlement of the Action against SHS and against Dirk Lohmann, Martin Kauer, and Richard Smith (the “Officer Defendants”) upon the terms and conditions set forth therein (the “SHS Settlement”; and together with the ZFS Settlement, the “Settlements”); and the Court having read and considered the Stipulations and the exhibits annexed thereto;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:¹

1. **Certification of Class Solely for Purposes of the ZFS Settlement.** For the reasons set forth in the Court’s Opinion and Order dated March 6, 2008 and its Order dated March 19, 2008 (together, the “Class Certification Orders”), the Court certifies for purposes of the ZFS Settlement only, pursuant to Rule 23 of the Federal Rules of Civil Procedure, the same Class certified pursuant to the Class Certification Orders. “Class” or “Class Members” means, for purposes of the ZFS settlement and pursuant to the Court’s opinions and orders of March 6 and March 19, 2008, all persons or entities who, during the Class Period, (i) were U.S. residents and purchased Converium Common Stock on the SWX Swiss Exchange and/or (ii) purchased Converium American Depositary Shares

¹ Terms not defined in this Order shall have the definitions ascribed to them in the ZFS Stipulation and the SHS Stipulation.

(“ADSs”) on the New York Stock Exchange. Each member of the Class is a Class Member only as to Converium Common Stock or ADSs that fall within either of the above two categories. (Thus, for example, a non-U.S. person or entity is a Class Member to the extent he, she, or it purchased Converium ADSs, but is not a Class Member to the extent he, she, or it purchased Converium Common Stock on the SWX Swiss Exchange.) Excluded from the Class are such persons or entities who are or were: ZFS; Converium; the Director Defendants; the Officer Defendants; Family Members of any Officer or Director Defendant; Underwriters of the Converium IPO; any person who was an officer or director of Converium, ZFS, or any of the Underwriters of the Converium IPO at the time of the Converium IPO or during the Class Period; any firm, trust, corporation, officer or other entity in which Converium, ZFS, the Officer Defendants, the Director Defendants or the Underwriters of the Converium IPO has or had a Controlling Interest; and the legal representatives, agents, affiliates, heirs, successors-in-interest, or assigns of any person or entity excluded pursuant to this Class definition. Also excluded from the Class are such persons or entities who submit valid and timely requests for exclusion from the Class.

Also for the reasons set forth in the Class Certification Orders, the Public Employees’ Retirement System of Mississippi is certified for purposes of the ZFS Settlement only as Class Representative, and the law firms of Bernstein Litowitz Berger & Grossmann LLP, Spector Roseman & Kodroff, P.C., and Cohen Milstein Hausfeld & Toll, P.L.L.C. are appointed Class Counsel pursuant to Rule 23(g) of the Federal Rules of Civil Procedure.

2. **Preliminary Findings on Proposed Settlements.** The Court preliminarily finds that the proposed SHS Settlement evidenced by the SHS Stipulation, and the proposed ZFS Settlement evidenced by the ZFS Stipulation, are sufficiently fair, reasonable, and adequate to warrant sending notice of the proposed Settlements to the Class and scheduling a hearing for further review of the proposed Settlements. By the time of that hearing, the Court will have had the benefit of any submissions from Class Members concerning the proposed Settlements.

3. **Settlement Hearing.** Pursuant to Fed. R. Civ. P. 23(e), the Court will hold a hearing (the "Settlement Hearing") on December 12, 2008, at 2:00 p.m., in Courtroom 11B of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan Courthouse, 500 Pearl Street, New York, New York 10007. The Court may adjourn the Settlement Hearing and reconvene it at some other date without further notice to Class Members, and may approve the Settlements, or either of them, at or after the Settlement Hearing with such modifications as may be consented to by the parties to the Stipulations and without further notice to the Class.

4. The Settlement Hearing will consider, among other things:

- a. whether the proposed ZFS Settlement should be approved as fair, reasonable, and adequate;
- b. whether the proposed SHS Settlement should be approved as fair, reasonable, and adequate;
- c. whether an Order and Final Judgment, substantially in the form attached as *Exhibit B* to each of the Stipulations, should be entered dismissing the Action

on the merits and with prejudice as to Defendants, and whether the Class's release of the Released Plaintiffs' Claims, as set forth in the Stipulations, should be provided to the ZFS Releasees and the SHS Releasees (collectively, the "Releasees");

d. whether the proposed Plan of Allocation is fair and reasonable and should be approved by the Court;

e. whether the Individual Notice, Summary Notice, and notice methodology implemented pursuant to the Stipulations and this Order (i) constituted the best practicable notice, (ii) constituted notice that was reasonably calculated, under the circumstances, to apprise potential Class Members of the pendency of the Action, their right to object to the proposed Settlements, their right to appear at the Settlement Hearing, and their right to exclude themselves from the Class, (iii) were reasonable and constituted due, adequate, and sufficient notice to all persons entitled to notice, and (iv) met all applicable requirements of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Rules of the Court, the Private Securities Litigation Reform Act (the "PSLRA"), and any other applicable law;

f. whether the Court should enter the PSLRA Contribution Bar Order and the Complete Bar Order, as described in the Stipulations of Settlement;

g. whether the Court should permanently bar and enjoin (i) all Class Members (and their heirs, executors, administrators, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b) and assigns) from filing, commencing, prosecuting, intervening in, participating in (as class members or otherwise), or receiving any benefits or other relief from any other lawsuit, arbitration, or other proceeding or

order, in any jurisdiction, that is based upon, arises out of, or relates to any Released Plaintiffs' Claim as to any Releasee, including, but not limited to, any claim that is based upon, arises out of, or relates to the Action or the transactions and occurrences referred to in the Complaint, and (ii) all persons and entities from organizing any Class Members for purposes of pursuing as a purported class action (including by seeking to amend a pending complaint to include class allegations, or by seeking class certification in a pending action) any lawsuit that is based upon, arises out of, or relates to any Released Plaintiffs' Claims as to any Releasee, including, but not limited to, any claim that is based upon, arises out of, or relates to the Action or the transactions and occurrences referred to in the Complaint;

h. whether Lead Counsel's request for fees and reimbursement of their expenses should be approved by the Court; and

i. any other matters that the Court may deem appropriate.

5. **Notice to Class Members.** The Court hereby approves, as to form and content, the Individual Notice annexed hereto as *Exhibit A-1*, the Proof of Claim annexed hereto as *Exhibit A-2*, and the Summary Notice annexed hereto as *Exhibit A-3*. The Court finds that the publication of the Summary Notice and the mailing and distribution of the Individual Notice substantially in the manner and form set forth in paragraphs 6 through 9 of this Preliminary Approval Order meet the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and the PSLRA, and constitute the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons entitled thereto.

6. Within five (5) days from the date of this Preliminary Approval Order, SHS and/or its transfer agent(s), to the extent they have not already done so, shall provide or cause to be provided to the Claims Administrator its or their lists of holders of Converium Common Stock and/or ADSs (“Converium Securities”), in electronic form, for providing notice to the Class (the “Security Holder Lists”). To the extent practicable, the Security Holder Lists shall contain the names and addresses of all purchasers of Converium Securities during the Class Period. SHS shall bear all costs or expenses associated with providing the Claims Administrator with the Security Holder Lists.

7. Lead Counsel shall mail or cause to be mailed the Individual Notice substantially in the form annexed hereto as *Exhibit A-1*, and the Proof of Claim substantially in the form annexed hereto as *Exhibit A-2*, by first-class mail, postage prepaid, no later than fourteen (14) days after entry of this Preliminary Approval Order, to all Class Members at the address of each such person as set forth in the Security Holder Lists, or who are identified by further reasonable efforts; *provided, however*, that potential Class Members who reside in Switzerland shall be served with a copy of the Individual Notice and Proof of Claim in accordance with the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. The cost of notice to Class Members will be paid out of the Settlement Funds, as addressed in the Stipulations. Lead Counsel is hereby empowered to supervise and administer the notice procedure as set forth below.

8. Within twenty-one (21) days from the date of this Preliminary Approval Order, Lead Counsel shall cause the Summary Notice to be published, substantially in the

form annexed hereto as *Exhibit A-3*, once each in the global edition of *The Wall Street Journal*, the European edition of *The Economist*, the *Neue Zürcher Zeitung* (Zurich, Switzerland), and *Le Temps* (Geneva, Switzerland), and once over *PR Newswire*. At least five (5) days before the Settlement Hearing, Lead Counsel shall serve and file with the Court proof by affidavit or declaration of such mailing and publication.

9. Lead Counsel shall make reasonable efforts to identify all persons who are potential Class Members, including beneficial owners whose Converium Securities are or were held by banks, brokerage firms, or other nominees. Nominees who purchased or otherwise acquired Converium Securities during the Class Period are directed either: (a) to request from the Claims Administrator, within fourteen (14) days after receipt of the Individual Notice, additional copies of the Individual Notice and the Proof of Claim for distribution to beneficial owners, or (b) to send a list of the names and addresses of such beneficial owners to the Claims Administrator within fourteen (14) days after receipt of the Individual Notice. If a nominee elects to send the Individual Notice to beneficial owners, such nominee is directed to mail the Individual Notice within fourteen (14) days after receipt of the copies of the Individual Notice from the Claims Administrator, and upon such mailing, the nominee shall send a statement to the Claims Administrator confirming that the mailing was made as directed, and the nominee shall retain the list of names and addresses for use in connection with any possible future notice to the Class. Upon full compliance with this Preliminary Approval Order, including the timely mailing of the Individual Notice to beneficial owners, such nominees may seek reimbursement of their reasonable expenses actually incurred in complying

with this Preliminary Approval Order by providing the Claims Administrator with proper documentation supporting the reasonable expenses for which reimbursement is sought and reflecting compliance with these instructions, including timely mailing of the Individual Notice, if the nominee elected or elects to do so. Such properly documented reasonable expenses incurred by nominees in compliance with the terms of this Preliminary Approval Order shall be paid from the Settlement Funds.

10. **Communications with Class Members.** The ZFS Releasees and the SHS Releasees shall maintain the right to communicate orally and in writing with, and respond to inquiries from, potential Class Members, including (without limitation): (i) communications between potential Class Members and representatives of the ZFS Releasees or the SHS Releasees whose responsibilities include investor relations, to the extent such communications are initiated by potential Class Members, and, in such circumstances, the ZFS Releasees and the SHS Releasees shall use their best efforts to direct such potential Class Members to the Claims Administrator or to the Claims Administrator's website, or to Lead Counsel; (ii) communications as may be necessary to implement the terms of the Stipulations, and (iii) communications as may be made in the conduct of the ZFS Releasees' or the SHS Releasees' businesses.

11. **Administration.**

a. **Retention of Claims Administrator.** The Court approves Lead Plaintiff's selection of The Garden City Group, Inc. to serve as claims administrator (the "Claims Administrator") or seek other claims administration as may be approved by the Court for the purposes of, among other things, effectuating the Individual Notice, the

Summary Notice, and website, processing Proof of Claim forms, and distributing payments to Class Members from the Net Settlement Funds. The Claims Administrator shall be responsible for the receipt of all responses from Class Members and shall preserve all Proofs of Claim and any and all other written communications from Class Members, nominees, or any other person in response to the Individual Notice or Summary Notice until one year following the date of distribution of the proceeds of the Net Settlement Funds to Class Members or pursuant to further order of the Court.

b. **Notice and Administration Costs and Taxes.** As provided in the Stipulations, (i) all reasonable costs incurred in identifying and notifying Class Members, as well as administering the Settlements, shall be paid as set forth in the Stipulations without further order of the Court, and (ii) Lead Counsel or the Claims Administrator or their agents are authorized and directed to prepare any tax returns required to be filed on behalf of or in respect of the Settlement Funds, to cause any Taxes due and owing to be paid from the Settlement Funds, and to otherwise perform all obligations with respect to Taxes and any reporting or filings in respect thereof as contemplated by the Stipulations, without further order of the Court.

12. **Exclusion from Class.** All potential Class Members who wish to exclude themselves from the Class must submit a timely, written request for exclusion to the Claims Administrator. The exclusion request must include the following information: (i) name, (ii) address, (iii) telephone number, (iv) number of Converium Securities purchased or otherwise acquired or sold, (v) prices paid or valued received, (vi) the date of each transaction, and (vii) if the person or entity requesting exclusion purchased

Converium Common Stock (not ADSs), state whether the person or entity was a resident of the United States at the time of purchase. To be valid, any request for exclusion must be in writing, must contain all the required information, and must be received by the Claims Administrator as stated on the Individual Notice. If the proposed Settlements, or either of them, are approved, any potential Class Member who has not filed a timely and valid written request for exclusion from the Class (and his, her, or its heirs, executors, administrators, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 201.1-02.b) and assigns) shall be bound by the release provided for in the Stipulations and by all proceedings, orders, and judgments in the Action, even if he, she, or it has pending, or subsequently initiates, any litigation, arbitration, or other proceeding, or has any other Claim, against any or all of the Releasees relating to any of the Released Plaintiffs' Claims. At or before the Settlement Hearing, the Settling Parties shall provide to the Court a list of the persons and entities, if any, who have validly and timely requested exclusion from the Class. Persons requesting exclusion from the Class shall not be entitled to receive any payment out of the Net Settlement Funds.

13. **Preliminary Injunction.** Pending final determination of whether the Settlements, or either of them, should be approved,

a. Lead Plaintiffs and all Class Members (and their heirs, executors, administrators, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b) and assigns) who have not validly and timely requested exclusion from the Class are preliminarily enjoined from filing, commencing, prosecuting, intervening in, participating in, as class members or otherwise, or receiving any benefits or other relief

from any other lawsuit, arbitration, or administrative, regulatory, or other proceeding or order in any jurisdiction, as to the Releasees based on or relating in any way to (i) the claims and causes of action, or the facts and circumstances relating thereto, in the Action; and/or (ii) the Released Plaintiffs' Claims; and

b. All persons are preliminarily enjoined from filing, commencing, or prosecuting any other lawsuit as a class action (including by seeking to amend a pending complaint to include class allegations or by seeking class certification in a pending action in any jurisdiction) on behalf of any Class Members as to the Releasees, if such other lawsuit is based on or related in any way to the claims and causes of action, or the facts and circumstances relating thereto, in the Action and/or the Released Plaintiffs' Claims.

14. **Objections.** Any Class Member who has not filed a request for exclusion from the Class and who wishes to object to the fairness, reasonableness, or adequacy of the Settlements, or either of them, must serve on Lead Counsel and file with the Court a statement of his, her, or its objection(s), as well as the specific reason(s), if any, for each such objection, including any legal support the Class Member wishes to bring to the Court's attention and any evidence the Class Member wishes to introduce in support of such objection. Any objection also must include the following information about the Class Member: (i) name, (ii) address, (iii) telephone number, (iv) number of Converium Securities purchased or otherwise acquired or sold, (v) prices paid or value received, (vi) the date of each transaction, and (vii) if the person or entity requesting exclusion purchased Converium Common Stock (not ADSs), state where the person or entity resided at the time of purchase. The Class Member must provide the statement to

Steven B. Singer, Esq., Bernstein Litowitz Berger & Grossmann LLP, 1285 Avenue of the Americas, New York, NY 10019. Any such objection must be served on Lead Counsel and filed with the Court as provided in the Individual Notice. If a Class Member hires an attorney (at his, her, or its own expense) to represent him, her, or it for the purposes of objecting, such attorney must serve a notice of appearance on Lead Counsel (at the address set out above) and file it with the Court so that it is received no later than twenty (20) days before the date set for the Settlement Hearing. Any Class Member who does not make an objection in the time and manner provided in the Individual Notice shall be deemed to have waived such objection, shall be bound by the terms of the Stipulations and the Order and Final Judgment, and shall be foreclosed forever from making any objection to the fairness or adequacy of the proposed Settlements, or either of them, unless otherwise allowed by the Court.

15. **Appearance at Settlement Hearing.** Any Class Member who files and serves a timely, written objection in accordance with paragraph 14 above may also appear at the Settlement Hearing either in person or through counsel retained at the Class Member's expense. Class Members or their attorneys intending to appear at the Settlement Hearing must serve a notice of intention to appear, setting forth, among other things, the name, address, and telephone number of the Class Member (and, if applicable, the name, address, and telephone number of the Class Member's attorney), on Lead Counsel (at the address set forth above) and file it with the Court by the date set in the Individual Notice. Any Class Member who does not timely file and serve a notice of

intention to appear in accordance with this paragraph shall not be permitted to appear at the Settlement Hearing, except for good cause shown.

16. **Access to Discovery Materials.** Upon agreeing to be bound by the Confidentiality Order, a Class Member (and his, her, or its counsel (if any)) will be provided access, at his, her, or its own expense, to the discovery materials in the Action for the sole purpose of assessing the Settlements. The discovery materials in the Action shall be made available for inspection at the offices of Lead Counsel in New York, New York, for a period of no more than fifteen (15) days from the date on which a request of access is made and, in any event, no later than five (5) business days before the Fairness Hearing.

17. **Filing of Papers.** All papers in support of the Settlements shall be filed at least seven days before the Settlement Hearing, with two courtesy copies sent to the Court's Chambers.

18. **Qualified Settlement Fund.** The Escrow Account(s) into which the Settlement Amounts will be paid shall be considered a Qualified Settlement Fund *in custodia legis* of the Court, in accordance with Treas. Reg. §§ 1.468B-0 through 1.468B-5.

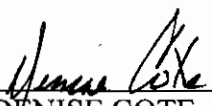
19. **Termination of Settlement.** This Order shall become null and void, and shall be without prejudice to the rights of the Settling Parties, all of whom shall be restored to their respective positions existing immediately before this Court entered this Order, if (i) the proposed Settlements, or either of them, are not finally approved by the Court, or do not become Final, pursuant to the terms of the Stipulations; or (ii) the

proposed Settlements, or either of them, are terminated in accordance with the terms of the Stipulations or do not become effective as required by the terms of the Stipulations for any other reason. In such event, such Stipulation shall become null and void and of no further force and effect, and shall not be used or referred to for any purpose whatsoever; *provided, however*, that, if only one of the proposed Settlements is not finally approved or does not otherwise become effective according to its terms, this paragraph shall apply only to that Settlement.

20. **Use of Order.** This Order shall be of no force or effect if the Stipulations, or either of them, does not become Final; *provided, however*, that, if only one of the proposed Settlements is not finally approved or does not otherwise become effective according to its terms, this paragraph shall apply only to that Settlement. This Order shall not be construed or used as an admission, concession, or declaration by or against the ZFS Releasees or the SHS Releasees of any fault, wrongdoing, breach, or liability. Nor shall this Order be construed or used as an admission, concession, or declaration by or against Lead Plaintiff or the Class Members that their claims lack merit or that the relief requested in the Complaint is inappropriate, improper, or unavailable, or as a waiver by any party of any defenses or claims he, she, or it might have.

21. **Continuance of Hearing.** The Court reserves the right to adjourn the date of the Settlement Hearing, and any adjournment thereof, without further notice to Class Members and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlements.

Dated: New York, New York
August 11, 2008



DENISE COTE
United States District Judge