Reference document
Financial report

2009

SCOR

NOTICE

Certain statements contained in this Registration Document may relate to objectives of SCOR SE ("**SCOR SE**" or the "**Company**") or of the SCOR Group (the "**Group**") or to forward-looking information, specifically statements announcing or corresponding to future events, trends, plans, or objectives, based on certain assumptions. These statements are typically identified by words or phrases indicating an anticipation, assumption, belief, continuation, estimate, expectation, forecast, intention, and possibility of increase or fluctuation and similar expressions or by future or conditional verbs. This information is not historical data and must not be interpreted as a guarantee that the stated facts and data will occur or that the objectives will be met. Undue reliance should not be placed on such statements, because, by nature, they are subject to known and unknown risks, uncertainties, and other factors, which may cause actual results, performance, achievements or prospects of SCOR SE to differ from any future results, performance, achievements or prospects explicitly or implicitly set forth in the Registration Document. In addition, such forward-looking statements bear no relation to "profit forecasts" in the sense of Article 2 of Regulation (EC) 809/2004.

This document is a free translation in English for information purposes only of the "Document de Référence" drafted in French and filed with the AMF on 3 March 2010 under number D.10-0085.

A European Company with share capital of EUR 1,457,885,613.93
Registered Office: 1, avenue du Général de Gaulle, 92800 Puteaux
Nanterre Trade and Company register (RCS) No. 562 033 357

REGISTRATION DOCUMENT

This registration document was filed on 3 March 2010 under number D.10-0085 with the French Autorité des Marchés Financiers (AMF) in accordance with Article 212-13 of the AMF general regulation. It can be used as a support document for a financial transaction only if presented together with a securities information note (note d'opération) approved by the AMF.

Pursuant to Article 28 of Regulation (EC) 809/2004 of 29 April 2004 of the European Commission implementing the Directive 2003/71/CE (the "**Regulation (EC) 809/2004**"), the following information is included by reference in this registration document (the "**Registration Document**"):

- SCOR SE's corporate and consolidated financial statements for the financial year ended 31 December 2008 and the report of the statutory auditors regarding said financial statements as presented in SCOR SE's registration document filed with the AMF on 5 March 2009 under number D.09-0099.

- SCOR SE's corporate and consolidated financial statements for the financial year ended 31 December 2007 and the report of the statutory auditors regarding said financial statements as presented in SCOR SE's registration document filed with the AMF on 28 March 2008 under number D.08-0154.

Parts not included in this or these documents are either of no concern to the investor, or else are covered by another section of this registration document.

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Person responsible

PERSON RESPONSIBLE

1 PERSON RESPONSIBLE

1.1 Name and title of person responsible

Mr. Denis Kessler, Chairman of the Board of Directors and Chief Executive Officer of SCOR SE.

1.2 Declaration by person responsible

- I declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

- I confirm that, to the best of my knowledge, the financial statements have been drawn up in accordance with applicable accounting standards and accurately show the position of the assets and liabilities, the financial position and the profit or loss of the company and of all businesses and firms included within the scope of the consolidated group, and that the management report, mentioned in Appendix E, accurately reflects the evolution of the business, the results and the financial position of the company and of all businesses and firms included within the scope of the consolidated group, and describes the main risks and contingencies which they are faced with.

- I have obtained an audit completion letter from the statutory auditors, in which they indicate that they have verified the information concerning the financial situation and the accounts provided in this Registration Document, and have read the entire Registration Document.

- The historical financial information included in the Registration Document was certified by the auditors. Their reports are reproduced in Section 20.2 and Appendix A of this document, and incorporated by reference for financial years 2008 and 2007, in section 20.2 and Appendix A of the 2008 Registration Document and in Sections 20.3.1.1 and 20.3.1.2 of the 2007 Registration Document. The audit reports on the 2009 Consolidated Financial Statements, 2008 Corporate Financial Statements and 2007 Consolidated Financial Statements include comments.

Chairman of the Board of Directors

Denis KESSLER

Statutory Auditors

STATUTORY AUDITORS

2 STATUTORY AUDITORS

2.1 Auditors

2.1.1 PRINCIPAL AUDITORS

Name	Date of first appointment	End of current appointment
MAZARS Represented by Mr. Michel Barbet-Massin Tour Exaltis – 61, rue Henri Regnault 92075 La Défense Cedex CRCC of Versailles	22 June 1990	On the date of the Shareholder's Meeting called to approve the financial statements of the financial year ending 31 December 2013
ERNST & YOUNG Audit Represented by Mr. Pierre Planchon Tour Ernst and Young 11, Faubourg de l'Arche 92037 Paris la Défense Cedex CRCC of Versailles	13 May 1996	On the date of the Shareholder's Meeting called to approve the financial statements of the financial year ending 31 December 2013

2.1.2 ALTERNATIVE AUDITORS

Name	Date of first appointment	End of current appointment
Mr. Charles Vincensini 71, avenue Mozart 75016 Paris CRCC of Paris	7 May 2008	On the date of the Shareholder's Meeting called to approve the financial statements of the financial year ending 31 December 2013
Picarle et Associés 11, allée de l'Arche 92037 Paris la Défense Cedex CRCC of Versailles	7 May 2008	On the date of the Shareholder's Meeting called to approve the financial statements of the financial year ending 31 December 2013

2.2 Resignation or non renewal of auditors

Not applicable.

Selected financial information

SELECTED FINANCIAL INFORMATION

3 SELECTED FINANCIAL INFORMATION

3.1 Group key figures (under current consolidation scope)

SCOR SE and its consolidated subsidiaries ("SCOR" or the "Group") is the world's 5th largest reinsurer (1) serving more than 3,500 clients from its organisational Hubs located in New York, Cologne, London, Paris, Singapore and Zurich.

The 2009 year end results and balance sheet strength demonstrate the effectiveness of SCOR's strategy which is based on high business and geographical diversification and focuses on traditional reinsurance activity.

In March 2009, Standard and Poor's raised SCOR SE and its core guaranteed subsidiaries long-term credit and insurer financial strength ratings from "A-" to "A" with a stable outlook.

In EUR million	2009	2008	2007 adjusted (2)
Consolidated SCOR Group			
Gross written premiums	6,379	5,807	4,762
Net earned premiums	5,763	5,281	4,331
Operating income (3)	372	348	576
Net income	370	315	407
Investment income (gross of expenses)	503	467	727
Investment yield (net of expenses) (4)	2.4%	2.3%	4.3%
Return on equity (5)	10.2%	9.0%	14.0%
Basic earnings per share (in EUR) (6)	2.06	1.76	2.78
Book value per share (in EUR)	21.80	19.01	20.11
Share price (in EUR)	17.50	16.37	17.50
Operating cash flow	851	779	611
Total Assets	27,989	26,534	25,734
Liquidity (7)	1,655	3,711	2,052
Shareholders' equity	3,901	3,416	3,648
Claims supporting capital (8)	4,569	4,200	4,434
SCOR Global P&C Division			
Gross written premiums	3,261	3,106	2,329
Net combined ratio (9)	96.8%	98.6%	97.3%
SCOR Global Life Division			
Gross written premiums	3,118	2,701	2,432
SCOR Global Life operating margin	5.8%	6.0%	7.4%

(1) Source: "S&P Global Reinsurance Highlights 2009" (excluding Lloyd's of London)
(2) Comparative figures have been adjusted for the completion of the initial acquisition accounting of the Converium acquisition. See Section 20.1.6 – Notes to the consolidated financial statements, Notes 1 and 3 in the 2008 Reference Document.
(3) Operating income is defined as result before financial expenses, share in results of associates, restructuring costs, negative goodwill and taxes.
(4) Investment expenses include EUR 8 million incurred by SCOR Global Investment.
(5) Return on equity is based the Group's share of net income divided by average shareholders' equity (calculated as shareholders' equity at the beginning of the period adjusted for the linear effect of all movements during the period).
(6) Earnings per share is calculated as net income divided by basic number of shares. The basic number of shares includes the average number of closing shares, shares issued during the period and time-weighted treasury shares.
(7) Liquidity is defined as cash and cash equivalents and short term investments comprised primarily of government bonds maturing less than 12 months from date of purchase.
(8) Claims supporting capital is defined as the sum of IFRS shareholders' equity, subordinated debt and debt securities (including OCEANE for EUR 191 million repayable on 1 January 2010).
(9) The 96.8% net combined ratio in 2009 excludes non-recurring costs of the Highfields settlement and related legal expenses (pre tax, EUR 12 million, net of expected recoveries), certain other expenses as disclosed in the 2008 reference document and the exceptional impact of the outcome of the arbitration with Allianz in respect of the World Trade Center (EUR 39 million after tax). The 2009 net combined ratio, including the outcome of the World Trade Center arbitration, is 98.8%. The unadjusted net combined ratio is 99.5%. Refer also to 9.2.2, "SCOR Global P&C."

Risk factors

RISK FACTORS

4 RISK FACTORS

The risk factors described below must be considered together with the other information contained in the Registration Document, and specifically with:

- Appendix B - Report from the Chairman of the Board of Directors on the terms and conditions for preparing and organising the work of the Board of Directors and on internal control procedures in accordance with article L.225-37 of the French Commercial Code - Part II, which describes the internal control procedures set up by the Group to address the risks to which the Group is exposed.

- The consolidated financial statements of the Group that appear in Section 20.1 - Historical financial information: consolidated financial statements and in particular Note 27 - Insurance and financial risk.

INTRODUCTION

SCOR focuses on monitoring its critical risks through processes and procedures as outlined in its ERM framework. SCOR's ERM framework is based on the COSO II framework which covers strategic, operational, reporting and compliance aspects of Risk Management. Fundamental parts of SCOR's ERM framework are

a) The Strategic Objectives (Dynamic Lift targets):

  - To secure a ROE of 900 bps above risk free rate over the cycle;
  - To provide an "A+" level of security to Group clients by 2010;
  - To self-finance the current business plan of the Group
  - To return excess capital to shareholders by various means and

b) The Group's Risk Appetite (Capital Shield Policy)

For the SCOR Group, the Risk Appetite is articulated in the "Capital Shield" policy. The purpose of the SCOR Group's Capital Shield policy is to ensure that the Group reconciles its strategic objectives with the protection of its capital. The Capital Shield policy is based on an economic approach in order to protect against all potential losses, some of which are not immediately recognised from a pure accounting view. It is built on the following two concepts:

i) Active hedging of peak exposures through retrocession

The level of retrocession is selected to ensure that the Group's retained risk profile respects the following Group Risk Tolerance limits, which are designed to ensure that the Group achieves its return on capital and solvency objectives:

  - the amount of retained exposure for about 40 Lines of Business (LOBs) and Asset Classes is limited to ensure that an annual loss from any one of these (measured as 95%TVaR) does not exceed 5% (7.5% for CAT business) of the Group's available capital. These limits are intended to avoid concentration of risk in specific LOBs or asset classes.
  - the amount of retained exposure of the Group to very extreme scenarios (with a probability of higher or equal to 1 in 250 years) is limited to a loss of 15% of the Group's available capital. These limits are designed to limit the impact of extreme scenarios on the shareholders' capital.

ii) Buffer Capital

In addition to the solvency capital required to support the retained (after retrocession) risk profile, SCOR also holds Buffer Capital. This extra economic capital enables the Group to absorb a significant amount of inherent volatility, without having to turn to the market too frequently in order to maintain the Group's available capital above the required solvency capital.

The level of Buffer Capital is chosen according to the following risk/reward strategy:

- satisfying the objective of a return on shareholders' equity of 900bps above the risk free rate over the cycle
- reducing the probability of sustaining a reduction in economic value in excess of the Buffer Capital to below an acceptable level (with the current risk profile, the probability to suffer such an economic loss is approximately 10%).

Variations in the Group's retained risk profile may occur due to a change in the underlying asset and liability portfolios and changes in the level of riskiness of certain parts of the asset and liabilities eg due to rapid or slowly emerging changes in the economic, financial, social, legal and regulatory environments.

SCOR's Board and Executive Management team regularly review the Group's Risk Profile to ensure that the Group's Risk Appetite remains aligned with the Group's strategy.

SCOR uses various mechanisms within its comprehensive ERM Framework to manage the Group's retained risk profile. These mechanisms enable SCOR to identify, assess and control specific risks and:

- Take mitigation actions to reduce the Group's retained exposure to specific risks so that the Risk Tolerance limits defined above are not breached
- Take optimisation actions to capitalise on attractive risk-return opportunities

The reinsurance sector is regulated. The regulator, through prudential rules and principles, contributes to an increased vigilance on the part of companies in this sector thus reinforcing the company's existing risk management mechanisms. One particularity of the reinsurance sector concerns a non–significant number of balance sheet items which are either based on accounting or model estimations. These estimations depend very much on the underlying assumptions, data used and the appropriateness of the model.

The outlook for the world economy in 2010 and beyond is sensitive and uncertain which makes it impossible to predict all possible future outcomes, some of which may have a significant negative impact on the Group. In particular, SCOR's results could be significantly affected if some sectors of the economy are subject to extremely high inflation. SCOR is managing this risk in two ways: firstly by prudent management of reserves and secondly by a strategy of hedging against inflation using Indexed-Linked Government Bonds for instance.

The Group will continue to use all available risk management tools to manage the downside risks and also take advantage of opportunities that offer high returns in relation to risk.

4.1 Risk related to the business environment

4.1.1 THE GROUP IS EXPOSED TO DIVERSE RISK FACTORS IN THE NON-LIFE AND LIFE REINSURANCE BUSINESSES

The principal risk the Group faces under insurance and reinsurance contracts is that the actual amounts of claims and benefit payments, or the timing thereof, differ from expectations. The frequency of claims, severity of claims, actual benefits paid, subsequent development of long-tail claims and external factors beyond the Group's control, including inflation, legal developments and others have an influence on the principal risk faced by the Group. Additionally, the Group is subject to the quality of claims management by ceding companies and other data provided by them and thus performs periodic audits at ceding companies. In spite of these uncertainties the Group seeks to ensure that sufficient reserves are available to cover its liabilities.

Generally, SCOR's ability to increase its portfolios in the Life and Non-Life reinsurance segments may be subject to external factors such as economic risks and political risks.

Non-Life reinsurance business represents approximately 52% of SCOR's business, compared to 48% for Life reinsurance business based on 2009 gross written premiums.

NON-LIFE REINSURANCE

(a) Property

The Property business underwritten by SCOR Global P&C is exposed to multiple insured losses arising from a single or multiple events, which can be catastrophic, being either caused by nature (e.g. hurricane, windstorm, flood, hail, severe winter storm, earthquake, etc.) or by the intervention of a man-made cause (e.g. explosion, fire at a major industrial facility, act of terrorism, etc.). Any such catastrophic event can generate insured losses in one or several of SCOR's lines of business.

The same losses may be covered under various different lines of business within Property such as fire, engineering, aviation, space, marine, energy and agricultural.

(b) Casualty

For Casualty business, the frequency and severity of claims and the related indemnification payment amounts can be affected by several factors. The most significant factors are the changing legal and regulatory environment, including changes in civil liability law. Additionally, due to the length of amicable, arbitral and court procedures, the Casualty business is exposed to inflation risks regarding the assessment of claim amounts. Additional exposure could arise from so-called emerging risks, which are risks considered to be new or subject to constant evolution such as EMF (Electromagnetic Fields) or Nanotechnology.

(c) Cyclicality of the business

Non-Life insurance and reinsurance businesses are cyclical. Historically, reinsurers have experienced significant fluctuations in operating income due to volatile and unpredictable developments, many of which are beyond the control of the reinsurer including primarily, frequency or severity of catastrophic events, levels of capacity offered by the market and general economic conditions and to varying extents the price competition and capacity available.

The primary consequences of these structural factors are to reduce the volume of Non-Life reinsurance premiums on the market, to make the reinsurance market more competitive, and also to favour the operators who are most attentive to the specific needs of the cedants.

Beyond the general trends, the premium rate cycle affects certain geographic markets and/or certain lines of business in a differentiated fashion and independently of each other.

(d) Risk control

Underwriting guidelines, which specify maximum acceptable commitment per risk and per event, are in place within SCOR Global P&C. They are reviewed and updated annually by the Underwriting Management Department and approved by the CEO and Chief Risk Officer of SCOR Global P&C. Any request for deviations from the underwriting guidelines is subject to special referral procedures at two key levels: at the first level, the request is submitted by the underwriting units to the Underwriting Management Department and at the second level, for exposures exceeding certain thresholds or with specified characteristics, the request is submitted by the Underwriting Management Department to the Group Risk Management Department of SCOR SE.

Pricing guidelines and parameters are set to provide consistency and continuity across the organisation but also taking account of the differences between lines of business as well as the geographical location of the client and the risks insured. Parameters are revised at least once a year to consider, as the case may be, the market conditions and environment. Contracts that meet certain risk thresholds are subject to mandatory peer reviews that have to be performed and documented before the pricing is completed. SCOR Global P&C employs a data system which allows management to monitor and review the results from the pricing tools.

Catastrophe management is split into four sections in a matrix structure under SCOR Global P&C. Descriptive guidelines are available for each one of them; ‘data quality & modelling’, ‘accumulation control’, ‘catastrophe methodologies’ and ‘system & processes’. A system of cat referrals has been introduced in excess of a given threshold for peak cat territories.

Underwriting cross-reviews are initiated by SCOR Global P&C Risk Management Department to evaluate the quality of underwriting of particular underwriting units or certain lines of business, to identify risks, to assess the appropriateness and effectiveness of controls and to propose risk-management actions, including mitigating actions.

Claims are processed and monitored within each SCOR Global P&C entity. Their claims activities are supported and controlled by the central SCOR Global P&C Claims Department which is also responsible for the direct management of large, contentious, serial and/or latent claims. Audits are conducted on ceding companies' claims management procedures.

The Group has a Large Claims Committee which meets on a regular basis. The main objectives of this committee are:

- to assess and review the impact, at the Group level, of large and/or strategic claims;
- to monitor the management of such claims among the various business lines and Group entities;
- to communicate the lessons learnt to management for potential changes in strategy and underwriting policy.

(e) Risk assessment

Property - The geographical accumulations by peril are analysed using external software and simulation tools. The principal tools used are World Cat Enterprise (WCE) developed by Eqecat, RiskLink by RMS and Catrader by AIR.

These tools enable the Group to quantify its exposure in terms of a probable maximum loss (PML) at various levels of probability for each peril and geographic location. The overall aggregate annual PML per peril, allowing for potential multiple events, provides the information required to determine the level of retrocession and other risk transfer mechanisms (e.g. catastrophe bonds) that are needed to ensure that the net aggregate exposure remains within predefined tolerance limits.

The probabilistic catastrophe modelling approach captures the uncertainty related to the likelihood of a given event occurring (frequency uncertainty) as well as the uncertainty associated with the amount of loss, given that a particular event has occurred (severity uncertainty). A sound understanding of the uncertainties associated with the model's key parameters is essential for the interpretation of the model outcome and thus for decision-making. The outcomes for each model describe a bandwidth of loss estimates and not a unique value. In order to identify and stress-test the key parameters, systematic sensitivity analyses are carried out.

Furthermore SCOR has developed a global CAT data warehouse and reporting system to capture key input modelling parameters at country, cresta, city or latitude/longitude coordinates. This system will enable SCOR to test systematically for catastrophe data quality and assess sensitivity in the risk modelling process from very large complex and detailed portfolios to very small aggregated ones, enabling these sets to be merged and reported for underwriting cat business or dynamic accumulation control.

LIFE REINSURANCE

The main categories of risk for life insurance and reinsurance are biometric, behavioural and catastrophe risks as well as credit risk (see Section 4.1.12 – We are exposed to credit risks), currency risks (See section 4.2.4 -currency risk) and market risks (See section 4.2.3 - We are exposed to other risks arising from our financial instruments).

(a) Biometric risks

The assessment of biometric risks is at the centre of underwriting risk in life reinsurance. These are risks which result from adverse developments in mortality, morbidity, longevity or epidemic/pandemic claims for direct insurers and reinsurers. These risks are evaluated by SCOR Global Life's actuaries and medical underwriters, who analyse and use information from SCOR Global Life's own portfolio experience, from the ceding companies as well as relevant information available in the public domain, such as mortality or disability studies and tables produced by various statistical organisations.

- Mortality Risk

  Mortality risk is the risk of loss due to higher than anticipated death rates (due to higher frequency of claims and/or an increased cost of claims under the insured portfolio) resulting from either a general volatility, an adverse long-term trend or a mortality shock event.

- Morbidity Risk

  Products such as critical illness, short-term and long-term disability or long term care, which all contain morbidity risk, are subject to, among others, the risk of negative trends in health (e.g., due to obesity, pollution, stress) as well as improved medical diagnoses capabilities which increase the number of claims that otherwise would possibly have remained undetected. Products providing cover for medical expenses are subject to higher than anticipated incidence rates and medical inflation.

- Longevity Risk

  Longevity risk refers to the risk of a loss arising due to the insured or annuitant living longer than expected. This risk exists within reinsured annuity and long-term care covers or within other longevity protection products.

- Pandemic

  In life reinsurance, a major risk lies in the occurrence of a severe pandemic. In the past century, three major outbreaks of influenza occurred and claimed millions of lives. The occurrence of a similar event could cause large losses to the Group, due to an increased mortality far beyond the usual volatility. Experts closely monitor the current H1N1 influenza virus strain to identify any possible mutations that could make the virus more virulent. A lethal virus strain could lead to a heavy increase in mortality rates which could significantly affect SCOR's results. Other infectious diseases are equally studied due to their potential for a significant loss development. In general, better means of communication and increased public health measures, combined with progress in vaccine research, make the estimated impact of future pandemics less severe than those of the past.

The potential loss relating to a severe pandemic is estimated using models. However, the limited amount of data available, coupled with weaknesses in current pandemic models, increases the uncertainty in the results. The financial outcome of a severe pandemic could, therefore, differ considerably from that expected by the model, thus leading to a significantly higher loss than expected.

(b) Behavioural risks

SCOR Global Life is also exposed to risks related to policyholder behaviour. This includes risks such as lapsation, anti-selection at policy issue detrimental to the insurer, unexpected number of exercises of options by the policyholder, fraudulent applications.

- Lapsation

  Lapses refer to either non payment of premium by the policyholder or to policies which are terminated by the assured before the maturity date of the policy. Depending on the product design, higher or lower policyholder lapses may reduce SCOR Global Life's expected future income. Lapses may differ from expected due to a changing economic environment or other reasons, such as changes in tax incentives for the reinsured policies, tarnished reputation of the cedant or from the introduction of more attractive products in the market. SCOR studies and closely monitors this risk.

- Anti-selection

  Anti-selection refers to the problem of asymmetry of information between the insured and the insurer. An individual applying for life or health insurance cover usually has better knowledge about his or her own state of health than the insurer. The risk to the (re)insurer is of policyholders deliberately deciding to:

- take out a policy in the knowledge that either their chances of claiming is high or higher than average;
- terminate a policy in the knowledge that their chances of claiming are low or lower than average; or
- choose and exercise a policy option which allows to increase the policyholder's expected benefit.

(c) Catastrophe Risk

As previously indicated, unexpected natural or man-made catastrophic events can provoke very significant material damage affecting the Non-Life activities of the Group. In addition, such events could cause multiple deaths and serious injuries which could potentially seriously impact the Life activities of SCOR, particularly in instances of contracts covering groups of employees working for the same employer at the same location.

(d) Risks linked to the types of guarantee

Certain life insurance products include guarantees, most frequently with respect to premium rates, insurance benefits, and surrender or maturity values, or guarantees with regard to interest accrued on reserves or policyholder funds. Other guarantees may exist, for example with regard to automatic adjustments of benefits or options applied in deferred annuity policies.

Such guarantees may be explicitly or implicitly covered by the reinsurer under the reinsurance contract and if so expose the reinsurer to the risk of adverse developments which increase the value of the guarantee and thereby necessitate respective increases in benefit reserves.

(e) Risk control

Mandates for underwriting Life reinsurance business are assigned to the market units on a mutually exclusive basis. Life reinsurance treaties are underwritten by Life reinsurance experts familiar with the specific features of their markets. The Life business is underwritten in line with market specific underwriting and pricing guidelines. In particular, these guidelines specify the type and the terms and conditions under which business is considered as acceptable. Furthermore, they set out the retention of SCOR Global Life for various risks and types of covers. Deviations from guidelines are subject to review by SCOR Global Life's Central Actuarial and Risk Management areas in order to ensure that the business respects defined risk-adjusted return criteria and risk tolerance limits.

Aggregate portfolio exposures are continually monitored. Through an accumulation control, risks which exceed SCOR Global Life's retention are identified and retroceded. The retention limits are revised regularly based on SCOR Global Life's risk profile.

(f) Risk assessment

In order to ensure that SCOR Global Life is continually kept up-to-date with biometric trends and scientific developments SCOR Global Life has created four dedicated technical research centres within the Life Central Actuarial and Underwriting Department to analyse and assess the key factors underlying mortality/longevity, Long-Term Care and disability risks. The SCOR Global Life Research Centres provide recommendations for the implementation of the research results into the pricing, underwriting control and determination of exposure limits.
In order to reduce potential behavioural risk, SCOR Global Life carries out a thorough assessment of the client, the client's target clientele, the market and the design of the insurance product.

INTERDEPENDENCE OF THE NON-LIFE AND LIFE REINSURANCE BUSINESS

The twin-engine activities of Non-Life and Life reinsurance take place in two different market environments. They are subject to heterogeneous external constraints, which generally have only very limited correlation with each other. The diversification and the overall balance between these two business areas within the Group represent stabilising factors. However, in some extreme scenarios Non-Life and Life risks and financial market and credit risks could accumulate. This exposes SCOR to accumulation and/or correlation risks which are difficult to quantify.

Unforeseen events, such as natural catastrophes or terrorist attacks, can cause significant damage. These types of risk primarily affect the Non-Life operations. However, in cases where we face a large number of casualties, the possibility of the losses also affecting Life reinsurance as well cannot be excluded. This mostly applies to Group reinsurance treaties covering people who work for the same employer at the same location.

In the event of a very large natural catastrophe with many victims, the losses generated in Life and Non-Life could potentially accumulate, with losses on financial assets related to the potential reaction of markets (e.g., interest rates, exchange rates and equity market prices). In the same way a major pandemic event may cause financial market turmoil or business interruptions.

SCOR takes into account the effect of the diversification between the two markets (Life and Non-Life) in its internal model, by setting parameters for the interdependence of the various lines of business.

SCOR's ability to grow its portfolios in the Life and Non-Life reinsurance segments may be subject to correlated external factors, such as economic and political risks.

Economic risks are related to slowdowns in economic growth or recessions in the major markets. This may lead households to take out less insurance, to suspend certain premium payments, or to terminate the insurance policies underlying the existing Life and Non-Life treaties earlier than anticipated.

Political risks, which are characterised by social and political instability in certain countries, are particularly significant in emerging markets. These risks could lead to significantly reduced business growth in these markets. In such countries, substantial changes in legislation and regulations, particularly in tax or commercial legislation, are more probable than in more developed markets.

RISK MITIGATION

Insurance risk exposure is mitigated by diversification across a large portfolio of insurance and reinsurance contracts as well as geographical areas. The volatility of risks is also reduced by careful business selection, implementation of underwriting guidelines, the use of retrocession and other risk transfer arrangements, proactive claims handling as well as underwriting, claims and administration audits at ceding companies.

In order to mitigate its Property exposure, SCOR retrocedes a portion of the risks it underwrites. Non-Life retrocession is limited to catastrophes and major Property risks. In particular, SCOR has a global retrocession program, which is revised annually, and which provides partial coverage for up to three major catastrophic events, natural or not, within one occurrence year. The retrocession program includes both traditional retrocession as well as the use of capital market solutions (e.g. catastrophe bonds).

With regard to its Casualty business SCOR allocates proportionately less capacity to new business of this type than to Property. Furthermore, the underwriting guidelines restrict SCOR's shares of Casualty reinsurance programs and are particularly restrictive regarding certain areas (Florida, California, etc).

Biometric risks, other than pandemic risk, are diversified on a geographic and a product basis with a claims experience following the laws of large numbers.
Anti-selection risks are mitigated through careful product design and a well-defined medical and financial underwriting selection process. SCOR mitigates lapse risk through appropriate reinsurance treaty clauses, as well as product, client and market diversification in which the lapse risk exposure is variable.

A significant part of the reinsured premium, in respect of Disability Long-Term Care and Critical Illness products, includes premium adjustment clauses. In the case of Long-Term Care, the premium adjustments are designed to offset potentially improving longevity. In the case of Critical Illness, premium adjustments mitigate potential negative impacts on future claims patterns due to a general deterioration in health and improved medical diagnosis.

Peak mortality, disability and critical illness risks are covered either by surplus per life retrocession programs, or, in some cases, by excess of loss per life or per event. In 2008, SCOR Global life entered into a fully collateralised Mortality Swap arrangement with JP Morgan. The Mortality Swap reduces SCOR's exposure to major mortality shock events. In 2009, SCOR Global Life extended its protection by arranging an additional tranche of the Mortality Swap with a lower attachment point. Both tranches are fully collateralised.
Nevertheless, no guarantee that the Group is protected from unexpected changes in Life or Non-Life claims frequency or severity shall be implied from the measures detailed above in the sections Risk control, Risk assessment and Risk mitigation.

4.1.2 WE ARE EXPOSED TO LOSSES FROM CATASTROPHIC EVENTS

Like all other reinsurance companies, SCOR may be exposed to multiple insured losses to property or to the person arising from a single occurrence, whether a natural catastrophe such as a hurricane, windstorm, flood, hail, severe winter storm, earthquake, or a man-made catastrophe such as an explosion, fire at a major industrial facility or an act of terrorism. Any such catastrophic event may generate insured losses in one or more of SCOR's lines of business.

In particular, the Group's most significant exposure to natural catastrophes in Non-Life relates to earthquakes, storms, typhoons, hurricanes, floods and other weather-related phenomena like hail or tornados.

The frequency and severity of such catastrophic events, particularly natural hazards, are by their nature unpredictable. The inherent unpredictability of these events makes forecasts and risk evaluations uncertain for any given year. As a result, our claims experience may vary significantly from one year to the next, which can have a significant impact on our profitability, and financial position. In addition, depending on the frequency and nature of losses, the speed with which claims are made and the terms of the policies affected, we may be required to make large claim payments within a short period. We may be forced to fund those obligations by liquidating investments in distressed market conditions, or by raising funds at unfavourable conditions.

We manage our exposure to catastrophes through selective underwriting practices, especially by limiting our exposure to certain events in certain geographic zones (as for example hurricanes which are now frequent in the Gulf of Mexico), by monitoring risk accumulation on a geographical basis and by retroceding a portion of those risks to other reinsurers (retrocessionaires) selectively chosen based on the information publicly available confirming their solid financial strength. We evaluate our natural catastrophe exposure by means of catastrophe modelling software.

The models used depend very much on the underlying parameters. Any future deviations in these parameters will produce varying results depending on the sensitivity of the model to each parameter. Furthermore, the models can only be applied to certain areas and must respect certain conditions. Catastrophic events could occur in areas not covered by the models and could therefore generate losses which exceed those predicted by the models. Reality is always more complex than that reflected by the models and this represents a risk for reinsurers. The risks for SCOR are mitigated, to some extent, by the use of proprietary market models (World Cat Enterprise (EQECAT), RiskLink (RMS) and Catrader (AIR)).Nevertheless there remains the possibility of incorrect choice of parameters or inappropriate use of the model in certain areas, particularly if models are used in areas for which no market models exist.

Different risk measures (such as value at risk or expected shortfall) per peril and region provide the information required to determine levels of retrocession and other risk transfer means (e.g. catastrophe bond) needed to ensure that the net aggregate exposure remains within the acceptable risk tolerance. The modelling strategy is based on two pillars, a sophisticated use and comparison of commercially available models with two models for peak regions (tier one regions) and the most appropriate model for second and third tier markets. The impact of non-modelled but probable loss potentials is considered taking into account sum of limits and maximum probable loss assumptions for each individual peril and region.

During 2009, the main accumulations tracked were:

- Northern Europe storms;
- Japan earthquake,
- USA earthquake;

And secondary accumulations:

- Earthquakes : Israel, Turkey, Italy, South Africa, Taiwan, China, Australia;
- Wind: USA, Caribbean, Mexico.

In Life Reinsurance, maximum underwriting capacities are defined to limit the exposure of SCOR Global Life on the various types of treaties underwritten, proportional and non-proportional, covering individual or Group policies. These capacities are revised each year, taking account of the capacities obtained by the retrocession coverage purchased by the Group. Amongst these limits are found: maximum commitment per life accumulated for all SCOR exposures, maximum annual commitments for non-proportional cover per life or per event, maximum commitment per country for non-proportional exposures by event, a restrictive approach as regards terrorist or nuclear risks. Exposures by risk or by event, for the portfolio as a whole, are measured by aggregating SCOR's retention and by taking into account the capacity obtained through retrocession programs.

Nevertheless, no guarantee that the Group is protected against material catastrophic losses, or that retrocession will continue to be available in the future at commercially acceptable rates shall be implied from the measures detailed above, including those relating to the management of risks on a geographical basis or retrocessions. Although we attempt to limit our exposure to acceptable levels, it is possible that multiple concurrent catastrophic events could have a material adverse effect on our current and future revenues, net income, cash flow and financial position.

We also seek to reduce our dependence on traditional retrocession by using alternative retrocession agreements. Accordingly, on 21 December 2006, we signed a multi-year catastrophe Property retrocession agreement with Atlas III, a dedicated vehicle (SPRV, Special Purpose Reinsurance Vehicle) organised pursuant to the laws of Ireland and financed by the issuance of a Cat Bond, the purpose of which is to provide EUR 120 million in additional retrocession coverage for SCOR and its subsidiaries in the context of a second or subsequent event such as Europe Storm or Japan Earthquake, the losses of which are determined by a model over a period running from 1 January 2007 to 31 December 2009. Continuing this strategy to diversify retrocession sources, SCOR issued two similar Cat Bonds, Atlas IV on 29 November 2007 for a term of three years and one month, providing EUR 160 million in additional retrocession coverage for SCOR and its subsidiaries for a first event such as Europe Storm or Japan Earthquake and Atlas V on 19 February 2009 for a term of three years providing USD 200 million in additional retrocession coverage for SCOR and its subsidiaries for an event such as U.S. and Puerto Rico Earthquake or Hurricane. Finally on 10th December 2009, Atlas VI was issued to ensure continued protection in view of the imminent expiry of Atlas III, Atlas VI is a more “working” cover than Atlas III providing EUR 75 million coverage against the risk of one or several earthquakes in Japan or windstorms in Europe.

On 3 March 2008, SCOR announced that SCOR Global Life had signed a four-year mortality risk swap with JP Morgan which is fully collateralised. This agreement allows the Group to benefit from coverage of USD 100 million, plus EUR 36 million in the event of a significant rise in mortality following a major pandemic, a significant natural catastrophe or a terrorist attack, for the period 1 January 2008 to 31 December 2011. In 2009, this mortality swap was extended by another tranche with a significantly lower attachment point. The new tranche provides an additional maximum coverage of USD 75 million for the period 1 January 2009 to 31 December 2011.

4.1.3 WE COULD BE SUBJECT TO LOSSES AS A RESULT OF OUR EXPOSURE TO TERRORISM

In the context of our business, we may be exposed to claims arising from the consequences of terrorist acts. These risks, the potential significance of which can be illustrated by the 11 September 2001 attack on the World Trade Center ("**WTC**") in the United States, can affect both individuals and property.

Refer to Section 20.1.6. - Notes to the consolidated financial statements, Note 28 - Litigation for a description of the situation in the WTC disputes.

After the attack of 11 September 2001, we adopted underwriting rules designed to exclude or limit our exposure to risks related to terrorism in our reinsurance contracts, in particular in those countries and/or for the risks expected to be most exposed to terrorism. However, it has not always been possible to implement these measures, particularly in our principal markets. For example, certain European countries do not permit the exclusion of terrorist risks from insurance policies. Due to these regulatory constraints, we have actively supported the creation of insurance and reinsurance pools involving insurance and reinsurance companies as well as public authorities in order to spread the risks of terrorist activity among the members of these pools. We participate in pools created in certain countries, such as France (GAREAT), Germany (Extremus), the Netherlands (NHT) and Belgium (TRIP), which allow us to have limited and known commitments. In the United States, the Terrorism Risk Insurance Act ("**TRIA**") passed in November 2002 for a period of three years, which was extended to 31 December 2007 by the Terrorism Risk Insurance Extension Act ("**TRIEA**"), was renewed for 7 years, until 31 December 2014 by the Terrorism Risk Insurance Program Reauthorisation Act ("**TRIPRA**"). It established a federal assistance program to help insurance companies cover claims related to terrorist acts. TRIPRA requires that terrorist acts be covered by insurers. Despite TRIPRA, and the federal aid that it provides, the U.S. insurance market is still exposed to some significant risks in this area. Therefore, the Group monitors very closely its exposure to the US market, primarily because of the insurance obligation created by the law. In addition to the commitments described above, the Group does reinsure, from time to time, terrorist risks, usually limiting, by event and by year of insurance the coverage that ceding companies receive for damage caused by terrorist acts.

Beyond the potential impact on our non-life book, a terror event could also affect our life portfolio. Although the insured losses from past events have been comparatively small in relation to the non-life losses, a future terrorist act, such as a “dirty bomb”, could claim a substantial amount of insured lives. SCOR monitors this extreme event on the life side by running dedicated scenarios.

As a result, future terrorist acts, whether in the U.S. or elsewhere, could cause us significant claims payments and could have a significant effect on our current and future revenues, net income, cash flow and financial position.

4.1.4 WE COULD BE SUBJECT TO LOSSES RELATED TO DETERIORATING RESULTS IN LINES WHERE WE ARE NO LONGER ACTIVELY WRITING BUSINESS

EXPOSURE TO ENVIRONMENT POLLUTION AND ASBESTOS RELATED RISKS

Like other reinsurance companies, we are exposed to environmental pollution and asbestos related risks, particularly in the United States. Insurers are required under their contracts to notify us of any claims or potential claims that they are aware of. However, we often receive notices from insurers of potential claims related to environmental and asbestos risks that are not precise enough, as the primary insurer may not have fully evaluated the loss at the time it notifies us of the claim. Due to the imprecise nature of these claims, the uncertainty surrounding the extent of coverage under insurance policies and whether or not particular claims are subject to any limit, the number of occurrences and new developments regarding the insured and insurer liabilities, we can, like other reinsurers, only give a very approximate estimate of our potential exposure to environmental and asbestos claims that may or may not have been reported.

In 2009, SCOR reduced its exposure to asbestos-related risks and environmental risks specifically through commutations of business. SCOR evaluates its exposure and its potential development notably using actuarial techniques and market practices that allow opportunistic negotiation of the terms of commutation settlement. The Group intends to continue its commutation policy in 2010 and thereafter. It is anticipated that this policy will affect settlement patterns to a limited degree in future years, but these changes in settlement patterns should progressively improve predictability and reduce the potential volatility of reserves.

Nonetheless, due to the changing legal environment, including changes in tort law and case-law, in the U.S. in particular, and equally with respect to scientific and medical progress the evaluation of the final cost of our exposure to asbestos related and environmental claims may be increasing in uncertain proportions. Diverse factors could increase our exposure to the consequences of asbestos-related risks, such as an increase in the number of claims filed or in the number of persons likely to be exposed to these risks. Evaluation of these exposures is all the more difficult since claims related are of a long tail nature. SCOR therefore relies on market assessments of survival ratios for funding our reserves although data currently available for the American market relates to old underwriting years for which we do not have any substantial exposure.

In addition, IBNR Reserves have been established to provide for additional reserves on both known and unknown claims. These reserves are reviewed and updated quarterly.

Taking account of the above, it is difficult to estimate the reserves required for losses arising from asbestos and environmental pollution and to guarantee that the estimated amount will be sufficient.

The reserve amount for these risks in addition to the number and the amount of losses are indicated in Paragraph 20.1.6 – Notes to the consolidated financial statement, Note 16 – Contract liabilities. Data related to the reserves arising from the risks related to asbestos and environmental pollution are also in Paragraph 4.1.5 – If our claims reserves prove to be inadequate, our net income, cash flow and financial position may be adversely affected.
As a result of these imprecisions and uncertainties, we cannot exclude the possibility that we could be exposed to significant environmental and asbestos claims, or have to increase our reserving level, which could have an adverse effect on our current and future revenues, net income, cash flow and financial position.

EXPOSURE TO GUARANTEED DEATH BENEFIT (GMDB) PRODUCTS

SCOR Global Life inherited from Converium retrocession liabilities with regard to Guaranteed Minimum Death Benefit (GMDB) rider options attached to variable annuity policies written in the U.S. This type of business, which carries during financial crisis a specific economic risk is not within the usual scope of the SCOR Global Life underwriting policy. These treaties are all in run-off and cover in total approximately 0.8 million policies guaranteed by two cedants to ex-Converium. They were issued mainly in the late 1990's and incorporate various benefit types. Claims occur in the event of death and if the GMDB exceeds the insured’s account balance. Under these circumstances, the difference between the GMDB and the account balance or the GMDB and the cash surrender value becomes due, depending on the definition of the underlying reinsurance agreements.

Different types of Guaranteed Minimum Death Benefits are covered, including return of premium, ratchet, roll-up and reset. Guarantees that increase over the time are, for a majority of the assumed business, only applied up to a certain age. This implies that SCOR Global Life will be released from the risk when the beneficiary reaches this age limit.

SCOR Global Life does not hold any funds linked to this type of contract. These assets remain with the originating ceding companies.

The GMDB Liability is determined periodically based on the information provided to SCOR Global Life by its retrocedant companies. The current account value, the guaranteed death benefit and details of the covered benefit types are taken into consideration for the evaluation of the net amount at risk and the expected future liability. For the evaluation of the liabilities, SCOR Global Life uses an actuarial model that considers 1,000 investment performance scenarios.

There are some risks which are specific to the GMDB portfolio. Due to the nature of the product the remaining liability is influenced by developments on the financial markets, in particular changes in the price of equities, bonds, interest rates as well as the implied volatility on equity options. The liability is also dependent on policyholder behaviour, particularly on the exercise of partial withdrawal options, but also on other aspects, such as lapse behaviour and the use of options to choose the underlying funds. As a retrocessionaire, SCOR Global Life is exposed to uncertainties concerning data received from its retrocedants and the original ceding companies and also due to the inherent reporting lag. SCOR Global Life is also exposed to risks inherent to the model used or the assessment of the liability under its portfolio.

RISKS ARISING FROM AMERICAN SCOR'S NON-LIFE SUBSIDIARIES

Our U.S operations include both on-going and run-off portfolios. The latter principally consists of risks arising from various categories of reinsurance and insurance business underwritten from the end of the 1990's to 2002 inclusive.

In the past, as a result of statutory capital requirements in the U.S, we strengthened the long term capital base of the U.S subsidiaries. In addition, our U.S Non-Life subsidiaries were reorganised in order to optimise capital usage. Finally, our underwriting policies in the U.S were re-vamped and are now aligned with overall Group objectives including the maintenance of a pro-active expense management program.

In January 2003, the operations of Commercial Risk Partners ("CRP"), the Bermudan entity, were placed into run-off in conformity with the "Back on Track" strategic plan and we withdrew from certain lines of business in the U.S. Since 2004, these operations known as "Discontinued Business" (DB) and the run-off portfolio of CRP have been ring fenced and actively managed by a specialised team whose principal objective has been to pro-actively manage and commute contracts and / or portfolios. For CRP this policy has enabled the remaining exposures to be significantly reduced. In December 2009, activities in Bermuda and Vermont were stopped and transferred into GSNIC, a reinsurance company registered in New-York state. This company manages most of SCOR's *run-off* business in the U.S.A..

As a result of our pro-active management policy since 2004, neither CRP and / or our Discontinued Business portfolios today represent a material liability that is any greater than those associated with other entities of the Group. We continue to maintain constant vigilance over our U.S underwriting operations accordingly to "best estimate" rules.

Nevertheless, due to the specific environment in which they operate, there can be no assurance that our U.S. Non-Life Subsidiaries will not face further financial difficulties in the future.

4.1.5 IF OUR RESERVES PROVE TO BE INADEQUATE, OUR NET INCOME, CASH FLOW AND FINANCIAL POSITION MAY BE ADVERSELY AFFECTED

We are required to maintain reserves to cover our estimated ultimate liability for losses and loss adjustment expenses with respect to reported and unreported claims, incurred as at the end of each accounting period, net of estimated related recoveries. Our reserves are established both on the basis of information we receive from our cedant insurance companies, particularly their own reserving levels, as well as on the basis of our knowledge of the risks, the studies we conduct and the trends we observe on a regular basis. As part of the reserving process we review, with the concerned insurers and co-insurers, available historical data and try to anticipate the impact of various factors such as change in laws and regulations and judicial decisions that may tend to affect potential losses from claims, changes in social and political attitudes that may increase exposure to losses and trends in mortality and morbidity, or evolution in general economic conditions.

As stated before, our reserves and policy pricing are based on a number of assumptions and on information provided by third parties, which, if incorrect and/or incomplete, could have an adverse effect on our results of operations. Despite the audits carried out by us on the companies with which we do business, and our frequent contacts with these companies, we are still dependent upon their evaluation of the risk with regard to the establishment of our own reserves.

As is the case for all other reinsurers, the inherent uncertainties in estimating our reserves are compounded by the significant periods of time that often elapse between the occurrence of an insured loss, the reporting of the loss to the primary insurer and ultimately to the reinsurer, and taking also into account the delay between the payment of a loss by the primary insurer and the indemnification by the reinsurer. In addition, reserving practices may differ among ceding companies.

Another factor of uncertainty resides in the fact that some of our activities are “long-tail” in nature, in particular workers compensation, general liability, medical malpractice or those linked to environmental pollution or asbestos. For these types of claims, it has, in the past, been necessary to revise our estimated potential loss exposure and, therefore, the related loss reserves.

Other factors of uncertainty, some of which have been mentioned above, are linked to changes in the law, regulations, case law and legal doctrine, as well as developments in class action litigation, particularly in the United States.

The reserves adequacy is controlled by internal actuaries who make a quarterly review and an annual detailed report, validated by the Group Actuarial department. If necessary, audits of our portfolios are performed. Centrally defined and tightly controlled reserving process, strong portfolio diversification, prudent reserving policy, sound reserving tools and, state of the art actuarial methods used by highly skilled professionals and high level of transparency, both internally and externally, tends to minimise the risk of inadequate reserves.

However, we are subject to all of the factors of uncertainty mentioned above and in consequence are subject to the risk that our reserves are inadequate compared to our liabilities. As a consequence, if our claims reserves prove to be inadequate, our net income, cash flow and financial position may be adversely affected.

NON-LIFE BUSINESS

SCOR regularly reviews and updates its methods for determining IBNR Reserves. However, it is difficult to accurately value the amount of reserves required, especially in view of changes in the legal environment, which could affect the reserve development.

When a claim is reported to the ceding company, its claims department establishes a reserve corresponding to the estimated amount of the ultimate settlement for the claim. The estimate is based on the cedant’s own methods of evaluation. The ceding company reports the claim and its suggested reserve amount to the Group entity with which it concluded its contract of reinsurance. The Group records the ceding company's suggested reserve and is free to establish greater or smaller reserves based on the review and analysis by the Group's claims division and internal actuaries. Such greater or smaller potential reserves are based upon the consideration of many factors, including the level of the commitments, seriousness of the claims and the Group's assessment of the ceding company's claims' management.

Conforming to applicable regulatory requirements and in accordance with industry practices, the Group maintains in addition to outstanding claims reserves, IBNR Reserves. These reserves represent:

- the final amount that may be paid by the Group on losses or events that have occurred, but are not yet reported to the ceding company or to the SCOR entity concerned; and

- the estimated cost variation on claims already reported to the Group.

In determining the amount of its reserves, the Group generally uses actuarial techniques that take into account quantitative loss experience data, together with qualitative factors, where appropriate. The reserves are also adjusted to reflect reinsurance treaty terms and conditions, the variety of claims processing that may potentially affect the Group's commitment over time. With the exception of the reserves for worker’s compensation in the USA and most of the reserves of Commercial Risk Partners ("CRP"), the now silent Bermudan entity of the Group, which are discounted pursuant to American and Bermudan regulations, the Group does not discount Non-Life reserves.
A table showing changes in reserves for Non-Life claims is provided in Section 20.1.6 - Notes to the consolidated financial statements, Note 16 - Contract liabilities.

The Group pursued in 2009 the active commutations policy of its portfolios initiated in 2003, the main goals being to reduce the volatility of claims reserves, to reduce the administrative costs particularly the oldest, and to allow the reallocation of capital. This policy will be continued in 2010, by focusing efforts on the U.S. run-off activities, business exposed to Asbestos and Pollution risks, and some treaties written by the former Converium company acquired by SCOR.

LIFE BUSINESS

For our Life business, we are required to maintain adequate reserves for future policy benefits that take into account expected investment yields and mortality, morbidity, lapsation rates, exercise of options and other assumptions.

Reserves for policy claims are established on the basis of the Group’s best estimates of mortality, morbidity, and investment income, with a provision for adverse deviations. In determining its best estimates, the Group takes into consideration its past experience, current internal data, external market indices and benchmarks and other relevant published information. The liabilities for future policy benefits established by the Group with respect to individual risks or classes of business may be greater or less than those established by ceding companies due to the use of different mortality tables or other assumptions. Reserves for policy claims include both claims in the process of settlement and claims that have been incurred but not yet reported. Actual events in a given period may be more costly than projected and, therefore, may adversely affect SCOR's operating results for such period.

A table showing changes in the mathematical reserves in Life reinsurance is provided in Section 20.1.6 - Notes to the consolidated financial statements, Note 16 - Contract liabilities.

As a consequence of the difficulties described above regarding the correct reserving of risks and their annual revision in Life and Non-Life, there can be no assurance that the Group will not have to increase its reserves in the future, which could materially impact its current and future revenues, net income, cash flow and financial position.

4.1.6 WE MAY BE ADVERSELY AFFECTED IF OUR CEDANTS, RETROCESSIONAIRES, INSURERS OR MEMBERS OF POOLS IN WHICH WE PARTICIPATE DO NOT RESPECT THEIR OBLIGATIONS

We are subject to a risk of possible non-respect of payment of premiums due by the cedants and/or to the possible non-respect by one or several SCOR's partners, of their commitments to the Group.
We transfer a part of our exposure to certain risks to other reinsurers through retrocession arrangements. Under these arrangements, other reinsurers assume a portion of our losses and expenses associated with losses in exchange for a portion of premiums received. When we obtain retrocession, we remain liable to our cedants for that part of the risk that is subsequently transferred to the retrocessionaire and must meet our obligation even if the retrocessionaire does not meet its obligations to us.

Similarly, when we transfer our own operational risks to insurers we are subject to the risk of the insurers not respecting their obligations. (Refer to Section 4.5 - Insurance of specific operational risks (excluding reinsurance activity).

Thus, the non-respect of financial obligations, in particular the payment of premiums, return of funds withheld and payment of claims, of our cedants, retrocessionaires or insurers, could negatively affect our revenues, net income, cash flow and financial situation. We periodically review the financial position of our cedants, retrocessionaires and insurers notably before the conclusion of contracts. This does not preclude the possibility that our cedants, retrocessionaires or insurers may become financially unsound by the time they are called upon to pay amounts due, which may not occur until many years after the contract was executed. Those receivables for which a loss is deemed probable, are discounted in our accounts.

The specific risk linked to the default of the retrocessionaires is provided in Section 4.1.12 – We are exposed to credit risks – (b) Receivables from retrocessionaires

4.1.7 WE OPERATE IN A HIGHLY COMPETITIVE SECTOR

Reinsurance is a highly competitive sector. As is the case for all other reinsurers, our position in the reinsurance market is based on several factors, such as our financial strength as perceived by the rating agencies, our underwriting expertise, reputation and experience in the lines written, the countries in which we operate, the premiums charged, as well as the quality of the proposed reinsurance structures, the services offered and the speed at which claims are paid. Nonetheless, we compete for business in the European, American, Asian and other international markets with numerous international and domestic reinsurance companies, some of which have a larger market share than ours, greater financial resources and, in certain cases, higher ratings from the rating agencies. The Group strengthened its competitive position in its strategic markets through the acquisition of Revios in November 2006 and Converium in August 2007, so creating a leading Life and Non Life reinsurer.

Therefore, we remain exposed to the risk of losing our competitive advantage.

In particular, when available reinsurance capacity is greater than the demand from ceding companies, our competitors, some of which hold higher ratings than we do, may be better positioned to enter new contracts and gain market shares at our expense.

Furthermore, SCOR's reputation can be affected by adverse events concerning competitors. For example competitors' bad results could have a significant impact on SCOR's share price.

4.1.8 FINANCIAL RATINGS PLAY AN IMPORTANT ROLE IN OUR BUSINESS

Financial ratings are very important to all reinsurance companies, including SCOR, as ceding companies wish to reinsure their risks with companies having a satisfactory financial position. Our Life reinsurance activities and the Business Solutions (facultative) in Non-Life reinsurance are particularly sensitive to the way our existing and prospective clients perceive our financial strength notably through our ratings. This is also true for our reinsurance treaties business in Non-Life in the U.S. and UK markets. Some of our reinsurance treaties contain termination clauses triggered by ratings. (Refer to Section 4.1.9 - A significant portion of our contracts contain provisions relating to financial strength which could have an adverse effect on our portfolio of contracts and our financial position).

In addition, if the rating of the Group deteriorates, certain stand-by letter of credit facilities would require a higher level of collateralisation.

The timing of any review of our financial ratings by the rating agencies is also very important to our business since our Non-Life contracts and treaties are renewed at various set times throughout the year.

In order to keep close control over our ratings and notably to prevent downgrades in our financial ratings and encourage and justify upgrades, we maintain close relationships with the main rating agencies. These relationships take the form of regular contacts during the financial year to present our results and our financial position to them and specific meetings before implementing strategic or financial projects, to assess their potential impact on our rating.

As a result of the above, a downgrade in the rating could, however, significantly impact our revenues, net income, cash flow and financial position.

In 2008 SCOR benefited from a relative improvement to its rating by Moody's Investment Services ("Moody's"), Fitch followed by Standard & Poor's ("S&P") in 2009. A.M. Best ("AM Best"), revised its outlook to positive in September 2009.

Currently, the ratings granted by S&P, AM Best Moody's and Fitch are as follows:

	Financial position
Standard & Poor's 13 March 2009	A (stable outlook)
AM Best 4 September 2009	A- (positive outlook)
Moody's 4 December 2008	A2 (stable outlook)
Fitch 21 August 2008	A (stable outlook)

4.1.9 A SIGNIFICANT PORTION OF OUR CONTRACTS CONTAIN PROVISIONS RELATING TO FINANCIAL STRENGTH WHICH COULD HAVE AN ADVERSE EFFECT ON OUR PORTFOLIO OF CONTRACTS AND OUR FINANCIAL POSITION

Many of our reinsurance treaties, notably in the United States and in Asia, and also increasingly in Europe, contain clauses concerning our financial strength, and provide for the possibility of early termination for our cedants if our rating is downgraded, or when our net financial position falls below a certain threshold, or if we carry out a reduction in share capital. Accordingly, such events could allow some of our cedants to terminate their contract commitments, which could have a material adverse effect on our revenues, net income, cash flow and financial position.

In the same way, many of our reinsurance treaties contain a requirement for SCOR to put in place letters of credit ("**LOC**") provisions whereby in the circumstances described in the previous Sections, the cedant has the right to draw down on a LOC issued by a bank in SCOR's name.

Banks providing such facilities usually ask SCOR to post collateral whose value is at maximum equal to the amount of the LOC facility. In the case of a LOC being drawn down by a cedant, the bank has the right to request a cash payment from this collateral, up to the amount drawn down by the cedant. It enforces by offsetting the collaterals posted by SCOR.

In the case of a large number of LOCs being drawn down simultaneously, SCOR could encounter difficulties in providing the total amount of required cash, i.e. SCOR is also exposed to a liquidity risk.

Moreover, some of our facilities contain conditions about our financial situation which, if not met, constitute a default and result in the suspension of the use of current credit facilities and/or a prohibition on obtaining new lines of credit or result in the need to negotiate in adverse conditions new LOC facility, which could in some cases have an adverse effect on our revenues, net income, cash flow and financial position.

For more details about our lines of credit, refer to Section 22 - Important Contracts.

4.1.10 OPERATIONAL RISKS, INCLUDING HUMAN ERRORS OR COMPUTER SYSTEM FAILURE, ARE INHERENT IN OUR BUSINESS

Operational risks are inherent in all businesses including our own. Their causes are multiple and include, but are not limited to, poor management, employee fraud or errors, failure to document a transaction as required, failure to obtain required internal authorisations, non-compliance with regulatory or contractual obligations, IT system flaws, poor commercial performance or external events. We are also exposed to risks relating to the integration of the underlying data of newly acquired companies into our operating and financial accounting IT systems.

We believe our modelling, underwriting, price calculation and information technology and application systems are critical to the correct operation of our business. Moreover, our proprietary technology and applications are an important part of our underwriting and claims management processes and are a contributing factor to our competitiveness. We are, therefore, exposed to a major breakdown in our IT systems, outages, disruptions due to viruses, attacks by hackers and theft of data. Catastrophic scenarios that could affect SCOR's entire operational infrastructure have led to the revision of the business continuity plan ("BCP"). The BCP continues to be reviewed regularly.

A major defect or failure in our internal controls or information technology and application systems could result in a loss of efficiency of our teams, harm to our reputation or increased expense or financial loss. Appropriate procedures to minimise the occurrence and the impact of the failures and defaults mentioned above are in place and appropriate, or are currently being formalised and deployed.

We also use certain licensed systems and data from third parties. We cannot be certain that our technology or applications owned or licensed will continue to operate as intended, or that they will continue to be compatible with each other, or that we will have access in the future to these or comparable licensors or service providers.

Some of SCOR's processes are partly or completely outsourced. Outsourcing can increase operational risk which could cause a significant impact on SCOR's results and/or reputation. In order to reduce this risk, SCOR is developing an Outsourcing Group Policy which will oblige all entities of the Group to draft a contract, to respect the selection process for service providers and respect reporting and control procedures.
SCOR, as for all companies, must comply with laws and regulations. Furthermore, as an international Group, SCOR must take into account international laws and regulations. The level of legal or regulatory requirements depends on the location and the legal structure of the SCOR entity. The risk is that SCOR might not respect the level of required compliance appropriate to each location and legal structure. SCOR's reputation could be affected. In particular, SCOR writes some direct insurance business primarily on a business-to-business (B2B) basis to cover certain non-life large industrial risks, but also on a business-to-customer (B2C) basis via one of our life subsidiaries - Investors Insurance Corporation (IIC) based in Jacksonville, Florida, USA. For direct business SCOR is subject to the laws, regulations and tax rules governing direct insurance which can create specific compliance risks (i.e. different from those relating to reinsurance business). The business written directly through IIC is subject to USA consumer and product laws and regulations which aim to ensure that only suitable products are sold and policyholders are provided with accurate information about the product at all times. Any violation of such laws and regulations could expose SCOR to legal risks or class actions.

An operational risk failure, in particular the failure of internal control procedures, could have an adverse impact on our activities, current or future revenue, net income, cash flow and financial position.

4.1.11 WE ARE EXPOSED TO RISKS RELATED TO THE RECENT ACQUISITIONS

On 21 November 2006 SCOR completed the acquisition of Revios. On 8 August 2007, SCOR acquired the majority of the outstanding share capital of Converium Holding AG ("Converium") and its effective control. During 2007 and 2008, SCOR acquired the remaining shares still in circulation and on 5 June 2008, SCOR became the sole shareholder of Converium (which became SCOR Holding (Switzerland) AG). For more information on this acquisition, please see Sections 5.2.1.1 - Public offer upon the Converium shares and 5.2.1.2 – Cancellation of the shares of SCOR (Holding) Switzerland. The total consideration and the fair value of acquired net assets are detailed in Section 20.1.6 - Notes to the consolidated financial statements, Note 3 – Acquisitions in the 2008 Reference Document.

In 2007 SCOR acquired ReMark Group BV and in 2008 Prévoyance Ré.

On 4 December 2009, SCOR Global Life US (SGL U.S.), a wholly-owned subsidiary of the SCOR Group, reached a definitive agreement to acquire XL Re Life America Inc. (XLRLA), a subsidiary of XL Capital Ltd.. In 2008, XLRLA generated EUR 22.1 million in premium income

For more information on these acquisitions see Paragraph 20.1.6 – Notes to the Consolidated Financial Statements - Note 3 - Acquisitions.

Certain risks relating to recently acquired companies may not yet be known

Due notably to the size and complexities of recent acquisitions and despite pre-acquisition due diligence work carried out (SCOR not having always been granted a complete access to exhaustive data) and the integration work performed to date, there is a risk that all financial elements may not have been fully and or correctly evaluated or unknown or unexpected financial risks emerge, which may inter alia have significant consequences on the initially estimated impact of the relevant acquisition on the combined Group.

The integration of recently acquired companies may be more difficult than anticipated and the synergies may eventually be less than those anticipated

The success of recent business combinations will be assessed with regards to the success of the integration into the Group of the businesses acquired. Subsequently, as with any external growth transaction in the services sector in general, and reinsurance in particular, the integration of the activities of recently acquired companies may take longer and/or be more difficult than expected. The success of this integration will depend, notably, on the ability to maintain the client base to coordinate development efforts effectively, in particular at the operational and commercial levels, and to streamline and/or integrate the information systems and internal procedures and the ability to retain key employees. Difficulties encountered in the integration could entail higher integration costs and/or less significant savings or fewer synergies than expected.

We are also exposed to risks relating to the integration of the underlying data of newly acquired companies into our operating and financial accounting systems.

SCOR has inherited and is exposed, due to recently acquired companies, to certain litigation matters

SCOR has inherited and assumes the burden of the litigation matters of acquired companies or relating to those acquisitions. The costs of these litigation matters could have an adverse effect on the Group's future operating income and an unfavourable outcome to one or more of these litigation matters could have a material adverse effect on the Group's revenues, net income, cash flow and financial position. For further details, refer to Section 20.1.6 - Notes to the consolidated financial statements, Note 28 – Litigations and to Section 5.2.1.1 – Public offer upon the Converium shares.

4.1.12 WE ARE EXPOSED TO CREDIT RISKS

SCOR is mainly exposed to the following credit risks:

(a) Bond portfolios

Credit risks on bonds cover two areas of risk.

Firstly, a deterioration in the financial situation of an issuer (sovereign, public or private) may result in an increase in the relative cost of refinancing and a reduction in the liquidity of the securities issued leading to a reduction in the value of its bonds. Secondly, the borrower's financial situation can cause it to become insolvent and lead to the partial or total loss of coupons and of the principal invested by SCOR.

SCOR mitigates these risks by implementing a policy of geographic and sector diversification. Limits by counterparty exposure and by rating are also defined. An a posteriori quarterly analysis by segment (business sector, geographical area, counterparty, rating) enables critical risks to be identified and evaluated in order to take appropriate actions.

The Group has a prudent investment policy and puts great importance on several selection criteria notably internal assessments, the rating provided by the rating agencies to the issuer and liquidity of the securities purchased. The Group invests a significant proportion of its Bond portfolio in OECD Government bonds, supra-national bonds and bonds guaranteed by a State which frequently have better financial ratings and lower risk profile than Corporate bonds.

Bond investments are managed by SCOR Global Investment SE or by external managers. In all cases, Investment Guidelines are provided to managers and strict monitoring is carried out over the global portfolio for all Group entities. Whether managed internally or externally, each entity monitors, either directly or via an intermediary, the changes in value of the investment assets.

In general, the tactical allocation of the global portfolio is defined by the Group Investment Committee which meets each quarter. It is chaired by the Group's Chief Executive Officer and is composed of the Group Chief Financial Officer, the Group Chief Risk Officer, the Chief Economist, the Chief Investment Officer, the Chief Executive Officer of SCOR Global P&C and the Chief Executive Officer of SCOR Global Life.

(b) Receivables from retrocessionaires

The Group transfers part of its risks to retrocessionaires via retrocession programs. The retrocessionaires then assume, in exchange for the payment of premiums by SCOR, the losses related to claims covered by the retrocession contracts. So, in the event of default by the retrocessionaire, we would be liable to lose the coverage provided by our retrocessionaires whereas the Group would retain liability to the cedant for the payment of all claims covered under the reinsurance contract.

Moreover, to the extent that our retrocessionaires belong to the same business sector, unfavourable events affecting the sector may affect all participants in the sector. In other words, risks to which we are exposed could also become systemic risks.

The policy for the management of retrocessionaire credit risk is entrusted to the Security Committee who is responsible for analysing the financial security of each retrocessionaire and defining the terms and conditions and limits of amounts ceded per retrocessionaire, per rating and per geographical area. The Security Committee meets regularly and pays more particular attention to the retrocessionnaires' default risk in the treaty renewal period.

Several actions are taken to quantify the risk:

- the analysis of the financial ratings of the retrocessionaires;
- the analysis of external studies prepared by the security departments of the main reinsurance brokers; in this regard SCOR meets the security departments of two large reinsurance brokers at least twice a year to analyse the security of its retrocessionaires

Furthermore, to reduce the credit risk arising from its retrocessionaires, SCOR:

- requests that certain of its retrocessionaires provide that all or a portion of the receivables from its retrocession contracts are guaranteed by collateral (cash deposits, letters of credit, pledging of securities etc.) in favour of SCOR;

- carries out an active commutation policy in Non –Life.

The Group's retrocession department regularly monitors its exposure to retrocessionaires by taking into account all relevant accounting balances (estimated and actual claims, premiums, reserves and deposits, pledges and security deposits).

In addition to the use of traditional retrocession, SCOR seeks to reduce its dependence on its retrocessionaires by using alternative retrocession agreements such as the securitisation of catastrophic risk or mortality swaps. Alternative retrocession agreements are described in more detail in Section 4.1.2 – We are exposed to losses from catastrophic events

The risk of non-performance of retrocessionaire undertakings is set out in Section 4.1.6 - We may be adversely affected if our cedants, retrocessionaires, insurers or members of pools in which we participate do not respect their obligations.

The retrocessionaires' part in the technical reserves split by retrocessionaire's financial rating is included in the paragraph Section 20.1.6 - Notes to the consolidated financial statements, Note 16 – Contract Liabilities.

(c) Receivables and deposits with cedants

There are two aspects of credit risk related to contracts with cedants.

Firstly, we may be exposed to credit risk in relation to amounts deposited with ceding companies in respect of reserves which cover our current or future liabilities. Depositing these amounts does not a priori discharge SCOR of its liability towards its cedants in case SCOR is not able to recover these amounts in the event of default of cedants.

Secondly we are exposed to a credit risk in the event of a payment default by the cedants of the premiums due under SCOR's acceptance of a portion of their risks. In cases where such an event does not lead to termination of the reinsurance contract, any offset between contractual obligations between the two parties is dependent on court decisions and it is possible that SCOR remains liable for paying claims without being able to offset the unpaid premiums.

In order to reduce such risks, SCOR carries out a quarterly examination of exposure and associated risks. Depending on the financial situation of the principal cedants, actions aimed at reducing or limiting exposure or mitigating the risk through guarantees on deposits (for example, via offset clauses) may be carried out. Moreover, should their financial strength deteriorate between the time their financial commitment is made and the time it must be honoured (which may represent several years), an appropriate financial provision is established in SCOR's accounts corresponding to the liability for which a loss is considered probable.

Thus, the inability of our cedants to fulfil their financial obligations could affect our current and future revenues, net income, cash flow and financial position.

(d) Cash deposits at banks

We are exposed to the risk of losing all or part of any cash deposited with a retail bank in the event of such a bank no longer being able to honour its commitments (e.g. following liquidation).

SCOR reduces concentration risk by defining counterparty exposure limits. Furthermore the Group selects bank counterparties according to their rating and quality of their credit. The Group may also benefit from protections (e.g. loans, guarantees of deposits, nationalisations) provided by governments to their banks during the financial crisis.

The main risk for SCOR at the moment is the significant concentration of deposits in a small number of banks. This risk is a direct result of the selection of the most stable banks.

(e) Deposits with custodians

As part of the management of its investment portfolio, SCOR deposits the securities it owns with a number of approved custodians. In the case of default of a custodian, depending on the local regulation applicable to the custodian, all or part of these securities could become blocked. SCOR pays particular attention to the selection of its custodians.

(f) Credit & Surety

SCOR is exposed to credit risk through its Credit & Surety portfolio. In effect, by reinsuring the liabilities of its clients, which are credit insurers and insurers issuing sureties, SCOR must indemnify its ceding companies, for the portion that SCOR reinsures, in the event of the default of companies on which its ceding companies are exposed.

Most of this business is situated in Europe across a diverse range of activity sectors.

SCOR's Credit & Surety business does not cover either CDS ("Credit Default Swap") or real estate loans, notably in the U.S., nor is it exposed to the various U.S. credit "monoliners" or "guarantors".

SCOR's underwriting policy is particularly prudent in this area. SCOR specifically monitors its main exposures in this sector. In addition, SCOR benefits from the expertise of its specialised cedants in terms of risk prevention, since the cedants continuously adjust their own exposure levels based on changes in the financial strength of the debtors they are insuring.

(g) Future profits of Life reinsurance treaties

Credit risk on future profits from Life reinsurance policies arises from two risk factors.
First of all, the payment of future profits expected under Life reinsurance contracts necessarily implies that the cedant is solvent: for this reason, SCOR risks a reduction in the value of its portfolio of Life contracts in the event of a deterioration in the financial strength of the cedant. In such a case, it is possible that the VOBA (Value Of Business Acquired) and DAC (Deferred Acquisition Costs) may as a consequence need to be written down and as a consequence, shareholders' equity is reduced accordingly.

Secondly, a reduction in the value of future profits could arise from a massive lapsation of policies following a deterioration of the cedant's financial rating or an event which has a negative effect on its image.

In order to reduce such risks, SCOR's exposure on each cedant is limited through its underwriting policy defined each year. An internal assessment of the cedant and its rating is also taken into consideration when concluding new business.

Calculations are also made on the current treaties in order to verify the solidity of the value of future profits from the portfolio in question. This regular monitoring allows for a timely action to manage and mitigate the effects from any possible deviations of the actual results from the projections in the underwriting plan.

Despite these measures, SCOR has exposure to a credit risk linked to the insolvency and to the image of our cedants, which, if this were to occur, could have an adverse impact upon our income, our net earnings, our cash flow and our financial situation.

For further details on the impact of the assessment of our intangible assets upon our results, see Section 4.2.5 – Our shareholders equity and net income are sensitive to the valuation or our intangible assets and deferred tax assets.

(h) Default of pool members

SCOR participates, for certain risk categories that are particularly heavy (particularly terrorist risks), in various groups of insurers and reinsurers ("pools") aimed at pooling the relevant risks among the members of each group. In the event of a total or partial default by one of the members of a group, SCOR could be required to assume, in the event of joint liability of the members, all or part of the liabilities of the defaulting member. In such a case, SCOR's financial position could be affected.

For further details, refer to Section 4.1.3 - We could be subject to losses as a result of our exposure to Terrorism.

(i) Risk of accumulation of the above risks

The aforementioned risks could accumulate in a single counterparty. SCOR attaches particular importance to the establishment of and respect of counterparty exposure limits. The quarterly examination of our exposures enables us to identify and quantify the risks and, in case of accumulations, formulate appropriate responses.

(j) Exposure to systemic credit risk

In addition to the credit risks mentioned above, we could be confronted with a systemic credit risk which could affect many counterparties simultaneously.

4.1.13 WE ARE EXPOSED TO THE RISK OF NO LONGER BEING ABLE TO RETROCEDE LIABILITIES ON ACCEPTABLE TERMS AND CONDITIONS

Some capacities offered by SCOR are not achievable solely with the Group's current available capital. These capacities (mainly Catastrophic and Large Risks) rely on retrocession whereby SCOR purchases, mainly on a one year basis, additional resources (retrocession) that will allow the Group to provide capacity to our clients. SCOR tries to reduce its dependence vis-à-vis the traditional reinsurance market by entering into alternative reinsurance solutions. Today, roughly one third of SCOR's catastrophic capacity is purchased from alternative markets (Capital Markets) as Cat Bonds which have a risk period of mainly 3 years.

4.2 Market risk

4.2.1 WE FACE RISKS RELATED TO OUR FIXED INCOME INVESTMENT PORTFOLIO

(a) Interest rate risks

Interest rate fluctuations have direct consequences on the market value of our fixed-income investments and therefore on the level of unrealised capital gains or losses of the fixed-income securities held in our portfolio. The return on the securities held also depends on changes in interest rates. Interest rates are very sensitive to a number of external factors, including monetary and budgetary policies, the national and international economic and political environment, and the risk aversion of economic agents.
During periods of declining interest rates, income from our investments is likely to fall due to investments of new premiums at rates lower than those of the existing portfolio (dilutive effect of new investments). In addition, in these periods of declining interest rates, our fixed-maturity securities are more likely to be redeemed early in cases where bond issuers benefit from an early redemption option and can borrow at lower interest rates. Consequently the probability of needing to reinvest the proceeds at lower interest rates is increased.

Conversely, an increase in interest rates, as well as fluctuations in capital markets could also lead to changes in behaviour resulting in the unanticipated surrender and withdrawal of fixed annuities and other Life reinsurance products, including the fixed annuities of SCOR Global Life. This would result in cash outflows which might require the sale of assets at a time when the increase in interest rates has caused a fall in the market value of the fixed-maturity securities held in the portfolio. This could generate losses during the disposal of assets.

Interest rate risk is managed within the Group primarily at two levels. At the level of each entity, we take into account the asset-liability matching policy and congruence rules, as well as local regulatory accounting and tax constraints. At the central level, we conduct operations to consolidate all portfolios in order to identify the overall level of risk and return. The Group uses analytical tools which guide both its strategic allocation and local distribution of assets.

The sensitivity to changes in interest rates is generally analysed on a monthly basis. The Group analyses the impact of a major change in interest rates on each of its portfolios and at the global level. Here, the Group identifies the unrealised capital loss that would result from a rise in interest rates. The instantaneous unrealised capital loss is measured for a uniform increase of 100 basis points in rates or in the event of a distortion of the structure of the yield curve. Portfolio sensitivity analysis to interest rate changes is an important risk measurement and management tool which may lead to decisions for reallocation or hedging.

Investments are made, in general, over the medium term and are based on a policy of matching asset and liability durations. As a result, portfolio turnover is rather moderate thus assuring a relatively stable duration of the portfolio and a rapid assessment of interest rate risk.

However, there can be no assurance that such measures, including the two-levels of interest rate risk management and sensitivity analysis will be sufficient to protect the Group against all the risks related to variations in interest rates.

For information on the maturities of financial assets and liabilities, related interest rates and sensitivities to interest rate fluctuations as well as the allocation of the bond portfolio by rating of the issuer, see Section 20.1.6 - Notes to the consolidated financial statements, Note 27 - Insurance and financial risk.

(b) Credit risks

We are also exposed to credit risks related to our bond investments. (See Section 4.1.12 - We are exposed to credit risks (a) Bond portfolio)

(c) "Side Pockets" or "gates"

SCOR holds shares of funds or funds of funds in its alternative assets portfolio. Some of these funds have the possibility to restrict temporarily the liquidity of these shares in setting mechanisms: "Side pockets" or "gates". SCOR mitigates this risk by holding small amounts of these assets.

4.2.2 WE FACE RISKS RELATED TO OUR EQUITY-BASED PORTFOLIO

We are also exposed to equity price risk. A widespread and sustained decline in the equity markets would result in an impairment of our equity portfolio. Such an impairment could affect our net income.

Equity investments are considered as both a traditional and strategic asset class for the Group. The goal is to develop and manage a diversified portfolio of high-quality stocks that will appreciate over the medium term. We also seek stocks which offer high dividends or that could benefit a revaluation in case of inflation rise. Stock selection is therefore predominantly based on an analysis of the underlying fundamentals.

Our exposure to the equity market results both from direct stock purchases and through certain (re)insurance products including Guaranteed Minimum Death Benefit (GMDB) business. See Section 4.1.4 -We could be subject to losses related to deteriorating results in lines where we are no longer actively writing business.

Equity prices are likely to be affected by risks which affect all of the market (uncertainty on economic conditions in general, such as changes in GDP, inflation, interest rates etc.) and/or by risks which influence a single asset or a small number of assets (specific or idiosyncratic risk).

Because equities are more volatile than bonds, this asset class is closely and regularly monitored. All equity positions (direct positions and mutual funds) are aggregated and valued daily. This approach allows us to monitor changes in the portfolio and to identify investments with higher-than-average volatility as soon as possible, using alert signals. It also facilitates arbitrage or portfolio re-allocation decisions.

The equity risk is controlled and measured:

- On a Group level, exposure is decided by senior management and reviewed at least quarterly by the Group Investment Committee.

- The equity risk is also controlled by the definition of maximum exposures per stock or mutual fund and is reviewed regularly (exposure to large-cap stocks will generally be greater than exposure to mid-cap stocks). The control ratios on mutual funds are also reviewed regularly, based on the mutual fund's holdings.

To measure the risk, an assumed "equity" beta of 1 is generally used. This assumes that the whole portfolio varies homogeneously and with the same magnitude as the equity market, The Group therefore uses an instantaneous change in the equity market as a measure of the change in the unrealised capital gains or losses of the equity portfolio.

The impact of a uniform drop of 10% in equity markets is included in 20.1.6 - Notes to the consolidated financial statements, Note 27 - Insurance and financial risk.

In spite of the above, we are nevertheless exposed to a risk of capital losses on the shares we hold which – if it were to occur – could adversely impact our net income, cash flow and financial position.

4.2.3 WE ARE EXPOSED TO OTHER RISKS ARISING FROM OUR FINANCIAL INSTRUMENTS

(a) Valuation risk

Some financial instruments do not have a sufficient and recurrent number of transactions to allow valuation with reference to a market price and therefore need to be valued using an appropriate model. Two situations exist depending on whether parameters can be determined from observable market data or not. There is a risk that the price provided by the model is noticeably different from the price which would be observed in the event of rapid disposal of the financial instrument, which could have an adverse effect on our financial position. This risk is enforced for non listed assets and structured products.

(b) Market disruption

The financial markets are undergoing a particularly severe crisis and the unprecedented volatility of assets exposes SCOR to significant financial risks linked to changes in interest rates, credit spreads, equity markets, exchange rates and real estate securities but also to changes in the models used by the rating agencies. Due to the current economic and financial environment, SCOR may also be faced with the deterioration of the financial strength or rating of some issuers due to the current economic and financial environment.

(c) Real estate risks

The rental income of the property portfolio is exposed to the variation of the indices on which the rents are indexed (in France, the Construction Cost Index) as well as risks related to the rental market (changes in supply and demand, changes in vacancy rates, impact on rental values of the sub-rental market or rent renewals) and the default of lessees.

The value of property assets is exposed to changes in the investment market itself (changes in interest rates, liquidity) but potentially also to the risk of regulatory obsolescence of properties (regulatory developments related to the accessibility of buildings for handicapped people, on the reduction of energy consumption and the production of CO2 etc…)

4.2.4 WE ARE EXPOSED TO CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument or balance sheet amount will fluctuate because of changes in foreign exchange rates.

The following types of foreign exchange risk have been identified by SCOR:

(a) Transaction risk

Fluctuations in exchange rates can have consequences on our reported net income because of the conversion results of transactions expressed in foreign currencies, the settlement of balances denominated in foreign currencies and the lack of matching between monetary assets and liabilities in foreign currencies.

Due to cost considerations and the fact that net transaction cash flow is difficult to predict, particularly for SCOR Global P&C business, SCOR does not in principle hedge the risk that transactions expressed in foreign currencies change due to fluctuations in foreign exchange rates. Nevertheless, it does monitor this and report certain key metrics excluding this impact using constant exchange rates.

The risk of a material impact to reported net income arising from the settlement of balances denominated in foreign currencies is mitigated by maintaining liquid positions including bank balances in the main settlement currencies and generally settling balances in the same currency in which they are booked. If a need for material sales of one currency to another arises this is monitored and controlled centrally. Similarly to reduce the need for currency transactions, pooling arrangements exist in the case where a particular entity has an unexpected short-term need in a particular currency.

SCOR has a balance sheet hedging approach whereby there is an objective to match monetary assets and liabilities in each foreign currency so that the fluctuation in the exchange rate has no material impact to the reported net income. The policy is to closely monitor the net monetary currency positions and, where appropriate, execute either cash arbitrages or forward hedges. Forward sales and purchases of currencies are included in Section 20.1.6 - Notes to the consolidated financial statements, Note 8 – Derivatives instruments.

Events, such as catastrophes, can have an impact on the matching of assets and liabilities in a currency which can generate a temporary unmatched position which is not covered by currency contracts or hedges.

(b) Translation risk

We publish our consolidated financial statements in Euros, but a significant part of our income and expenses, as well as our assets and liabilities, are denominated in currencies other than the Euro. Consequently, fluctuations in the exchange rates used to convert these currencies into Euros may have a significant impact on our reported net income and net equity from year to year.

The main foreign entities of our Group are located in Switzerland, North America, Great Britain and Asia. The shareholders' equity of these entities is denominated mainly in Euros, U.S. dollars, or Pounds Sterling.

As a result, changes in the exchange rates used to convert foreign currencies into Euros, particularly the fluctuation of the U.S. dollar against the Euro, have had and may have in the future, an adverse effect on our consolidated shareholders' equity. The Group does not fully hedge its exposure to this risk. The impact of the fluctuation in the exchange rates used to translate foreign currencies into Euros on the consolidated shareholders' equity of the Group is described in Section 20.1.5 – Consolidated statements of changes in shareholders' equity.

SCOR has issued debt instruments in currencies other that Euro, currently US Dollars, and to the extent that these are not used as a hedge against foreign currency investments, the Group is similarly exposed to fluctuations in exchange rates.

For the consolidated net position of assets and liabilities by currency, and for an analysis of sensitivity to exchange rates, refer to Section 20.1.6 - Notes to the consolidated financial statements, Note 27 – Insurance and financial risk

4.2.5 OUR SHAREHOLDERS EQUITY AND NET INCOME ARE SENSITIVE TO THE VALUATION OF OUR INTANGIBLE ASSETS AND DEFERRED TAX ASSETS

A significant portion of our assets consists of intangible assets the value of which depends on our expected future profitability and cash flow. The valuation of intangible assets also assumes that we are making subjective and complex judgments concerning items that are uncertain by nature. If a change were to occur in the assumptions underlying the valuation of our intangible assets (including goodwill, VOBA and DAC), we might be forced to reduce their value, in whole or in part, thereby reducing shareholders' equity.

In order to evaluate any potential impairment of goodwill, an impairment test is performed annually.

Additionally at each reporting date SCOR assesses if there is any indication that an intangible asset may be impaired and if such indication exists SCOR completes an estimate of the recoverable amount which may or may not result in an impairment charge. The assessment of the existence of an indication of impairment includes numerous internal and external sources of information in accordance with IAS 36.

Recognition of the deferred tax assets *i.e.* the likelihood of recovering these taxes in the future, depends on applicable tax laws and accounting methods as well as the performance of each entity concerned. Due to the losses incurred, we were forced to impair, in 2003, all deferred tax assets of SCOR U.S. Corporation, a portion of this impairment was reversed in 2007 and 2008 and the balance in 2009 (Refer to Section 20.1.6 - Notes to the consolidated financial statements, Note 19 - Tax for details). The deferred taxes generated by the Group's other entities were maintained. Nevertheless, the occurrence of other events, such as changes in tax legislation or accounting methods, operational earnings lower than currently projected or losses continuing over a longer period than originally planned could lead to the loss of other deferred tax assets. All of these developments or each of them separately could have a significant adverse effect on our net income and financial position.

Acquisition costs, including commissions and underwriting costs, as well as the value of business acquired ("VOBA") for life reinsurance, and the contractual rights with clients are recognised as assets subject to the profitability of the contracts. They are amortised on the basis of the residual term of the contracts in Non-Life, and on the basis of the pattern of recognition of future margins for Life contracts. As a result, the assumptions considered concerning the recoverable nature of the deferred acquisition costs, are affected by factors such as operating results and market conditions. If the assumptions for recoverability of deferred acquisition costs or VOBA are incorrect, it would then be necessary to accelerate amortisation, which could have a substantial negative effect on our net income and financial position.

Details of intangible assets, related impairment testing policy and recent acquisitions is included in Section 20.1.6 - Notes to the consolidated financial statements, Note 1 - Accounting principles and methods, Note 3 – Acquisitions, Note 4 - Intangible assets and Note 19-Tax.

4.3 Liquidity risk

4.3.1 WE FACE LIQUIDITY REQUIREMENTS IN THE SHORT TO MEDIUM TERM IN ORDER TO COVER, FOR EXAMPLE, CLAIMS PAYMENTS, OPERATIONAL EXPENSES AND DEBT REDEMPTIONS. IN THE CASE OF CATASTROPHE CLAIMS, IN PARTICULAR, WE MAY NEED TO SETTLE AMOUNTS WHICH EXCEED THE AMOUNT OF AVAILABLE LIQUIDITY

The main sources of revenue from our reinsurance operations are premiums, revenues from investment activities, and realised capital gains. The majority of these funds are used to pay out claims and related expenses, together with other operating costs.

Our operations generate substantial cash flows because most premiums are received prior to the date at which claims must be paid out.

These positive operating cash flows, together with the portion of the investment portfolio held directly in cash or highly liquid securities, have always enabled us to meet the cash demands generated by our operating activities.

However liquidity risk is increased in situations of market disruption as we may need to sell a significant portion of our assets quickly and at unfavourable terms.

In the current financial market environment, SCOR has decided to pursue a high liquidity policy.

Additional information on SCOR's liquid assets is included in Section 20.1.6-Notes to consolidated financial statements, Note 6 – Insurance business investments.

The total amount of our stand-by letter of credit facilities is USD 3 840 million at 31 December 2009. It should be noted that a syndicated facility of USD 1,075 million will expire on 25 June 2010. SCOR is in the process of replacing this facility.

Some of our stand-by letter of credit facilities require a 100% collateral in case of non-respect of financial covenants or level of rating. Significant changes in SCOR's solvency could force the Group to collateralise these facilities at 100%, which would thus deteriorate SCOR's liquidity level.

Furthermore in 2009, and in the beginning of 2010, the Group redeemed the following bonds:

- Redemption of a BMTN of EUR 10 million by SCOR on 5th May 2009, and
- Redemption of OCEANE bonds by SCOR on 1 January 2010. Refer to Section 20.1.6 - Notes to consolidated financial statements, Note 14 - Financial debt for more details about OCEANE.

Our other bonds are redeemable only at the discretion of SCOR, and not of their holders (except in the usual events of default applicable to this kind of bonds). Due to these features, these other bonds do not increase our exposure to the risk of short-term or medium-term cash payout. Our bonds are presented in Section 20.1.6 - Notes to the Consolidated Financial Statements, Note 14 - Financial debt.

Additional information on the timing of payments is included in Section 20.1.6 - Notes to the consolidated financial statements, Note 27 - Insurance and financial risk.

4.4 Legal risk

4.4.1 WE ARE EXPOSED TO RISKS RELATED TO LEGISLATIVE AND REGULATORY CHANGES AND POLITICAL, LEGISLATIVE, REGULATORY OR PROFESSIONAL INITIATIVES CONCERNING THE INSURANCE AND REINSURANCE SECTOR, WHICH COULD HAVE ADVERSE CONSEQUENCES FOR OUR BUSINESS AND OUR SECTOR

The operations of the Group and its subsidiaries are subject to regulatory requirements within the jurisdictions where they operate. Such regulations not only prescribe the approval and monitoring of activities, but also impose certain restrictive provisions (e.g. statutory capital adequacy) to meet unforeseen liabilities as these arise, in order to minimise the risk of default and insolvency.

As of this date, we are subject to comprehensive and detailed regulations and to the supervision of the insurance and reinsurance regulatory authorities in all countries in which we operate. Changes in existing laws and regulations may affect the way in which we conduct our business and the products we may offer or the amount of reserves to be posted, including on claims already declared. Insurance and reinsurance supervisory authorities have broad administrative power over many aspects of the reinsurance industry and we cannot predict the timing or form of any future regulatory initiatives. Furthermore, these authorities are concerned primarily with the protection of policyholders and policy beneficiaries, rather than shareholders or creditors. The diversity of the regulations to which we are subject has been substantially reduced by the implementation into French law of Directive n. 2005/68/EC dated 16 November 2005 by ordinance n. 2008-556 of 13 June 2008 and application decrees n. 2008-711 of 17 July 2008 and n. 2008-1154 of 7 November 2008 as well as a regulation (*arrêté*) of 7 November 2008. This Directive prescribes the application of a "single passport" and confers the supervision of EU reinsurance companies upon the supervisory authorities of the headquarters of the company. This should simplify and clarify the supervisory conditions applicable to our Group, in the European Union at least. Moreover this Directive, implemented into national law, establishes regulations relating to technical reserves and to the Life and Non-Life solvency margins applicable to the Group as of 2008 in France and in all European countries. The Directive defines minimal conditions common to all member States of the European Union, and gives national legislators the option to set more stringent requirements. The national provisions adopted for the implementation of this Directive and their interpretations, as well as other legislative or regulatory changes, increase the harmonisation of regulations governing reinsurers with the regulations governing insurers. These new regulations may increase our solvency margin obligations, thereby restricting our underwriting capacity.

The Reinsurance sector has been exposed in the past – and may be in the future – to involvement in legal proceedings, regulatory inquiries and actions by various administrative and regulatory authorities, as well as to regulation concerning certain practices used in the insurance sector. This involvement notably concerned agreements over the payment of "contingency commissions" by insurance companies to their agents or brokers and the consequences of such payments on competition between insurance operators, as well as the accounting of various alternative risk transfer products. Insurers appear to have put a stop to various commercial contingency commissions; a development which has spread to reinsurers in terms of the business they underwrite through brokers.

In addition to this, the public authorities in the United States and the rest of the world are closely examining the potential risks presented by the reinsurance sector as a whole, as well as their consequences on commercial and financial systems in general. The European Directive, approved 2 April 2009, "Solvency II" on the solvency standards applicable to Insurers and Reinsurers, currently pending approval, stipulates in particular a "Pillar 2" which deals with risk assessment and control requirements in order to support the achievement of strategic, operational, reporting and compliance objectives of the companies in the sector. Although it is of course not possible to quantify the impact of the these requirements, nor their scope, it is very likely that risk management and control measures will be reinforced for reinsurers in the near future, which may increase the capital requirements (or restrict our underwriting capacity) and increase our operating costs.

Adverse changes in laws or regulations or an adverse outcome of these proceedings could have adverse effects on our turnover, liquidity, financial position and operating income.

4.4.2 WE ARE EXPOSED TO CERTAIN LITIGATION MATTERS

We are involved in legal and arbitration proceedings in certain jurisdictions, particularly in Europe and the United States. Following the acquisition in 2007 of Converium (which became SCOR Holding (Switzerland)), SCOR assumes responsibility for Converium's litigation matters (for more information on this issue, refer to Section 20.1.6 - Notes to the consolidated financial statements, Note 28 - Litigation).

SCOR's legal department is systematically informed of any potential or proven risk of litigation by the two operating divisions SCOR Global P&C and SCOR Global Life and, at Group level, by the senior management, by the Group Executive Committee, or by the hub legal departments located respectively in Paris, London, New-York, Cologne and Zurich. Consequently, the Group Legal Department centralises and monitors all the litigation matters of the Group, except for claims litigations which are managed by the specialised lawyers in the Claims & Commutations Division at SCOR Global P&C and the operational entities. The procedures for reporting disputes and monitoring litigation matters are described in greater detail in Appendix B - Report of the Chairman of the Board of Directors on the terms and conditions for preparing and organising the work of the Board of Directors and on internal procedures.

An unfavourable outcome in one or more of the court or arbitration proceedings described above could have a material adverse impact on the revenues, net income, cash flow and financial position of the Group.

4.4.3 OUR POSITIONS ON TAX ACCOUNTS ARE SUBJECT TO AUDIT AND APPROVAL BY TAX AUTHORITIES

SCOR establishes tax accounts in accordance with applicable local laws and regulations. However, some tax positions may differ from the view taken by the relevant tax authorities. Additionally tax laws and regulations may change with retroactive impact.

4.5 Insurance of specific operational risks (excluding reinsurance activity) (1)

SCOR is exposed to specific operational risks (See Section 4.1.10-Operational risks, including human errors or computer system failure, are inherent in our business), some of which are transferred in whole or in part to direct insurers.

The properties and other assets of SCOR and its subsidiaries are covered locally through property and fire damage and comprehensive IT risk policies. The levels of self-insurance depend on the risks insured (e.g., self-insurance level on the SCOR building in Paris at La Défense, is less than EUR 15,000 deductible per incident).

With the exception of a few policies purchased locally, liability risks are mostly covered at Group level for amounts deemed sufficient.

This is the case for civil liability risks related to the operation of the company caused by employees and real estate, professional liability risks, civil liability risks of directors and officers, and fraud.

All of these insurance policies are with high-quality insurers.

The management of the Group's property and liability insurance is subject to a validation procedure in which a steering committee composed of specialist staff is requested to issue an opinion. Assessment of strategies is performed by the Group Chief Risk Officer ("**CRO**").

Nevertheless, these insurance covers could prove insufficient or the insurance company could possibly contest their liability and towards SCOR. This could have a material adverse impact on the revenues, net income, cash flow and financial position of the Group.

4.6 Risks and litigation: Reserving methods

Refer to Section 20.1.6 - Notes to the consolidated financial statements, Note 1 - Accounting principles and methods.

[1] Generally speaking, the amounts of insurance mentioned in this Section 4.5 are for purposes of illustrating the policy of transferring certain risks by the SCOR Group, subject to other provisions of corresponding policies or policy, specifically those regarding possible lower limits of coverage, particular deductibles, geographic coverage and/or particular exclusions.

Information about the issuer

INFORMATION ABOUT THE ISSUER

5 INFORMATION ABOUT THE ISSUER

5.1 History and development of the issuer

5.1.1 LEGAL NAME AND COMMERCIAL NAME OF ISSUER

Legal name: SCOR S.E.

Commercial name: SCOR

5.1.2 PLACE AND REGISTRATION NUMBER OF ISSUER

R.C.S. number: Nanterre 562 033 357

A.P.E. Code: 6520 Z

5.1.3 DATE OF INCORPORATION AND LENGTH OF LIFE OF ISSUER

Incorporated: 16 August 1855 under the name Compagnie Impériale des Voitures de Paris; name changed to SCOR S.A. on 16 October 1989, to SCOR on 13 May 1996, then to SCOR S.E. on 25 June 2007.

Expiration: 30 June 2024 unless otherwise extended or previously dissolved.

5.1.4 DOMICILE AND LEGAL FORM OF ISSUER, LEGISLATION GOVERNING ITS ACTIVITIES, COUNTRY OF INCORPORATION, ADDRESS AND TELEPHONE NUMBER OF ITS REGISTERED OFFICE

5.1.4.1 Registered office and contact information of issuer

SCOR SE
1, avenue du Général de Gaulle
92800 PUTEAUX
France
Tel. +33 (0)1 46 98 70 00
Fax : +33 (0)1 47 67 04 09
www.scor.com
E-mail: scor@scor.com

5.1.4.2 Legal form and applicable legislation

(a) Corporate law

SCOR SE is a European Company (*Societas Europaea*) governed by the provisions of Council Regulation (EC) No. 2157/2001, dated 8 October 2001 on the Statute for a European Company (the "**SE Regulation**"), and that of the European Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European Company with regard to the involvement of employees, and by the provisions of French law relating to European Companies, as well as for all other matters partially covered or not covered by the SE Regulation, by the French corporate law provisions applicable to a *société anonyme*, where not contrary to the specific provisions applicable to European Companies.

On 24 May 2007, the annual General Shareholders' Meeting approved the conversion of the Company into a European Company or *Societas Europaea*, pursuant to Articles 1 §1, 2 §4 and 37 of the SE Regulation, and Article L. 225-245-1 of the Commercial Code, thereby becoming, on 25 June 2007, the first French listed company to adopt the *Societas Europaea* statute.

Following approval of this conversion, SCOR SE is registered with the Nanterre Trade and Companies Register under the corporate name SCOR SE and has taken the form of a European company as of the date of such registration.

The conversion did not result in either the dissolution of SCOR SE or the creation of a new legal entity.

The conversion had no impact upon the rights of the Company's shareholders or bondholders who automatically became shareholders and bondholders of SCOR SE without any action being required on their part. They remain shareholders and bondholders in proportion to their rights acquired prior to the completion of the conversion. Thus, the financial liability of each shareholder of SCOR SE is limited to the amount of his subscription prior to the conversion. The proportion of the voting rights held by each shareholder in the Company has not been affected by the conversion into a European Company.

The conversion in itself did not have any impact on the value of the SCOR SE shares. The number of shares issued by the Company was not changed as a result of the conversion and the shares of the Company, at this stage, remain listed on the Eurolist market of Euronext Paris, on the SIX Swiss Exchange (formerly SWX Swiss Exchange) in Zurich since 8 August 2007 and tradable over-the-counter on the Frankfurt Stock Exchange. The Company's ADS which were listed on the New York Stock Exchange since 11 October 1996 were delisted on 14 June 2007 and the Company's securities were deregistered with SEC on 4 September 2007.

(b) Insurance law

In Europe

Specific provisions apply to the reinsurance activity of SCOR. Under the reinsurance Directive 2005/68/EC dated 16 November 2005 (the "**Reinsurance Directive**"), implemented into French law by ordinance n. 2008-556 of 13 June 2008 and application decrees n. 2008-711 of 17 July 2008, and n. 2008-1154 of 7 November 2008, as well as regulation (*arrêté*) of 7 November 2008, reinsurance companies and their subsidiaries situated in a country within the European Union, are subject to state control, under the conditions defined by Book III of the French Insurance Code. The Reinsurance Directive also states rules for the off setting of underwriting reserves by assets and the rules of acceptability of assets. The main provisions are:

- French companies, whose exclusive business is reinsurance, can only practise after having obtained an administrative license, issued by the Committee for Insurance Companies and published in the Official Journal. The licenses for SCOR SE, SCOR Global Life SE ("**SCOR Global Life SE**") and SCOR Global P&C SE ("**SCOR Global P&C SE**") were validated by virtue of the decision, dated 15 July 2008.

- the authorised reinsurers can thus operate in the European Union with free provision of service and in the European Economic Area ("EEA").

- European reinsurance companies are under an obligation to meet the defined regulatory solvency demand, to establish a guarantee fund and to put a permanent internal control policy in place.

- the obligation imposed upon reinsurers, to establish an adequate solvency margin, aims to protect the insurance companies, and hence, the consumers, in order to ensure that in the event of a decline in business or in investment income, the reinsurance companies have additional reserves, protecting those interests and consequently, the policy holders, while providing both executives and oversight and regulatory authorities with sufficient time to resolve the problems that have arisen. In Switzerland, the Group subsidiaries apply the federal law dated 17 December 2004, governing the oversight of insurance companies, which also governs reinsurance companies, which stipulates that an insurance company must have sufficient assets, free of any predictable commitment, for all its activities (solvency margin).

- reinsurers authorised in France and their branches are monitored by the prudential control authority. The role of this body is to ensure that at any point, these entities are able to conform to the commitments that they have entered into with reinsurance companies and that they fulfil the regulatory solvency margin demands.

- The prudential control authority is authorised to address prevention measures and to issue warnings to the monitored company or its executives.

In the United States

In the United States, the Group's reinsurance and insurance subsidiaries are regulated primarily by the insurance regulators in the state in which they are domiciled, but they are also subject to regulations in each state in which they are authorised or licensed. SCOR Reinsurance Company, the Group's main Non-Life subsidiary in the United States, is domiciled in the State of New York and SCOR Global Life U.S. Re Insurance Company, the Group's main Life insurance subsidiary in the United States, is domiciled in Texas. The Group's other subsidiaries in the United States are currently domiciled in Arizona, Delaware and Texas.

5.1.5 IMPORTANT EVENTS IN THE DEVELOPMENT OF THE ISSUER'S BUSINESS

SCOR SE was founded in 1970 at the initiative of the French government to create a reinsurance company of international stature. SCOR developed quickly in the various world markets, building up a substantial international portfolio.

At the beginning of the 1980s, the government's stake in the Company's share capital, held through the *Caisse Centrale de Réassurance*, was progressively reduced in favour of insurance companies that were active on the French market.

In 1989, SCOR SE and UAP Reassurances combined their Property & Casualty and Life reinsurance businesses as part of a restructuring of SCOR SE's share capital, and listed the Company on the Paris stock exchange. The withdrawal of Compagnie UAP, which held 41% of the share capital, was completed in October 1996 via an international public offering at the time of SCOR SE's listing on the New York Stock Exchange.

In July 1996, SCOR SE acquired the reinsurance portfolio of the American insurer Allstate Insurance Company, doubling the share of its U.S. business in the Group's total Group turnover.

While maintaining an active local presence in major markets and building up new units in fast-growing emerging countries, SCOR SE continued in the following years to streamline its structure and its organisation.

In 1998, SCOR SE and SOLAREH incorporated SOLAREH SA, which is now held equally by SCOR Global Life SE and SOLAREH International. Its corporate purpose is to facilitate the reintegration to society of the disabled by re-education, prevention and training services granted to French insurers which are reinsured by the Group.

In 1999, SCOR SE purchased the 35% state held by Western General Insurance in the Bermudan company Commercial Risk Partners (CRP), thus raising its stake in this subsidiary to 100%.

In 2000, SCOR SE acquired Partner Re Life in the United States, thus providing it with a platform to expand its Life reinsurance business on the U.S. market.

In 2001, SCOR SE acquired SOREMA S.A. and SOREMA North America in order to increase its market share and take full advantage of the cyclical upturn in Property & Casualty reinsurance.

That same year, SCOR SE and a group of international investors formed a reinsurance company in Dublin, named Irish Reinsurance Partners Ltd ("**IRP**"), which has since become SCOR Global P&C Ireland Ltd, with a paid-up capital of EUR 300 million in order to strengthen the Group's total equity and increase its underwriting capacity to take advantage of the upturn in the reinsurance cycle. IRP has been principally used for the retrocession in quota share of 25% of the part of the Non-Life business underwritten or renewed by the Group during financial years 2002, 2003 and 2004.

In 2002, SCOR SE signed a cooperation agreement in the Life reinsurance business with the Legacy Marketing Group of California, for the distribution and management of annuity products in the U.S..

In 2003, the Group reorganised its Life reinsurance business. The companies of the Group transferred to SCOR VIE and its subsidiaries all of the Group's Life reinsurance business throughout the world. SCOR VIE, whose corporate name was changed in 2006 to SCOR Global Life, and which became a European Company in 2007, along with its subsidiaries, are all directly or indirectly wholly owned by SCOR SE.

In June 2005, SCOR SE acquired the minority interests of IRP, following the termination of the quota share treaties between IRP, SCOR SE and some subsidiaries of the Group effective 31 December 2004. All liabilities, rights and obligations of IRP under the quota share treaties were novated in favour of SCOR SE in October 2005. In 2007, IRP became SCOR Global P&C Ireland Ltd and co-reinsures especially in British businesses, underwritten by Non-Life entities.

On 16 May 2006, SCOR SE transferred all of its Non-Life reinsurance business in Europe, including Property & Casualty Treaties (including Credit & Surety business), Large Corporate Accounts and Construction reinsurance to a company of the Group, Société Putéolienne de Participations, whose corporate name was changed to SCOR Global P&C, a French subsidiary wholly owned by SCOR SE, effective retroactively to 1 January 2006. In 2007, SCOR Global P&C adopted the European Company statute via a merger by absorption of SCOR Deutschland Rückversicherungs AG and SCOR Italia Riassicurazioni SpA.
On 21 November 2006, the Group completed the acquisition of Revios Rückversicherung AG ("**Revios**"), allowing it to create a top worldwide Life reinsurer. Based in Cologne, Revios was the former Life reinsurance unit of Gerling Global Re Group, and had successfully developed autonomously since 2002. Revios had since become one of the leading European reinsurers specialising in Life reinsurance, with offices in 17 countries. The combination of Revios and SCOR VIE created SCOR Global Life SE, an operating entity with an annual volume of gross written premiums of EUR 3,118 million at 31 December 2009.

On 10 January 2007, SCOR increased the level of its investment (which stood at 10.2% since 1994) to 39.7% of the share capital and 40.2% of the voting rights of ReMark.

On 22 August 2007, SCOR Global Life SE announced that it held 98.67 % of the share capital of ReMark, now part of the Market Unit 1 of SCOR Global Life SE. Established in 1984, ReMark is an important player of the direct global marketing of Life insurance products business. On 8 August 2007, SCOR Global Life SE acquired 100% of Alfinanz Asia, another entity specialised in the direct marketing of products similar to those of ReMark. Since 2009, SCOR Global Life SE holds 100% of the share capital of ReMark.

Since 30 August 2007, SCOR SE has acquired control of Converium (which became SCOR Holding (Switzerland)) further to the market purchases of Converium shares, to the acquisition of blocks of Converium shares and to the Offer (for additional information on this takeover, refer to Section 5.2.1.1 - Public offer upon the Converium shares). In the context of this Offer, SCOR SE also listed its shares to trading in Swiss Francs on the SWX Swiss Exchange (which became the SIX Swiss Exchange) in Zurich, thereby enabling Converium shareholders who having brought their Converium shares to SCOR SE to keep their assets in the same currency and on the same stock exchange.

Following the acquisition of SCOR Holding (Switzerland) (formerly Converium Holding) shares on the market, SCOR SE held, on 22 October 2007, more than 98 % of SCOR Holding (Switzerland), enabling SCOR SE to seek, on 25 October 2007, a court-ordered procedure for the cancellation of the shares of SCOR Holding (Switzerland) not yet held by the Group.

Following this acquisition, the Group became the world's fifth-ranking global multi-line reinsurer with leading positions in selected areas such as Life reinsurance, specialty lines, industrial high risk, according to the classifications appearing in Global Reinsurance Highlights 2009 of Standard & Poor's, in terms of *pro forma* gross written premiums issued in 2008 by the Group's entities.

On 7 January 2008, SCOR Holding (Switzerland) delisted its American Depositary Shares from the New York Stock Exchange. SCOR Holding (Switzerland) then requested the deregistration of its securities with the SEC. The deregistration of SCOR Holding (Switzerland) securities took place on 4 September 2008. Moreover, further to the request addressed by SCOR Holding (Switzerland), the SWX Swiss Exchange, by order dated 14 November 2007, delisted SCOR Holding (Switzerland)'s shares as from 30 May 2008.

Following the acquisition of Converium and Revios by SCOR SE, the integration of these companies has been implemented in the framework of an innovative approach, in accordance with the new global, multi-cultural dimension of the Group: the Hub Company.

This model has been designed around six structured platforms, around roles and not just by legal entities. Each platform is in charge of some of the local, regional and global responsibilities.

The Hubs have been progressively put in place:

- on 5 May 2008 for the Cologne Hub;
- on 20 May 2008 for the London Hub;
- on 16 June 2008 for the Asia Pacific Hub;
- on 18 June 2008 for the America Hub;
- on 27 January 2009 for the Zurich Hub;
- on 24 February 2009 for the Paris Hub.

The Group created, on 21 April 2008, a representative office in South Africa, bound to operate Non-Life activities. On 30 June 2009, the Group announced that he South African regulatory body for the insurance sector, the FSB, has granted SCOR SE a licence to conduct Life and Non-Life reinsurance business. The Group's Non-Life representative office in Johannesburg has thus become a fully-fledged composite subsidiary of SCOR SE, called SCOR Africa Limited. This subsidiary's activities will cover Africa's English and Portuguese speaking markets as well as Mauritius.

On 31 July 2008, SCOR SE entered into an agreement with the Malakoff Médéric Group, the leading Group in the French social protection market, in order to acquire 100% of the share capital and voting rights of Prévoyance et Réassurance and its Life and health reinsurance subsidiary Prévoyance Ré. This agreement also includes the signature of a 5-year commercial agreement between SCOR and Malakoff Médéric. The transaction was signed on 24 October 2008 and gave rise to the contribution to the Malakoff Médéric Group of SCOR treasury shares. In carrying out this acquisition, SCOR accentuates its leading role in the French Life and Health reinsurance market and the social protection field. The acquisition of Prévoyance Ré is described in more details in Section 5.2.1.3 - Acquisition of all the shares of Prévoyance Ré.

On 27 October 2008, SCOR Global Life SE incorporated in Spain SCOR Telemed, a wholly owned subsidiary. The corporate purpose of this company is the carrying of medical interviews by phone in the aim of Life insurance tele-underwriting. The activities of this company have been launched on 18 November 2009 to provide clients with value-added services in the field of tele-underwriting. The company uses IT software to conduct tele-interviews and has a specialised automated underwriting system to deal with cases ranging from the standard to the most complicated ones.
Severely substandard cases will be handled using SCOR's web-based underwriting manual. The advantages of SCOR Telemed for clients are manifold and include enhanced customer satisfaction, speed of service, increased disclosure and strong operational savings. The reduced level of administration also means that the sales team can focus on their core activity.

On 29 October 2008, the Group announced its decision to create SCOR Global Investments SE, its portfolio management company and third operational entity within the Group along with SCOR Global P&C and SCOR Global Life. This new structure, incorporated on 2 February 2009, is planned to carry the asset management of the whole investments portfolio of all the Group companies and is planned to implement the investment strategy as determined by the Group's Investment Committee chaired by Denis Kessler, Group Chairman and Chief Executive Officer. SCOR Global Investments SE has been approved by the AMF as a portfolio management company with effect from 15 May 2009.

On 21 November 2008, SCOR announced its decision to incorporate a reinsurance subsidiary in Russia (Moscow) in order to develop both its Life and Non-Life business. This company, held by SCOR SE, was incorporated on 24 December 2008 under the corporate name SCOR Perestrakhovaniye.

On 19 May 2009, SCOR announced the acquisition of ESG Direct Asia by SCOR Global Life SE's wholly-owned subsidiary ReMark. ESG Direct Marketing has been active in Direct Marketing in Asia since 1998, in particular in Malaysia, Thailand, Indonesia, Hong Kong and China.

On 18 July 2009, SCOR Global Life US, a wholly-owned subsidiary of the Group, has reached a definitive agreement to acquire XL Re Life America Inc., a subsidiary of XL Capital Ltd, for an amount of EUR 31.7 million. The definitive completion of this acquisition has been announced on 4 December 2009. The acquisition will help SCOR Global Life SE to further develop its mortality and U.S. Life reinsurance market position. In 2008, XL Re Life America Inc. generated EUR 22.1 million in premium income.

On 8 October 2009, SCOR Global Life SE opened a Life branch office in The Netherlands to further strengthen its presence and position in the market and fully seize business opportunities.

5.2 Investments

5.2.1 PRINCIPAL INVESTMENTS MADE OVER THE PAST THREE FINANCIAL YEARS

Refer to Section 20.1.6 – Notes to the consolidated financial statements - Note 27 - Insurance and financial risk for the detailed ranking by maturity of fixed-term investments in the Group's portfolio as at 31 December 2009.

Refer to Section 4.2.1 -We face risks related to our fixed maturity portfolio - and 4.2.2 - We face risks related to our equity based portfolio, for a description of risk management connected with our investments in debt instruments and equity securities.

Refer to Section 8 – Property, plant and equipment for a description of risk management connected with our investments in real estate.

5.2.1.1 Public offer upon the Converium shares

On 19 February 2007, SCOR SE announced that it had irrevocably secured 32.94% of the capital of Converium. The acquisition of the 32.94% stake in Converium was achieved through market purchases (8.3%) and the acquisition of blocks of shares from Patinex AG ("**Patinex**") and Alecta pensionsförsäkring, ömsesidigt ("**Alecta**"), representing respectively 19.8% and 4.8% of Converium's share capital. These blocks were acquired by purchase and contributions in kind pursuant to share purchase agreements (the "**Share Purchase Agreements**") and contribution treaties (the "**Contribution Treaties**") executed between SCOR SE and Patinex, on the one hand, dated 16 February 2007, and between SCOR SE and Alecta, on the other hand, dated 18 February 2007, with compensation consisting of 80% SCOR SE shares and 20% cash.

Under the terms of the Contribution Treaties, Patinex and Alecta have committed to contribute to the Company 23,216,280 and 5,680,000 Converium shares respectively, i.e. a total of 28,896,280 Converium shares (the "**Contributions**"). A description of the contributions can be found in the document drawn up by SCOR SE, filed with the AMF on 10 April 2007 under number E. 07-032 and in an additional document filed with the AMF on 23 April 2007 under number E. 07-039 (the "**Document E**"), for the purpose of the company's General Shareholders' Meeting, held on 26 April 2007, called to approve the contributions and to vote on issuance of new shares as compensation for the contributions (the "**Contributed Shares**").

On 26 February 2007, the Company published a pre-announcement of a mixed public offer in Switzerland (the "**Offer**") for all of the publicly-held registered shares comprising Converium's share capital, with a nominal value of 5 Swiss Francs per share, including all shares that may be issued prior to the expiration of the offer period (including all additional delays for accepting the Offer) and excluding those shares held by Converium or acquired in the future by Converium or its subsidiaries, as well as those Converium shares admitted to trading on the New York Stock Exchange (NYSE) through an American Depositary Shares program (the "**Converium Shares**"). The total number of Converium shares able to be contributed to the Offer was set at 106,369,112. Under the terms of the Offer, the company offered Converium shareholders, in exchange for each share of Converium, (i) 0.5 share of SCOR SE; (ii) 5.50 Swiss francs and (iii) 0.40 euro in cash, equal to 50% of the amount of the per share dividend for financial year 2006 paid out by SCOR SE share and converted into Swiss francs on the basis of the euro/Swiss franc exchange rate in effect on the day the Offer is executed (the "**Counterpart of the Offer**"). The terms and conditions of the Offer are detailed in the Offer Prospectus which was published and filed with the Swiss takeover board ("**TOB**") as of 5 April 2007 as amended on 12

June 2007 (the “**Offer Prospectus**”). The TOB then released a recommendation (the “**IV Recommendation**”) pursuant to which the Offer was compliant with the Swiss laws and regulations upon takeovers.

SCOR SE’s Extraordinary General Shareholders’ Meeting of 26 April 2007, approved the sixth resolution, regarding the decision to proceed with a capital increase by issuing (without preferential subscription rights) new shares of SCOR SE, attributed to Converium shareholders who have tendered their shares the Offer. The terms and conditions of this issue are described in the issue and eligibility prospectus approved by the AMF on 10 April 2007 under number 07-115, as amended by the first amendment approved by the AMF on 23 April 2007 under number 07-131 and by the second amendment approved by the AMF on 12 June 2007 under number 07-183 (the “**Issue and Eligibility Prospectus**”).

92,969,353 Converium shares were presented for acceptance of the Offer opened from 12 June to 9 July 2007, with a supplementary acceptance period opened from 13 to 26 July 2007. The settlement/delivery of the Offer was executed according to the procedures appearing in the Offer Prospectus and SCOR proceeded to issue 46,484,676 new shares on 8 August 2007, with a unit price of EUR 18.79, including EUR 10.9130277 in issue premium and 7.8769723 Euro of face value; SCOR SE paid the Converium shareholders who contributed their shares to the Offer, a total amount of 511,331,441.50 Swiss francs as payment of 5.50 Swiss francs per Converium share contributed, and a total amount of EUR 37,187,741.20 as payment of 0.40 Euro per Converium share contributed, i.e. 61,400,679.50 Swiss francs after conversion into Swiss francs on the basis of the Euro/Swiss franc exchange in effect on the date the Offer was executed.

The cash portion of the Counterpart of the Offer, including the increase in the counterpart declared on 10 May 2007, was financed out of SCOR SE’s own total equity.

5.2.1.2 Cancellation of the shares of SCOR (Holding) Switzerland

On 22 October 2007, SCOR announced that it held more than 98% of the voting rights of SCOR Holding (Switzerland) (formerly Converium) and thus that the Group met the conditions necessary for the filing of a cancellation action with respect to the remaining shares of SCOR Holding (Switzerland) not owned by the Group, in order for the Group to become the sole shareholder of SCOR Holding (Switzerland). Such cancellation procedure is a court procedure initiated in compliance with Swiss laws before a Swiss Court pursuant to which a shareholder holding more than 98% of the voting rights of a company may request the cancellation of the shares held by the minority shareholders in consideration for a counterpart strictly identical to that offered in the context of a previous public offer. Immediately after the cancellation of the shares, the same amount of shares is issued to the benefit of the majority shareholder.

A request for cancellation of the 2,840,816 shares of SCOR Holding (Switzerland) was filed on 25 October 2007 with the Business Court of the canton of Zurich (Handelsgericht des Kantons Zürich), the counterpart in cash and shares offered within the context of this cancellation proceedings being identical to the Counterpart of the Offer.

The order of the Commercial Court of Zurich was issued on 15 May 2008 and became effective on 20 May 2008; On 5 June 2008, the Board of Directors of SCOR SE decided, as a consideration for the 2,840,816 shares of SCOR Holding (Switzerland), to (i) issue 1,420,408 SCOR SE shares and (ii) to pay CHF 15,624,488 and (iii) EUR 1,136,326.40 corresponding to the dividend paid by SCOR for 2007 to be paid in Swiss francs at the exchange rate applicable on the day preceding the cancellation of the remaining shares, 5 June 2008 (i.e., EUR 1 = CHF 1.61630) (such amount being financed out of SCOR’s own total equity).

Since 6 June 2008, all of the shares comprising the share capital of SCOR Holding (Switzerland) have been held by SCOR.

On 23 December 2008, the Federal Administrative Court (*Bundesverwaltungsgericht*) decided upon the appeal filed by SCOR against the decision rendered by the Swiss Federal Banking Commission on 13 July 2007. Pursuant to this decision, the Swiss Federal Banking Commission confirmed the position expressed by the Swiss Takeover Board in its Recommendation IV dated 9 June 2007, according to which Mr. Martin Ebner, Patinex and BZ Bank AG had acted in concert with SCOR in connection with the Offer. SCOR refutes this characterisation and reaffirms that such physical person and legal entities did not act in concert with SCOR in connection with the Offer. With its decision of 23 December 2008, TAF decided that it did not have to decide in the merits, as the Offer had been consummated and the period for the application of the best price rule had expired on 26 January 2008. In its report dated 22 April 2008 (with supplement dated 13 May 2008), the independent review body Ernst & Young had confirmed that SCOR had complied with all its obligations in connection with the Offer even if Martin Ebner and the persons directly or indirectly controlled by him had been deemed to be acting in concert with SCOR. Accordingly, the appeal was written off without judgment on the merits due to the interests in the appeal having fallen away during the procedure and the appeal therefore having become abstract. None of the parties filed an appeal against this decision of the Federal Administrative Court.

5.2.1.3 Acquisition of all the shares of Prévoyance Ré

On 31 July 2008, SCOR SE entered into an agreement with the Malakoff Médéric Group, the leading Group in the French social protection market, to acquire 100 % of the share capital and voting rights of Prévoyance et Réassurance, i.e., 1,650,000 shares and voting rights, and its Life and Health reinsurance subsidiary Prévoyance Ré, i.e., 850,000 shares and voting rights.

Such acquisition has been completed on 24 October 2008, by transfer of:

- 2,673,173 SCOR treasury shares to Médéric Prévoyance;
- 257,701 SCOR treasury shares to the Institution Nationale de Prévoyance des Représentants; and
- 528,201 SCOR treasury shares to the URRPIMMEC (Union des Régimes de Retraites et de Prestations en cas d'invalidité et de maladie des Industries Métallurgiques, Mécaniques, Electriques et Connexes).

In addition, Group Malakoff Médéric, in accordance with its commitment, acquired on the market, as from November 2008, an additional number of SCOR SE shares enabling it to hold 3% of the share capital and voting rights of SCOR SE.

5.2.2 PRINCIPAL INVESTMENTS IN PROGRESS

As of the date of this Registration Document, no significant investment is in progress.

5.2.3 PRINCIPAL FUTURE INVESTMENTS

In connection with its business activities, and in strict compliance with the criteria defined for the implementation of its strategy, SCOR SE remains committed to exploring acquisition opportunities which may present themselves and which would be likely to deliver value for its shareholders.

Business overview

BUSINESS OVERVIEW

6 BUSINESS OVERVIEW

SCOR historical overview

At the end of 2002, SCOR reassessed its new “Back on track” strategic plan. This plan was implemented in order to shift the Property and Casualty underwritings towards:

- short-tail lines, which give a better forward-looking view of the activities, that do not involve the same level of risk on future results and which avoid the difficulty of calculating future results and the related required reserves for long-tail activities exposed to disputes and to claims inflation; and

- non-proportional activities, for which the prices are defined by SCOR underwriters and actuaries; these activities, which are independent of the prices given by ceding companies to their clients, are less sensitive to the negative effects that can result from the underwriting and rates of the ceding companies.

The “Back on Track” plan met its four major objectives by the end of 2004:

- strengthen the Group’s reserves to the "best estimate" as of this date;

- restore its equity through two share capital increases of EUR 380 millions and EUR 750 million;

- streamline the Group by reducing premiums underwritten in the Non-Life sector and the implementation of a new underwriting policy focused on short-tail activities and on less exposed markets, to the detriment of underwritings carried out in the United States, specifically with respect to general legal liability and industrial/occupational injuries treaties; and

- restructure the Group, particularly by appointing a new Board of Directors, new management and new procedures.

In 2004, the Company’s Board of Directors adopted a new strategic plan “SCOR Moving Forward” for the period 2005-2007. The “SCOR Moving Forward” plan sets forth the means and methods to achieve a profitability goal of Return on Equity (“ROE”) of 10% through an underwriting policy focused on profitability, by optimum allocation of capital throughout the business cycle, and by maintaining SCOR’s customer base in Europe, Asia, North America and in the emerging countries.

With premium revenues of EUR 2,407 million, 2005 was marked by stability in premiums in contrast to 2004, because of the continuation of strict underwriting rules and the renewal of the Non-Life treaties in January and April 2005 affected by a rating of BBB+ (Standard & Poor’s) and B++ (AM Best), which were relatively unfavourable compared to our principal competitors. In August 2005, Standard & Poor’s upgraded the SCOR rating to A- and on 8 September 2006, AM Best also raised its rating to A-.

SCOR VIE’s acquisition of Revios on 21 November 2006 resulted in the creation of SCOR Global Life. This combination was part of the Group’s strategy to balance out Life and Non-Life businesses. This “business mix” enabled the Group to improve its risk profile through diversification of its portfolio, to reduce the volatility of its result and to optimise the use of its capital depending on the divergent developments of Life and Non-Life reinsurance markets. The combination between SCOR and Revios allowed collaboration between highly complementary entities in northern and southern Europe and in Asia.

In 2006, SCOR’s turnover grew by 26.8% in Non-Life reinsurance and by 15.3% in Life reinsurance (1.7% excluding the portion of sales realised by Revios between the date of its acquisition by SCOR and the closing date), due in particular to regaining lost shares after the rating upgrades in August 2005 and September 2006.

Throughout 2007, SCOR finalised the implementation of the “SCOR Moving Forward” plan, which was aiming to regain market shares lost due to the lowering of its rating. Taking advantage of a still relatively buoyant market in terms of price where, despite the reorientation of reinsurance transfer policies, development opportunities and the technical quality of risks made it possible to meet the written premium targets. Additionally, the business formerly underwritten by Converium contributed to achieve a sustained successful level of written premium.

The Dynamic Lift plan

The “SCOR Moving Forward” plan was followed by the strategic “Dynamic Lift” plan for the period 2007-2010, in which the Group set its three-year objectives, as approved on 3 April 2007 by the SCOR Board of Directors, based on balanced and profitable growth, centred around Europe and Asia.

On 10 May 2007, in the context of the amicable agreement reached by SCOR and Converium regarding the Offer, SCOR announced that the Converium and SCOR underwriting teams were preparing a common underwriting plan for the 2008 renewal campaign. SCOR took control of Converium on 30 August 2007. This acquisition allowed the creation of the "new" SCOR, one of the 5 largest multi-line reinsurance companies, on the basis of two business engines: Life and Non-Life. For more information on this acquisition, see Sections 5.2.1.1 – Public offer upon the Converium shares.

The second version of the strategic plan, "Dynamic Lift V2”, was presented on 4 September 2007 and is based on the results of the analyses of Converium’s portfolios made possible since 8 August 2007. The acquisition and integration of Converium aimed to deliver the following objectives over the following 3 years:

- to secure a ROE of 900 bps above risk free rate over the cycle;
- to provide an "A+" level of security to clients by 2010;
- to self-finance the current business plan of the Group;
- to return excess capital to shareholders through various means.

The combination of SCOR and Converium created a group organised as a network based on six platforms (“hubs”) worldwide. Four hubs have been created in Europe (Paris, Zurich, Cologne and London), one in the USA (New York) and one for Asia- Pacific (in Singapore).

In the wake of the integration of Converium’s teams, the 2008 renewals were successfully negotiated and the combination of the portfolios was performed in line with the assumptions set forth in “Dynamic Lift V2” and the corresponding estimates.

The Group, strengthened by the successive acquisitions of Revios and Converium, restored the balance in written premium in Life Reinsurance (“SCOR Global Life”) and Non-Life Reinsurance (“SCOR Global P&C”), which are the basis of its diversification strategy. Within its Non-Life business activities, the complementary character of its SCOR and Converium portfolios and the contribution by Converium of Specialty Treaties and Joint Venture and Partnerships activities, resulted in significant improvement in SCOR’s offerings.

Further strengthening of SCOR’s organisational setup has been achieved through the acquisition of ReMark, offering direct global marketing of Life insurance products for financial institutions and serving over 200 clients in 33 countries.

With the acquisition of Prévoyance Ré from Malakoff Médéric Group, SCOR has further complemented its Life and Health business. The transaction was signed on 24 October 2008. Prévoyance Ré’s primary clients consist of provident institutions and other mutual insurance organisations.

After the “SCOR Moving Forward” – plan ending in 2007, the “Dynamic Lift” plan was put in place which ends in 2010. A subsequent strategic plan is currently under preparation covering the following 2011-2013 period.

2009 business developments

Throughout 2009, the Group continued to deliver on its 3-year “Dynamic Lift V2” plan. The renewals throughout the year demonstrated the strength of SCOR’s franchise, based on a well diversified and balanced set up between the Life and Non-Life entities.

With the acquisition of XL Re Life America, a subsidiary of XL Capital Ltd., SCOR has further complemented its Life and Health business and U.S. offering. The transaction was signed on 18 July 2009 and was closed on 4 December 2009. The total consideration of the transaction amounts to EUR 31.7 million, being settled in cash, and entirely self-financed. The business acquired shows a strong compatibility with SCOR’s Life strategy that is rooted in focusing on traditional protection business that is not correlated with economic risks.

ReMark, the wholly-owned subsidiary of SCOR Global Life SE, completed the acquisition of ESG Direct Marketing in Asia on 19 May 2009. The acquisition further strengthens the world-leading provider of direct insurance distribution solutions in Malaysia, Thailand, Indonesia, Hong Kong and China.

SCOR Global Life officially launched SCOR Telemed, a dedicated tele-underwriting company, on 18 November 2009. The company uses the latest IT software to conduct tele-interviews, with a specialised automated underwriting system to deal with cases ranging from the standard to the most complex ones.

SCOR Global Investments is regulated by the French Autorité des Marchés Financiers (AMF) and received its authorisation on 15 May 2009. It currently manages the investments of SCOR SE, SCOR Global P&C SE and SCOR Global Life SE and their European branches and monitors the global investment portfolio for all Group entities.

6.1 Primary activities

6.1.1 THE REINSURANCE BUSINESS

6.1.1.1 Principles

Reinsurance is a contract under which a company, the reinsurer, agrees to indemnify an insurance company, the ceding company, against all or part of the primary insurance risks underwritten by the ceding company under one or more insurance contracts. Reinsurance differs from insurance, primarily because of its inherent complexity linked to the broader range of activities and its international nature. Reinsurance can provide a ceding company with several benefits, including a reduction in net liability on individual risks and catastrophe protection from large or multiple losses. Reinsurance also provides ceding companies with the necessary capacity to increase their underwriting capabilities both in terms of the number and size of risks. Reinsurance however, does not discharge the ceding company from its liability to policyholders. Reinsurers themselves may feel the need to transfer some of the risks concerned to other reinsurers (known as retrocessionaires).

6.1.1.2 Functions

Reinsurance provides three essential functions:

it offers the direct insurer greater security for its equity and solvency, as well as stable results when unusual and major events occur, by covering the direct insurer above certain ceilings or against accumulated individual commitments;

it allows insurers to increase their available capacity – i.e. the maximum amount they can insure for a given loss or category of losses, by enabling them to underwrite policies covering a larger number of risks, or larger risks, without excessively raising their administrative costs and their need to cover their solvency margin and, therefore, their shareholder's equity;

it makes substantial liquid assets available to insurers in the event of exceptional losses.

In addition, reinsurers also provide advisory services to ceding companies by:

(a) defining their reinsurance needs and devising the most effective reinsurance program to better plan their capital needs and solvency margin;

(b) supplying a wide array of support services, specifically in terms of technical training, organisation, accounting and information technology;

(c) providing expertise in certain highly specialised areas such as the analysis of complex risks and risk pricing;

(d) enabling ceding companies to build up their business even if they are temporarily under capitalised, particularly in order to launch new products requiring heavy investment.

6.1.1.3 Types of reinsurance

(a) Treaty and Facultative

The two basic types of reinsurance arrangements are treaty and facultative reinsurance.
In treaty reinsurance, the ceding company has a contractual obligation to cede and the reinsurer to accept, a specified portion of a type or category of risks insured by the ceding company. Reinsurers producing the treaties, as done by the Group SCOR, do not separately evaluate each of the individual risks assumed under the treaty. As a result, after reviewing the ceding company's underwriting practices, they depend on the coverage decisions made originally by the policy writers of the ceding company.

Such dependence subjects reinsurers in general, including SCOR, to the possibility that the ceding companies have not adequately evaluated the risks to be reinsured and, therefore, that the premiums ceded in connection therewith may not adequately compensate the reinsurer for the risk assumed. The reinsurer's evaluation of the ceding company's risk management and underwriting practices as well as claims settlement practices and procedures, therefore, will usually impact the pricing of the treaty.

In facultative reinsurance, the ceding company cedes and the reinsurer assumes all or part of the risk covered by a single specific insurance policy. Facultative reinsurance is negotiated separately for each insurance contract that is reinsured. Facultative reinsurance normally is purchased by ceding companies for individual risks not covered by their reinsurance treaties, for amounts in excess of the monetary limits of their reinsurance treaties and for unusual risks. Underwriting expenses and, in particular, personnel costs, are higher relative to premiums written on facultative business because each risk is individually underwritten and administered. The ability to separately evaluate each risk reinsured, however, increases the probability that the underwriter can price the contract to more accurately reflect the risks involved.

(b) Proportional and non-proportional reinsurance

Both treaty and facultative reinsurance can be underwritten on a proportional (or quota share) basis, or non-proportional (excess loss) basis or on a stop loss basis.

With respect to proportional or quota share reinsurance, the reinsurer, in return for a predetermined portion or share of the insurance premium charged by the ceding company, indemnifies the ceding company against the same predetermined portion or share of the losses of the ceding company under the covered insurance contract or contracts. In the case of reinsurance written on a non-proportional, or excess of loss basis or excess of stop loss, the reinsurer indemnifies the ceding company against all or a specified portion of losses, on a claim by claim basis or with respect to a specific event or a line of business, in excess of a specified amount, known as the ceding company's retention or reinsurer's attachment point, and up to a negotiated reinsurance treaty limit.

Although the losses under a quota share reinsurance treaty are greater in number than under an excess of loss contract, it is generally simpler to predict these losses on a quota share basis and the terms and conditions of the contract can be drafted to limit the total coverage offered under the contract. A quota share reinsurance treaty therefore does not necessarily require that a reinsurance company assume greater risk exposure than on an excess of loss contract. In addition, the predictability of the loss experience may better enable underwriters and actuaries to price such business accurately in light of the risk assumed, therefore reducing the volatility of results.

Excess of loss reinsurance are often written in layers. One or a group of reinsurers accepts the risk just above the ceding company's retention up to a specified amount, at which point another reinsurer or a group of reinsurers accepts the excess liability up to a higher specified amount or such liability reverts to the ceding company. The reinsurer taking on the risk just above the ceding company's retention layer is said to write working layer or low layer excess of loss reinsurance. A loss that reaches just beyond the ceding company's retention will create a loss for the lower layer reinsurer, but not for the reinsurers on the higher layers. Loss activity in lower layer reinsurance tends to be more predictable than that in higher layers due to a greater historical frequency, and therefore, like quota share reinsurance, enables underwriters and actuaries to more accurately price the underlying risks.

Premiums payable by the ceding company to a reinsurer for excess of loss reinsurance are not directly proportional to the premiums that the ceding company receives because the reinsurer does not assume a directly proportionate risk. In contrast, premiums paid by the ceding company to the reinsurer under a quota share contract are strictly proportional to the premiums received by the ceding company, and correspond to its share of the risk coverage. In addition, in a quota share reinsurance treaty, the reinsurer generally pays the ceding company a ceding commission. The ceding commission is usually based on the ceding company's cost of acquiring the business being reinsured (commissions, premium taxes, assessments and miscellaneous administrative expense) and also may include a profit ratio.

6.1.1.4 Retrocession

Reinsurers typically purchase reinsurance to cover their own risk exposure or to increase their capacity. Reinsurance of a reinsurer's business is called a retrocession. Reinsurance companies cede risks under retrocession agreements to other reinsurers, known as retrocessionaires, for reasons similar to those that cause primary insurers to purchase reinsurance: to reduce net liability on individual risks, protect against catastrophic losses and obtain additional underwriting capacity.

6.1.1.5 Brokered and direct reinsurance

Reinsurance can be written through professional reinsurance brokers or directly from ceding companies. A ceding company's selection of the market will be influenced by its perception of such advantages and disadvantages relative to the reinsurance coverage being placed. For example, broker coverages usually involve a number of participating reinsurers that have been assembled by a broker, each assuming a specified portion of the risk being reinsured. A ceding company may find it easier to arrange such coverage in a difficult underwriting environment where risk capacity is constrained and reinsurers are seeking to limit their risk exposure. In contrast, direct coverage is usually structured by ceding companies directly with one or a limited number of reinsurers. The relative amount of brokered and direct business written by the Group's subsidiaries varies according to local market practice.

6.1.2 BREAKDOWN OF THE GROUP'S BUSINESS

Our operations are organised into the following two business segments: Non-Life reinsurance and Life reinsurance. We underwrite different types of risks for each segment. Responsibilities and reporting within the Group are established on the basis of this structure, and our consolidated financial statements reflect the activities of each segment.

6.1.2.1 Non-Life reinsurance

The Non-Life segment is divided into four operational sub-segments:

- P&C Treaties;
- Specialty Treaties;
- Business Solutions (facultative); and
- Joint Ventures and Partnerships.

(a) P&C Treaties

This business sector underwrites proportional and non-proportional reinsurance treaties.

These contracts cover property damage, such as dwellings, industrial and commercial goods, vehicles, ships, stored or transported merchandise or operating losses caused by fires or other events, including accidents or natural catastrophes as well as damages caused to third parties under civil liability coverage. Accordingly, they include treaties covering automobile liability and general civil liability. Auto liability covers property damage, injuries and other risks arising from the coverage of both drivers and passengers in private vehicles and commercial fleets.

(b) Specialty Treaties

SCOR's main Specialty reinsurance activities includes Credit & Surety, Ten-Year Inherent Defects Insurance, Aviation, Space, Marine, Engineering, Agricultural Risks and Structured Risk Transfer. They include both treaties and facultative reinsurance.

Credit & Surety

The reinsurance of credit insurance, surety commitments and political risk is managed by teams primarily based in Europe. Under credit insurance, the insurer covers the risk of losses from the non-payment of commercial debts. Surety insurance is a contract under which a guarantor makes a commitment to a beneficiary to perform the obligation to ensure payment by or to pay the debt of the secured debtor. Political risk insurance covers the risk of losses due to measures taken by a government or similar entity which endangers the existence of a sales contract or commitment made by a public or private citizen of the country in which the covered operations are performed. These risks are underwritten through quota share (proportional and non-proportional) treaties as well as facultative.

Ten-Year Inherent Defects Insurance

According to French, Italian, Spanish laws as well as laws in other jurisdictions, ten-year inherent defects insurance covers major structural defects and the collapse of a building for ten years after completion. These risks are underwritten by proportional and non-proportional treaties as well as by facultative reinsurance.

Aviation

Aviation insurance covers damages caused to aircraft, injuries to persons transported and to third persons caused by aircraft or air navigation, as well as losses resulting from products manufactured by companies in the aerospace sector.

Space

Facultative and reinsurance treaties underwriting in the space sectors cover the launch preparation, the launch, and the orbital operation of satellites. This applies primarily to commercial telecommunication and earth observation satellites.

Shipping (Marine)

Insurance for shipping risks includes insurance for general property and liability for the ships and shipped merchandise as well as for ship construction.

Engineering

Engineering insurance, which is divided into Construction All Risks and Erection All Risks insurance, includes the basic Property and Casualty coverage and may be extended to the financial consequences of a delay in delivery (anticipated operating losses) caused by losses identifiable under the basic Property and Casualty coverage.

Agricultural Risks

In order to address the increased risk and the coverage needs associated with agriculture, SCOR has been strengthening its agricultural risks underwriting teams since 2006 to provide reinsurance solutions in the field of multiple peril crop insurance, aquaculture insurance, forestry insurance and livestock insurance.

Structured Risk Transfer

To cope with the broader reinsurance buyers needs in transferring risk and to benefit from these changes by broadening the SCOR's field of activity, SCOR employs a Global Head of Structured Risk Transfer who facilitates the knowledge transfer of structured products and associated risks throughout the SCOR's organisation.

(c) Business Solutions (facultatives)

The Business Solutions (facultatives) business covers all insurable risks during construction and operation of industrial groups and service companies. It primarily consists of facultative reinsurance underwriting performed by specialised teams organised in an international network around two main business segments, "Natural Resources" and "Industrial & Commercial Risks" covering respectively: (i) onshore (main business sectors being oil and gas, refining and petrochemicals, power generation, mining), offshore (exploration and production, offshore construction) and shipbuilding, (2) manufacturing & heavy industries (automotive, pulp & paper, aeronautics / defence, high tech) and finance & services (infrastructures, intellectual services, general contractors, distribution and trading) completed by two "Market Units" responsible for facultative reinsurance for the Group's insurance company treaty clients and alternative solutions for the transfer and financing of risks for the Business Solutions (facultative) clients, respectively. Business Solutions (facultative) is aimed at professional buyers seeking global risk financing solutions. The risks shared with the ceding and/or captive companies are high-value industrially or technically complex risks insured for Property and Casualty such as Property Damage & Business Interruption, Construction All Risks, Erection All Risks, Comprehensive General Liability, Product Liability or Professional Indemnity.

(d) Joint Venture and Partnerships

This activity is dedicated to coverage underwritten through Joint Ventures and Partnerships, and, as of today, through Lloyd's syndicates, GAUM (Global Aerospace Underwriting Managers Limited) and MDU (Medical Defence Union).

6.1.2.2 Life Reinsurance

Reinsurance for individuals, commonly known as Life Reinsurance, includes life, health and medical insurance and personal insurance, such as accidents, disability, illness or incapacity.

The Life insurance business of SCOR Global Life is predominantly underwritten in the form of proportional treaties (quota share or surplus basis or a combination of both) and less frequently excess of loss per person basis or catastrophe excess of loss basis or stop loss basis.

The SCOR Global Life portfolio is a traditional portfolio with more than 50% of mortality reinsurance business.

The main other classes of Life business currently underwritten are:

Financing

SCOR Global Life's reinsurance services can also enable its clients to finance their development (e.g. product launching costs, portfolio acquisition). Thanks to its experience in prospective risk analysis, SCOR Global Life has the resources to combine risk acceptance and the management of financial variations in order to provide its clients with tailor-made, effective financing solutions over the medium or long term.

Disability

The purpose of Disability insurance is to mitigate the loss of income when the insured is totally or partially unable by reason of sickness or accident to follow his occupation or any occupation for which he is suited.

Long-term Care

Long-term care (LTC) insurance covers policyholders unable to perform predefined activities of daily living, and as a result, needs the constant assistance of another person on every occasion of daily life. The loss of autonomy is permanent and irreversible. SCOR Global Life has been pioneering Long-term Care reinsurance solutions on the French market for about twenty years and has acquired sound practical experience in dealing with problems related to underwriting and managing risks. The two main private LTC insurance markets are the United States, representing over six million insured lives and France which has established itself as the most dynamic market with over two million lives. On the French market SCOR Global Life enjoys a far leading position, while in the US, it recently launched and enhanced care rider. At the forefront of industry development, SCOR Global Life is now expanding its geographical scope in LTC by introducing it to several markets. It already enjoys strong positions in Korea and Israel.

Critical Illness

Critical Illness (CI) insurance pays a lump sum benefit, to be used at discretion, if the insured person suffers a serious condition and survives a defined period. The use and effectiveness of CI covers varies considerably between countries. SCOR Global Life is a market leader in Critical Illness in the UK. It leverages experience and expertise from the UK to cross-sell into selected markets, such as Taiwan, Korea and Sweden.

Health

Health represents a small proportion of SCOR Global Life's portfolio. It is written predominantly in the Middle East with a book inherited from Converium, and small volumes in markets such as France and Canada. The SCOR Global Life approach is selective, with a careful market entry strategy.

Annuities

SCOR Global Life is present on the fixed annuity market in the US, as a reinsurer of IIC a member of the Group (IMSA certificate). The products provide either the performance of an index (often the S&P 500) with a zero percent floor or a fixed interest rate which are credited to the policyholder's account value.

Personal Accident

Personal accident is a cover provided by SCOR Global Life. A main source of business is ReMark, a subsidiary of SCOR, which provides direct distribution solutions to insurers, financial institutions and affinity partners. ReMark designs and executes direct marketing programs.

6.2 Principal markets

6.2.1 BREAKDOWN OF GROSS PREMIUMS BY BUSINESS SEGMENT

In EUR million	2009		2008		2007 (*)	
By business segment						
Non-Life	3,261	51%	3,106	53%	2,329	49%
Life reinsurance	3,118	49%	2,701	47%	2,432	51%
TOTAL	**6,379**	**100%**	**5,807**	**100%**	**4,762**	**100%**
By business sub-segment						
Non-Life (**)						
Treaties	1,724	53%	1,612	52%	1,260	54.10%
Business Solutions (facultative)	405	12%	408	13%	361	15.50%
Specialty Treaties	708	22%	684	22%	514	22.07%
Joint Ventures & Partnerships	424	13%	402	13%	194	8.33%
TOTAL NON-LIFE	**3,261**	**100%**	**3,106**	**100%**	**2,329**	**100%**
Life reinsurance						
Life	1,408	45%	1,405	52%	1,313	54%
Financing	531	17%	486	18%	535	22%
Critical illness	119	4%	81	3%	97	4%
Disability	223	7%	189	7%	170	7%
Long term care	132	4%	108	4%	73	3%
Annuities	414	13%	108	4%	73	3%
Health	245	8%	189	7%	73	3%
Personal accident	46	2%	135	5%	97	4%
TOTAL LIFE	**3,118**	**100%**	**2,701**	**100%**	**2,432**	**100%**

(*) Published turnover, i.e., including Converium, prorated beginning on 8 August 2007
(**) According to the new organisation of the SCOR Global P&C division

6.2.2 DISTRIBUTION BY GEOGRAPHIC AREA

The following table shows the breakdown by gross volume of Life and Non-Life premiums written by geographic area based on the country in which the ceding company operates:

	Total			Life			Non-Life		
In EUR million	2009	2008	2007*	2009	2008	2007*	2009	2008	2007*
Europe	3,551	3,510	2,940	1,656	1,667	1,571	1,895	1,843	1,369
Americas	1,760	1,366	1,195	1,063	742	703	697	624	492
Asia-Pacific - Rest of World	1,069	931	626	399	292	158	669	639	468
TOTAL	**6,379**	**5,807**	**4,762**	**3,118**	**2,701**	**2,432**	**3,261**	**3,106**	**2,329**

(*) Adjusted for the completion of the initial acquisition accounting of the Converium and ReMark acquisitions.

6.3 Extraordinary events influencing the principal business and markets

Both in Life reinsurance and Non-Life reinsurance, the Group benefited from S&P's decision on 13 March 2009 to upgrade SCOR SE's and its core guaranteed subsidiaries long-term credit and insurer financial strength ratings to "A" from "A-" with a stable outlook.

On 4 September 2009, A.M. Best raised SCOR SE's and its rated subsidiaries rating outlook from "stable" to "positive". According to A.M. Best the change in outlook reflects A.M. Best's expectation that SCOR will continue to demonstrate strong resilience to the impact of the financial crisis and global economic downturn, its sound enterprise risk management, and anticipated improvement in risk adjusted capitalisation supported by profitable growth in its main lines of business.

On 4 September 2009, Standard & Poor's has raised SCOR's Enterprise Risk Management (ERM) from "adequate" to "strong". According to Standard & Poor's the ERM ratings upgrade reflects the Group's excellent risk management culture, excellent emerging risk management, strong strategic risk management and strong or at least adequate risk controls for the Group's major risks.

6.3.1 NON LIFE REINSURANCE

After the completion of the Converium integration (acquisition finalised in August 2007), SCOR benefited from strengthened portfolio base on all renewal campaigns throughout 2008 and 2009. The compatibility of policies and underwriting and the complementarity of the portfolios have been proven as anticipated through renewals at the end of 2007.

6.3.2 LIFE REINSURANCE

The acquisition of XL Life Re in December 2009 allowed SCOR Global Life to further strengthen its franchise. Furthermore, the acquisition of ESG Direct Marketing in Asia through ReMark, contributed to further enhance the SCOR Global Life franchise.

6.4 Dependency of the issuer with respect to patents or licenses, industrial, commercial or financial contracts and new manufacturing processes

Please refer to Section 4.1.6 – We may be adversely affected if our cedants, retrocessionaires, insurers or members of pools in which we participate do not respect their obligations, 4.1.10 - Operational risks, including human errors or computer system failure, are inherent in our business, 4.2.1 – We face risks related to our fixed income portfolio, 4.2.2 – We face risks related to our equity-based portfolio, 4.1.9 – A significant portion of our contracts contains provisions relating to financial strength which could have an adverse effect on our portfolio of contracts and our financial position, 4.3 – Liquidity risks, 4.5 – Insurance of specific operational risks (excluding reinsurance activity).

6.5 Information on SCOR's competitive position

Among the major reinsurance groups, SCOR pertains to the "traditional" or "continental" reinsurers as opposed to the so-called "Bermudan" model. The latter are characterised by the fact that they give priority to the underwriting of a type of risk and/or a geographic region – generally highly volatile natural catastrophe risks and to the American region. Conversely, SCOR is characterised by its strategic positioning aimed at underwriting risks so as to diversify exposure. To this end, the Group seeks to preserve:

(i) The diversification of its business by maintaining a balanced business segment split between Life and Non-Life reinsurance. The portfolio business volume split at the end of 2008 was approximately 49% for Life reinsurance and 51% for Non-Life reinsurance.

(ii) The geographic diversification of its business by operating in a large number of countries, both mature and emerging, and by maintaining its policy of positioning itself on strong-growth markets (opening of a representative office in India, opening of a branch in China, applying for an extension of the Non-Life Re-takaful license in Malaysia; opening an office in South Africa and establishing an underwriting presence in Australia, operating as admitted reinsurer in Brazil following the deregulation of the market, opening a Life branch office in the Netherlands);

(iii) The diversification of underwritten risks (product lines): longevity, mortality, dependence, major illnesses in Life reinsurance; Property & Casualty (P&C) Treaties, Specialty treaties and facultative, large corporate Facultative risks and Joint Ventures and Partnerships in Non-Life reinsurance. In this respect, the Converium acquisition is a significant additional diversification factor by enlarging the Non-Life offer and portfolio of the Group to specialty lines of business in which the Group was not or barely not offering.

The SCOR Group as a whole is the world's 5th largest reinsurer as ranked by "S&P Global Reinsurance Highlights 2009." With the acquisition of Converium, the Group reached a new scale of operations, as one of the most diversified in its peer group, combining balance between its Life and Non-Life activities and the overall geographic distribution of risks

6.5.1 NON LIFE REINSURANCE

On 11 February 2009, SCOR recorded strong 2009 Non-Life renewals and optimised its portfolio with a view to greater profitability and predictability by maintaining an extremely strict policy on profitable technical underwriting. The annual negotiations with its clients enabled SCOR to optimise its portfolio and pursue diversification, whilst ensuring that its capital was allocated as profitably as possible, thereby demonstrating the Group's strength and confirming the success of the combination of the SCOR and Converium portfolios that was achieved in 2008. These renewals results demonstrate once more the anti-cyclical nature of the reinsurance industry in difficult economic and financial environments.

In the Non-Life business, the relative importance of SCOR's Specialty Treaties activities and its historic positions in developing economies and emerging markets, give the Group a solid background for pursuing a profitable expansion, despite modest growth in reinsurable matters and reinsurance premiums on mature markets.

The highlights of 2009 January renewals were as follows:

- Start of a general hardening in reinsurance with better prices and conditions, Group exposure staying stable.
- Following a policy of increased profitability, SCOR recorded a 3% rise in business volume to EUR 1,708 million of Non-Life treaty business renewed against EUR 1,653 million up for renewal at constant exchange rates.
- Reaffirmation of the strength and depth of SCOR's business franchise, with minimal cedant attrition of 1%.

In a post-acquisition environment, the main underlying reasons for the successful renewals were:

- Enhancement of market position and extended leadership on reinsurance programmes.
- Active portfolio management with a stable business volume in P&C Treaties and changes to the portfolio composition designed to provide greater profitability (shift towards more non-proportional business and movements in the geographical spread) and a selective growth mostly driven by new business in the lines of the Specialty Treaties.
- Strong franchise leveraging on Treaty P&C and Specialty Lines as demonstrated by the increase of 13% in Specialty Treaties lines that benefited from the mobilisation of the SCOR network and improved terms and conditions.
- Strict underwriting discipline with 17% of total premiums up for renewal cancelled and successfully replaced by more profitable new business from existing and new clients.

Strong April P&C renewals in the Asia Pacific region with prices up 4.1% (vs. 3.3% at 1 January) further demonstrated SCOR's capacity to benefit from improving reinsurance market conditions. 12% of all treaty business was up for renewal and a 7% increase compared to 2008 was achieved thanks also to new opportunities that followed the S&P upgrade in March.

Robust July P&C renewals underlined further the Group's strong competitive position. With price increases of 5.9% and premium increase of 20% at July renewals, SCOR Global P&C demonstrated again its capacity to benefit from positive reinsurance market conditions, and to leverage from its improved competitive position.

6.5.2 LIFE REINSURANCE

SCOR Global Life benefits from an established competitive position, strengthened by the acquisition in 2006 of Revios and in 2007 of Converium. Thanks to these two transactions, SCOR Global Life assured its strong presence in leading markets such as France, Italy, Spain and Portugal, and strengthened the position in Germany, Scandinavia and the United Kingdom.

In October 2009, a Life branch office is established in the Netherlands to further strengthen its presence and position in the market and fully seize business opportunities. The Dutch insurance market is currently representing EUR 76 billion in premium income, of which EUR 26 billion comes from Life insurance.

In the Eastern European countries, SCOR further supported clients' developments throughout 2008, with a local presence in Russia and by introducing new products such as Disability and Long-Term Care covers.

In the Americas SCOR Global Life has further strengthened its position in the U.S. mortality business and also has a seasoned portfolio of Fixed and Indexed-Linked Annuities. SCOR Global Life has been expanding in Canada, at an average 10% growth over the last few years. In South America, SCOR Global Life is continuously building on its long-lasting local presence in key markets such as Chile, Peru and Mexico. With the opening of the Brazilian reinsurance market early in 2008, SCOR Global Life has established a local team in Sao Paulo as an authorised reinsurer offering its expertise and services to this growing market. Furthermore, SCOR Global Life is expanding its distribution platforms to gain share in middle-sized markets across the Americas, ReMark supporting the implementation of this strategy.

In Asia, SCOR Global Life showed notable developments and reinforced its market positions. The Group established a partnership with China Life Re, and sizeably grew its reinsurance revenue in this market. SCOR Global Life is building on its strong and long-standing presence in Asia with a network of seven offices. Robust growth has been achieved, through product innovation for the region, e.g. Long-Term Care, non selective whole life, preferred individual life, and by the close cooperation with ReMark. With the completion of the acquisition of ESG Direct Marketing, ReMark further strengthens its position as a world-leading provider of direct insurance distribution solutions in Malaysia, Thailand, Indonesia, Hong Kong and China.

SCOR Global Life's network of offices has increased with the opening of various entities in the world. SCOR SE has been granted a licence to conduct Life and Non-Life operations in South Africa. SCOR Africa Limited, located in Johannesburg thus became a subsidiary and covers Africa's English and Portuguese speaking markets as well as Mauritius.

SCOR Global Life offers its clients full product and actuarial support, backed by advanced research centres. Its market development can build on four research centres. In 2008 the international Research and Development centre for Selection and Claims was launched, which adds to the Longevity and Mortality centres, the Long-Term Care centres and the Disability, Critical Illness and Unemployment centres.

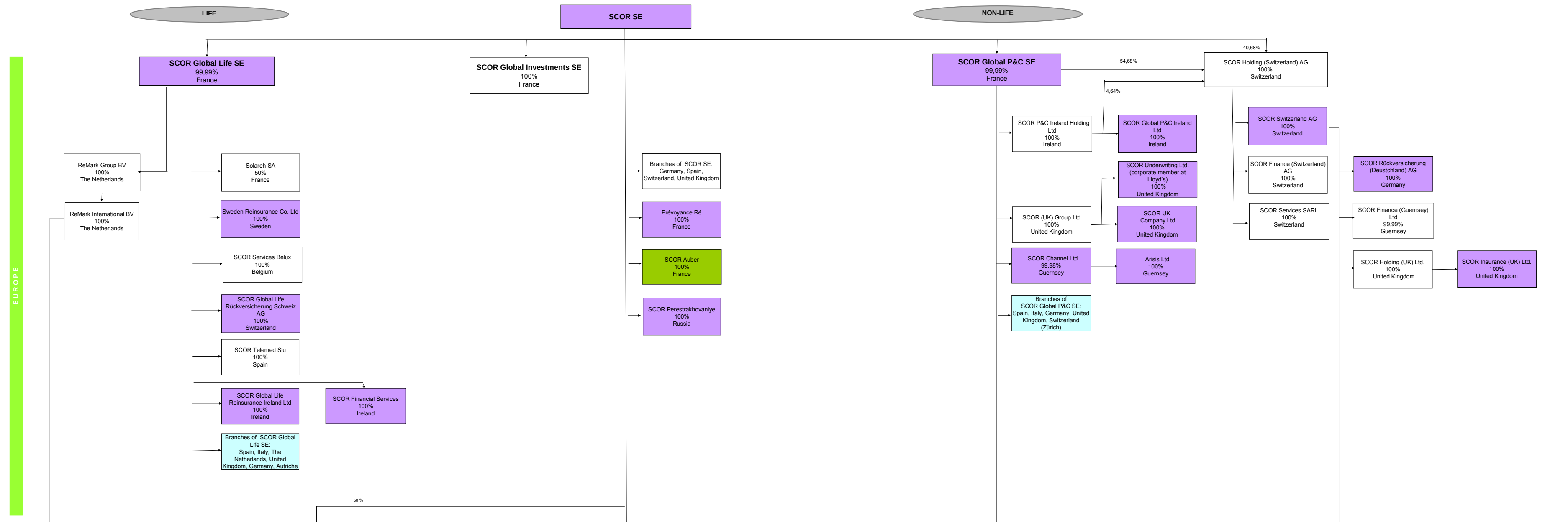
Furthermore SCOR Global Life officially launched SCOR Telemed, a dedicated tele-underwriting company, in November 2009. The company uses the latest IT software to conduct tele-interviews and has a specialised automated underwriting system to deal with cases ranging from the standard to the most complicated ones.

Organisational structure

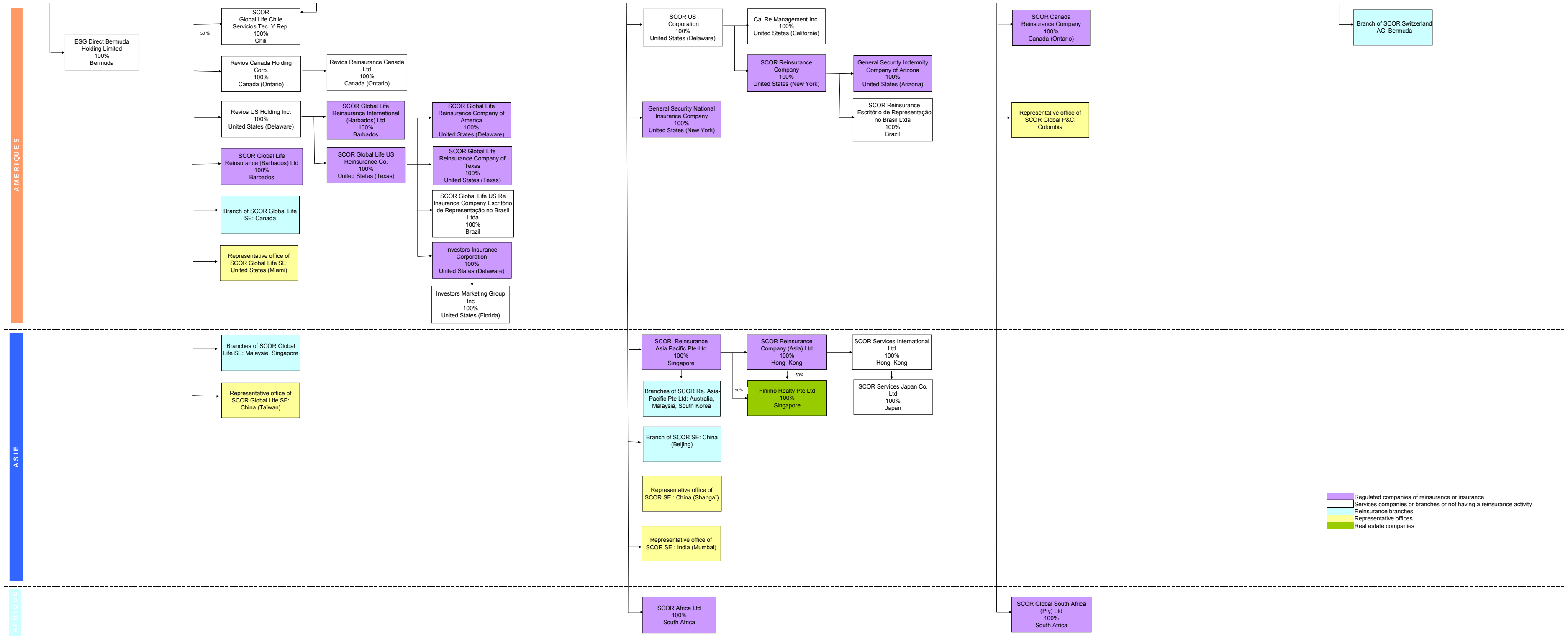
ORGANISATIONAL STRUCTURE

7 ORGANISATIONAL STRUCTURE

The main operational entities of the Group are presented in the chart below:



LIFE
SCOR SE
NON-LIFE
EUROPE
SCOR Global Life SE 99,99% France
SCOR Global Investments SE 100% France
SCOR Global P&C SE 99,99% France
54,68%
40,68%
4,64%
SCOR Holding (Switzerland) AG 100% Switzerland
ReMark Group BV 100% The Netherlands
ReMark International BV 100% The Netherlands
Solareh SA 50% France
Sweden Reinsurance Co. Ltd 100% Sweden
SCOR Services Belux 100% Belgium
SCOR Global Life Rückversicherung Schweiz AG 100% Switzerland
SCOR Telemed Slu 100% Spain
SCOR Global Life Reinsurance Ireland Ltd 100% Ireland
SCOR Financial Services 100% Ireland
Branches of SCOR Global Life SE: Spain, Italy, The Netherlands, United Kingdom, Germany, Autriche
Branches of SCOR SE: Germany, Spain, Switzerland, United Kingdom
Prévoyance Ré 100% France
SCOR Auber 100% France
SCOR Perestrakhovaniye 100% Russia
50 %
SCOR P&C Ireland Holding Ltd 100% Ireland
SCOR Global P&C Ireland Ltd 100% Ireland
SCOR Underwriting Ltd. (corporate member at Lloyd's) 100% United Kingdom
SCOR (UK) Group Ltd 100% United Kingdom
SCOR UK Company Ltd 100% United Kingdom
SCOR Channel Ltd 99,98% Guernsey
Arisis Ltd 100% Guernsey
Branches of SCOR Global P&C SE: Spain, Italy, Germany, United Kingdom, Switzerland (Zürich)
SCOR Switzerland AG 100% Switzerland
SCOR Finance (Switzerland) AG 100% Switzerland
SCOR Services SARL 100% Switzerland
SCOR Rückversicherung (Deutschland) AG 100% Germany
SCOR Finance (Guernsey) Ltd 99,99% Guernsey
SCOR Holding (UK) Ltd. 100% United Kingdom
SCOR Insurance (UK) Ltd. 100% United Kingdom


AMERIQUES
ESG Direct Bermuda Holding Limited 100% Bermuda
50 %
SCOR Global Life Chile Servicios Tec. Y Rep. 100% Chili
Revios Canada Holding Corp. 100% Canada (Ontario)
Revios Reinsurance Canada Ltd 100% Canada (Ontario)
Revios US Holding Inc. 100% United States (Delaware)
SCOR Global Life Reinsurance International (Barbados) Ltd 100% Barbados
SCOR Global Life Reinsurance Company of America 100% United States (Delaware)
SCOR Global Life Reinsurance (Barbados) Ltd 100% Barbados
SCOR Global Life US Reinsurance Co. 100% United States (Texas)
SCOR Global Life Reinsurance Company of Texas 100% United States (Texas)
SCOR Global Life US Re Insurance Company Escritório de Representação no Brasil Ltda 100% Brazil
Branch of SCOR Global Life SE: Canada
Representative office of SCOR Global Life SE: United States (Miami)
Investors Insurance Corporation 100% United States (Delaware)
Investors Marketing Group Inc 100% United States (Florida)
SCOR US Corporation 100% United States (Delaware)
Cal Re Management Inc. 100% United States (Californie)
SCOR Reinsurance Company 100% United States (New York)
General Security Indemnity Company of Arizona 100% United States (Arizona)
General Security National Insurance Company 100% United States (New York)
SCOR Reinsurance Escritório de Representação no Brasil Ltda 100% Brazil
SCOR Canada Reinsurance Company 100% Canada (Ontario)
Representative office of SCOR Global P&C: Colombia
Branch of SCOR Switzerland AG: Bermuda
ASIE
Branches of SCOR Global Life SE: Malaysie, Singapore
Representative office of SCOR Global Life SE: China (Taiwan)
SCOR Reinsurance Asia Pacific Pte-Ltd 100% Singapore
SCOR Reinsurance Company (Asia) Ltd 100% Hong Kong
SCOR Services International Ltd 100% Hong Kong
Branches of SCOR Re. Asia-Pacific Pte Ltd: Australia, Malaysia, South Korea
50%
50%
Finimo Realty Pte Ltd 100% Singapore
SCOR Services Japan Co. Ltd 100% Japan
Branch of SCOR SE: China (Beijing)
Representative office of SCOR SE : China (Shangaï)
Representative office of SCOR SE : India (Mumbai)
SCOR Africa Ltd 100% South Africa
SCOR Global South Africa (Pty) Ltd 100% South Africa
Regulated companies of reinsurance or insurance
Services companies or branches or not having a reinsurance activity
Reinsurance branches
Representative offices
Real estate companies

7.1 Brief description of the Group and of the position of the issuer

7.1.1 GROUP OPERATING COMPANIES

SCOR SE is the Group company which stock is listed on the Euronext Paris regulated market.

The Group is a twin engine group driven by SCOR Global Life SE and SCOR Global P&C SE. Mobilisation of skills and expertise, a balance among teams from different entities of the Group, operating efficiency, simplicity of structures, and clarity of reporting lines were the principles that guided the Group's organisational choices.

The Group's Non-Life reinsurance activities are coordinated by SCOR Global P&C SE. SCOR Global P&C SE carries out its operations via the European and American subsidiaries and through its branches in Germany, in Italy, in Spain, in Australia and in China, each of them operating primarily in its regional or national market. The Group's Swiss and American Non-Life reinsurance subsidiaries, the shares of which are totally or partially held by SCOR SE, report to SCOR Global P&C SE for their operations.

The Group's Life, accident, disability, health, unemployment, and long-term care operations are conducted by SCOR Global Life SE (formerly SCOR VIE). SCOR Global Life SE carries out its operations through its branches in Germany, Italy, Spain, and Canada, and through SCOR Global Life U.S. Re Insurance Company in the U.S., SCOR Rückversicherung (Deutschland) in Germany, SCOR Global Life Rückversicherung Schweiz in Switzerland and SCOR Global Life Reinsurance Ireland in Ireland.

SCOR Global Life SE is organised around four operating units with geographic responsibilities, based in France (Paris), Germany (Cologne), the United States (Texas, Florida and Delaware) and the UK (London). Each of these operating structures exercises its authority within a territory that may exceed its local market. Accordingly, the French unit controls underwriting in the Benelux countries, Southern Europe and Asia. The cross functions cover (i) actuarial technical functions, research and development and risk selection, (ii) risk management, and (iii) financial and accounting functions.

The corporate functions of SCOR Global Life SE, SCOR Global P&C SE and of the Group in Paris define the underwriting policies and monitor its standard application, control the changes in natural catastrophe risk accumulation and control claims.

The Group's subsidiaries and offices are connected through a backbone network, applications and data exchange platforms, which allow local access to centralised risk analysis, underwriting or pricing databases and also give access to information on local market conditions, to be shared among the Group's subsidiaries and offices. In addition, through regular exchanges of personnel between the Group's head offices in Paris and its non-French subsidiaries and branch offices, the Group encourages professional development and training across its various geographic markets and business lines.

On 29 October 2008, SCOR announced the creation of SCOR Global Investments SE, which is contemplated to manage, directly or indirectly, the global investment portfolio of all the Group's legal entities. SCOR Global Investments SE has been approved by the AMF as a portfolio management company as from 15 May 2009.

SCOR SE wholly owns its operating subsidiaries (excluding the shares held by Directors). SCOR SE also makes loans to its subsidiaries and issues them guaranties so that they can underwrite under favourable conditions, especially by letting them benefit from its financial ratings. SCOR SE provides support in actuarial, accounting, legal, administrative, systems, internal audit, investment, and human resources to Group subsidiaries. Finally, SCOR SE acts, as needed, as retrocessionaire for its two operational subsidiaries through quota share treaties renewed annually which form the instrument for internal control within the Group through the annual allocation of capital to the operating subsidiaries based on the profitability expected from their underwriting. The contracts that formalise the relationships between SCOR SE and its subsidiaries are presented in:

- Section 19 – Related Party Transactions, and in
- Appendix A – Notes to the Financial Statements – Note 4: Transactions with subsidiaries and affiliates.

7.1.1.1 The Group's restructuring

The Group launched and completed several major restructuring projects in 2005, 2006, 2007, 2008 and 2009. This reorganisation was made in order to simplify the legal structure of the Group and clearly differentiate between the operations of subsidiaries that are dedicated respectively to Life reinsurance and Non-Life reinsurance, with a view towards optimal annual allocation of capital between the operations.

7.1.1.2 New SCOR

In connection with the implementation of the New SCOR project, which was announced in June 2005, SCOR transferred, by way of spin-off, all of its Non-Life reinsurance business in Europe, including Property & Casualty Treaties (Specialty Treaties, Business Solutions (facultative)) and Major Corporate Accounts to Société Putéolienne de Participations (the corporate name of which was changed to SCOR Global P&C), a French subsidiary wholly owned by SCOR. This contribution was approved on 16 May 2006, by the Combined Shareholders' Meeting of the Company, effective retroactively on 1 January 2006.

In connection with the second phase of the New SCOR project, SCOR announced on 4 July 2006, the conversion of SCOR into a *Societas Europaea* and the formation of a *Societas Europaea* at the level of SCOR Global P&C, through the merger by absorption of SCOR Deutschland Rückversicherung AG and SCOR Italia Riassicurazioni SpA by SCOR Global P&C. At the same time, SCOR Vie became SCOR Global Life SE through the merger with SCOR Global Life Rückversicherung AG (formerly Revios Rückversicherung AG) by SCOR VIE. SCOR SE so became the first publicly traded French company to adopt the *Societas Europaea* form. Since the completion of the merger, SCOR Global P&C SE conducts its operations in Italy, in Spain, in Switzerland and in Germany through its branches, as SCOR Global Life SE does. SCOR Global P&C SE has been the first company in Europe to complete a tripartite merger involving three different jurisdictions in the formation of a *Societas Europaea*.

The adoption of the European Company statute by SCOR SE, SCOR Global P&C SE and SCOR Global Life SE, occurred respectively on 25 June, 3 August and 25 July 2007, the registration dates for each company as a *Societas Europaea* with the Nanterre Trade and Company Register. This registration occurred after: (i) the completion of the negotiations on the involvement of the employees in the various European companies, as stipulated by the legislation governing a European company, with the special negotiation group ("**SNG**") formed for this purpose in July 2006, and representing the employees of the Group; an agreement on the involvement of the employees within SCOR SE and SCOR Global P&C SE was signed with the SNG on 14 May 2007; and (ii) the approval by the Extraordinary Shareholders' Meeting of each of the companies of the adoption of the *Societas Europaea* statute.

The *Societas Europaea* statute enables SCOR to strengthen its European and transnational identity, facilitate acquisitions in Europe, improve flexibility in financial matters and capital allocation, simplify regulatory controls by using the possibilities offered by the Reinsurance Directive on the control of reinsurance companies, and reduce its local structures, by giving preference to the use of branches, rather than local subsidiaries. The Group is thereby demonstrating its ambition to be a company with European roots and global reach. This legal flexibility is today demonstrated by the speed of the integration process for the European entities of Converium, which became SCOR Holding (Switzerland), in SCOR's European companies. SCOR Global Investments SE has also been incorporated as a *Societas Europaea*.

7.1.1.3 Implementation of a real estate structure

On 18 July 2006, the Group announced that it had consolidated its real estate investments within a single real-estate company, SCOR Auber, a wholly owned subsidiary of SCOR SE. This consolidation enables these investments to be more dynamically managed, simplifies the legal structures of the Group's real estate asset management, and reduces the management expenses, related to these investments. As at the date of this Registration Document, SCOR Auber holds 14 investment real estate properties, for offices purposes in their great majority, in Paris and in the Ile-de-France region (suburbs adjacent to Paris) , with a market value of approximately EUR 365 million as at 31 December 2009.

7.1.1.4 Reorganisation of the North American entities

On 8 September 2006, concurrently with the announcement of the upgrade of the rating of the Group's companies by AM Best, the Group announced a change in its Non-Life reinsurance structures in the United States. This change, which was completed on 31 December 2006, is two-fold: first, SCOR Reinsurance Company acquired 100% of the capital of GSINDA, a company specialising in underwriting "surplus lines", with a primary insurance license in the United States and, secondly, SCOR acquired GSNIC, an entity entirely dedicated to run-off, from SCOR Reinsurance Company (a subsidiary indirectly wholly owned by SCOR). In this restructuring, SCOR contributed USD 80 million to SCOR Reinsurance Company.

Following the acquisition of Revios by SCOR VIE on 21 November 2006, SCOR began restructuring the Life Reinsurance entities of SCOR VIE (whose corporate name was changed to SCOR Global Life) in the United States, at the same time as it merged the Revios and SCOR VIE offices in Asia and Europe. This restructuring was completed in November 2007 for the North American activities of SCOR Global Life, now regrouped in Dallas (Texas), in Delaware and in Florida, and Montreal (Canada).

In 2009, three Group Non-Life run-off companies based in the Americas – namely GSNIC, Commercial Risk Partners Ltd and Commercial Risk Re-Insurance Company have been consolidated. The process required an amalgamation of Commercial Risk Partners Ltd and Commercial Risk Re-Insurance Company with GSNIC. The assets, liabilities and surplus of Commercial Risk Partners Ltd and Commercial Risk Re-Insurance Company have been added to GSNIC in their entirety.

7.1.1.5 Structuring in "hubs"

In 2008 and 2009, SCOR structured itself around six Hubs: Paris, Zurich, London and Cologne for Europe, Singapore for Asia and New York for the Americas.

The new structure is based on the principle that each Hub has local, regional and global responsibilities.

The Group’s decision to opt for a “Hub" company structure follows the successful consolidation of Revios and Converium.

The acquisition of Converium in August 2007 led the Group's companies to launch a significant restructuring effort, the effects of which continued in 2008 and in 2009, including:

- the creation of a single structure for all the common support functions to the branches of the two operating companies SCOR Global Life and SCOR Global P&C in Cologne, Germany, in the form of a SCOR services branch;

- the creation of a SCOR services branch in London, in May 2008, which combines the personnel of SCOR Global Life and SCOR Global P&C based in London, branches of the Life and Non-Life reinsurance and direct insurance companies, the latter being subsidiaries of SCOR Global P&C. The reinsurance entities will become branches of SCOR Global P&C and of SCOR Global Life in the framework of the corporate form of Societas Europaea;

- the transfer of portfolios and the network rationalisation, in particular in Asia-Pacific and in Latin-America.

This structure has been implemented in Cologne on 5 May 2008, in London on 20 May 2008, in New York on 18 June 2008, in Singapore on 16 June 2008, in Zurich on 27 January 2009 and in Paris on 24 February 2009.

The current structure of the Group has been developed to facilitate access to local markets through a network of local subsidiaries, branches, and sales offices, to provide better identification of profit centres in each major reinsurance market, and to develop local management and underwriting expertise, in order to provide better customer service, maintain relationships with ceding companies, and to obtain a deeper understanding of the specific features of local risks.

7.2 List of Issuer's significant subsidiaries

Refer to: Section 7 - Organisational structure chart;

- Appendix A – Notes to the Corporate Financial Statements – Note 2.3: Subsidiaries and Affiliates;
- Section 20.1.6 – Notes to the Consolidated Financial Statements – Note 25: Related party transactions;
- Section 25 – Information on Holdings;
- Section 7.1.1 – Group operating companies as concerns the role of SCOR towards its subsidiaries;
- Section 20.1.6 – Notes to the Consolidated Financial Statements – Note 3: Acquisitions as concerns the financial equation of the acquisitions of entities in 2009;
- Section 20.1.6 – Notes to the Consolidated Financial Statements – Note 3: Acquisitions as concerns the share of the entities acquired in 2009 income included in the Group's consolidated income;
- Section 14 – Administrative and management bodies as concerns the duties carried out in the subsidiaries by the Managers of the issuer;
- Section 7.1 – Brief description of the Group and of the position of the issuer as concerns the economic organisation of the Group;
- Section 19.3 – Special report of the Auditors on related party agreements and commitments with regards to the financial flows between the issuer and its subsidiaries and their nature; and
- Section 20.1.6 – Notes to the Consolidated Financial Statements – Note 3: Acquisitions for a description of the operations, of the relevant interim management balances and of the strategic economic assets of the main subsidiaries.

Property, plant and equipment

PROPERTY, PLANT AND EQUIPMENT

8 PROPERTY, PLANT AND EQUIPMENT

8.1 Major existing or planned properties, plants and equipment

SCOR is lessee of its head office which is located at 1, avenue Général de Gaulle, 92074 Paris La Défense (district of Puteaux – 92800). The SCOR building, of more than 30,000 m^2 of office space, is held by Compagnie La Lucette since 2006., Neither the sale of the building from KanAm to Compagnie La Lucette in 2006, nor the recent acquisition of Compagnie La Lucette by Icade, a French REIT, resulted in any change in the terms of the lease that had been signed by SCOR and KanAm when the property was sold to KanAm in 2003. This lease was signed for a nine-year term and for an annual rent reduced in 2010 to EUR 12.9 million as a result of the recent ICC index variation. Under this lease and in addition to the usual guarantees, KanAm requested financial guarantees based on the financial rating of SCOR and the term of the lease, the benefit of which was transferred to Compagnie La Lucette. For more information on these guarantees, refer to Appendix A – Notes to the Corporate Financial Statements, Note 15 - Analysis of commitments given and received. The Group leases space separate from its head office for the purpose of safeguarding its data storage facilities in case of emergency.

The Group owns offices in Milan (Italy), Singapore, and now in Madrid (Spain), where its local entities and subsidiaries have their corporate offices, and the remainder of the space is leased to third parties as part of its investment management business The Group leases office space for its other business locations. SCOR believes that the Group's offices are adequate for its current needs but, as a result of the integration of Revios and Converium, went on combining under one roof its various local entities in each of the countries in which the Group is present. In 2009, London's hub activities have all been gathered in the 10 Lime Street building and the Group's entities in Madrid moved into offices purchased with this aim on the Paseo de Castellana. In 2009, SCOR also concluded a future of about 6,000 m²-building which will be the Cologne hub head office at the end of 2011.

SCOR also holds property investments as part of its asset management related to its reinsurance operations. For more information on the Group's real estate investments, refer to Appendix A – Notes to the Corporate Financial Statements, Notes 2.1 - Changes in investments and 2.2 - Schedule of investments, and Section 20.1.6 – Notes to the Consolidated Financial Statements, Note 5 – Tangible assets and real-estate investments.

8.2 Environmental issues that may affect the utilisation of properties, plants and equipment

Refer to the environmental report in Appendix C.

Operating and financial review

OPERATING AND FINANCIAL REVIEW

9 OPERATING AND FINANCIAL REVIEW

The financial data of the SCOR Group is presented in Section 3 – Selected financial data and in Section 20.1 – Historical financial information: consolidated financial statements. The commentary below is based on the financial data presented in the aforementioned sections.

Refer also to Section 20.1.6 – Notes to the consolidated financial statements, Note 1 – Accounting principles and methods and Note 27 – Insurance and financial risks.

9.1 Financial position

The 2009 results and balance sheet strength demonstrate the effectiveness of SCOR's strategy which relies on high business and geographical diversification, focussing on traditional reinsurance activity with very limited exposure of reinsurance liabilities to economic activity risks and no material off balance sheet exposure. For the January 2010 renewals, SCOR was well-positioned to benefit from its improved industry position to combine premium growth and an improvement in expected technical profitability with an increase in premium rates (Refer to Section 12 – Trend information).

SCOR benefited from upgrades to its financial ratings in 2009. Refer to Section 4.1.8. - Financial ratings play an important role in our business, for a summary of the current financial strength ratings of the SCOR Group.

SCOR's shareholders' equity increased by 14% to EUR 4,065 million at 31 December 2009, before the impact of foreign exchange rates and dividends. After dividend payments and the impact of changes in currency rates, shareholders' equity increased from EUR 3,416 million at 31 December 2008 to EUR 3,901 million at 31 December 2009 (consolidated shareholders' equity was EUR 3,648 million at 31 December 2007).

For the year ended 31 December 2009, SCOR recorded foreign exchange rate translation adjustments to total consolidated shareholders' equity amounting to EUR (21) million as compared to EUR (129) million and EUR (185) million for the years ended 2008 and 2007, respectively.

In a challenging financial market environment, SCOR maintained its conservative asset management policy although executing a prudent inflection program directed to improve the return of its invested assets whilst keeping a strong focus on liquidity management. The Group's short term liquidity position, which is well diversified across a limited number of banks and placed primarily in government securities and short-term investments with maturity less than 12 months, stands at EUR 1.7 billion at the end of 2009 down from EUR 3.7 billion at the end of 2008 (EUR 2 billion at 31 December 2007).

Positive operating cash flow amounted to EUR 851 million in 2009, with strong contributions from both Life and P&C operations. Operating cash flows in 2008 of EUR 779 million included a settlement received of EUR 240 million relating to an agreement reached with GROUPAMA regarding the definitive amount of a guarantee which was granted in the context of the acquisition of SOREMA by SCOR in 2001. Operating cash flows in 2007 of EUR 611 million allowed the Group to finance the cash component of the Converium Offer.

Net invested assets including cash and cash equivalents, amounted to EUR 20.0 billion at 31 December 2009 as compared to EUR 18.8 billion and EUR 19.0 billion at 31 December 2008 and 2007, respectively.

The Group has a leverage position of 14.6% at 31 December 2009, (10.9 % after consideration of the Océane repayment occurring 1 January 2010), as compared to 18.7% at 31 December 2008, and has no current refinancing needs. The Océane debt of EUR 184 million, excluding accrued interest and net of amounts converted to shares, matured 1 January 2010. Refer to Section 20.1.6 – Notes to the consolidated financial statements, Note 14 – Financial debt.

Book value per share stands at EUR 21.80 at 31 December 2009 as compared to EUR 19.01 and EUR 20.11 at 31 December 2008 and 2007, respectively.

9.2 Operating results

This section includes comments on both the current year operating results as well as comparisons to prior years.

9.2.1 CONSOLIDATED OPERATING RESULTS

Gross written premium

Gross written premium for the year ended 31 December 2009 amounted to EUR 6,379 million, an increase of 9.8% as compared to EUR 5,807 million for the same period in 2008. The overall increase in gross written premium of EUR 572 million in 2009 is to due an increase for SCOR Global P&C of EUR 156 million and EUR 416 million for SCOR Global Life.

Gross written premium in 2008 were EUR 5,807 million as compared to EUR 4,762 in 2007. The overall increase in gross written premium of EUR 1,045 million in 2008 is to due an increase for SCOR Global P&C of EUR 776 million and EUR 269 million for SCOR Global Life.

Net earned premium

Net earned premium for the year ended 31 December 2009 amounted to EUR 5,764 million as compared to EUR 5,281 million and EUR 4,331 million for the years ended 31 December 2008 and 2007, respectively. The overall increase in net earned premium of EUR 483 million from 2008 to 2009 is consistent with the increase in written premiums. The net earned premium in 2008 included for the first time the full year impact of the ex-Converium Group, acquired on 8 August 2007.

Investment income

Investment income for the year ended 31 December 2009 amounted to EUR 503 million as compared to EUR 467 million and EUR 727 million for the years ended 31 December 2008 and 2007, respectively.

The financial market turmoil affected the performance of SCOR's investment portfolio. The Group had average investments of EUR 19.4 billion in 2009 as compared to EUR 18.8 billion in 2008. The investment yield in 2009 on average assets was 2.4% compared to 2.3% in 2008. The return on net invested assets excluding funds withheld by ceding companies was 2.7% and 2.1% in 2009 and 2008, respectively. Of this ratio, net capital gains and losses on investments, net of write-downs was 1.5% in 2009 as compared to 0.7% in 2008. The adverse developments in the financial markets in 2009 led to impairments of EUR (247) million (2008: EUR (283) million). Net revenues of EUR 19 million (2008: EUR (45) million) were recorded from investments recorded fair value through income. SCOR did not change its accounting policy to take advantage of the IASB revisions to IAS 39 in the final quarter of 2008.

Gross benefits and claims paid

Gross benefits and claims paid were EUR (4,674) million EUR (4,101) million and EUR (4,035) million in 2009, 2008 and 2007, respectively.

Net results of retrocession

The net results of the Group's retrocession programs were EUR (136) million EUR (140) million and EUR (169) million in 2009, 2008 and 2007, respectively.

However, the impact of alternative retrocession coverage, Atlas V, Atlas VI (SCOR Global P&C) and the mortality swaps (SCOR Global Life) are not included in the net cost of retrocession as the products are accounted for as derivatives. The total expense recorded in 2009 relating to Atlas V and Atlas VI amounted to EUR 16.7 million, excluding one time issuance costs totalling EUR 4.6 million included as financing expenses. The 2009 expense relating to the mortality swaps and included in investment income amounted to EUR 5.5 million.

Expenses

The Group cost ratio, calculated as the total of all management expenses less certain non controllable expenses (e.g. bad debts), one time expenses (e.g. Highfields litigation in 2009) and amortisation, divided by gross written premium, reduced from 6.0% at 31 December 2008 to 5.5% for the year ended 31 December 2009 due to increased productivity on overall stable management expenses. The total expense base for the years ended 31 December 2009 and 31 December 2008 respectively was EUR 389 million and EUR 374 million.

Operating income

Operating income for the year ended 31 December 2009 amounted to EUR 372 million as compared to EUR 348 million in 2008. The 2009 operating income has been positively affected by the provision of liquidity to the Group's outstanding subordinated debts through the acquisition of a total of EUR 99 million at an average price of 46.5% to par value (mostly in the first half of 2009). At the same time, 2009 was affected by impairments of EUR (247) million (2008: EUR (283) million), mainly in the first half of 2009, only partially offset by higher realised investment gains of EUR 177 million (2008: EUR 87 million).

The decrease in operating income from EUR 576 million in 2007 to EUR 348 million 2008 is due to impairments of equity and fixed income securities.

Net income

SCOR generated net income of EUR 370 million in 2009, compared to EUR 315 million and EUR 407 million for the years ended 31 December 2008 and 2007, despite a challenging financial market environment. The results benefited from a positive operating performance of SCOR Global P&C and SCOR Global Life as well as from a prudent asset management policy which safeguarded shareholders' interests during the crisis whilst delivering solid returns.

The successful turnaround of SCOR Global P&C's US operations leads to the reactivation of EUR 100 million in deferred tax assets in 2009.

Return on equity was 10.2%, 9.0% and 14.0% for the years ended 31 December 2009, 2008 and 2007 respectively. Basic earnings per share were EUR 2.06, EUR 1.76 and EUR 2.79 for the same three periods, respectively.

9.2.2 SCOR GLOBAL P&C

SCOR Global P&C is a leading P&C reinsurer with a focus on European markets and a strong position in Latin America, the Asian markets and the Middle East.

The business comprises traditional reinsurance business; Treaty, Business Solutions, and Specialty Lines. SCOR Global P&C capitalises on a long-standing franchise, experience, and an extensive data base comprising multi-line expertise.

SCOR Global P&C achieved successful 2009 renewals, continuing its focus on profitability, portfolio management and growth, in line with objectives which were successfully achieved throughout the year and across all targeted segments.

In 2008, SCOR Global P&C successfully integrated Ex-Converium operations, and successfully completed the renewals throughout the year for P&C and Specialty Treaty business, with minimal attrition. In 2009, the P&C Division successfully completed the integration of the Ex-Converium operations by transferring the reserves portfolio in order to align the overall management of the activity with the current location of the underwriting.

Gross written premiums

The 2009 gross written premium of EUR 3,261 million represents an increase of 5.0 % compared with the 2008 published gross written premium of EUR 3,106 million. The increase in premium was primarily driven by strong January and April renewals coupled with overall increases in prices, which demonstrates SCOR's ability to benefit from improving reinsurance market conditions.

In 2008, the gross premiums for SCOR Global P&C increased 33.3% compared with 2007 published gross written premium of EUR 2,329 million due primarily to the inclusion of Converium within the 2008 consolidated financial results for the entire year. In 2007, Converium was included in the consolidated results from 8 August, 2007, the date of acquisition. The 2008 gross written premiums demonstrate the successful "post SCOR/Converium merger" renewals campaign and strong complementary franchise of the merged portfolios. The gross premiums earned closely follow the evolution of the gross written premiums.

Net combined ratio

The 96.8% net combined ratio in 2009 excludes non-recurring costs of the Highfields settlement and related legal expenses (pre tax, EUR 12 million, net of expected recoveries), certain other expenses as disclosed in the 2008 Reference Document and the exceptional impact of the outcome of the arbitration with Allianz in respect of the World Trade Center (EUR 39 million after tax). The 2009 net combined ratio, including the outcome of the World Trade Center arbitration, is 98.8%. The decrease in the combined ratio from 98.6% in 2008 to 96.8% in 2009, after excluding the impact of the World Trade Center arbitration, is due primarily to a 1.5% improvement in the catastrophe ratio from 6.6% in 2008 to 5.1% in 2009 which is the result of less frequent and less severe catastrophes in 2009. The decrease also reflects the active portfolio management and the benefit of a stronger competitive position both of which led to a slight reduction in the attritional loss ratio.

World Trade Center

The arbitration panel decided that Allianz had not exceeded its rights and obligations. SCOR and its retrocessionnaires will assume, to the extent of their respective commitments, their share in the indemnification obligations relating to the World Trade Center claim.

The additional costs resulting from the full coverage of two distinct events are estimated to EUR 39 million after tax and retrocession. This brings closure to a legacy matter which originated in 2001.

Impact of natural catastrophes

The following table highlights losses due to catastrophes for the years 2009, 2008, and 2007:

		At 31 December	
	2009	2008	2007
Number of catastrophes occurred during the financial year [1]	11[6]	10 [3]	2 [2]
In EUR million			
Losses and claim management expenses due to catastrophes, gross	153	214	53
Losses due to catastrophes, net of retrocession [5]	153	189	53
Group net loss ratio6F[4]	68.0%[7]	70.5%	68.0%
Group ratio of losses excluding catastrophes	62.9%[7]	63.9%	65.5%

(1) SCOR defines a catastrophe as an event involving several risks and causing pre-tax losses, net of retrocession, totalling EUR 3 million or more.
(2) Storms Kyrill and Gonu
(3) Storm Emma, China Snowstorm, Australian Floods, China Earthquake, Maiunwetter Storm Germany, Indiana and Iowa Floods, Hurricanes Ike and Gustav, and Hail Storm Spain.
(4) Loss ratios are calculated on the basis of Non-Life claims, expressed as a percentage of Non-Life premiums earned.
(5) Net of recoveries and reinstatement premiums (assumed and retrocession) and immaterial development on prior year
(6) Wind storm Klaus, earthquake in Costa Rica, forest fire in Australia, earthquake in Aquila, Italy, hailstorm Felix, Eastern European floods, earthquake in South Africa, hail storm in Austria and Switzerland, typhoon Morakot in Taiwan, floods in Turkey and earthquake in Japan
(7) Excluding exceptional impact of the arbitration results with Allianz relating to the World Trade Center

In 2009, SCOR was affected by the following catastrophes which resulted in estimated losses greater than EUR 10 million as at 31 December 2009:

- Wind storm Klaus (January 2009) in Europe and particularly in France ; The original cost of the claim, net of retrocession and reinstatement premium amounted to EUR 62.3 million
- Hail storms (July 2009) in Switzerland and Austria for which the loss is estimated at EUR 23.3 million at 31 December 2009.
- The impact of other natural catastrophes (less than EUR 10 million) which occurred in 2009 amounted to EUR 67.1 million at 31 December 2009.
- Additionally, in 2009, there was only one non natural catastrophe loss in excess of EUR 10 million. This was a business solutions claim which resulted in an impact of EUR 18.1 million, gross and net of retrocession.

In 2008, SCOR was affected by the following catastrophes which resulted in estimated losses greater than EUR 10 million as at 31 December 2008.

- Hurricane Ike hit the South East United States in September 2008. The original estimated loss net of retrocession and reinstatement premiums was USD 95 million (EUR 62.2 million). As at 31 December 2008 the revised estimated impact was USD 119 million (EUR 81.7 million). As at 31 December 2009, the revised impact is USD 120 million (EUR 82.6 million).

- Heavy snowstorms affected China during February 2008 and as at 31 December 2008 the estimated loss is EUR 26.2 million. The revised estimated loss at 31 December 2009 is EUR 24.9 million.

- Australian floods occurred in January and February 2008. As at 31 December 2008 the estimated loss was USD 40 million (EUR 26.1 million). The revised estimated loss at 31 December 2009 is USD 40.7 million (EUR 29.2 million).

- An earthquake occurred in China's Sichuan province on 12 May 2008. As at 31 December 2008 the estimated loss was EUR 10 million. The revised estimated loss at 31 December 2009 is EUR 2.9 million.

- The Maiunwetter Storm occurred in Germany in May 2008. As at 31 December 2008 the estimated loss was EUR 12.5 million. The revised estimated loss at 31 December 2009 is EUR 14.1 million.

- The Indiana Floods occurred in the United States in June 2008. As at 31 December 2008 the estimated loss is EUR 10.3 million. The revised estimated loss at 31 December 2009 is EUR 13.1 million.

- The remaining impact, of other various less significant natural catastrophe losses (below EUR 10 million) which occurred during 2008 is estimated at EUR 24.6 million as at 31 December 2008

- In addition, other significant non catastrophe losses were incurred during 2008 which were assessed at 31 December 2008 as follows: for the Eurotunnel fire, for EUR 27.7million net of retrocession, and the Apache incident EUR 14.4 million.

In 2007, SCOR recorded estimated losses greater than EUR 10 million. The largest losses were caused by Kyrill and Gonu and exclude losses incurred by Converium prior to 8 August 2007, the date of acquisition. As at 31 December 2009, there have been no further material developments in these losses.

9.2.3 SCOR GLOBAL LIFE

SCOR Global Life offers a broad range of reinsurance for individual and Group life insurance, long-term care, substandard risks, critical illness (United Kingdom and Asia) and financing products.

In a competitive life reinsurance market SCOR Global Life kept on growing profitably in 2009. It successfully further strengthened its long-term business relationships with existing clients, gained new business partners and additionally improved its proposition in the mortality-protection field by reinforcing its position in the USA with the acquisition of XL Re Life America. Operations in our core markets have again been overall successful. In Europe SCOR Global Life has maintained its strong market position. In Asia, and the Middle East, SCOR Global Life has continued its outstanding performance. These non-European markets accounted for a large proportion of the growth during 2009.

Gross written premiums

The gross written premium development is driven by the long-term nature of in-force life reinsurance business and new business acquired in the reporting year. In 2009, SCOR Global Life's gross written premiums increased 15.4% to EUR 3,118 million, compared to EUR 2,701 million in 2008 (EUR 2,432 million in 2007). This increase was primarily achieved by a strong growth of Equity Indexed Annuity (EIA) in the U.S., new significant contracts in Europe, Middle East and Asia and positive effects of the acquisition of Prévoyance Ré.

Life operating margin

Life operating margin during 2009 was 5.8% compared to 6.0% in 2008. In 2009, technical components of the operating margin, driven by high share of European mortality business, remained strong, strengthened by positive effects in the investment income. The operating margin was also enhanced by a recapture and novation transaction in critical illness and mortality business in UK and Ireland, and considerably influenced by the Equity Indexed Annuity business growth in the U.S., which results in low margins while meeting internal profitability targets thanks to low capital needs. Excluding the Equity Indexed Annuity business written in the U.S., the operating margin for 2009 is 6.9% compared to 5.9% in 2008.

9.2.4 RETROCESSION

In 2009, the Group successfully renewed its retrocession programs. Furthermore, SCOR reopened the market for catastrophe bonds, setting new innovative standard with its USD 200 million cat cover closed early February 2009.

Overall, the purchase of collateralised solutions (Atlas IV, V, VI and the Mortality Swap), improves the credit exposure of the Group vis à vis its retrocessionnaires.

In 2008 the Group renewed its retrocession program post acquisition of Converium in line with the strategy determined in 2007. The increased needs and potentially volatile retrocession market lead to continued diversification strategy as evidenced by the Atlas III and IV structures and the mortality swap. The 2009 retrocession coverage was implemented at cost which was below initial budgeted amounts.

In 2007, the planned 2007 retrocession program was implemented in a retrocession market that had stabilised but still considered expensive. The overall retrocession coverage costs were practically identical to those of 2006 which had increase significantly following the hurricanes of 2005.

9.2.5 STRATEGY OR FACTORS OF GOVERNMENTAL, ECONOMIC, FISCAL, MONETARY OR POLITICAL CHARACTER WHICH HAVE HAD OR COULD HAVE A MATERIAL IMPACT ON THE OPERATIONS OF THE SCOR GROUP

Refer to Section 4.4.1 – We are exposed to risks related to legislative and regulatory changes and political, legislative, regulatory or professional initiatives concerning the insurance and reinsurance sector, which could have adverse consequences for our business and our sector.

Also refer to section 5.1.4.2 – Legal and applicable legislation.

Capital resources

CAPITAL RESOURCES

10 CAPITAL RESOURCES

10.1 Capital

Refer to Section 20.1.5 – Consolidated statement of changes in shareholders' equity and Section 20.1.6 – Notes to the consolidated financial statements, Note 13 – Information on share capital, shareholders' equity and capital management.

10.2 Cash flow

Refer to Section 20.1.4. – Consolidated statements of cash flows and Section 20.1.6. - Notes to the consolidated financial statements – Note 2 – Segment information for an analysis of principal cash flow statement items.

10.3 Borrowing conditions and financing structure

Refer to Section 20.1.6 – Notes to the consolidated financial statements – Note 12 – Cash and cash equivalents for information on the Group's cash positions.

Refer to Section 20.1.6 – Notes to the consolidated financial Statements – Note 14 - Financial debts for a description of the financial debts of the Group.

Refer to Section 19 – Related party transactions and Section 22 – Material contracts for information on the major stand-by letter of credit facilities of the Group.

Financial leverage

As at 31 December 2009, the Group's financial leverage was 14.6% as compared to 18.7% at 31 December 2008. This ratio is calculated as the percentage of debt securities issued and subordinated debt to total shareholders' equity. The improvement in 2009 is due to the improvement in net income, net of dividends paid and other movements directly recorded in shareholders' equity. After the conversion and repayment of the OCEANE, the Group's financial leverage is now of 10.9%.

Refer to Section 20.1.6 – Notes to the consolidated financial Statements – Note 14 - Financial debts for a description of the subordinated loans and bonds issued by SCOR, including any reimbursements and conversion that occurred during the year.

The total liquidity of the Group of EUR 1.65 billion (comprised of cash and cash equivalents and short term investments) and the low financial leverage ratio reflects the Group's treasury and financing strategy to remain very liquid.

A EUR 0.2 billion OCEANE has come to maturity on 4th of January 2010.

8% of the OCEANE has been converted and 92% repaid on due date.

10.4 Restrictions on the use of capital

For information on regulatory restrictions on the use of capital, refer to Section 5.1.4.2. – Legal form and applicable legislation.

On 26 June 2007, the Swiss Federal Office of Private Insurance ("**FOPI**") (now known as Swiss Financial Market Supervisory Authority FINMA) approved the indirect acquisition of more than 50% (and up to 100%) of the capital and voting rights of Converium by SCOR. This authorisation was granted under the condition that all transactions having an impact on the solvency of Converium and any intra-Group transaction or any transaction affecting the capital resources of Converium that exceed certain limits be submitted to the FOPI for approval. The reviewing of this disposal which came to its term 2 years after the acquisition of Converium is currently being discussed with the FINMA.

In addition, the Group and its companies are subject to certain financial covenants (minimum net worth requirements and maximum debt levels) under the terms of certain stand-by letter of credit agreements. Non respect of said covenants might lead to an increase in the percentage of required collateralisation.

10.5 Sources of financing relating to the future investments by the company and to its property, plant and equipment

As at the date of this Registration Document, no material investment is contemplated and the property, plants and equipments described in Section 8.1 do not require additional financing.

Within the strict respect of the criteria defined by its strategic plan, SCOR is watchful to dispose of a large access to any available and appropriate sources of financing in order to ensure the permanent display of its activities and strategy.

Research and development, patents and licenses

RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

11 RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

11.1 Research and development activities

Biometric risks such as mortality, longevity, disability and long term care are at the centre of underwriting in life insurance and reinsurance. Since these risks are subject to uncertain trends, SCOR Global Life closely monitors their current developments in four Research & Development Centres. SCOR Global Life's centres are:

- CERDALM (R&D Centre for Longevity and Mortality Insurance): providing support in pricing assumptions for new products and mortality studies on life and annuity portfolios.

- CIRDAD (R&D Centre for Long-Term Care Insurance): providing support in the development of LTC products (definitions, pricing, guidelines) and the monitoring of LTC portfolios.

- CERDI (R&D Centre for Disability and Critical Illness Insurance): dedicated to the analysis of disability and critical illness risks, two complex risks due to the various and multiple definitions, cover types and socio-economic environments.

- CREDISS (R&D Centre for Underwriting and Claims Management): evaluating the consequences for insurance of the new medical advances for both known pathologies and most recent ones; advising clients in the pricing of substandard risks.

The R&D Centres are part of SCOR Global Life's range of services: analyses and risk projections produced by the Centres are used by SCOR Global Life's teams to advise their clients on the design and follow-up of their life and health insurance products.

The Centres provide input at the product development stage, giving advice on the definition, the underwriting standards, as well as on the pricing and reserving. They contribute to the risk follow-up by carrying out experience studies on portfolio data and risk projections.

The R&D Centres report to the Chief Actuary of SCOR Global Life. They assist all countries, at the request of the local teams in charge of business development and client relationships.

Development research helps the Group to understand better its environment and to take decisions. Therefore SCOR supports the research through:

- Geneva association, composed by insurers and reinsurers, which aims at supporting research related to risks in insurance and reinsurance environment;

- Education via Master 218 of Paris Dauphine and new MBA of ENASS

- Superior Institut of Reinsurance

SCOR is also a member of two conventions with the following partners:

- Risk Fondation, in collaboration with the universities of Toulouse and Paris Dauphine, is dedicated to risks market and value creation. For SCOR, it implies a cost of EUR 2.3 million allocated on 5 years.

- Finance convention, in cooperation with Jean-Jacques Laffont foundation based in Toulouse, deals with risk management, long term investment, company governance and asset management strategy. For SCOR, the cost is EUR 1.5 million divided into five payments of EUR 300,000.

11.2 Information technologies

SCOR was the first reinsurer to implement a uniform international information system. This policy has more than ever been reaffirmed when decided, after our two last acquisitions, to launch a comprehensive integration program over two years, for the reinsurance back-office applications in 2008, and for the front-office ones in 2009. The objective is a rapid return to a single global system. Besides reinsurance, the accounting consolidation is entirely done in SAP Magnitude as from 2008, and the general ledger harmonisation in SAP is one of our main projects. This systems integration implies the parallel adoption by all business teams of common rules for administration, accounting and result analysis in reinsurance. A training and change management program has already been started for this purpose.

Its central back-office system is a custom software package known as Omega. Omega was designed to allow the tracking of clients and policyholders within the Group, grant online authorisations throughout the world, track claims, analyse the technical profitability of contracts, and perform quarterly closings based on the latest estimated results. In 2009, the Omega database has reflected the new organisation of SCOR Global P&C worldwide portfolio. The same operation is ongoing for the SCOR Global Life portfolio.

The focus in 2009 has mainly been to strengthening the front office applications to improve risk selection, anticipation and reactivity in markets and products, and simulations of results. A lot of projects have already been started these last years, and the objective will be reinforced over the two years coming. The monitoring system is modernising and expanding in order to strengthen visibility on the development of product lines and markets. Accounting forecasts are developed from underwriting plans and comparative analysis is produced in standard reports. All the components of this planning system are progressively integrated in the market software solution SAP BPC, expenses and P&C planning have already been, and Life reinsurance and corporate plan will follow in 2010. New reserving and financial modelling tools are implemented. Non-Life pricing is closely managed using both Matrix and Mars tools, now feeding the same single Infocentre reporting facility. They integrate pricing based on standardised models, profitability analysis and full traceability of proportional and non-proportional business, on a fully global basis. Control of exposure to natural catastrophes has also been improved by implementing a datawarehouse of all liabilities and accumulations, after modelling with market solutions RMS, AIR and EQECAT. In the Life business, several projects have been finalised, especially for accumulation identification and calculation of retrocession. Others are underway for harmonising and reinforcing substandard risks underwriting, and calculating embedded value. Finally, the SCOR Group works for extending and industrialising its Asset and Liability Management (ALM) tool. The first module for P&C risks modelling is now in place, and the same is ongoing for Life.

The importance that SCOR places on risk control and on strategic planning has clearly been confirmed.

Since the last two years, SCOR has also launched a number of projects for asset management, with the implementation of the market software package SimCorp Dimension. After Paris accounting, in IFRS and French GAAP, the solution worldwide extension to all entities has been started in 2009 and will be completed in 2010. Already, the centralisation of all investments portfolios of the Group, is now performed in SimCorp Dimension. This same solution is being deployed for front-office functions in parallel.

The Group is promoting a paperless environment. Internally, global document-sharing procedures have been set up for the P&C activity, before planned extension to Life. With its clients, the Group is able to process automatically reinsurance accounts and claims received electronically in the ACORD standards, without having to re-input them.

The SCOR technical environment is based on a new international secured network. Corporate technical standards have been implemented in all locations, both on PCs and servers. The Group has also implemented an ambitious security plan based on stronger physical and logic access controls, protection against unauthorised access, and restarts in the event of a disaster. Tests of disaster recovery have again been conducted in 2009, including a live exercise simulating a confinement of populations, which could potentially occur in case of a pandemic for example.

The SCOR IT is playing a key role in implementing the “Green SCOR” policy decided by the Group, and drives a number of actions in the frame of a multi-year plan, which includes especially datacenter consolidation, server virtualisation, PC replacement by new low-energy machines, printing reduction, or the implementation of telepresence systems leading to less travels.

Mobility is covered by ongoing developments in line with changing business needs more and more demanding a permanent connexion with the company, and in compliance with security standards.

The combination of the IT operations of SCOR, Revios and Converium has generated the definition of an extensive action plan at the level of the information systems governance, already materialised in 2008, by evolutions in the areas of budget preparation, of project portfolio and project follow-up, of technical standards, and of first elements of the IT internal control, complemented with change management processing rules in 2009.

Information-sharing remains a priority. The portal, collaborative sites, and the use of the external information collected by SCORWatch, the Group's Competitive Intelligence solution, have been extended to the entire Group.

Finally, the study of SCOR's IT strategy for 2013, aligned with the Group's growth objectives, is already largely known, and will be completed mid-2010, to prepare for a medium-term transition to a new information system.
Additionally SCOR uses its expertise to develop expert IT solutions for its clients (including in the field of medical selection). Different solutions (sar@, GEM, scout) are already in place and widely used by ceding companies. Other initiatives are engaged in this field in order to reinforce the alignment of our services with market expectations.

Trend information

TREND INFORMATION

12 TREND INFORMATION

12.1 Most significant trends in production, sales, inventory, costs, and selling prices since the end of the last financial year

12.1.1 NON-LIFE

The January 2010 renewal results are a further demonstration that SCOR executes its strategy.

SCOR reaps the benefits of its focus on technical profitability and its improved position in the reinsurance industry, combining premium growth and improved underwriting profitability with overall positive price changes, achieving further diversification and ensuring that its capital is optimally deployed. In a generally balanced market, it has managed to pursue active portfolio management, cancelling and more than adequately replacing contracts not meeting the required profitability targets.

The key takeaways of this year's renewals are as follows:

- 7% rise in business volume at constant exchange rates to EUR 1,787 million, while applying an underwriting policy geared towards increased expected technical profitability;

- An actively continued portfolio management but at a lower rate of cancellation than last year, which is no surprise: 7% of total premiums up for renewal cancelled and more than adequately replaced by increased shares and new business showing better profitability expectancy, from existing and new clients;

- A positive weighted average price increase of 2% across the portfolio with non-proportional continuing to behave better than proportional;

- Reaffirmation of the strength and depth of SCOR's business franchise, with minimal cedant attrition of less than 1% and increased shares and new business from existing and new clients.

12.1.1.1 Treaty P&C renewals

The total volume of premiums renewed at 1 January 2010 increases by 3% to EUR 1,315 million, against EUR 1,275 million up for renewal (76% of Treaty P&C annual volume). Approximately 8% (EUR 106 million) of Treaty P&C premiums up for renewal were cancelled, with a further 2% restructured, demonstrating our active policy of portfolio management.

SCOR Global P&C has compensated for this with new business acquired from existing and new clients (EUR 66 million and EUR 34 million respectively) and with increased shares on renewed business (EUR 38 million).

The positive price impact, notably on non-proportional business (slightly above 3%), leads to an increase in premium volume of EUR 32 million.

(a) Geographic rebalancing of Treaty P&C portfolio towards the Americas and Asia-Pacific

SCOR records a stable business volume in the EMEA zone (Europe, Middle-East and Africa); with written premiums of EUR 1,020 million compared to EUR 1,021 million in 2009. There are, however, significant differences between markets due to local conditions and measures taken by SCOR to ensure that internal profitability targets are achieved.

In Germany and the UK, business declines by 14% and 29% to EUR 174 million and EUR 65 million respectively. The main reasons for this shift are voluntary reductions in German Property and Motor Proportional business and in British Motor Non-Proportional business, partly offset in Germany by some increases in Property Non-Proportional business.

In the Middle East and Africa, business volume increases by 19% to EUR 135 million, thanks to new developments in the Middle East (e.g. Saudi Arabia) and in South Africa on short-tail business.

Significant increases are also recorded in the Americas (+15%), concentrated in the US regional clients target segment. Canada and Central America renew within an unchanged positive profitability environment, whilst a careful stance is taken in the Caribbean and South American markets.

In Asia-Pacific, SCOR Global P&C experiences significant growth thanks to our re-established local presence in Australia and new developments in Pakistan. Underwriting in China remains very selective. Bearing in mind that in this region only around 27% of Treaty P&C premiums are up for renewal at 1 January 2010, since Japan, Korea and India will renew their programmes on 1 April 2010, volume increases by 19% to EUR 67 million.

(b) Continued shift towards more non-proportional business in the Treaty P&C portfolio

Proportional reinsurance shows a slight increase from EUR 835 million to EUR 842 million, while non-proportional increases more significantly from EUR 440 million to EUR 472 million. SCOR Global P&C reduces the volume of proportional business in certain markets and lines (e.g. Germany Property and Motor), whilst increasing the non-proportional business volume (e.g. Germany, France and Benelux), applying a disciplined underwriting policy in accordance with its profitability objectives.

The natural catastrophe Property book, which represents around 15% of SCOR's total Treaty P&C volume, shows a significant increase of 9%, rising from EUR 175 million in 2009 to EUR 192 million in 2010 thanks to a positive balance between premium income growth in countries benefiting from a favourable pricing trend (such as France and Spain) and a reduction in territories offering less attractive terms (e.g. the Caribbean & South America).

12.1.1.2 Specialty Treaty

SCOR's franchise is once again fully affirmed and Specialty Treaty business has grown significantly, with premiums up by 20% to EUR 472 million from EUR 394 million up for renewal (62% of annual volume). SCOR's teams thoroughly compensate for 4% or EUR 17 million of business cancelled, by writing EUR 34 million of additional business with existing clients and EUR 11 million with new clients. New shares on existing programmes increase premium volume by EUR 28 million. Improved prices and market conditions lead to an increase in premium income of EUR 7 million.

Continued selective growth in Specialty Treaty business, leveraging on franchise, network and global approach synergies with Treaty P&C

SCOR exercises very active cycle management with regard to Specialty Treaty business, taking advantage of the diversification benefits offered by this business segment.

Credit & Surety business grows strongly from EUR 105 million to EUR 135 million, representing an increase of 29%. This segment is marked by double-digit price increases in Credit combined with a further reduction in acquisition costs. With premiums written in 2010 amounting to EUR 102 million, Engineering records an increase of 23%, driven by continued development in a stable pricing environment, albeit at a more challenging time in view of the worldwide investment slowdown. Transport & Marine and Agriculture lines also record strong premium volume increases (+20% and +18% respectively) to reach EUR 71 million each.

Aviation & Space Treaty business (excluding GAUM) benefits from better pricing, notably on proportional, and increases its volume by 11% to EUR 29 million.

Business Solutions

In a competitive large corporate segment facing price reductions driven by over-capacity, following a year of very low claims activity, Business Solutions maintains the volume of its business (EUR 123 million for the fourth quarter 2009 and January 2010 renewals compared to EUR 120 million for the same period twelve months earlier).

12.1.2 LIFE

Unlike the Non-Life reinsurance market, the Life reinsurance market is not a sector characterised by annual renewals, except for a few markets like Spain and business such as Health and Group contracts. Expansion and contraction take place gradually and volatility is weak.

The financial crisis that began in 2008, which led to recession for developed economies, affected the Life insurance markets in 2009 and will continue to weigh on business in 2010, presenting a number of different challenges to Life reinsurance players such as SCOR.

In a context of serious global economic slowdown, with several major economies still in recession, some types of cover could suffer, for example Unemployment cover and, to a certain extent, Health cover. The rise of unemployment, business failures and falling consumer confidence are in fact all determining factors in the increase of disability claims.

The vast majority of our portfolio consists of pure death cover, exposed to mortality risk. Moreover, SCOR Global Life does not currently underwrite variable annuities and exposure to unemployment risk is minimal. Consequently, our Life portfolio is largely immunised against the undesirable effects of economic slowdown. In addition to this, SCOR's prudent investment policy has considerably reduced its exposure to the problems of the financial markets.

The economic recession and the crisis in the real estate industry in most developed economies have weighed negatively on mortgage Life insurance, particularly affecting the British, Spanish and, to a lesser extent, American markets.

Conversely, faced with the moribund economic situation, the demand for income protection has risen. Fixed annuities should see sustainable growth and improved margins, due to the widening spreads in company bond remuneration.

On its European markets, SCOR has maintained its positions thanks to its range of services and its strong presence and commercial activity.

In France, savings inflows in 2009 were up compared to 2008, reverting to 2007 levels, and loan repayment insurance held out well against the crisis.

In Germany, unit-linked products fell, but the deferred annuities market expanded.

In the United Kingdom, the savings and mortgage market declined very sharply. However the protection insurance market held up strongly.

The Asian markets, carried by growing economies, continued to display vigorous development in the principal savings and loans segments. Moreover, the development of long-term care insurance indicates a good outlook.

Growth in the Middle Eastern markets was carried by Health insurance.

SCOR is watching the opportunities in the current market environment. Due to significant decreases in their investment portfolios, insurers have seen a non-negligible deterioration in their solvency ratios. Faced with the financial markets, reinsurance offers an attractive alternative to capital raising, which has led to an increased demand for financial reinsurance solutions.

12.2 Known trends, uncertainties, demands, commitments and events reasonably likely to have a material effect on the issuer's prospects

Not applicable.

Profit forecasts or estimates

13 PROFIT FORECASTS OR ESTIMATES

Not applicable.

Administrative and management bodies

ADMINISTRATIVE AND MANAGEMENT BODIES

14 ADMINISTRATIVE AND MANAGEMENT BODIES

14.1 Information on the members of the Board of Directors and Senior Managers

14.1.1 INFORMATION CONCERNING THE MEMBERS OF THE BOARD OF DIRECTORS

According to the bylaws, Board members must be physical persons. There shall be no fewer than 9 and no more than 18 Board members. Their maximum term in office shall be 6 years. However, SCOR having decided to adopt the Corporate governance code of listed corporations of the AFEP-MEDEF of December 2008, the duties of the Directors are in fact limited to 4 years. Directors may not hold office after the age of 72. If a Director in office should exceed this age, his term will continue until the period established by the Shareholders' Meeting. The General Shareholders' Meeting may, in compliance with the provisions of the bylaws, appoint one to four Non-Voting Directors (Censeurs) to the Company. Non-Voting Directors serve for renewable two-year terms. If there are fewer than four non-voting Directors, the Board of Directors may appoint one or more non-voting Directors. The Directors and the Non-Voting Directors are proposed by the Board of Directors and appointed by the Ordinary General Shareholder's Meeting. When Directors and Non-Voting Directors are co-opted by the Board of Directors, their appointment is submitted for ratification to the next Ordinary General Shareholder's Meeting. The age limit for performing the functions of a Non-Voting Director is set at 72 years old. Non-Voting Directors are convened to meetings of the Board of Directors and participate in discussions in an advisory capacity only.

The Board of Directors of the Company had the following 16 members as of the date of this Registration Document:

- Chairman: Denis Kessler
- Directors: Carlo Acutis, Gérard Andreck, Antonio Borgès, Allan Chapin, Peter Eckert, Daniel Havis, Daniel Lebègue, André Lévy-Lang, Médéric Prévoyance represented by Guillaume Sarkozy, Luc Rougé, Herbert Schimetschek, Jean-Claude Seys, Claude Tendil, Daniel Valot;
- Non-Voting Director: Georges Chodron de Courcel.

The average age of members of the Board is 64 years.

The table below shows the positions held by the Directors as of the date of this Registration Document.

	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Denis KESSLER (1) **Chairman and Chief Executive Officer** **Birth Date:** 25 March 1952 **Professional Address:** SCOR SE 1, avenue du Général de Gaulle 92800 Puteaux	<u>**Offices and positions held in the Group**</u> **Chairman and Chief Executive Officer** - SCOR SE (France)* **Chairman of the Board:** - SCOR Global P&C SE (France) - SCOR Global Life SE (France) - SCOR Global Life U.S. Re Insurance Company (U.S.) - SCOR Reinsurance Company (U.S.) - SCOR U.S. Corporation (U.S.) - SCOR Holding (Switzerland) AG (Switzerland) - SCOR Global Life Re Insurance company of Texas (U.S.) - SCOR Global Life Rückversicherung Schweiz AG (Switzerland) - SCOR Switzerland AG (Switzerland) - SCOR Global Life Reinsurance Company of America (U.S.) <u>**Chairman of the Supervisory Board:**</u> - SCOR Global Investments SE (France) **Director:** - SCOR SE (France) - SCOR Global P&C SE (France) - SCOR Global Life SE (France) - SCOR Global Life U.S. Re Insurance Company (U.S.) - SCOR Reinsurance Company (U.S.) - SCOR U.S. Corporation (U.S.) - SCOR Holding (Switzerland) AG (Switzerland) - SCOR Global Life Re Insurance company of Texas (U.S.) - SCOR Canada Reinsurance Company (Canada) - SCOR Global Life Rückversicherung Schweiz AG (Switzerland) - SCOR Switzerland AG (Switzerland) - SCOR Global Life Reinsurance Company of America (U.S.) **Member of the Supervisory Board:** - SCOR Global Investments SE (France) <u>**Other offices and positions**</u> **Director:** - BNP Paribas S.A. (France)* - Bolloré (France)* - Dassault Aviation (France)* - Invesco Ltd (U.S.)* - Fonds Stratégique d'Investissement (France) **Non-Voting Director:** - FINANCIERE ACOFI SA (France) - GIMAR FINANCE & CIE S.C.A (France) **Member of the Supervisory Board :** - Yam Invest N.V. (The Netherlands)	**Chairman of the Board:** SCOR Life Insurance Company (U.S.) (formerly Republic Vanguard Life Insurance Company). Commercial Risk Partners Limited (Bermuda) Commercial Risk Reinsurance Company (U.S.) Commercial Risk Reinsurance Company Limited (U.S.) SCOR VIE (now known as SCOR Global Life SE) SCOR Italia Riassicuriazioni S.p.A (Italy) **Member of the Supervisory Board:** COGEDIM SAS (France) SCOR Deutschland (Germany) SCOR Global Life Rückversicherung AG (Germany) **Permanent Representative:** FERGASCOR in S.A. Communication et Participation

(1) Member of the Strategic Committee.
(2) Member of the Risk Committee
(3) Member of the Audit Committee
(4) Member of the Compensation and Nominating Committee
* Companies which shares are listed on a regulated or organised market

	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Carlo ACUTIS [(1)] **Director** **Birth Date:** 17 October 1938 **Professional address:** VITTORIA ASSICURAZIONI S.p.A. Via Don Minzoni, 14 I - 10121 Torino Italy	**<u>Principal position:</u>** Vice-Chairman of Vittoria Assicurazioni S.p.A. (Italy)* **<u>Other positions:</u>** **<u>Abroad</u>** **Director:** - Yura International B.V. (formerly Yura International Holding B.V.) (The Netherlands) - Pirelli & C. S.p.A. (Italy)* - Ergo Italia S.p.A. (Italy) - Ergo Assicurazioni S.p.A (Italy) - Ergo Previdenza S.p.A. (Italy)* - IFI S.p.A. (Italy)* - Association de Genève (Switzerland) **Vice-Chairman:** - Banca Passadore S.p.A. (Italy) - Chairman's Council of the CEA Comité Européen des Assurances, the European insurance and reinsurance federation (Belgium) - Fondazione Piemontese per la ricerca sul cancro (Italy) - A.N.I.A. Associazione Italiana fra le Imprese di Assicurazione (Italy) **Member of the Supervisory Board:** - Yam Invest N.V. (The Netherlands) **Member of the Strategic Committee:** - of the Comité Européen des Assurances (CEA) (Belgium)	**<u>France</u>** **Director:** - SCOR VIE **Member of the Supervisory Board:** - COGEDIM S.A **<u>Abroad:</u>** **Chairman:** - BPC Investimenti SGR S.p.A. (Italy) - Vittoria Capital N.V. (The Netherlands) **Director:** - Yura S.A. (The Netherlands) - Camfin S.p.A. (Italy)* **Member of the Board:** - Presidential Council Comité Européen des Assurances (Belgium) - Geneva Association (Switzerland)

(1) Member of the Strategic Committee.
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Gérard ANDRECK (1) **Director** **Birth Date:** 16 July 1944 **Professional address:** MACIF 17/21 place Etienne Pernet 75015 Paris	**<u>Principal position:</u>** Chairman of the MACIF Group **<u>Other positions:</u>** **<u>France</u>** **Chairman of the Board of Directors:** - SOCRAM Banque - MACIF SGAM - MACIF - CEMM SAS **Chairman and CEO:** - OFI Instit (ex OFI Net Epargne) **Chairman:** - GEMA **Vice-Chairman:** - OFI Asset Management - IMA **Member of the Committee:** - SIIL - MACIFIMO **Permanent Representative of MACIF:** - on the Board of Directors of Atlantis Seguros (Spain) - on the Board of Directors of Atlantis Vida (Spain) - on the Board of Directors of Foncière de Lutèce - on the Board of Directors of Euresa Holding - on the Board of Directors of Compagnie Foncière de la MACIF - on the Board of Directors of MACIF Participations - on the Supervisory Board of Capa Conseil SAS - on the Supervisory Board of MUTAVIE - on the Board of GPIM - on the Board of OFI RES **Permanent Representative of OFI Instit:** - on the Board of Directors of OFIMALLIANCE **Director:** - SEREN - Etablissements Maurel & Prom* - MACIFILIA - Macif-Mutualité **Member of the Executive Committee:** - SIEM	**<u>France</u>** **Chairman of the Board of Directors** - Macif-Mutualité - Mutuelle Santé **Chairman of Supervisory Board:** - IN SERVIO - Maurel & Prom* - Capa Conseil SAS **Chairman:** - OFI SMIDCAP **Vice-Chairman of the Supervisory Board:** - OFIVALMO Gestion **Permanent Representative of MACIF:** - on the Board of Directors of Domicours **Permanent Representative of MACIF Participations:** - on the Board of Directors of Compagnie Immobilière MACIF **Chief Executive Officer:** - MACIF - MACIF SGAM **Non-voting Director:** - Foncière de Lutèce - MACIFILIA - MUTAVIE - SOCRAM - Altima **Member of the Supervisory Board :** - OFIVALMO - GPIM - MACIF Gestion - IMA **Director:** - Atlantis Seguros (Spain) - Atlantis Vida (Spain) - Compagnie Foncière de la MACIF

	Non-Voting Director: - OFI Trésor - Altima **Abroad** **Member of the Supervisory Board** - MACIF Zycie (Poland)	- MSACM - MACIFIMO - OFIVALMO - MACIF Participations - Caisse Centrale de Réassurance

(1) Member of the Strategic Committee.
(2) Member of the Risk Committee
(3) Member of the Audit Committee
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Antonio BORGÈS (1) (2) (3) **Director** **Birth Date:** 18 November 1949 **Professional address:** 2nd Floor 167 Fleet Street London EC4A 2EA United Kingdom	**Principal position:** Chairman of the Hedge Fund Standards Board **Other positions:** **France:** **Director** - CNP Assurances* **Abroad** **Chairman:** - European Corporate Governance Institute (Belgium) **Director:** - Jérónimo Martins (Portugal)* - Caixa Seguros (Brazil) - Heidrick & Struggles (U.S.)* **Member of the Tax Committee:** - Banco Santander (Portugal)*	**France** **Director:** - SCOR VIE **Member of the Supervisory Board :** - CNP Assurances* **Abroad** **Member of the Tax Committee:** - Banco Santander de Negocios (Portugal) **Director:** - SONEAcom (Portugal)

(1) Member of the Strategic Committee.
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(3) Member of the Audit Committee
(4) Member of the Compensation and Nominating Committee
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Allan CHAPIN [(1) (4)] **Director** **Birth Date:** 28 August 1941 **Professional address:** COMPASS ADVISERS Compass Advisers LLP 825 3rd Avenue, 32nd Floor New York, NY 10022 United States of America	**Principal position:** Partner of Compass Advisers LLP (New York, USA) since June 2002 **Other positions:** **France** **Director:** - Pinault Printemps Redoute (PPR) - French American Foundation **Abroad:** **Chairman:** - American Friends of the Claude Pompidou Foundation (U.S.) **Director:** - SCOR Reinsurance Company (U.S.) - General Security National Insurance Company - French-American Foundation (U.S.) - CIFG Holding (Bermudes) - CIFG Guaranty	**France** - SCOR VIE **Abroad:** **Director:** - Interbrew SA (Belgium) - CALFP (U.K.) - SCOR U.S. Corporation; - General Security Indemnity Company (U.S.) - General Security Property and Casualty Company (U.S.) - InBev (Belgium)

(1) Member of the Strategic Committee.
(2) Member of the Risk Committee
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(4) Member of the Compensation and Nominating Committee
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Peter ECKERT (1) (2) **Director** **Birth Date :** 14 February 1945 **Professional address** Clariden Leu AG Bahnhofstrasse 32 8070 Zurich Suisse	**<u>Principal position:</u>** Chairman of the Board of Directors of Banque Clariden Leu AG (Switzerland) **<u>Other positions:</u>** **Vice-Chairman of the Board:** - SCOR Switzerland AG (Switzerland) - SCOR Holding (Switzerland) AG (Switzerland) - SCOR Global Life Rückversicherung Schweiz AG (Switzerland) **Director:** - Deliciel AG (Switzerland) - Zurich Vida, Companhia de Seguros SA (Portugal) - SCOR UK Company Ltd (UK) - SCOR Switzerland AG (Suisse)- SCOR Holding (Switzerland) AG (Switzerland) - SCOR Global Life Rückversicherung Schweiz AG (Switzerland) **Board member of the European advisory Board :** - Booz & Co (US) **Member of the Board:** - Fondation "Avenir Suisse" (Switzerland)	**Chiarman:** - Farmers Group (US) - Farmers New World Life (US) - Zurich Compagnie d'Assurances (Germany) - Zurich Deutsche Herold (Germany) - Zurich Kosmos (Austria) **Vice-Chairman of the Board:** - Deutsche Bank (Suisse) AG (Switzerland) **Vice-Chairman:** - FINMA (Switzerland) **Chief Operating Officer :** - Zurich Financial Services (Switzerland)* **Director:** - Sal. Oppenheim (Schweiz) AG (Switzerland) - Zurich Vie (Switzerland) - Zurich American Ins. Co. (US) **Member of the Management Board:** - Zurich Financial Services (Switzerland)* **Member of the Board:** - Economie Suisse (Switzerland) **Member:** - Banking Federal Commission (Switzerland)

(1) Member of the Strategic Committee.
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Daniel HAVIS (1) (2) **Director** **Birth Date:** 31 December 1955 **Professional address:** MATMUT 66, rue de Sotteville 76100 ROUEN	**<u>Principal position:</u>** Chairman – Chief Executive Officer of MATMUT (*Mutuelle Assurance des Travailleurs Mutualistes*) **<u>Other positions (France):</u>** ***<u>Insurance Code</u>*** - Vice-Chairman of SGAM SFEREN **Vice-Chairman:** - CEGES ***<u>Mutual Insurance Code</u>*** **Chairman of the Board of Directors:** - MATMUT MUtualité **Vice-Chairman:** - FNMF Fédération Nationale de la Mutualité Française **Deputy Vice-Chairman:** - PREVADIES **Honorary Chairman:** - Union Nationale des Services Ambulatoires Mutualistes **Honorary Secretary General:** - MFSM (Mutualité Française de Seine Maritime) **Director:** - Harmonie Mutuelles - MFSM - UTMIF (ex-FMP) ***<u>Other:</u>*** - Conseil Supérieur de la Mutualité (High Council on Mutual Insurance): member of the "Approval" Committee and member of the "General Affairs" Committee ***<u>Commercial Code</u>*** **Chairman of the Supervisory Board:** - MATMUT Assurances - MATMUT VIE - MATMUT Protection Juridique - MATMUT ENTREPRISES - IMA **Chairman:** - MATMUT DEVELOPPEMENT - MATMUT IMMOBILIER - MATMUT LOCATION VEHICULES	**Director:** - OFIVALMO - SCOR Vie - FNMI - MTG XV - OFIMALLIANCE - MDA **General Secretary:** - MFSM **Chairman of the Board of Directors:** - MUTRE - MATMUT Assurances - MATMUT Vie - Matmut Protection Juridique - MATMUT ENTREPRISES - MTG XV **Chairman of the Supervisory Board:** - OFIVALMO - MUTRE and Vice-Chairman - ADI **Chairman:** - GEMA **Vice-Chairman of the Board:** - MATMUT Vie - AMF Assurances - ADI - MTG XV **Vice-Chairman of the Supervisory Board:** - OFIVALMO **Member of the Supervisory Board:** - ADI **Permanent Representative of:** - SMAC to the Board of Directors of OFIMA TRESOR - MATMUT to the Supervisory Board of OFI Palmarès - SMAC on the Board of Directors of OFI Convertibles - SMAC on the Board of Directors

	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
	Vice-Chairman of the Board of Directors: - OFI Holding (ex OFI INSTIT) **Chairman of the Board of Directors:** - OFI ASSET MANAGEMENT - MutRé SA **Vice-Chairman of the Supervisory Board:** - AMF Assurances **Director:** - Equasanté **Permanent Representative of Ofi Asset Management on the Board of Directors of:** - OFIMALLIANCE **Honorary Chairman:** - COOPTIMUT **Other:** - member of the GEMA ***Others*** - non-voting member at the Management Board of EURESA - Member of the Board of ICMIF - Chairman of the Board of POLITAS	of OFI SMIDCAP - MATMUT on the Supervisory Board of IMA - MATMUT on the Supervisory Committee of OFI RES - OFIVALMO Gestion on the Board of Directors of OFIVALMO NET EPARGNE **Other:** - Vice-Chairman of CEGES - Member of the staff of the Fédération Nationale de la Mutualité Interprofessionnelle (FNMI) - Chairman of the Comité National des Réalisations Sanitaires et Sociales - Prévadies'representative to the Conseil des Mutuelles Santé (Council of Mutual Health Insurance Companies) **Non-Voting Director:** - AMF Assurances - ADI - HANDIMUT - MUTRé - Mutations Normandie

(1) Member of the Strategic Committee.
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Daniel LEBEGUE (1) (2) (3) **Director** **Birth Date:** 4 May 1943 **Professional address:** Institut Français des Administrateurs 7 rue Balzac 75382 Paris Cedex 08	**<u>Principal position:</u>** Chairman of the *Institut Français des Administrateurs* (IFA, French Society of Directors) (France) **<u>Other positions:</u>** **Director:** - Technip * (France) **Chairman:** - Institut du Développement Durable et des Relations Internationales (IDDRI) (association) (France) - Transparence-International France (France) - Observatoire de la Responsabilité Sociétale de l'Entreprise (ORSE) (France) **Co-Chairman:** - Eurofi (association) (France)	**Director:** - Gaz de France* (France) - SCOR VIE (France) - SCOR Reinsurance Company (U.S.) - General Security National Insurance Company (U.S.) - Crédit Agricole S.A.* (France) - Alcatel Lucent* (France)
André LEVY-LANG (1) (2) (3) (4) **Director** **Birth Date:** 26 November 1937 **Professional address:** SCOR SE 1, avenue du Général de Gaulle 92800 Puteaux	**<u>Principal position:</u>** Associate Professor Emeritus at the University of Paris-Dauphine **<u>France</u>** **Chairman of the Supervisory Board:** - Les Echos SAS **Member of the Supervisory Board :** - Paris-Orléans	**<u>France</u>** **Director:** - SCOR VIE - AGF **<u>Abroad</u>** **Director:** - Schlumberger (U.S.)* - Dexia (Belgium) *

(1) Member of the Strategic Committee.
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Médéric Prévoyance [(1) (2)] **Director** **Represented by:** **Guillaume SARKOZY** **Birth Date:** 18 June 1951 **Professional address:** 21 rue Laffitte 75317 Paris cedex 9	**<u>Principal position:</u>** *Délégué général* of Group Malakoff Médéric (France) **<u>Other positions:</u>** **Chairman and CEO:** - Médéric Assurances SA (France) - Tissage de Picardie – Tissage Rinet SA (France) **Chairman:** - Holding FGA SAS (France) - Holding Fondateurs SAS (France) - Le Monde Prévoyance SAS (France) - Médéric Innovation SAS (France) **Chairman of the Board of Directors:** - Médéric Epargne SA (France) - Viamédis SA (France) **Director:** - AUXIA SA (France) - ADESLAS (Spain) **Member of the Supervisory Board:** - Société Editrice du Monde SA (France) **Manager:** - SCI Saint Léger (France) **Non voting Director:** - QUATREM SA (France) - Fédéris Gestion d'actifs SA (France) **Member of the Supervisory Committee:** - Holding Fondateurs SAS (France) - Holding Accueil Mutuelles SAS (France) **Permanent Representative:** - of Malakoff Médéric Assurances to the Board of Directors of MMA IARD Assurances Mutuelles SAM (France) - of Malakoff Médéric Assurances to the Board of Directors of MMA IARD SA (France) - of Malakoff Médéric Assurances to the Board of Directors of MMA VIE Assurances Mutuelles SAM (France) - of Malakoff Médéric Assurances to the Board of Directors of MMA VIE SA (France) - of Malakoff Médéric Assurances to the Board of Directors of MMA Coopérations SA (France) - of Médéric Prévoyance to the Board of Directors of DAS SA (France) - of Médéric Prévoyance to the Board of Directors of DAS Assurances Mutuelles SAM (France) **Member of the Executive Commission:** ADESLAS (Spain)	**Chairman of the Management Board:** - Malakoff Médéric Assurances SA (France) **Director:** - Banque d'Orsay SA (France) **Member of the Supervisory Board:** - Fédéris Gestion d'Actifs SA (France) **Permanent Representative:** - of Médéric Prévoyance to the Board of Directors of BPI SA (France) **Manager:** - Investissements et gestion Textile SARL (France)

(1) Member of the Strategic Committee.
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(4) Member of the Compensation and Nominating Committee
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Luc ROUGE **Director** **Birth Date:** 19 May 1952 **Professional address:** SCOR SE 1, avenue du Général de Gaulle 92800 Puteaux	**Principal position:** - Assistant Methods and Procedures, SCOR Global P&C SE	None
Herbert SCHIMETSCHEK (1) **Director** **Birth Date:** 5 January 1938 **Professional address:** UNIQA Versicherungen AG Untere Donaustrasse 21 A-1020 Vienna Austria	**Principal position:** **Chairman of the Management Board:** - Austria Versicherungsverein auf Gegenseitigkeit Privastiftung (Holding) (Austria) **Other positions:** **Abroad** **Business Manager:** - UNIQA Praterstraße Projekterrichtungs GmbH (Austria) **Vice-Chairman of the Supervisory Board:** - Donau Chemie Aktiengesellschaft (Austria) - Bank Gutmann AG (Austria) **Chairman of the Supervisory Board:** - Austria Hotels Liegenschaftsbesitz AG (Austria)	**France** **Director:** - SCOR VIE **Abroad** **Chairman:** - Austrian National Bank (Austria) **Chairman of the Supervisory Board:** - UNIQA International Versicherungs Holding GmbH (Austria) - DIE ERSTE österreichische Sparkasse Privatstiftung, Wien (Austria) - UNIQA Assurances S.A. (Switzerland)) - UNIQA Previdenza S.p.A. (Italy) - UNIQA Assicurazioni S.p.A. (Italy) - UNIQA Protezione S.p.A.,(Italy) **Vice-Chairman of the Supervisory Board:** - Bauholding STRABAG SE (Austria) - UNIQA Versicherungen AG (Austria)*

(1) Member of the Strategic Committee.
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Jean-Claude SEYS (1) (2) ** **Director** **Birth Date:** 13 November 1938 **Professional address:** MAAF ASSURANCES, MMA & COVEA 7, place des 5 martyrs du Lycée Buffon 75015 Paris	**Principal position:** Vice-Chairman and Deputy Director of COVEA (mutual insurance group company) **Other positions:** **France** **Chairman of the Board of Directors:** - Fondation MAAF Assurances - Savour Club SA (subsidiary of MAAF SA) **Director:** - MAAF Assurances (SA) **Deputy Director:** - MAAF Assurances (SAM) - MMA Coopérations (SA) - MMA IARD (SA) - MMA IARD Assurances Mutuelles (SAM) - MMA VIE (SA) - MMA Vie Assurances Mutuelles (SAM) **Permanent Representative:** - of COVEA (SGAM) on the Board of Directors of Azur GMF Mutuelles Assurances associés - of GMF Assurances on the Board of Directors of FIDELIA Assistance **Chairman of the Supervisory Board:** - EFI INVEST I (SCA) - OFIVALMO Partenaires S.A. **Member of the Supervisory Board :** - OFI REIM (SAS) **Manager:** - OFIDOMUS (SCI) (RP OFIVALMO) **Non-Voting Director** - Gimar (SA) **Chairman of the Management Board (association):** - Ile-de-France Regional Development Agency (ARD) **Chairman of the Board of Directors:**	**France** - MAAF Assurances (SAM) - MAAF (SA) - MMA IARD (SAM) - MMA VIE (SAM) - COVEA (SGAM) **Chairman of the Board of Directors:** - Covéa Ré (formerly Océan Ré) - DAS (SAM) - MAAF Santé (Mutuelle 45) - Force et Santé (Union Mutualiste) - COSEM (Association) - SC Holding S.A.S. (Santéclair) - MMA IARD (SA) - MMA VIE (SA) - MMA Coopérations (SA) **Director:** OFIGEST (subsidiary of OFIVALMO) - GOBTP - OFIMALLIANCE S.AS (subsidiary of OFIVALMO) - OFI Asset Management (subsidiary of OFIVALMO) - Institut Sup. Métiers **Vice-Chairman of the Supervisory Board:** - ABP IARD (subsidiary of MAAF S.A.) **Chairman of the Executive Committee:** - Fondation MMA **Chairman of the Executive Committee:** - LMIH **Chairman of the SAS:** - Covéa Part - Covéa Technologies - Covéa Groupe

** In connection with the Crédit Lyonnais/Executive Life case, Jean-Claude Seys entered into a transaction with the California State Prosecutor under the terms of which he is subject to five years probation, during which he may not go to the United States without special authorisation.

	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
	- Institut Diderot **<u>Abroad</u>** **Chairman of the Board of Directors:** - Harwanne (Switzerland) **Vice-Chairman:** - CASER (Spain) **Director:** - SCOR Holding (Switzerland) AG (Switzerland) - CASER (Spain) **Non Voting Director:** - Covea Lux (Luxemburg)	**Non Voting Director:** - SOCRAM **<u>Abroad</u>** **Director:** - Covéa Lux (Luxemburg) - Eurapco (Switzerland) - IMA Iberica Seguros (Spain) **Vice-Chairman of the Board of Directors:** CASER (Spain)
Claude TENDIL (1) (4) **Director** **Birth Date:** 25 July 1945 **Professional address:** GENERALI FRANCE Chairman and Chief Executive Officer 7/9, boulevard Haussmann 75009 Paris	**<u>Principal positions</u>:** **Chairman and Chief Executive Officer:** - Generali France - Generali Vie - Generali IARD **<u>Other positions</u>:** **<u>France</u>** **Chairman of the Board of Directors:** - Europ Assistance Holding - Generali France Assurance **<u>Abroad</u>** **Chairman of the Board of Directors:** - Europ Assistance Italie (Italy) **Director:** - Assicurazioni Generali SpA (Italy)* **Permanent Representative:** - of Europ Assistance Holding on the board of Europ Assistance Espagne (Spain) **Member of the Supervisory Board :** - Generali Investments SpA (Italy)	**Chief Executive Officer:** - Generali France Holding - Generali Assurances Vie **Chairman of the Board of Directors:** - Assurance France Generali - Generali Assurances Iard - La Fédération Continentale - GPA Vie - GPA Iard **Director:** - L'Equité - Continent Holding - Continent IARD - SCOR VIE - Unibail Holding

	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Daniel VALOT (1) (2) (3) (4) **Director** **Birth Date:** 24 August 1944 **Professional address:** SCOR SE 1, avenue du Général de Gaulle 92800 Puteaux	**<u>France</u>** **Director:** -CGG Veritas* - Dietswell*	**<u>France</u>** **Chairman and Chief Executive Officer** of Technip* until 27 April 2007 (retirement) **Permanent Representative:** - of Technip : Technip France (until 27 April 2007) **Director:** - Institut Français du Pétrole - SCOR VIE **<u>Abroad:</u>** **Chairman:** - Technip Italy (Italy) (until 27 April 2007) - Technip Far East (Malaysia) (until 27 April 2007) **Vice-Chairman:** - Technip Americas (U.S.) (until 27 April 2007) **Director:** - Petrocanada (Canada)

(1) Member of the Strategic Committee.
(2) Member of the Risk Committee
(3) Member of the Audit Committee
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	Other offices and positions held in any company in France and abroad as at the date of the Registration Document	Offices held during the last five years:
Georges CHODRON de COURCEL (1) (4) **Non-Voting Director** **Birth Date:** 20 May 1950 **Professional address:** BNP PARIBAS 3, rue d'Antin 75002 Paris	**Principal position:** Chief Operating Officer of BNP Paribas* **Other positions:** **France** **Director:** - Bouygues S.A.* - Alstom* - Nexans S.A.* - Société Foncière Financière et de Participations (FFP)* - Verner Investissements SAS **Member of the supervisory board :** - Lagardère S.C.A.* **Chairman:** - Compagnie d'Investissement de Paris S.A.S. - Financière BNP Paribas S.A.S. both subsidiaries of BNP Paribas **Non-voting Director:** - SAFRAN * - Exane (Subsidiary of Verner) **Abroad** **Chairman:** - BNP Paribas Suisse S.A.(Switzerland) **Vice-Chairman:** - Fortis Banque N.V. (Belgium) **Director:** - Erbé S.A. (Belgium) - GBL (Groupe Bruxelles Lambert) (Belgium) - SCOR Holding (Switzerland) AG (Switzerland) - SCOR Global Life Rückversicherung AG (Switzerland) - SCOR Switzerland AG (Switzerland)	**France** **Member of the supervisory board :** - SAGEM **Director:** - Capstar Partners SAS **Non-voting Director:** - SCOR VIE **Chairman:** - BNP Paribas Emergis S.A.S. **Abroad:** **Chairman:** - BNP Paribas UK Holdings Limited (U.K.) **Director:** - Banca Nazionale del Lavoro (Italy) - BNP Paribas Suisse S.A.(Switzerland) - BNPP ZAO (Russia)

(1) Member of the Strategic Committee
(2) Member of the Risk Committee
(3) Member of the Audit Committee
(4) Member of the Compensation and Nominating Committee
* Companies which shares are listed on a regulated or organised market

14.1.2 BIOGRAPHICAL INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS

The following list provides biographical information on the directors in office at the date of the Registration Document.

Denis Kessler

Denis Kessler, a French citizen, is a graduate of HEC business school (*Ecole des Hautes Etudes Commerciales*) and holds a PhD in economics and advanced degrees in economics and social sciences. He was Chairman of the *Fédération Française des Sociétés d'Assurance* (FFSA), CEO and member of the Executive Committee of the AXA Group and Executive Vice-President of MEDEF (Mouvement des Entreprises de France). He joined the Group as Chairman and Chief Executive Officer on 4 November 2002.

Carlo Acutis

Carlo Acutis, an Italian citizen, is a Vice Chairman of Vittoria Assicurazioni S.p.A. He also serves as Chairman and member of the Boards of Directors of a number of companies. This specialist of the international insurance market was formerly Chairman and Vice Chairman of the Presidential Council of the CEA, *Comité Européen des Assurances,* and director of the Geneva Association.

Gérard Andreck

Gérard Andreck, a French citizen, has been Chairman of the MACIF Group since June 2006. Andreck has a deep interest in the mutual company and insurance sector, and he served as President of CJDES (Centre des Jeunes Dirigeants de l'Economie Sociale) from 1991 to 1993. In June 1997, he became Chief Executive Officer of Macif and second-in-command to Jean Simonnet, who was Chairman at that time. Gérard Andreck was instrumental in the development of the close partnership between Caisses d'Epargne, Macif and Maif in October 2004, and he was appointed Chairman of the Management Board of the holding company that formalised this partnership in November 2005. On1 July 2008, he has been appointed Chairman of the Groupement des Entreprises Mututelles d'Assurances (GEMA) for three years.

Antonio Borgès

Antonio Borges, a Portuguese citizen, was Vice Chairman of Goldman Sachs International in London. He is a member of the Board of Directors of CNP Assurances and a member of the Tax Committee of Banco Santander Portugal. Antonio Borges was also Dean of the INSEAD business school. He is now the Chairman of the Hedge Fund Standards Board and Chairman of the European Corporate Governance Institute – ECGI.

Allan Chapin

Before becoming a partner at Compass Advisers LLP in New York in June 2002, Allan Chapin, a U.S. citizen, was a partner at Sullivan & Cromwell LLP and Lazard Frères in New York for several years. He also serves on the boards of directors for the Pinault Printemps Redoute group (PPR) and a number of subsidiaries of SCOR in the U.S.

Peter Eckert

Peter Eckert, a Swiss citizen, has a broad international experience in Risk Management, General and Life Insurance, Asset Management, Banking and IT. He was member of the Management Board (1991-2007) and Chief Operating Officer (2002-2007) of Zurich Financial Services, member of the Board of the Swiss Federal Banking Commission EBK since 1 July 2007 until 31 December 2008 and Deputy Chairman of the Board of the new Swiss Financial Market Supervising Authority (FINMA) from 1 January 2008 to 31 December 2008. Since 1 January 2009, he is Chairman of Bank Clariden Leu.

Daniel Havis

Daniel Havis, a French citizen, joined the *Mutuelle Assurance des Travailleurs Mutualistes* (MATMUT) as a claims examiner in 1980. As at today, he is Chairman and Chief Executive Officer MATMUT since 1994. From 1983 to 1988, Daniel Havis was an Executive Assistant and then a Director at the Mutualité Française de Seine-Maritime, where he would serve as CEO from 1988 to 1994. He also holds a number of different mandates within the companies that, along with AMF Assurances, make up the Matmut Group. These include Chairman of Matmut Mutualité and Chairman of the Supervisory Boards of Matmut Assurances, Matmut Entreprises, Matmut-Vie and Matmut Protection Juridique. Since 8 December 2009, Daniel Havis has also been Vice Chairman of Sferen, the Mutual Insurance Group created with the MACIF and the MAIF and was Chairman of GEMA until June 2008. He is also Chairman of MutRé since 1 January 2009.

Daniel Lebègue

Daniel Lebègue, a French citizen, has been Chairman of the French National Treasury, Chief Executive Officer of BNP and Caisse des Dépôts et Consignations, Chairman of the Supervisory Board of CDC IXIS and Chairman of Eulia. He currently serves on the Boards of Directors for various companies and is the Chairman of the French Institute of Directors (*Institut Français des Administrateurs* – IFA).

André Lévy-Lang

André Lévy-Lang, a French citizen, a former student of the Ecole Polytechnique (1956) and a Ph.D. in Business Administration from the University of Stanford, began his career in 1960 as a physicist at the French Atomic Energy Commission. From 1962 to 1974 he held various different technical and managerial positions at the Schlumberger group, both in France and the United States. He joined the Paribas group in 1974 and in 1982 was appointed Chairman of the Board of Directors of the Compagnie Bancaire, a specialised financing subsidiary of Paribas, before becoming Chairman of the Board of Directors of the Paribas group in 1990. He held these positions until the merger with BNP in 1999. André Lévy Lang is an associate professor emeritus at the University of Paris-Dauphine, Chairman of the Supervisory Board of Les Echos, Vice Chairman of the Supervisory Board of Paris-Orléans, Chairman of both the Risk Foundation and the Louis Bachelier Institute, and Vice Chairman of the Europlace Finance Institute. He is also a member of the boards of the Institut des Hautes Etudes Scientifiques, the American Hospital in Paris and the French Institute for International Relations.

Luc Rougé

Luc Rougé has 35 years of experience in reinsurance with SCOR SE in the management of treaties and claims, as well as in studies, reporting and controls. He was the Works Council representative on the Board of Directors in the 1980s. He then served as Secretary of the Works Council and as an employee director for nearly nine years. He is since 2007 the Director elected by the employees of the Group on a worldwide basis.

Guillaume Sarkozy, representing Médéric Prévoyance

Guillaume Sarkozy, French, is an engineer by training and a graduate of the Ecole Spéciale des Travaux Publics (ESTP). He began his professional career in 1974 at the Office of Public Safety in the Ministry of the Interior, before joining IBM France as a large corporate accounts manager in 1977. He has been a company leader in the textile and services industries since 1979. Until June 2006, Guillaume Sarkozy exercised a number of responsibilities at the head of professional associations, notably the French Textile Industries' Union (from September 1993 to May 2006), the Industrial Federations Group (2004 to July 2006), the CNPF and the Medef (1994-2006). Guillaume Sarkozy joined Médéric in June 2006 and was appointed Group General Manager on 1 September 2006. He was appointed CEO of the Malakoff Médéric Group on 1 July 2009.

Herbert Schimetschek

From 1997 to 2000, Herbert Schimetschek, an Austrian citizen, was Chairman of the *Comité Européen des Assurances*, then until June 2000, Vice Chairman of the Austrian Insurance Companies Association, and from 1999 to 2001, Chairman of the Management Board and Chief Executive Officer of UNIQA Versicherung A.G.

Jean-Claude Seys

Jean-Claude Seys, a French citizen, has spent his career in the insurance and banking industry. He was Chairman and Chief Executive Officer of MAAF and of MMA in which he remains a Director. He is the Vice-Chairman and Deputy Director of COVEA (*société de groupe d'assurance mutuelle*).

Claude Tendil

Claude Tendil, a French citizen, began his career at UAP in 1972. He joined the Drouot Group in 1980 as Chief Operating Officer; he was promoted in 1987 to Chief Executive Officer, and then was appointed Chairman and Chief Executive Officer of Présence assurances, a subsidiary of the Axa Group. In 1989, he was appointed Director and Chief Executive Officer of Axa-Midi assurances, Chief Executive Officer of Axa from 1991 to 2000, then Vice-chairman of the management board of the Axa Group until November 2001. During this same period, he is also Chairman and Chief Executive Officer of the Axa Group's French insurance and assistance companies. Claude Tendil was appointed Chairman and Chief Executive Officer of the Generali Group in France in April 2002 and Chairman of the Europ Assistance Group in March 2003.

Daniel Valot

A former student at the *Ecole Nationale d'Administration* and Chief Advisor to the French Accounting Office (*Cour des Comptes*), Daniel Valot, a French citizen, was also notably Technical Cooperation Counselor to the French Ambassy in Tunisia, Managing Director of Total South East Asia, Chairman and CEO of Total Petroleum North America, Chief Executive Officer of Total Exploration Production, then Chairman and Chief Executive Officer of Technip from September 1999 until 27 April 2007.

Georges Chodron de Courcel

Georges Chodron de Courcel, a French citizen, is Chief Operating Officer of BNP Paribas and holds various positions as Director in subsidiaries of the BNP Paribas Group.

14.1.3 EXECUTIVE COMMITTEE

Chairman and Chief Executive Officer Denis Kessler is assisted in his duties to define and implement the strategy for SCOR's business by an executive board, known as the Executive Committee (the "COMEX"), the members of which are employees of SCOR.

The following table presents the Company's executive officers who comprised the Executive Committee as at the date of the Registration Document and their positions with SCOR, as well as the first appointment dates as executive officers of SCOR.

Name	Age	Current position	Officer since	Other positions
Denis Kessler	57	Chairman-Chief Executive Officer of SCOR SE	2002	Refer to Section 14.1.1--Information on the Members of the Board of Directors.
Jean-Luc Besson	64	Chief Risk Officer of SCOR SE	2003	**Director**: SCOR Global P&C SE (France) SCOR Global Life SE (France) SCOR Holding (Switzerland) AG (Switzerland) SCOR Africa Ltd (South Africa) (South Africa) MutRé SA (France)SCOR UK Company Ltd (UK) SCOR Underwriting Ltd (UK) SCOR Global Life Rückversicherung Schweiz AG (Switzerland) SCOR Switzerland AG (Switzerland). .
Julien Carmona	39	Group Chief Operating Officer	2010	-
Benjamin Gentsch	49	Deputy Chief Executive Officer of SCOR Global P&C SE Chief Executive Officer of SCOR Switzerland.	2007[2]	**Chairman of the Board of Directors:** SCOR Holding (UK) Ltd (UK) SCOR Insurance (UK) Ltd (UK) SCOR UK Company Ltd (UK) **Chief Executive Officer :** SCOR Switzerland AG (Suisse) SCOR Holding (Switzerland) AG (Suisse) **Director:** SCOR Insurance (UK) Ltd (UK) SCOR Holding (UK) Ltd (UK) SCOR UK Group Ltd (UK) SCOR UK Company Ltd (UK) **Chairman of the Supervisory Board:** SCOR Rückversicherung (Deutschland) AG (Germany)
Paolo De Martin	40	Group Chief Financial Officer	2007[3]	**Director:** SCOR Global Life SE (France) SCOR Global P&C SE (France) SCOR Global Life Rückversicherunbg Schweiz AG (Switzerland) SCOR Holding (Switzerland) AG (Switzerland) SCOR Switzerland AG (Switzerland) **Member of the Supervisory Board:** ReMark Group BV (The Netherlands)

[2] Benjamin Gentsch was previously an executive at Converium since 2002.
[3] Paolo De Martin had previously been an executive at Converium since 2006.

Name	Age	Current position	Officer since	Other positions
Gilles Meyer	52	Chief Executive Officer of SCOR Global Life SE	2006	**Chairman of the Board of Directors:** SOLAREH S.A. (France) Prévoyance Ré (France) **Vice President of the Supervisory Board:** SCOR Global Investments SE (France) **Permanent Representative:** of SCOR Global Life SE at MUTRE's Board (France) of SCOR SE with the French Federation of Insurance Companies (France) **Statutory Director :** ReMark International BV (The Netherlands) ReMark Group BV (The Netherlands) **Director:** SCOR Holding (Switzerland) AG (Switzerland) SCOR Reinsurance Asia-Pacific PTE Ltd (Singapore) SCOR Global Life Re Insurance Company of Texas (US) SCOR Global Life Reinsurance Company of America (U.S.) Prévoyance Ré (France) ReMark Japan K. K. (Japan) Sweden Reinsurance Co. Ltd (Sweden) SCOR Global Life Rückversicherung Schweiz AG (Switzerland) SCOR Switzerland AG (Switzerland)

Name	Age	Current position	Officer since	Other positions
Victor Peignet	52	Chief Executive Officer of SCOR Global P&C SE	2004	**Director:** SCOR UK Company Ltd. (U.K) SCOR UK Group Ltd. (U.K) SCOR Channel Ltd. (Guernsey) Arisis Ltd. (Guernsey) General Security Indemnity Company of Arizona (U.S.); General Security National Insurance Company (U.S.); SCOR Reinsurance Company (U.S.); SCOR Canada Reinsurance Company (Canada) SCOR Reinsurance Asia-Pacific Pte Ltd Singapore Finimo Realty Pte Ltd (Singapore) SCOR Reinsurance Company (Asia) Ltd (Hong Kong) SCOR Services International Ltd (Hong Kong) Arope Insurance SAL (Lebanon) SCOR Holding (Switzerland) AG (Switzerland) Commercial Risk Re-Insurance Company (U.S.) SCOR Global Life Rückversicherung Schweiz AG (Switzerland) SCOR Switzerland AG (Switzerland) **Permanent Representative:** SCOR SE at ASEFA S.A.'s Board (Spain). **Member of the Supervisory Board :** SCOR Global Investments SE (France) SCOR Rückversicherung (Deutschland) AG (Germany)
Norbert Pyhel	59	Deputy Chief Executive Officer of SCOR Global Life SE	2008	**Chairman of the Board of Directors** Investors Insurance Corporation (US) **Director** SCOR Global Life Re Insurance Company of Texas (US) SCOR Global Life US Re Insurance Company (US) SCOR Financial Services Ltd (UK) SCOR Africa Ltd (South Africa) Investors Insurance Corporation (US) SCOR Global Life Reinsurance Company of America (US) SCOR Global Life Reinsurance Ireland Ltd (Ireland) Sweden Reinsurance Co. Ltd (Sweden) **Member of the Supervisory Board** SCOR Rückversicherung (Deutschland) AG (Germany)

Name	Age	Current position	Officer since	Other positions
François de Varenne	43	Chief Executive Officer of SCOR Global investments SE	2005	**Member of the Management Board:** SCOR Global investments SE (France) **Member of the Supervisory Board:** Gimar Capital Investissements (France)

14.1.4 BIOGRAPHICAL INFORMATION ON THE MEMBERS OF THE EXECUTIVE COMMITTEE

Denis Kessler, 57, Chairman of the Board of Directors and Chief Executive Officer of SCOR SE

Refer to Section 14.1.2. – Biographical information on the members of the Board of Directors.

Jean-Luc Besson, 64, Chief Risk Officer of SCOR SE

Jean-Luc Besson is an actuary and holds a PhD in Mathematics. He has served as a Professor of Mathematics at the University level, then as Director of Research, Statistics and Information Systems at the FFSA. He was appointed Chief Reserving Actuary of the Group in January 2003 and has been Chief Risk Officer since 1 July 2004.

Julien Carmona, 39, Group Chief Operating Officer of SCOR SE

Julien Carmona, a French citizen, is a graduate of the Ecole Normale Supérieure and has an advanced degree in history. He is also a former student of the Ecole Nationale d'Administration and a former French Treasury Auditor. After beginning his career at the French Finance Ministry, he joined BNP Paribas in 2001. From 2004 to 2007, he acted as Financial Adviser to the President of the Republic. He was Executive Finance Director at the Caisse Nationale des Caisses d'Epargne (CNCE) from June 2007 until it merged with the federal Bank of Banques Populaires in July 2009.

Benjamin Gentsch, 49, Deputy Chief Executive Officer of SCOR Global P&C SE and Chief Executive Officer of SCOR Switzerland

Benjamin Gentsch, a Swiss citizen, graduated with a degree in management from the University of St. Gallen, where he specialised in insurance and risk management. From 1986 to 1998, he held several positions at Union Reinsurance Company, where from 1990 to 1998 he directed treaty underwriting in Asia and Australia. In 1998, he joined Zürich Re as head of international underwriting responsible for strengthening the company's position in Asia, Australia, Africa and Latin America. He also served as head of the “Global Aviation” reinsurance department and developed the “Global Marine” department. In September 2002, Benjamin Gentsch was appointed Chief Executive Officer of Converium Zürich, then Executive Vice President in charge of Specialty Treaties. In September 2007, he was appointed Chief Executive Officer of SCOR Switzerland and Deputy Chief Executive Officer of SCOR Global P&C SE.

Paolo De Martin, 40, Group Chief Financial Officer of SCOR SE

Paolo De Martin, an Italian national, graduated from Ca' Foscari University, Italy, with a degree in Business Economics. He subsequently spent two years in the optical business as founder and managing partner of an eyewear manufacturer. He joined the General Electric Company (GE) in 1995 as a finance trainee in London. In 1997, he joined GE's internal auditing & consulting Group, charged with assignments in multiple GE businesses in the Americas, Europe and Asia-Pacific. In 2001, Paolo De Martin was promoted to Executive Manager for GE Capital Europe, before joining GE Insurance Solutions as Financial Planning and Analysis Manager for Global Property and Casualty Reinsurance.. As of 2003, he was appointed Chief Financial Officer of GE Frankona Group before becoming Chief Financial Officer of Converium in July 2006. In September 2007, Paolo De Martin was appointed Group Chief Financial Officer of SCOR.

Gilles Meyer, 52, Chief Executive Officer of SCOR Global Life SE

Gilles Meyer holds dual French and Swiss nationality and a degree from a French business school and an MBA from GSBA in Zürich. Gilles Meyer started his career as an underwriter at Swiss Re before managing the facultative department of La Baloise in Basel. After 23 years of experience in facultative and treaty reinsurance, Gilles Meyer was Chief Executive Officer of Alea Europe from 1999 to 2006, where he was in charge of property-casualty reinsurance and Life reinsurance, and from 2005 to 2006, he was Manager of group underwriting at Alea. He joined the Group in January 2006 and to date has managed the German-speaking markets of SCOR Global P&C based in Hanover, Basel, and Winterthur. He was named head of Business Unit 1 of SCOR Global Life and a member of the Group Executive Committee in November 2006, then Deputy Chief Executive Officer of SCOR Global Life SE in September 2007. In January 2008, he was appointed Chief Executive Officer of SCOR Global Life SE.

Victor Peignet, 52, Chief Executive Officer of SCOR Global P&C SE

Victor Peignet, a Marine Engineer and graduate of the Ecole Nationale Supérieure des Techniques Avancées (ENSTA), joined the Facultative Department of SCOR in 1984 from the offshore oil sector. From 1984 to 2001, he held various positions in underwriting Energy and Marine Transport risks at SCOR, first as an underwriter and then as Branch Director. He has led the Group's Business Solutions (facultative) division since it was created in 2000, as both Deputy Chief Executive Officer and then as Chief Executive Officer since April 2004. On 5 July 2005, Victor Peignet was appointed manager of all Property Reinsurance operations at SCOR Global P&C. He is currently Chief Executive Officer of SCOR Global P&C SE.

Norbert Pyhel, 59, Deputy Chief Executive Officer of SCOR Global Life SE

A German citizen, Norbert Pyhel holds a doctorate in mathematical statistics from the Technische Hochschule Aachen. He began his career in insurance with Gerling Globale Rückversicherungs-AG, where he was appointed Executive Director Life & Health for continental Europe in 1990 and Joint Managing Director of Gerling Life Reinsurance GmbH in Cologne in 2002. He was a member of the Executive Board of Revios, which then became SCOR Global Life. His most recent position was as Managing Director of SCOR Global Life in Germany. He is a member of the German Association of Actuaries (DAV) and the Swiss Association of Actuaries (ASA). In February 2008, he was named Deputy Chief Executive Officer of SCOR Global Life SE.

François de Varenne, 43, Chief Executive Officer of SCOR Global Investments SE

A French national, François de Varenne is a graduate of the Ecole Polytechnique, a civil engineer of the *Ponts et Chaussées* and holds a doctorate in economic sciences. He is graduated as an actuary from the Institut de Science Financière et d'Assurances (ISFA). François de Varenne joined the Fédération Française des Sociétés d'Assurances (FFSA) in 1993 as Manager of Economic and Financial Affairs. In London beginning in 1998, he served successively as Insurance Strategist with Lehman Brothers, Vice-President for asset management solutions and structured transactions, a specialist in insurance and reinsurance companies at Merrill Lynch, and then at Deutsche Bank. In 2003, he became Managing Partner of Gimar Finance & Cie. He joined the Group in 2005 as Director of Corporate Finance and Asset Management. On 3 September 2007, he was named Group Chief Operating Officer. On 29 October 2008, he was appointed Chief Executive Officer of SCOR Global Investments SE.

14.1.5 NEGATIVE DISCLOSURES ABOUT MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

To our knowledge, there are no family relationships between the directors and the members of the Company's senior management.

To our knowledge, during the last five years:

- no Director and no member of senior management has been convicted of fraud;
- no Director and no member of senior management has been associated with a bankruptcy, sequestration, or liquidation;
- no Director and no member of senior management has been the subject of an accusation or official public sanction issued by statutory or regulatory authorities;[4] and
- no Director and no member of senior management has ever been prohibited by a court from acting as a member of an administrative, management, or supervisory body of an issuer or from participating in the management or business of an issuer.

14.2 Administrative, management, and supervisory bodies and senior management conflicts of interest

No loans or guarantees have been granted or established in favor of the Directors by SCOR or by any other Group company.

There is no arrangement or agreement concluded with shareholders, clients, suppliers or others pursuant to which any member of the Board of Directors or any member of the senior management of the Company have been appointed.

To our knowledge, there are no conflicts of interest between the duties of the Directors and members of senior management with regard to SCOR and their private interests.

Also refer to Sections 14.1.5 - Negative disclosures about members of the Board of Directors and senior management, 16.4 – Corporate Governance regime and 19 – Related parties transactions.

[4] In connection with the Crédit Lyonnais/Executive Life case, Jean-Claude Seys entered into a transaction with the California State Prosecutor under the terms of which he is subject to five years probation, during which he may not go to the United States without special authorisation.

Remuneration and benefits

REMUNERATION AND BENEFITS

15 REMUNERATION AND BENEFITS

15.1 Amount of remuneration paid and benefits in-kind

15.1.1 DIRECTORS' FEES AS OF 31 DECEMBER 2009

The approved principles and rules for setting compensation and benefits granted to Board members are provided in Appendix B - Report of the Chairman of the Board of Directors on the terms and conditions for preparing and organising the work of the Board of Directors and on internal control procedures in compliance with Article L. 225-37 of the French Commercial Code – Part I – Conditions for preparing and organising the work of the Company's Board of Directors – e) Principles and rules for the determination of compensation and in-kinds benefits for corporate officers.

The shareholders meeting of the Company held on 31 May 2005 resolved that the annual maximum aggregate amount of Directors fees shall not exceed EUR 800,000. This amount has not been modified since then. Upon the proposal of the Compensation and Nomination Committee and within the limit of this amount, the Board of Directors set the terms and conditions of the allocation to encourage the presence of the Directors. It has been decided to allocate the Directors fees, which are payable to each Director or Non-voting Director, in one fixed sum of EUR 20,000, payable by quarter and a variable sum, depending on the presence of the Directors at the meetings of the Board of Directors and to its Committees, equal to EUR 1,700 per Board or Committee meeting at which they are present. The payment of the Directors fees is paid at the end of each quarter. Moreover, each Director receives the single sum of EUR 10,000 that must be used to purchase Company's shares, that the Director commits to keep until the end of his appointment.

Fees paid to directors for 2009 and 2008 are broken down as follows:

In EUR	2009	2008
M. Denis Kessler (1)	35,300	47,200
M. Carlo Acutis	41,900	37,000
M. Gérard Andreck (2)	43,600	23,500
M. Antonio Borgès	53,800	50,600
M. Allan Chapin	50,400	47,200
M. Georges Chodron de Courcel	50,400	38,700
M. Peter Eckert (3)	40,300	NA
M. Daniel Havis	53,800	35,300
M. Daniel Lebègue	64,000	55,700
M. André Lévy Lang	64,000	55,700
Médéric Prévoyance, represented by Guillaume Sarkozy (3)	31,800	NA
M. Luc Rougé(4)	33,600	31,900
M. Herbert Schimetschek	45,300	38,700
M. Jean-Claude Seys	52,100	45,500
M. Jean Simonnet(5)	NA	8,400
M. Claude Tendil	52,100	43,800
M. Patrick Thourot(6)	16,800	38,700
M. Daniel Valot	67,400	59,100
TOTAL	**796,600**	**657,000**

(1) Pursuant to the decision made by the Board of Directors on 21 March 2006, the Chairman and Chief Executive Officer receives directors' fees along with the other members of the Board of Directors of the Company, based on the same conditions for distribution.
(2) Director whom appointment has been ratified by the Annual Ordinary General Meeting of the Shareholders of 7 May 2008.
(3) Director appointed by the Annual Ordinary General Meeting of the Shareholders of 15 April 2009.
(4) Director representing the employees elected by the Annual Shareholders' Meeting of 24 May 2007 as employee representative. His directors' fees are paid to the CFDT union.
(5) Mr. Jean Simonnet resigned from office on 18 March 2008.
(6) Director whom appointment ended on 15 April 2009.

Moreover, certain SCOR directors participate, or have participated, on the Boards of Directors of the Group's subsidiaries and received directors' fees in 2009 and 2008 as follows:

	2009	2008
SCOR Reinsurance Company		
Allan Chapin	USD 24,000	USD 27,000
SCOR Holding (Switzerland)		
Georges Chodron de Courcel	CHF 27,500	CHF 50,000
Jean-Claude Seys	CHF 27,500	CHF 50,000
Peter Eckert	CHF 15,000	-

15.1.2 EXECUTIVE COMMITTEE MEMBERS REMUNERATION

Gross compensation paid in 2009 to the Group Executive Committee members (including the Chairman and Chief Executive Officer) as of 31 December 2009 amounts at EUR 7,218,315. In addition, they were awarded a total number of 395,000 shares and 395,000 stock options in 2009 for a total estimated value of EUR 6, 464,900[5].

15.1.2.1 Remuneration to the Chairman and Chief Executive Officer

The Board of Directors of SCOR has decided to apply the AFEP (Association of French Private-sector Companies) and MEDEF (French Business Confederation) recommendations of 6 October 2008 on the compensation of Corporate Executive Officers of listed companies to the compensation of the Executive Corporate Officer considering that those are in line with SCOR corporate governance principles.

In application of 3 July 2008 Act implementing the European Union Directive 2006/46/CE of 14 June 2006, SCOR shall thus refer to the AFEP-MEDEF governance code in preparing the report to be issued in accordance with article L. 225-37 of the French commercial Code.

The approved principles and rules for setting compensation and benefits granted to the Chairman and Chief Executive Officer and the Chief Operating Officer for 2009 are provided in Appendix B - Report of the Chairman of the Board of Directors on the terms and conditions for preparing and organising the work of the Board of Directors and on internal control procedures.

The following table presents a summary of the total compensation including gross compensation, shares and stock options granted to the Executive and Corporate Officer for fiscal years 2009, 2008 and 2007:

Summary table of the gross compensation, shares and stock options granted to the Executive and Corporate Officer

In EUR	Gross compensation (details below)	Value of the shares granted	Value of stock options granted[6]	Total compensation
2009	2,235,300	1,650,000 (*)	467,500	4,352,800
2008	2,128,550	1,027,500 (*)	331,500	3,487,550
2007	2,066,426	1,449,600	213,950	3,729,976

(*) In 2008, 50% of shares and stock options granted are submitted to performance conditions. In 2009, it is the case of 100% of shares and stock options granted. The value is calculated according to the same assumption as those used for the Group accounts (IFRS2 standard). For further details, see note 18 of section 20.

5 The amount corresponds to the IFRS2 fair value as described in note 18 of section 20.

6 It should be noted that the figures stated above do not represent paid compensation but correspond to actuarial estimates in line with AFEP/MEDEF governance code for listed companies. These grants are subject to presence conditions and, for some grants, to performance conditions.

The following table presents a summary of the gross compensation of the Executive and Corporate Officer for fiscal years 2009, 2008 and 2007:

In EUR	Summary table of the gross compensation to the Executive and Corporate Officer Fixed compensation	Variable compensation	Director's fees	Gross compensation
2009	1,200,000	1,000,000	35,300	2,235,300
2008	1,200,000	881,350	47,200	2,128,550
2007	800,726	1,200,000	65,700	2,066,426

The following table presents the summary of gross compensation paid to the Executive and Corporate Officer during fiscal years 2009, 2008 and 2007:

In EUR	Summary table of gross compensation paid to the Executive and Corporate Officer Fixed compensation	Variable compensation	Director's fees	Gross compensation
2009	1,400,000*	881,350	33,700	2,315,050
2008	1,000,000	1,200,000	57,100	2,257,100
2007	800,726	1,000,000	55,700	1,856,426

* The gross fixed compensation paid to Denis Kessler in 2009 includes (i) EUR 200,000 corresponding to arrears for fiscal year 2008, the payment of which had been decided in 2008 but which had not been paid at such time and (ii) EUR 1 200 000 for fiscal year 2009. As shown in the above summary table of the gross compensation owed to the Executive and Corporate Officer, the gross fixed compensation of Denis Kessler remained unchanged between 2008 and 2009.

Refer also Appendix A - Notes to the Corporate Financial Statements, Note 14 - Compensation of the Corporate Officer.

In accordance with the AFEP/MEDEF corporate governance code of listed corporations, the following tables present for the Executive and Corporate Officer the stock options exercised during the fiscal year as well as the grants and performance shares vested during the fiscal year.

Subscription and share purchase options exercised by the Executive and Corporate Officer

Options exercised by the Executive and Corporate Officer (nominative list)	Number of options exercised during the period	Date of the plan	Exercise price
Denis Kessler	-	-	-

Performance shares granted to the Executive and Corporate Officer

Performance shares granted during the period to the Executive and Corporate Officer by the issuer or by another company of the Group	Date of the plan	Number of shares granted during the period	Valuation of shares as per method used in the consolidated accounts In EUR	Acquisition date	Date of ownership transfer
Denis Kessler	16 March 2009	125,000	1,426,250	16 March 2011	16 March 2013

Performance shares acquired by the Executive and Corporate Officer

Performance share acquired during the period by the Executive and Corporate Officer by the issuer or by another company of the Group (nominative list)	Number of shares acquired during the period	Date of the plan	Conditions of acquisition
Denis Kessler	-	-	-

15.1.2.2 Gross remuneration to Executive Committee members[7] (COMEX) other than the Chairman as of 31 December 2009

The following table presents the gross compensation related to fiscal years 2009, 2008 and 2007 and paid in 2009, 2008 and 2007 to the members of the Executive Committee.

Members of the Executive Committee - Gross Compensation						
	2009		2008		2007	
In EUR	Related to	Actual	Related to	Actual	Related to	Actual
Jean-Luc Besson	485,898	459,181	459,180	497,098	497,098	497,098
Benjamin Gentsch (*)	690,749	639,274	640,542	669,125	659,261	763,532
Paolo De Martin (*)	978,235	861,057	756,516	769,638	717,455	600,977
Gilles Meyer	874,312	815,552	721,703	688,848	550,846	528,315
Victor Peignet	904,208	1,001,344	787,473	803,743	723,432	536,697
Norbert Pyhel	595,004	575,784	571,617	561,837	432,660	356,660
François de Varenne	612,434	551,073	551,072	577,434	645,679	505,279
Members of the Executive Committee	**5,140,840**	**4,903,265**	**4,488,103**	**4,567,722**	**4,226,431**	**3,788,588**
Denis Kessler	2,235,300	2,315,050	2,128,550	2,257,100	2,066,426	1,856,426
Executive Committee (**)	**7,376,140**	**7,218,315**	**6,616,653**	**6,824,822**	**6,292,857**	**5,644,984**

(*) The compensation is paid in CHF, the exchange rate used is: 1 EUR = 1,5123 CHF
(**) Including the Chairman and Chief Executive Officer for whom remuneration details are available in section 15.2.1.

The Compensation and Nomination Committee determines the variable compensation of the COMEX members in agreement with the Chairman. The variable portion of the compensation presented in the table above depends, on the one end, on the achievement of individual objectives and, on the other hand, on the achievement of the Group's earnings objectives (based on the Group's Return on Equity or ROE). The total amount of the variable portion can not exceed 80% of the fixed compensation.

7 Julien Carmona is member of the COMEX since 1 January 2010 as Group Chief Operating Officer. He has not been included in the tables which relates to the past years. He joined the Group on 20 October 2009 as Advisor to the Group Chairman.

The following table presents the components of the gross compensation for fiscal years 2009, 2008 and 2007 for the members of the Executive Committee (other than the Chairman and Chief Executive Officer).

	Year 2009				Year	
In EUR	Fixed compensation	Variable compensation	Premiums/Allowances	Gross compensation	Fixed compensation	Variable compensation
Jean-Luc Besson	280,000	201,600	4,298	N/A	280,000	174,882
Benjamin Gentsch (*)	381,538	282,338	26,873****	N/A	386,112	230,863
Paolo De Martin (*)	536,256	418,280	23,699****	N/A	431,848	301,102
Gilles Meyer	500,000	370,000	4,312	N/A	393,625	265,892
Victor Peignet	500,000	400,000	4,208	N/A	400,000	281,892
Norbert Pyhel	350,004	245,000	-	N/A	345,837	225,780
François de Varenne	350,000	259,000	3,434	N/A	350,000	197,638

(*) The compensation is paid in CHF, the exchange rate used is: 1 EUR = 1,5123 CHF
(**) This amount includes an expatriation premium related to fiscal year 2008.
(***) This amount includes an expatriation premium related to fiscal year 2007 and paid in 2008.
(****) Those allowances cover business expenses

The following table presents the components of the actual gross compensation paid in 2009, 2008 and 2007 to the members of the Executive Committee (other than the Chairman and Chief Executive Officer).

	Year 2009				Year	
In EUR	Fixed compensation	Variable compensation	Premiums/Allowances	Gross compensation	Fixed compensation	Variable compensation
Jean-Luc Besson	280,000	174,882	4,298	459,181	280,000	212,800
Benjamin Gentsch(*)	381,538	230,863	26,873******	639,274	386,112	259,446
Paolo de Martin(*)	536,256	301,102	23,699******	861,057	431,848	314,223
Gilles Meyer	500,000	265,892	49,660**	815,552	393,625	214,373
Victor Peignet	500,000	281,892	219,452***	1,001,344	400,000	320,000
Norbert Pyhel	350,004	225,780	-	575,784	345,837	216,000
François de Varenne	350,000	197,638	3,434	551,073	350,000	224,000

(*) The compensation is paid in CHF, the exchange rate used is: 1 EUR = 1,5123 CHF (the exchange rate of reference for the DDR).
(**) This amount includes an expatriation premium related to fiscal year 2009.
(***)This amount includes an expatriation premium related to fiscal year 2008 and an expatriation premium related to fiscal year 2009.
(****) This amount includes an expatriation premium related to fiscal year 2008.
(*****) This amount includes an expatriation premium related to fiscal year 2007 and paid in 2008.
(******) Those allowances cover business expenses

2008				Year 2007	
Premium/ Allowances	Gross compensation	Fixed compensation	Variable compensation	Premiums/ Allowances	Gross compensation
4,298	459,180	280,000	212,800	4,298	497,098
23,567****	640,542	376,248	259,446	23,567****	659,261
23,567****	756,516	379,665	314,223	23,567****	717,455
62,186**	721,703	321,079	214,373	15,394	550,846
105,581**	787,473	320,000	320,000	83,432***	723,432
-	571,617	216,660	216,000	-	432,660
3,434	551,072	278,333	224,000	143,346	645,679

2008				Year 2007	
Premium/ Allowances	Gross compensation	Fixed compensation	Variable compensation	Premiums/ Allowances	Gross compensation
4,298	497,098	280,000	212,800	4,298	497,098
23,567******	669,125	376,248	363,718	23,567******	763,532
23,567******	769,638	379,665	197,745	23,567******	600,977
80,850****	688,848	321,079	191,842	15,394	528,315
83,743*****	803,743	320,000	212,800	3,897	536,697
-	561,837	216,660	140,000	-	356,660
3,434	577,434	278,333	83,600	143,346	505,279

The members of the Executive Committee also benefit from the use of a vehicle for business purposes; the Chairman and Chief Executive Officer has a company car with driver.

The benefits in kind and insurance services granted to the Chairman and Chief Executive Officer and to the Chief Operating Officer are presented in Appendix B - Report of the Chairman of the Board of Directors on the terms and conditions for preparing and organising the work of the Board of Directors and on internal control procedures in compliance with Article L. 225-37 of the French Commercial Code.

For details on stock options and shares granted to members of the Executive Committee, refer to Sections 17.2.2 - Stock options held by members of the Executive Committee and other company officers as of 31 December 2009 and 17.2.3 – Free allocation of shares to COMEX members and other company officers as of 31 December 2009.

For pension benefits, refer to Section 17.4. - Defined pension schemes.

The members of the Executive Committee do not receive directors' fees for their directorships in companies in which SCOR holds more than 20% of the share capital. They are reimbursed for justified business expenses. Executives under a Swiss contract receive a flat allowance covering business expenses of small unit amounts.

Certain members of the Executive Committee receive a housing allowance because of their dual duties in two geographically separated units.

15.1.3 REMUNERATION IN THE FORM OF OPTIONS AND SHARE ALLOCATION

Refer to Section 17.2. – Information on shareholdings and stock options or Company stock purchases by members of administrative and management bodies.

15.2 Total amounts set aside or accrued to provide pension, retirement, or similar benefits for financial year 2009

Like all senior executives in France having joined the Group before June 2008[8], French COMEX members are entitled to a guaranteed capped pension plan conditioned on a minimum 5 years length of service with the Group, the payment of which is based on their average compensation over the last five years.

The amount of the additional pension guaranteed by the Group varies from 20% to 50% of the average compensation over the last five years, depending on seniority acquired in the Group (from 5 to 9 years) at retirement. The additional pension guaranteed by the Group is defined after deductions of the pensions paid out through the compulsory schemes.

The pension benefits offered to the other COMEX members are comparable to French ones. For the executive under a German contract, the pension guaranteed corresponds to 50% of the remuneration over the last 12 months before retirement.

The executives under a Swiss contract are entitled to a specific scheme with a guaranteed pension of 50% of the average compensation over the last five years before retirement.

The total commitment of the Group for defined benefits retirement plans for the COMEX members in France, Germany and Switzerland amounts at EUR 23 million as of 31 December 2009, the total commitment of the Group being for pension plans EUR 178 million.

No retirement benefit (or commitment) has been paid to the directors.

Refer also to Section 20.1.6 – Notes to the Consolidated Financial Statements, Note 25 – Related party transactions and Appendix A – Notes to the Corporate Financial Statements, Note 6 – Contingency reserves.

[8] This pension scheme was frozen on June 2008 and concerns only a limited number of executives in France.

Board practices

BOARD PRATICES

16 BOARD PRACTICES

16.1 Date of expiration of the current term of office

Name	Term in Office	Date of expiration	First appointment date	Duties the renewal of which will be proposed to the next Ordinary annual meeting of the Shareholders
Denis Kessler	Chairman of the Board of Directors and Chief Executive Officer	2011 (*)	4 November 2002	NA
Carlo Acutis	Director	2011 (*)	15 May 2003	NA
Gérard Andreck	Director	2011 (*)	18 March 2008 (10)	NA
Antonio Borgès	Director	2011 (*)	15 May 2003	NA
Allan Chapin	Director	2011 (*)	12 May 1997	NA
Peter Eckert	Director	2011 (*)	15 April 2009	NA
Daniel Havis	Director	2011 (*)	18 November 1996 (11)	NA
Daniel Lebègue	Director	2011 (*)	15 May 2003	NA
André Lévy-Lang	Director	2011 (*)	15 May 2003	NA
Médéric Prévoyance	Director	2011 (*)	15 April 2009	NA
Luc Rougé	Director	2011 (*)	24 May 2007	NA
Herbert Schimetschek	Director	2011 (*)	15 May 2003	NA
Jean-Claude Seys	Director	2011 (*)	15 May 2003	NA
Claude Tendil	Director	2011 (*)	15 May 2003	NA
Daniel Valot	Director	2011 (*)	15 May 2003	NA
Georges Chodron de Courcel	Non-Voting Director	2011 (*)	9 May 1994 (Director) 15 May 2003 (Non-Voting Director)	NA

(*) At the end of the Ordinary Annual General Shareholder's Meeting taking place during the indicated year
(10) Cooptation with ratification voted on by the Ordinary General Shareholders' Meeting of 7 May 2008.
(11) Cooptation with ratification voted on by the Joint General Shareholders' Meeting of 12 May 1997.

16.2 Information on service contracts of members of administrative and management bodies

To our knowledge, there are no service agreements involving the members of the administrative or senior management bodies and the Company or one of its subsidiaries providing for benefits upon termination of such agreement.

16.3 Information on the audit committee and the compensation and appointment committee

The information on these two committees can be found in the report from the Chairman of the Board of Directors in Appendix B (part I of the Report from the Chairman of the Board of Directors on the conditions for preparation and organisation of the work of the Board of Directors).

16.4 Corporate governance regime

Since SCOR SE's shares are listed on the Euronext, the provisions relating to corporate governance applicable to SCOR SE include French legal provisions, as well as rules dictated by its market authorities. SCOR SE believes that its application of corporate governance principles is appropriate and is in compliance with the best practices of corporate governance in effect in France in consideration with AMF and AFEP rules.

At its meeting of 12 December 2008, the Board of Directors of SCOR SE has examined the AFEP (Association of French Private-sector Companies) and MEDEF (French Business Confederation) recommendations of 6 October 2008 on the compensation of Corporate Executive Officers of listed companies.

The Board considered that these recommendations are in line with the corporate governance principles of SCOR and has decided to apply them to the compensation of the Executive Corporate Officer and decided that in application of 3 July 2008 Act implementing the European Union Directive 2006/46/CE of 14 June 2006, SCOR shall thus refer to the AFEP-MEDEF governance code relating to listed companies in preparing the report to be issued in accordance with article L. 225-37 of the French commercial Code.

The AFEP-MEDEF governance code can be referred to on the Company's Internet site (www.scor.com) or on the MEDEF's Internet site (www.medef.fr).

Additional information on the system of corporate governance can be found in the report from the Chairman of the Board of Directors in Appendix B.

Employees

EMPLOYEES

17 EMPLOYEES

17.1 Number of employees

The total number of employees increased from 1770 as of 31 December 2008 to 1,790 as of 31 December 2009. The distribution of personnel is uniform over the various geographical areas to meet strategic principles of the Group.

The following table shows the distribution of employees by geographic area and by entity [(1)]:

Distribution by geographic region

	2009	2008	2007
France	512	524	523
Europe (excluding France)	748	755	833
North America	307	289	282
Asia/Australia	181	145	159
Rest of world	42	57	43
TOTAL	**1,790**	**1,770**	**1,840**

Distribution by entity

	2009	2008	2007
SCOR Global P&C	905	905	527
SCOR Global Life	510	517	469
SCOR Global Investments[(2)]	25	-	-
Group Support Functions[(3)]	171	194	206
ReMark [(4)]	179	154	164
Ex-Converium	0	0 [(5)]	474
TOTAL	**1,790**	**1,770**	**1,840**

(1) The headcount is calculated based on the number of employees as of 31 December 2009.

(2) SCOR Global Investments (100% subsidiary of SCOR SE) was created in February 2009 with the transfer of the employees dedicated to asset management.

(3) It covers the departments of finance, human resources, information technology, legal, budget, audit, risk management.

(4) SCOR Global Life SE controls 100% of the capital of ReMark. Remark acquired ESG in May 2009.Due to its specific activity, ReMark is managed independently from the Group in terms of human resources.

(5) Employees of former Converium are fully integrated in the Group during fiscal year 2008.

17.2 Information on shareholdings and stock options or Company stock purchases by members of administrative and management bodies

17.2.1 NUMBER OF SHARES HELD BY DIRECTORS AND SENIOR MANAGERS

Article 10 (“Administration”) of SCOR’s bylaws requires that Directors own at least one share of the Company during the term of their directorship.

Directors and Officers Directors	Number of shares as at 31/12/2009
Mr. Denis Kessler	246,040
Mr. Carlo Acutis	12,000
Mr. Gérard Andreck	583
Mr. Antonio Borgès	1,500
Mr. Allan Chapin	1,000
M. Peter Eckert	400
Mr. Daniel Havis	2,000
Mr. Daniel Lebègue	1,456
Mr. André Lévy Lang	19,373
Guillaume Sarkozy, representing Médéric Prévoyance[9]	0
Mr. Luc Rougé	1
Mr. Herbert Schimetschek	2,388
Mr. Jean-Claude Seys	8,847
Mr. Claude Tendil	2,000
Mr. Daniel Valot	4,529
Non voting Director	
Mr. Georges Chodron de Courcel	3,489
TOTAL	**305,606**

[9] Médéric Prévoyance holds, as at the date of this Registration Document, 3,913,178 SCOR shares.

17.2.2 STOCK OPTIONS HELD BY THE MEMBERS[10] OF THE EXECUTIVE COMMITTEE AND OTHER COMPANY OFFICERS AS OF 31 DECEMBER 2009

The following table presents the stock option plans and stock purchase plans which benefit members of COMEX and company executives as of December 31, 2009.

	Options exercised	Number of stock options underlying shares	Date of plans	Price (EUR)	Potential transaction volume (EUR)	Exercise period
Denis Kessler	-	38,135	02/28/2003	27.30	1,041,086	02/28/2007 to 02/27/2013
	-	16,783	06/03/2003	37.60	631,041	06/03/2007 to 06/02/2013
	-	39,220	08/25/2004	10.90	427,498	08/26/2008 to 08/25/2014
	-	46,981	09/16/2005	15.90	746,998	09/16/2009 to 09/15/2015
	-	57,524	09/14/2006	18.30	1,052,689	09/15/2010 to 09/14/2016
	-	55,000	09/13/2007	17.58	966,900	09/13/2011 to 09/12/2017
	-	75,000	05/22/2008	15.63	1,172,250	05/22/2012 to 05/21/2018
	-	125,000	03/23/2009	14.92	1,864,625	03/23/2013 to 03/22/2019
TOTAL		**453,643**			**7,903,086**	
Jean-Luc Besson	-	4,576	02/28/2003	27.30	124,925	02/28/2007 to 02/27/2013
	-	4,195	06/03/2003	37.60	157,732	06/03/2007 to 06/02/2013
	6,550	6,000	08/25/2004	10.90	65,400	08/26/2008 to 08/25/2014
	-	18,792	09/16/2005	15.90	298,793	09/16/2009 to 09/15/2015
	-	26,147	09/14/2006	18.30	478,490	09/15/2010 to 09/14/2016
	-	20,000	09/13/2007	17.58	351,600	09/13/2011 to 09/12/2017
	-	24,000	05/22/2008	15.63	375,120	05/22/2012 to 05/21/2018
	-	30,000	03/23/2009	14.92	447,600	03/23/2013 to 03/22/2019
TOTAL		**133,710**			**2,299,660**	
Benjamin Gentsch	-	50,000	09/13/2007	17.58	879,000	09/13/2011 to 09/12/2017
	-	24,000	05/22/2008	15.63	375,120	05/22/2012 to 05/21/2018
	-	32,000	03/23/2009	14.92	477,440	03/23/2013 to 03/22/2019
TOTAL		**106,000**			**1,731,560**	
Paolo de Martin	-	50,000	09/13/2007	17.58	879,000	09/13/2011 to 09/12/2017
	-	36,000	05/22/2008	15.63	562,680	05/22/2012 to 05/21/2018
	-	48,000	03/23/2009	14.92	716,160	03/23/2013 to 03/22/2019
TOTAL		**134,000**			**2,157,840**	
Gilles Meyer	-	12,550	09/14/2006	18.30	229,665	09/15/2010 to 09/14/2016
	-	30,000	09/13/2007	17.58	527,400	09/13/2011 to 09/12/2017

[10] Julien Carmona is member of the Executive Committee since January 1, 2010 as Group Chief Operating Officer and is not included in those tables which relate the previous years. He joined the Goup on October 20, 2009 as Chairman Special Advisor.

	Options exercised	Number of stock options underlying shares	Date of plans	Price (EUR)	Potential transaction volume (EUR)	Exercise period
	-	36,000	05/22/2008	15.63	562,680	05/22/2012 to 05/21/2018
	-	48,000	03/23/2009	14.92	716,160	03/23/2013 to 03/22/2019
TOTAL		**126,550**			**2,035,905**	
Victor Peignet	-	26	05/04/2000	185.10	4,813	05/05/2004 to 05/03/2010
	-	1,555	08/31/2000	173.50	269,793	09/01/2005 to 08/30/2010
	-	2,075	09/04/2001	185.10	384,083	09/04/2005 to 09/03/2011
	-	52	10/03/2001	131.10	6,817	10/04/2005 to 10/02/2011
	-	2,745	02/28/2003	27.30	74,939	02/28/2007 to 02/27/2013
	-	2,937	06/03/2003	37.60	110,431	06/03/2007 to 06/02/2013
	-	12,550	08/25/2004	10.90	136,795	08/26/2008 to 08/25/2014
	-	20,880	09/16/2005	15.90	331,992	09/16/2009 to 09/15/2015
	-	26,147	09/14/2006	18.30	478,490	09/15/2010 to 09/14/2016
	-	35,000	09/13/2007	17.58	615,300	09/13/2011 to 09/12/2017
	-	36,000	05/22/2008	15.63	562,680	05/22/2012 to 05/21/2018
	-	48,000	03/23/2009	14.92	716,160	03/23/2013 to 03/22/2019
TOTAL		**187,967**			**3,692,292**	
Norbert Pyhel	-	50,000	12/14/2006	21.73	1,085,000	12/15/2010 to 12/14/2016
	-	20,000	09/13/2007	17.58	351,600	09/13/2011 to 09/12/2017
	-	24,000	05/22/2008	15.63	375,120	05/22/2012 to 05/21/2018
	-	32,000	03/23/2009	14.92	477,440	03/23/2013 to 03/22/2019
TOTAL		**126,000**			**2,289,160**	
François de Varenne	-	7,308	09/16/2005	15.90	116,197	09/16/2009 to 09/15/2015
	-	15,688	09/14/2006	18.3	287,090	09/15/2010 to 09/14/2016
	-	20,000	09/13/2007	17.58	351,600	09/13/2011 to 09/12/2017
	-	24, 000	05/22/2008	15.63	375,120	05/22/2012 to 05/21/2018
	-	32,000	03/23/2009	14.92	477,440	03/23/2013 to 03/22/2019
TOTAL		**98,996**			**1,607,448**	
GENERAL TOTAL		**1,366,866**			**23,716,950**	

The allocations of stock options in 2008 and 2009 are submitted to performance conditions. Thus, a third of the number of options awarded on the 22 May 2008 Plan and half of the option awarded on the 23 March 2009 Plan are submitted to the achievement of performance conditions; and this is for all the beneficiaries except for the Corporate Officer whose options allocated in 2009 are all submitted to the same performance conditions (Refer to 17.3.1 for the performance conditions).

Stock options granted to the top ten non-officer employees and exercised by them	Number of stock options underlying shares granted	Average weighted price (EUR)	Plans
Number of stock options underlying shares granted during the financial year by the issuer and by any company included in the option distribution scope to ten employees of the issuer and of any company included in such scope, whose number of options thus purchased or subscribed is the highest (aggregate information)	362,000	15.21	23 March 2009 and 25 November 2009
Number of stock options underlying shares held on the issuer and on the companies referred to previously and exercised during the financial year by the ten employees of the issuer or these companies, whose number of options thus purchased or subscribed is the highest (aggregate information)	60,915	11.76	25 August 2004 and 16 September 2005

17.2.3 FREE ALLOCATION OF SHARES TO COMEX MEMBERS AND OTHER COMPANY OFFICERS AS OF 31 DECEMBER 2009

The table below presents the share allocation plans awarded to the members of the Executive Committee on 31 December 2009:

	Plan	Share award rights	Price per share (EUR)	Transaction (EUR)	Transfer date
Denis Kessler	2004 Plan - Tranche A	18,750	14.40	270,000	01/10/2005
	2004 Plan – Tranche B	-		-	11/10/2005
	2004 Plan – Forfeiture - redistribution	26,250	17.97	471,713	09/01/2007
	2005 Plan	45,000	17.97	808,650	09/01/2007
	2006 Plan	55,000	14.88	818,400	11/08/2008
	2007 Plan	80,000	15.17	1,213,600	05/24/2009
	2008 Plan	75,000	-	-	05/07/2010
	2009 Plan	125,000	-	-	03/16/2011
TOTAL		**425,000**			
Jean-Luc Besson	2004 Plan - Tranche A	7,500	14.40	108,000	01/10/2005
	2004 Plan – Tranche B	7,500	16.90	126,750	11/10/2005
	2004 Plan – Forfeiture - redistribution	-		-	09/01/2007
	2005 Plan	18,000	17.97	323,460	09/01/2007
	2006 Plan	25,000	14.88	372,000	11/08/2008
	2007 Plan	20,000	15.17	303,400	05/24/2009
	2008 Plan	24,000	-	-	05/08/2010
	2009 Plan	30,000	-	-	03/16/2011
TOTAL		**132,000**			
Benjamin Gentsch	2007 Plan	50,000	15.17	758,500	05/24/2009
	2008 Plan	24,000	-	-	05/07/2012
	2009 Plan	32,000	-	-	03/16/2013
TOTAL		**106,000**			
Paolo de Martin	2007 Plan	50,000	15.17	758,500	05/24/2011
	2008 Plan	36,000	-	-	05/07/2012
	2009 Plan	48,000	-	-	03/16/2013
TOTAL		**134,000**			
Gilles Meyer	2006 Plan	12,000	14.88	178,560	11/08/2008
	2007 Plan	30,000	15.17	455,100	05/24/2009
	2008 Plan	36,000	-	-	05/08/2010
	2009 Plan	48,000	-	-	03/16/2011
TOTAL		**126,000**			
Victor Peignet	2004 Plan - Tranche A	7,500	14.40	108,000	01/10/2005
	2004 Plan – Tranche B	-		-	11/10/2005
	2004 Plan – Forfeiture - redistribution	10,500	17.97	188,685	09/01/2007
	2005 Plan	20,000	17.97	359,400	09/01/2007
	2006 Plan	25,000	14.88	372,000	11/08/2008
	2007 Plan	35,000	15.17	530,950	05/24/2009
	2008 Plan	36,000	-	-	05/08/2010
	2009 Plan	48,000	-	-	03/16/2011
TOTAL		**182,000**			
Norbert Pyhel	2006 Plan	50,000	14.79	739,500	11/22/2008
	2007 Plan	20,000	15.17	303,400	05/24/2011
	2008 Plan	24,000	-	-	05/08/2012
	2009 Plan	32,000	-	-	03/16/2013
TOTAL		**126,000**			

	Plan	Share award rights	Price per share (EUR)	Transaction (EUR)	Transfer date
François de Varenne	2005 Plan	7,000	17.97	125,790	09/01/2007
	2006 Plan	15,000	14.88	223,200	11/08/2008
	2007 Plan	20,000	15.17	303,400	05/24/2009
	2008 Plan	24,000	-	-	05/08/2010
	2009 Plan	32,000	-	-	03/16/2011
TOTAL		98,000			
GENERAL TOTAL		1,329,000			

The allocations of free shares in 2008 and 2009 are submitted to performance conditions. Thus, a third of the number of free shares awarded on the 22 May 2008 Plan and half of the free shares awarded on the 23 March 2009 Plan are submitted to the achievement of performance conditions; and this is for all the beneficiaries except for the Corporate Officer whose free shares allocated in 2009 are all submitted to the same performance conditions (Refer to 17.3.1 for the performance conditions).

17.3 Plans providing employee participation in Company

Refer to Section 20.1.6 - Notes to the Consolidated Financial Statements, Note 17 - Provisions for employee benefits and Appendix A – Corporate financial statements, Note 13 - Employee shares ownership plans.

17.3.1 STOCK OPTION PLANS

The General Shareholders' meeting of 7 May 2008, in its nineteenth resolution, authorises the Board of Directors under the provisions of Articles L.225-177 to L.225-185 of the Commercial Code, to grant on the proposal of the Compensation and Nominations Committee, on one or more occasions for the benefit of members of staff and the corporate officers, of the Company and companies or groups linked to it in terms of Article L.225-180 of the Commercial Code, options entitling to the subscription of new ordinary shares of the Company in issue as to increase its capital, as well as options entitling to purchase shares of the Company from acquisitions made by it as provided by law within the limits of a number of options giving right to a maximum of three million (3,000,000) of shares.

This authorisation was replaced on 15 April 2009 by a new authorisation of the General Shareholder's meeting of the Company the same day, in its twenty second resolution, that authorises the Board of Directors under the provisions of Articles L.225-177 to L.225-185 of the Commercial Code, to grant on the proposal of the Compensation and Nominations Committee, on one or more occasions for the benefit of members of staff and the corporate officers, of the Company and companies or groups linked to it in terms of Article L.225-180 of the Commercial Code, options entitling to the subscription of new ordinary shares of the Company in issue as to increase its capital, as well as options entitling to purchase shares of the Company from acquisitions made by it as provided by law within the limits of a number of options giving right to a maximum of three million (3,000,000) of shares. This authorisation is given for a period of eighteen months from 15 April 2009.

Specific allocation of stock options

Following the upgrade from "A-" to "A" by the Standard & Poors' rating agency, the Board of Directors of 16 March 2009, on the proposal of the Compensation and Nominations Committee of 13 March 2009, decided to allocate stock options to Partners and to the Chairman and Chief Executive Officer.

The Partnership gathers key executives, managers, experts, and high potentials formally identified across the Group. Partners are given specific responsibilities in terms of significant achievements, high impact project management and/or leadership. Therefore, they benefit from a specific and selective program in terms of information sharing, career development and compensation schemes. Partners represent approximately 25 % of the total number of staff.

23 March 2009 Stock option Plan

The Board of Directors of 16 March 2009 allocated, on 23 March 2009, 1,403,500 stock options on the basis of the authorisation of the Shareholders meeting of 7 May 2008 in its nineteenth resolution.

Those options can be exercised at the earliest 4 years after the grant date, if the presence condition is respected. The stock options can be exercised on one or more occasions from 23 March 2013 to 23 March 2019 included. From this date, the purchase right shall expire.

The exercise of the stock options allocated to the Chairman and Chief Executive Officer and half of the options allocated to the other beneficiaries (including the other members of the Executive Committee), are submitted to performance conditions.

The exercise of options is conditioned, in addition to the presence conditions, by three out of the four conditions outlined below:

1. The S&P financial strength rating must be "A" in 2009 and 2010;
2. SCOR Global P&C's combined ratio must be less than or equal to 102% on average in 2009 and 2010;
3. The growth of SCOR Global Life's embedded value must be higher than or equal to 3% in 2009 and 2010;
4. The SCOR group's ROE for the financial years ending 31 December 2009 and 31 December 2010 must be higher than 300 points above the risk-free rate on average.

25 November 2009 Stock option Plan

Following the authorisation of the Shareholders meeting of 15 April 2009 in its twenty-second resolution, the Board of Directors of the same day decided to grant stock options to some employees that hired in a position of Executive Global Partner or Senior Global Partner after 15 April 2009. Following this decision, 88,500 stock options were allocated to 17 employees on 25 November 2009.

Those options can be exercised at the earliest 4 years after the grant date, if the presence condition is respected. The exercise price is calculated in accordance with current legislation and is based on the weighted average of the opening date of the 20 trading days preceding the decision to award the stock options.

The exercise of half of the options granted is submitted to the same performance conditions as those decided for the 23 March 2009 Plan (for the description of the performance conditions, refer to 17.3.1 – Stock option plan – Specific allocation of stock options).

A table showing features of the SCOR stock option plans is found in Section 20.1.6 – Notes to the consolidated financial statements, Note 18 - Stock options and share awards.

Refer also to Section 20.1.6 – Notes to the Consolidated Financial Statements, Note 17 - Provisions for employee benefits.

A new authorisation of the Board of Directors as regards to the allocation of stock options, replacing the authorisation of the Shareholders meeting of 15 April 2009 in its twenty-second resolution, will be submitted to the approval of the next shareholders meeting.

17.3.2 SHARE ALLOCATION PLANS

On 7 May 2008, in its twentieth resolution, the Shareholders' Meeting authorised the Company's Board of Directors to make, on one or more occasions, to the employees and directors and officers defined by law, or to some of them, of the Company and of companies or groups affiliated with it pursuant to Article L. 225-197-2 of the French Commercial Code, free allotments of existing or yet-to-be-issued shares of the Company and resolved that the Board of Directors of the Company would determine the identity of the beneficiaries of the allotment and the conditions and criteria for the allotment of the shares.

The Shareholders' Meeting also decided that (i) the total number of free shares granted under this authorisation may not exceed 3,000,000 Shares of which 1,000,000 shares granted subject implementation of performance conditions set by the Board of directors on the proposal of the Compensation and Nominations Committee , (ii) the allocation of shares to their beneficiaries will be definitive only after a vesting period of a minimum set at two years for tax residents of France and a minimum of 4 years for beneficiaries not tax residents of France, (iii) the beneficiaries will be subject, where appropriate, an obligation to retain shares in a period of two years from the end of the vesting period for tax residents of France and that the retention period for beneficiaries not tax residents of France, and (iv) the Board of Directors of the Company will have the authority to increase the lengths of the acquisition period and the holding obligation period.

This authorisation was replaced on 15 April 2009 by a new authorisation of the General Shareholder's meeting of the Company the same day, in its twenty third resolution, that authorises the Company's Board of Directors to make, on one or more occasions, to the employees and directors and officers defined by law, or to some of them, of the Company and of companies or groups affiliated with it pursuant to Article L. 225-197-2 of the French Commercial Code, free allotments of existing or yet-to-be-issued shares of the Company and resolved that the Board of Directors of the Company would determine the identity of the beneficiaries of the allotment and the conditions and criteria for the allotment of the shares.

The Shareholders' Meeting also decided that (i) the total number of free shares granted under this authorisation may not exceed 3,000,000 Shares of which 1,000,000 shares granted subject implementation of performance conditions set by the Board of directors on the proposal of the Compensation and Nominations Committee , (ii) the allocation of shares to their beneficiaries will be definitive only after a vesting period of a minimum set at two years for tax residents of France and a minimum of 4 years for beneficiaries not tax residents of France, (iii) the beneficiaries will be subject, where appropriate, an obligation to retain shares in a period of two years from the end of the vesting period for tax residents of

France and that the retention period for beneficiaries not tax residents of France, and (iv) the Board of Directors of the Company will have the authority to increase the lengths of the acquisition period and the holding obligation period.

This authorisation is given for a period of eighteen months from 15 April 2009.

Collective free shares grant

On the proposal of the Compensation and Nominations Committee, the Board of Directors decides to grant on 3 March 2009, two hundred (200) free shares to each employee non partner of SCOR Group (French or foreign subsidiaries hold directly of indirectly at more than 50 %), on the basis of the authorisation of the General Shareholders' meeting of May 2008 in its twentieth resolution.

The conditions of the plan are similar to those usually decided by the Group with a vesting period of 2 years for the tax residents of France (and an obligation to retain shares in a period of two years from the end of the vesting), and of 4 years for the beneficiaries not tax resident of France.

Specific grant of performance shares

Following the upgrade from "A-" to "A" by the Standard & Poors' rating agency, the Board of Directors of 16 March 2009, on the proposal of the Compensation and Nominations Committee of 13 March 2009, decides to make an exceptional grant of free shares to Partners and to the Chairman and Chief Executive Officer.

16 March and 15 April 2009 free shares and performance shares

The Board of Directors of 16 March 2009, on the basis of the authorisation of the Shareholders meeting of 7 Mai 2008, in its twenty-second resolution, decides to allocate 125,000 performance shares to the Chairman and Chief Executive Officer, 314,000 free shares or performance shares to the other members of the Executive Committee and 854,800 free shares or performance shares to the other Partners of the Company. The Board of Directors of 15 April 2009, on the basis of the authorisation of the Shareholders meeting of the same day, in its twenty-third resolution, decides to allocate 116,000 free shares or performance shares to some employees of the Company.

The conditions of the plan are similar to those usually decided by SCOR (notably as regards to the presence conditions), with a vesting period of 2 years for the tax residents of France (and an obligation to retain shares in a period of two years from the end of the vesting), and of 4 years for the beneficiaries not tax resident of France.

All the allocation to the Chairman and Chief Executive Officer and half of the allocations to the other beneficiaries (including the other members of the Executive Committee), are submitted to the same performance conditions as those decided for the 23 March 2009 Plan (for the description of the performance conditions, refer to 17.3.1 – Stock option plan – Specific allocation of stock options).

25 November 2009 free shares and performance shares

Following the authorisation of the Shareholders meeting of 15 April 2009 in its twenty-third resolution, the Board of Directors of the same day decides of the allocation of performance and free shares to some employees hired to hold a position of *Executive Global Partner* or *Senior Global Partner* after 15 April 2009. Following this decision, 88,500 free shares and performance shares were allocated to 17 employees on 25 November 2009.

Half of these allocations are submitted to the same performance conditions as those set for the 23 March 2009 Plan (for the description of the performance conditions, refer to 17.3.1 – Stock option plan – Specific allocation of stock options).

The following table shows the free stock award plans currently in force within the Group:

Shareholders meeting and Board of Directors	Total number of shares allocated	Start of acquisition period / start of the holding period / duration of the holding period	Total number of beneficiaries	Free shares allocates to the ten first employees non corporate officers	Allocation condition and criteria	Source of shares to be allocated
April 15, 2009 April 15, 2009	72,000	From November 25, 2009 to November 25, 2011 included 2 years	7	72,000	Requirement of presence at the company as of November 25, 2011 Performance conditions	Treasury shares
April 15, 2009 April 15, 2009	16,500	From November 25, 2009 to November 25, 2013 included No holding period	10	16,500	Requirement of presence at the company as of November 25, 2011 Performance conditions	Treasury shares
April 15, 2009 April 15, 2009	30,500	From April 15, 2009 to April 15, 2011 included 2 years	18	21,000	Requirement of presence at the company as of April 15, 2011 Performance conditions	Treasury shares
April 15, 2009 April 15, 2009	85,500	From April 15, 2009 to April 15, 2013 included No holding period	50	25,000	Requirement of presence at the company as of April 15, 2011 Performance conditions	Treasury shares
May 7, 2008 March 16, 2009	599,800	From March 16, 2009 to March 16, 2011 2 years	110	225,000	Requirement of presence at the company as of March 16, 2011 Performance conditions	Treasury shares
May 7, 2008 March 16, 2009	694,000	From March 16, 2009 to March 16, 2013 No holding period	189	193,000	Requirement of presence at the company as of March 16, 2011 Performance conditions	Treasury shares
May 7, 2008 March 3, 2009	65,800	From March 3, 2009 to March 3, 2011 2 years	329	2,000	Requirement of presence at the company as of February 15, 2011	Treasury shares
May 7, 2008 March 3, 2009	149,600	From March 3, 2009 to March 3, 2013 No holding period	748	2,000	Requirement of presence at the company as of February 15, 2011	Treasury shares
7 May 2008 26 August 2008	427,500	26 August 2008 26 August 2010 2 years	132	98,500	Requirement of presence at the company as of 15 August 2010 Performance conditions	Treasury shares
7 May 2008 26 August 2008	771,500	From 26 August 2008 to 26 August 26, included / No holding period	244	110,000	Requirement of presence at the company as of 15 August 2010 Performance conditions	Treasury shares

Shareholders meeting and Board of Directors	Total number of shares allocated	Start of acquisition period / start of the holding period / duration of the holding period	Total number of beneficiaries	Free shares allocates to the ten first employees non corporate officers	Allocation condition and criteria	Source of shares to be allocated
7 May 2008 7 May 2008	195,000	7 May 2008 8 May 2010 2 years	5	120,000	Requirement of presence at the company as of 30 April 2010 Performance conditions	Treasury shares
7 May 2008 7 May 2008	84,000	From 7 May2008 to 7 May 2012 included / No holding period	3	84,000	Requirement of presence at the company as of 30 April 2010 Performance conditions	Treasury shares
24 May 2007	874,000	24 May 2007 24 May 2009 No holding period	242	219,000	Requirement of presence at the company as of 30 April 2009	Treasury shares

Refer also to Section 20.1.6 – Notes to the consolidated financial statements, Note 17 - Provisions for employee benefits.

During the exercise 2009, the rights converted into non-cost shares by the ten employees of the Company and of any company included in its consolidation whose number of shares thus obtained is the highest represent 277,500 shares. Those rights concerned the Free Share Plan of 24 May 2007 whose transfer occurred on 24 May 2009 for the tax residents of France.

A new authorisation of the Board of Directors as regards to the allocation of free shares, replacing the authorisation of the Shareholders meeting of 15 April 2009 in its twenty-third resolution, will be submitted to the approval of the next shareholders meeting.

17.3.3 STOCK OPTION PLANS CURRENTLY IN FORCE WITHIN THE GROUP

For the list of the stock options plans currently in force within the Group as well as the stock options granted to ten employees whose number of options thus purchased is the highest; refer to Annexe A – Notes to the Corporate Financial Statements - Note 12: Stock Options.

For the number of stock options underlying shares held on the issuer and on the companies referred to previously and exercised during the financial year by the ten employees of the issuer or these companies, whose number of options thus purchased or subscribed is the highest, refer to Table in paragraph 17.2.2.

17.3.4 EMPLOYEE SAVINGS PLAN

Group employees (excluding directors and officers) may invest in the Employee Savings Plan. An agreement specifies the principle, financing, and conditions of the Plan. The Employee Savings Plan has four mutual investment funds, two of which are entirely dedicated to SCOR. An employer's contribution is expected on two funds. The funds may receive several types of deposits: sums received from profit-sharing plans, collective incentive plans, or any other voluntary contributions.

On 7 May 2008, the Combined Shareholders' Meeting of the Company delegated its authority to the Company's Board of Directors in order to increase the share capital by issuing shares reserved for employees of the company and of French and foreign companies affiliated with it pursuant to Article L. 225-180 of the French Commercial Code, who are participants in savings plans and/or any mutual funds, eliminating the pre-emptive right they have. This new authorisation replaces the authorisation granted by the General Shareholders' Assembly of 24 May 2007.

As of the date of the Registration Document, the Company's Board of Directors has not exercised this authorisation to increase the share capital by the issuance of shares reserved for the members of savings plans (plans d'épargne), with cancellation of the preferential subscription right to the benefit of such members. This authorisation was granted for a period of twenty six months as of the date of the Combined Shareholders' Meeting on 15 April 2009.

17.4 Defined pension schemes

Several defined contributions and benefits pensions schemes are settled in the Group.

17.4.1 DEFINED CONTRIBUTION PENSION SCHEMES

The following table provides an overview of the primary defined contribution pension schemes in place in the Group.

Country	Name of the plan	Number of plans	Benefits related description
Switzerland	Pension fund	1	Lump sum benefit, equal to the accrued savings account balance, but at least equal to the sum of the employee contributions.
United States	Retirement Savings Plan (401k plan)	2	401(k) Plan Employer Matching Contribution
	Retirement Savings Plan (Defined Contribution Retirement Program)		Defined Contribution Retirement Program (Employer funding varies by employee depending on age and service)
United Kingdom	Stakeholder Pension Scheme 1	5	Individual Funds accumulate from contributions and investment returns. At retirement it is possible to take a part of the fund as a tax free cash lump sum and the balance must be used to provide a pension.
	Stakeholder Pension Scheme 2		
	Personal Pension Scheme 1		
	Personal Pension Scheme 2		
	Personal Pension Scheme 3		

COMEX members benefit from collective pension plans that are in place in their own entity and do not have any specific scheme.

17.4.2 DEFINED BENEFITS PENSION SCHEMES

The following table provides an overview of the primary defined benefits pension schemes in place in the Group.

Country	Scheme Identification	Number of schemes	Benefit related description
France	"Indemnités de fin de carrière", "Indemnités de Départ à la Retraite", "Congés Fin de Carrière"	4	Pension defined according to conditions of seniority in the company
	Supplemental Defined Benefit Plan[11]		Additional pension guaranteeing 20% to 50% of the average last 5 years salaries according to seniority if the beneficiary is at SCOR at retirement
Switzerland	Pension	2	Lump sum benefit, equal to the accrued savings account balance, payable until Normal Retirement, Waiver of employee contributions in case of disability
Germany	Pension	3	Payment of the pension benefits is based on the duration of affiliation to the Pension Scheme.
	Pension	3	The pension schemes serve the purpose of supplying benefits to the employees in their retirement and in the event of occupational (Professional) disability, as well as of ensuring provisions in case of an employee's death
United States	Pension	6	The amount of annual benefit is paid at Normal Retirement Date in monthly instalments for life is 46% of Average Monthly Compensation, multiplied by a fraction, not exceed 1 and based on seniority upon retirement
United Kingdom	Pension	1	The pension is equal to 1/60th of Final Pensionable Salary for each year of membership of the scheme up to Normal Retirement Date

COMEX members benefit from the collective pension schemes in place in their entity except and do not have any specific plan except for M. Paolo de Martin and M. Benjamin Gentsch who have been awarded a similar advantage than the one granted to the other COMEX members.

[11] This scheme regroups a limited number of beneficiaries (with an executive status). It was closed to new entrants as of 30 June 2008.

Principal shareholders

PRINCIPAL SHAREHOLDERS

18 PRINCIPAL SHAREHOLDERS

18.1 Significant shareholders known to SCOR

Share capital structure and voting rights in the Company to the knowledge of SCOR (on the basis of a study of identifiable share bearers (titres aux porteurs identifiables – TPI) conducted by the Company as at 31 December 2009 :

As at 31 December 2009	Number of shares	% of capital	% voting rights (1)
Patinex AG (2)	14,000,000	7.56%	7.84%
Alecta Kapitalförvaltning AB (2)	12,500,000	6.75%	7.00%
BlackRock Fund Advisors (formerly Barclays Global) (2)	8,705,200	4.70%	4.87%
Groupe Malakoff (2)	5,529,100	2.99%	3.10%
Générali Investments France S.A. (2)	4,191,600	2.26%	2.35%
Amundi Asset Management (2)	3,908,300	2.11%	2.19%
LSV Asset Management (2)	3,889,100	2.10%	2.18%
Treasury shares	6,599,717	3.56%	0.00%
Employees	2,661,700	1.44%	1.49%
Others	124,950,397	67.46%	69.96%
TOTAL	**185,213,031**	**100.00%**	**100.00%**

(1) The percentage of voting rights is determined on the basis of the number of shares at closure, excluding the company's own treasury shares.
(2) Source: TPI and Ipreo.

To the Company's knowledge, there was no other shareholder than those indicated in the table above holding more than 2.5 % of the share capital or voting rights of the Company as at 31 December 2009.

Share capital structure and voting rights in the Company to the knowledge of SCOR on the basis of a study of identifiable share (*titres aux porteurs identifiables* – TPI) conducted by the Company as at 31 December 2008:

As at 31 December 2008	Number of shares	% of capital	% voting rights (1)
Patinex AG (2)	14,000,000	7.60%	7.81%
Alecta Kapitalförvaltning AB (2)	10,060,800	5.46%	5.61%
Groupe Malakoff (2)	5,529,100	3.00%	3.08%
Marathon Asset Management, LLP ((3)	4,738,900	2.57%	2.64%
Credit Suisse Asset Management (2)	4,585,700	2.49%	2.56%
Silchester International Investors (3)	4,558,500	2.48%	2.54%
Treasury shares	4,904,551	2.66%	0.00%
Employees	1,400,944	0.76%	0.78%
Others	134,368,907	72.97%	74.96%
TOTAL	**184,246,437**	**100%**	**100%**

(1) The percentage of voting rights is determined on the basis of the number of shares at closure, excluding shares deprived of voting rights.
(2) Source: TPI and Ipreo.
(3) Source: TPI and Ipreo – shareholders via mutual funds and other investment funds.

To the Company's knowledge, there was no other shareholder than those indicated in the table above holding more than 2.5 % of the share capital or voting rights of the Company as at 31 December 2008.

The Company regularly conducts TPI searches to find out the number and identity of its bearer shareholders. The results of those analyses are presented in the following table:

TPI Date	January 2006	February 2007	December 2007	December 2008
Number of shareholders	34,000	44,757	36,892	31 000

No agreement or clause stipulating preferential terms for the sale or purchase of shares listed for trading on a regulated market, or for which an application for listing has been filed, and representing at least 0.5% of the Company's share capital or voting rights has been transmitted to the AMF.

To the Company's knowledge, there is no shareholders' agreement or action in concert. No transactions have taken place among senior managers, directors, or officers, and shareholders holding more than 2.5% of the share capital (or of the company controlling them) and the Company, on terms other than arm's length terms.

As at 31 December 2006, GROUPAMA was SCOR's leading shareholder, at which date GROUPAMA held 16.02% of the Company's share capital.

On 21 January 2007, GROUPAMA sold, off-market, 18,177,754 shares corresponding to 15.35% of the Company's share capital.

On 26 January 2007, HSBC Bank Plc, which is controlled by HSBC Holdings Plc, declared that it had exceeded on 22 January 2007, (i) directly and indirectly through the company HSBC Financial Products, on 22 January 2007, as the result of an off-market acquisition of stock, the thresholds of 5% of the capital and voting rights of SCOR, and held directly and indirectly 9,097,266 shares representing 90,972,660 voting rights, which is 7.68% of the capital and voting rights in SCOR, (ii) that it exceeded on 22 January 2007, directly and indirectly through the company HSBC Financial Products, on 22 January 2007, as the result of an off-market acquisition of stock, the thresholds of 5% of the capital and voting rights of SCOR, and held directly and indirectly 9,097,266 shares representing 90,972,660 voting rights, which is 7.68% of the capital and voting rights in SCOR, and that, on 22 January 2007, it had dropped (iii) directly or indirectly through HSBC Financial Products, following a stock placement with qualified investors, below the thresholds of 5% of the capital and voting rights in SCOR, and that it held directly or indirectly 2,810,388 shares representing 28,103,880 voting rights, i.e., 2.37% of the capital and voting rights in SCOR.

On 26 January 2007, UBS AG declared that it had (i) exceeded on 22 January 2007, directly or indirectly through UBS Securities LLC, following an acquisition of stock, the thresholds of 5% of the capital and voting rights in the SCOR company, and that it held directly or indirectly 9,544,987 shares representing 95,449,870 voting rights, or 8.06 % of the capital and voting rights in SCOR and that, on 22 January 2007, (ii) it dropped, directly or indirectly through UBS Securities LLC, following a placement of shares with qualified investors, below the thresholds of 5% of the capital and voting rights in SCOR, and that it held directly or indirectly 3,055,663 shares representing 30,556,630 voting rights, or 2.58% of the capital and voting rights in SCOR.

On 27 April 2007, Alecta pensionsförsäkring, ömsesidigt declared that, on 26 April 2007, following a contribution of Converium stock to SCOR and the resulting SCOR capital increase, it had exceeded the thresholds of 5% of the capital and voting rights in SCOR and that it held 9,206,173 shares representing 92,061,730 voting rights, or 6.76% of the capital and voting rights in SCOR.

On 27 April 2007, Patinex AG declared that on 26 April 2007 it had exceeded, following a contribution of Converium shares to SCOR by Patinex AG and the subsequent SCOR capital increase reserved for Patinex AG, the thresholds of 5% and 10% of the capital and voting rights in SCOR and that, on 26 April 2007, it had fallen (ii), following the sale of 1,388,017 SCOR shares, below the thresholds of 10% of the capital and voting rights in SCOR, and that it held 12,943,020 shares representing 129,430,200 voting rights, or 9.50% of the capital and voting rights in SCOR.

The contributions of Converium shares to SCOR are more fully described in Section 5.2.1.1 –Public offer upon the Converium shares.

On 2 July 2007, Morgan Stanley & Co. International Plc, which is controlled by Morgan Stanley, declared that, on 27 June 2007, it had exceeded the thresholds of 5% of the capital and voting rights in SCOR and that it held 6,954,285 shares representing 69,233,910 voting rights, or 5.10% of the capital and voting rights of SCOR.

On 12 July 2007, Morgan Stanley & Co. International Plc, which is controlled by Morgan Stanley, declared that, (i) on 9 July 2007, it had dropped below the thresholds of 5% of the capital and voting rights in SCOR and that it held 6,721,121 shares representing 67,211,210 voting rights, or 4.93% of the capital and voting rights of SCOR and that (ii) on 11 July 2007, it had exceeded the thresholds of 5% of the capital and voting rights in SCOR and that it held 6,923,391 shares representing 69,233,910 voting rights or 5.08% of the capital and voting rights in SCOR.

On 26 July 2007, Morgan Stanley & Co. International Plc, which is controlled by Morgan Stanley, declared that it had, on 24 July 2007, (i) dropped below the thresholds of 5% of the capital and voting rights in SCOR and that it held 6,717,111 shares representing 67,171,110 voting rights, or 4.93% of the capital and voting rights in SCOR and that (ii) on 25 July 2007, it had exceeded the thresholds of 5% of the capital and voting rights in SCOR and that it held 6,817,675 shares representing 68,176,750 voting rights or 5.0041% of the capital and voting rights in SCOR.

On 3 August 2007, Morgan Stanley & Co. International Plc, which is controlled by Morgan Stanley, declared that: (i) on 26 July 2007, it had fallen below the thresholds of 5% of the capital and voting rights in SCOR and that it held 6,773,444 shares representing 67,734,440 voting rights, or 4.97% of the capital and voting rights in SCOR and that (ii) on 27 July 2007, it had exceeded the thresholds of 5% of the capital and voting rights in SCOR and that it held 7,663,469 shares representing 76,634,690 voting rights, or 5.62% of the capital and voting rights in SCOR.

On 16 August 2007, Morgan Stanley & Co. International Plc, which is controlled by Morgan Stanley, declared that, on 8 August 2007, it had fallen below the thresholds of 5% of the capital and voting rights in SCOR and that it held 6,948,672 shares representing 69,486,720 voting rights, or 3.80% of the capital and voting rights in SCOR.

On 28 October 2008, Malakoff Médéric declared that, on 24 October 2008, it had exceeded the registered thresholds of 2.5% of the capital and voting rights in SCOR and that it held 5,258,103 shares representing 52,581,030 voting rights, or 2.86 % of the capital and 2.98% of voting rights in SCOR.

On 26 November 2008, Malakoff Médéric declared that, on 19 November 2008, it had exceeded the registered thresholds of 3 % of the capital and voting rights in SCOR and that it held 5,529,075 shares representing 55,290,750 voting rights, or 3% of the capital and 3.09 % of voting rights in SCOR.

On 8 December 2008, Silchester International Investors Limited declared that it had exceeded the registered thresholds of 3 % of the capital and voting rights in SCOR and that it held 6,336,360 shares representing 63,363,600 voting rights, or 3.44% of the capital and 3.44 % of voting rights in SCOR.

On 10 December 2008, Edmond de Rothschild Asset Management declared it had fallen below the registered thresholds of 2.5 % of the capital and voting rights in SCOR and that it holds 4,398,813 shares representing 43,988,130 voting rights, or 2.39 % of the capital and 2.45 % of voting rights in SCOR.

On 13 January 2009, Silchester International Investors Limited declared that it had fallen below the registered thresholds of 2.5% of the capital and voting rights in SCOR and that it held, on behalf of its clients, 4,558,409 shares representing 4,558,409 voting rights, or 2.48% of the capital and 2.54 % of voting rights in SCOR.

On 6 April 2009, BNP Paribas declared that, on 6 April 2009, it had exceeded the registered thresholds of 2.5% of the capital and voting rights in SCOR and that it held, on behalf of its clients, 8,154,783 shares representing 8,154,783 voting rights, or 4.43% of the capital and 4.56 % of voting rights in SCOR.

On 20 May 2009, Natixis Asset Management declared that, on 11 May 2009, it had exceeded the registered thresholds of 2.5% of the capital and voting rights in SCOR and that it held, on behalf of its clients, 5,889,078 shares representing 5,889,078 voting rights, or 3.20% of the capital and 3.28 % of voting rights in SCOR and, on 3 July 2009, Natixis Asset Management declared that, on 30 June 2009, it had fallen below the registered thresholds of 2.5% of the capital and voting rights in SCOR and that it held 2,054,851 shares representing 2,054,851 voting rights, or 1.12% of the capital and 1.14 % of voting rights in SCOR.

On 27 October 2009, Barclays Global Investors UK Holding Ltd declared that, on 11 September 2009, Barclays Global Investors Limited, Barclays Global Investors N.A., Barclays Global Fund Advisors and Barclays Global Investors (Deutschland AG), portfolio management companies wholly owned by Barclays Global Investors UK Holding Ltd (controlled by Barclays PLC) had exceeded the registered thresholds of 2.5% of the capital and voting rights in SCOR and that they held 5,085,731 shares representing 5,085,731 voting rights, or 2.76% of the capital and 2.83 % of voting rights in SCOR.

On 24 November 2009, Barclays Global Investors UK Holding Ltd declared that, on 19 November 2009, Barclays Global Investors Limited, Barclays Global Investors N.A., Barclays Global Fund Advisors and Barclays Global Investors (Deutschland AG), portfolio management companies wholly owned by Barclays Global Investors UK Holding Ltd (controlled by Barclays PLC) had exceeded the legal thresholds of 5% of the capital and voting rights in SCOR and that they held 9,266,490 shares representing 9,266,490 voting rights, or 5.03% of the capital and 5.16 % of voting rights in SCOR.

On 8 December 2009, BlackRock Inc., on behalf of funds and its clients, declared that, on 1st December 2009, it had exceeded the registered thresholds of 5% of the capital and voting rights in SCOR 5% and that it held, on behalf of such funds and clients, 13,033,371 shares representing 13,033,371 voting rights, or 7.08% of the capital and voting rights in SCOR. Such excess in threshold results from the acquisition, by BlackRock Inc. of Barclays Global Investor from Barclays Plc on 1st December 2009.

As at 31 December 2009:

- SCOR held 6,599,717 treasury shares;
- The total number of voting rights amounted to 185,213,031 (including the voting rights attached to treasury shares).

18.2 Negative statement as to the absence of differences between the voting rights of various shareholders

Until 3 January 2009, pursuant to Article 8 (“Rights attached to each share”) of the bylaws, for two years after the Company’s reverse stock split, as decided by the Company’s Combined Shareholders’ Meeting on 16 May 2006 in its seventeenth resolution, each share with a par value of EUR 0.78769723 entitled the holder to one vote and each share with a par value of EUR 7.8769723 entitled the holder to ten votes, so that the number of votes attached to the shares remains proportional to the percentage of share capital they represent.

Since 3 January 2009 and the completion of the Company’s reverse stock split, no further shares with a par value of EUR EUR 0.78769723 are in existence and each share with a par value of EUR 7.8769723 of entitles the holder to one vote.

The bylaws moreover make no provision for shares giving dual voting rights. In addition, there is no limitation on voting rights in the bylaws.

Therefore, there is no difference among the voting rights of SCOR’s various shareholders.

18.3 Direct or indirect control by one shareholder

Not applicable.

18.4 Agreement which could result in a subsequent change in control

Not applicable.

Related party transactions

RELATED PARTY TRANSACTIONS

19 RELATED PARTY TRANSACTIONS

19.1 Related party transactions entered into in 2009 as defined by articles L. 225 – 38 et seq. of the French commercial code

- **Authorisation to execute an engagement letter between SCOR SE and BNP Paribas**

At its meeting of 29 July 2009, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature by SCOR SE, with regard to a contemplated acquisition of reinsurance portfolios in the United States, an engagement letter for a mission of financial advice with BNP Paribas, for a period of 9 months. The commissions under this engagement amount to EUR 500,000 tax excluded of execution commission.

This agreement was not concluded in 2009 and did not give rise to any payment in 2009.

The Director concerned by this agreement is Mr. Denis Kessler.

- **Authorisation to conclude an amendment to the opening contract for accessible credit through the issue of a credit letter signed on 23 December 2008 between SCOR SE and BNP Paribas**

At its meeting of 29 July 2009, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature by SCOR SE, of an amendment to the opening contract for accessible credit through the issue of a credit letter ("Facility Agreement") concluded on 23 December 2008 with BNP Paribas.

The amendment to the Facility Agreement was not signed in 2009.

The Director concerned by this agreement is Mr. Denis Kessler.

- **Contribution of SCOR SE by 51% of the shares of SCOR Holding (Switzerland) to the benefit of SCOR Global P&C SE**

At its meeting of 29 July 2009, the Company's Board of Directors authorised the contribution of SCOR by 74,811,626 shares of SCOR Holding (Switzerland) AG, representing 51% of its share capital and voting rights, to the benefit of SCOR Global P&C SE,.

The share value of SCOR Holding (Switzerland) has been fixed at EUR 994,192,887.82

The contribution, net of any liabilities or any charge whatsoever, was consented, accepted and completed through the issue of 78,297,700 new shares of SCOR Global P&C SE in favour of SCOR SE, with nominal value of EUR 3 each, fully paid.

This transaction has been completed on 9 November 2009.

The Director concerned is Mr. Denis Kessler.

- **Parent company guarantee from SCOR SE in favour of SCOR Global Life Re Insurance Company of Texas for reinsurance commitments**

At its meeting of 3 March 2009, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the parent company guarantee's signature for the reinsurance commitments of SCOR Global Life Re Insurance Company of Texas.

Only SCOR Global Life Re Insurance Company of Texas' commitments, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

The parent guarantee has been signed on 24 April 2009.

This guarantee's grant of no limited amount is the subject of the same remuneration for SCOR SE, as those of other guarantees, previously granted by the Company.

The Director concerned is Mr. Denis Kessler.

- **Acquisition of 100% of the shares of SCOR Canada Reinsurance Company by SCOR Global P&C SE from SCOR SE**

At its meeting of 3 November 2009, the Company's Board of Directors authorised the sale by SCOR SE to SCOR Global P&C SE of 100% of the share capital and voting rights of SCOR Canada Reinsurance Company which registered office is in Toronto ("SCOR Canada").

This transaction has been completed on 17 December 2009 for a price of EUR 147,700,000.

The Director concerned is Mr. Denis Kessler.

19.2 Agreements approved in past years, which were continued or terminated in the 2009 financial year

- **Authorisation prior to the signature of a cash-pooling contract with BNP Paribas**

At its meeting of 13 November 2007, the Board of Directors authorised the signature of an agreement with BNP Paribas to establish a notional cash-pooling between SCOR and the European entities of the Group.

This agreement between SCOR and BNP Paribas was signed on 20 October 2008. It gave rise to the payment by SCOR SE to BNP Paribas of non material amounts.

The director concerned by this agreement was Mr. Denis Kessler.

- **Contract between SCOR SE and its subsidiaries participating in the notional cash-pooling agreement**

The Board of Directors' meeting held on the 18 March 2008 and the 26 August 2008 authorised the signature by its Chief Executive Officer, pursuant to Article L.225-38 of the French Commercial Code, with the power of delegation, the conclusion of legal documentation relating to the notional cash-pooling agreement and in particular, the IntraGroup Cash Management Agreement contract signed on 20 October 2008, by which participating companies give the power to SCOR SE for the management of cash-pooling.

The following entities of the Group have been authorised to participate in the cash-pooling scheme during a first phase:

- SCOR SE,
- SCOR Global P&C SE,
- SCOR Global Life SE,
- SCOR Auber,
- GIE Informatique,
- SCOR Global Life Deutschland (branch),
- SCOR Global P&C Deutschland (branch),
- SCOR Rückversicherung AG,
- SCOR Global Life Rappresentanza generale per l'Italia (branch),
- SCOR Global P&C Rappresentanza Generale per l'Italia (branch),
- SCOR Global Life Iberica Sucursal (branch),
- SCOR Global P&C Iberica Sucursal (branch),
- SCOR Global Life Reinsurance UK Ltd (which became SCOR Global Life SE – UK Branch) (branch),
- SCOR Global Life Reinsurance Services UK Ltd,
- SCOR Global Life Reinsurance Ireland Ltd,
- SCOR Global P&C Ireland Ltd.

With regard to the notional cash-pooling scheme, each participating entity receives remuneration from BNP Paribas of its account's positive balance, under the terms and conditions negotiated for the Group and otherwise, pays interest to BNP Paribas on the negative balance of their account, at an agreed rate for the Group.

This agreement gave rise to the payment by SCOR SE to BNP Paribas of non material amounts.

The Directors concerned by this agreement were Denis Kessler, Patrick Thourot, Allan Chapin, Daniel Lebègue and Jean-Claude Seys.

- **Remuneration of the parent company guarantee conferred by SCOR SE to the benefit of the reinsurance subsidiaries, pursuant to the insurance and reinsurance contracts finalised by the latter.**

At its meeting of 18 March 2008, the company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the payment of existing parent company guarantees, drawn up by SCOR SE or of those which could be drawn up in accordance with the agreement granted by the Board of Directors of 28 August 2007, at a rate of 1 for one thousand, based on the amount of the Company's shareholder's equity, of which the agreements are guaranteed from the 1st January 2008.

The concerned subsidiaries are as follows:

In Europe: SCOR Global Life SE; SCOR Global P&C SE; Irish Reinsurance Partners Ltd (which became SCOR Global P&C Ireland Ltd); SCOR Channel; SCOR Financial Services Ltd; SCOR U.K. Company Ltd;

In the United States and Canada: SCOR Reinsurance Company Ltd (US); General Security Indemnity Company of Arizona; General Security National Insurance Company; Investors Insurance Corporation; SCOR Global Life U.S. Re Insurance Company; SCOR Canada Reinsurance Company; Commercial Risk Re-Insurance Company.

In Bermuda: Commercial Risk Reinsurance Company.

In Asia: Asia-Pacific Pte Ltd; SCOR Reinsurance Company (Asia) Ltd.

The Directors concerned by this agreement were Messrs. Denis Kessler, Patrick Thourot, Daniel Lebègue and Allan Chapin.

- **Authorisation of the agreement concerning the payment of parental guarantee compensation of SCOR Global P&C SE and SCOR Global Life SE**

At its meeting of 18 March 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the payment of existing upstream parent company guarantees (granted by SCOR Global P&C SE and SCOR Global Life SE) or those which could be drawn up in accordance with the authorisation granted by the Board of Directors of 28 August 2007, at a rate of 1 for one thousand, based on the amount of the Company's shareholder's equity, of which the agreements are guaranteed from the 1 January 2008.

These parent company guarantees, drawn up by SCOR Global P&C SE and SCOR Global Life SE, regard SCOR SE's engagements, pursuant to the insurance contracts, reinsurance contracts and financial contracts.

The Directors concerned by this agreement were Messrs. Denis Kessler and Patrick Thourot.

- **SCOR SE's new rule concerning retirement pensions pursuant to Article 39**

At its meeting of 18 March 2008, the Company's Board of Directors authorised, conforming to the article L.225-38 of the French Commercial Code, the signature of the company's supplementary pension scheme which has been signed on 15 May 2008.

The aim of this plan is to specify the terms and conditions for the application of an additional pension scheme, put into place by the Company, for the benefit of:

- the Executive Managers, by virtue of the professional agreement of 3 March 1993, who demanded their activity within the Group, from the day that the beneficiary plan of measures of this additional pension scheme took effect;
- the Senior Managers of the Group, who do not have an employment contract but who nevertheless fall within the ARRCO and the AGIRC general social security scheme and supplementary pension schemes, that are in operation in SCOR, from the day that the present scheme takes effect.

The wage taken into account, in order to calculate the rights, is the average wage of the last five professionally active years, adjusted on the date of departure, according to the development of INSEE's annual average index of the consumer price.

The participant who leaves the Company, in order to enter into retirement, will have the right to a supplemented pension if he/she fulfils the following criteria on the date of his/her departure, and notably:

- they have acquired a seniority of at least 5 years from their date of departure;
- they have successfully obtained the settlement of their pensions with regard to the obligatory retirement schemes.

The Directors concerned by this scheme were Messrs. Denis Kessler and Patrick Thourot.

- **Parent company guarantees from SCOR SE to the benefit of SCOR Switzerland AG for reinsurance commitments**

At its meeting of 5 June 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the parent company guarantee's signature for the reinsurance commitments of SCOR Switzerland AG.

Only SCOR Switzerland AG's commitments, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

This guarantee's grant of no limited amount is the subject of the same remuneration for SCOR SE, as those of other guarantees, previously granted by the Company.

The Directors concerned by this agreement, as Members of the Board of Directors of SCOR Holding (Switzerland), were Denis Kessler and Jean-Claude Seys.

- **Opening contract for accessible credit through the issue of a credit letter with BNP Paribas**

At its meeting of 26 August 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature of the agreement (the "**Facility Agreement**"), finalised with BNP Paribas, for the issue of stand-by letters of credit ("**SBLC**"), with regard to the Group's insurance and reinsurance activity for a maximum amount up to USD 400,000,000.

This Facility Agreement has been executed on 23 December 2008.

The companies parties to this agreement are SCOR SE, SCOR Global P&C SE and SCOR Global Life SE. The other companies within the Group could equally benefit from this agreement with approval of BNP Paribas.

Under the terms of the Credit Agreement, BNP Paribas made a credit line available to the above mentioned companies, under the conditions stipulated in the Facility Agreement, in a maximum principal amount of USD 400,000,000 to be made available through the issuance of SBLC or counter-guarantees intended to allow the concerned company to guarantee the execution of its commitments under its insurance and reinsurance operations, for a period of use running from 2 January 2009 to 31 December 2011.

In order to guarantee its obligations under the terms of the Credit Agreement, each Group companies which is a party to the Facility Agreement granted/will grant a senior pledge on a financial instruments account to BNP Paribas under the terms of a pledge agreement entered/to be enter into with BNP Paribas (and the related pledge declaration) and pledged/will pledge (i) on the date of the signature of the pledge agreement, a number of OATs for a minimum amount equal to EU 5,000; (ii) on 2 January 2009, an additional number of OATs for an amount equivalent to the value in Euros of 55% of the SBLCs (corresponding to the letters of credit issued under the old credit agreement and assumed and extended by BNP Paribas); and (iii) to pledge before each new utilisation a number of OATs for an amount equivalent to the value in Euros of 55% of the amount of the new utilisation.

The bank fees stipulated under the Facility Agreement are as follows:

- Non-utilisation commission: 0.15% per annum as at 1 January 2009, calculated on the unused and uncancelled amount of the facility and payable quarterly when due;

- Utilisation commission: depending on the grade granted by Standard & Poor's to the Company and, as of today, 0.40% per annum as at 1 January 2009, calculated on the basis of the credit outstanding and payable monthly in advance;

Other fees:

- flat fee of USD 400 or EUR 110 for each SBLC issued;

- flat fee of USD 100 or EUR 60 for each SBLC amendment;

- flat fee of USD 100 for each SBLC annual extension;

- up-front commission of 0.03% of the used amount of the facility.

This Facility Agreement gave rise to the payment by SCOR Global P&C SE for SCOR SE to BNP Paribas of USD 491,447.73 in 2009.

The Director concerned by this agreement was Mr. Denis Kessler.

■ **Authorisation to execute an engagement letter between SCOR SE and BNP Paribas**

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature by SCOR SE, with regard to a contemplated acquisition (the "Operation") of the engagement letter with the Corporate Finance Department of BNP Paribas (the "Financial Advisor").

The role assigned under this commission to the Financial Advisor consisted generally of assisting SCOR SE in all phases of negotiations with the shareholders of the company in which the Transaction was planned, its corporate officers and executives, and providing assistance in all phases of the Transaction until it was concluded.

This mission gave rise to the payment of a commission in 2009 of EUR 160,000.

The Director concerned by this agreement was Mr. Denis Kessler.

■ **Authorisation to execute an engagement letter between SCOR SE and BNP Paribas**

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature by SCOR SE, with regard to the issuance of catastrophe bonds by Atlas V, a special purpose vehicle incorporated in Ireland, the purpose of which is to provide USD 200 million in additional retrocession coverage for SCOR SE and its subsidiaries (the "Operation") of the engagement letter as joint-book runner and joint lead manager with the London branch of BNP Paribas (the "**Financial Advisor**").

This agreement has been concluded on 19 December 2008 and gave rise to the payment of EUR USD 512,000 in 2009.

The Director concerned by this agreement was Mr. Denis Kessler.

■ **Parent company guarantee from SCOR SE in favour of Prévoyance Ré for reinsurance commitments**

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature of a parent company guarantee by SCOR SE for the reinsurance commitments of Prévoyance Ré.

Only Prévoyance Ré's commitments, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

The granting of this unlimited guarantee is subject of the same remuneration for SCOR as that given for the other parental guarantees previously granted by the Company.

The Director concerned by this agreement was Mr. Patrick Thourot.

■ **Parent company guarantee from SCOR SE in favour of SCOR Africa Ltd for reinsurance commitments**

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature of a parent company guarantee by SCOR SE for the reinsurance commitments of SCOR Africa Ltd.

Only SCOR Africa Ltd's commitments, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

The granting of this unlimited guarantee is subject of the same remuneration for SCOR as that given for the other parental guarantees previously granted by the Company.

■ **Parent company guarantee from SCOR SE in favour of SCOR Perestrakhovaniye for reinsurance commitments**

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature of a parent company guarantee by SCOR SE for the reinsurance commitments of SCOR Perestrakhovaniye.

Only SCOR Perestrakhovaniye's commitments, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

The granting of this unlimited guarantee is subject of the same remuneration for SCOR as that given for the other parental guarantees previously granted by the Company.

The Director concerned by this agreement was Mr. Denis Kessler.

Commitments for the benefit of Denis Kessler

The Board of Directors, at its meeting of 24 May 2007, in accordance with articles L. 225-38 and L. 225-42-1 of the French Commercial Code, and at the recommendation of the Compensation and Nomination Committee, renewed commitments for the benefit of the Chairman and Chief Executive Officer as defined by the Board on 21 March 2006 and as amended by the Board on 12 December 2008, which are described in Appendix B – Report of the Chairman of the Board of Directors on the terms and conditions for preparing and organising the work of the Board of Directors and on internal procedures in accordance with Article L. 225-37 of the French Commercial Code - Part I - Conditions for the preparation and organisation of the work of the Board of Directors of the Company.

The Director concerned by this agreement was Mr. Denis Kessler.

Amendment to the retrocession agreement signed by SCOR and SCOR Global Life on 4 July 2006

In 2006, despite SCOR's spin-off of its Non-Life reinsurance operations to SCOR Global P&C, SCOR remained a reinsurance company because of the retrocessions established between SCOR Global Life and SCOR Global P&C as the retroceding companies, and SCOR as the retrocessionaire. These retrocessions back the Group's debt carried by SCOR for maintaining the aggregate Group's solvency and confirming its rating.

The retrocessions also meet the requirements of the ratings agencies, primarily because the retrocession rate can be modulated based on capital needs in terms of business cycles. The rating agencies confirmed that they are maintaining their rating with regard to this new organisation of the Group.

The signature of the retrocession framework agreement between SCOR and SCOR Global Life (then named SCOR Vie) was authorised by the Board on 16 May 2006, pursuant to the provisions of Article L.225-38 of the French Commercial Code. The contract was signed on 4 July 2006 with retroactive effect on 1st January 2006.

On 25 July 2007, SCOR Global Life adopted the form of Societas Europaea (SE) at the time of the merger absorption of its wholly owned subsidiary SCOR Global Life Rückversicherung AG (formerly named Revios Rückversicherung AG).

Due to the completion of this merger on 25 July 2007, (but retroactive to 1 January 2007, under the terms of the merger agreement), the contracts underwritten by its German branch fall under the scope of the retrocession agreement (which was not the case when the contracts were underwritten by the subsidiary). As a result, there is a significant increase in the volume of retrocessions to SCOR SE.

In order to optimise the balance in the balance sheet of the new company SCOR Global Life SE, it has been decided to modify the scope of the internal retrocession agreement with SCOR SE (termination of the agreement in Singapore and in Canada).

SCOR Global Life SE and SCOR SE signed amendment No. 2 to the retrocession agreement dated 4 July 2006, for the purpose of excluding from the retroceded business, with retroactive effect as at 1 January 2007, the policies underwritten by the German, Canadian and Singapore branches.

At its meeting of 13 November 2007, the Board of Directors of SCOR SE authorised and approved, pursuant to Article L.225-38 of the French Commercial Code, the signature of the amendments to the retrocession contract signed by SCOR SE and its subsidiary SCOR Global Life SE on 4 July 2006.

On 15 April 2009, for these same reasons and taking into account the 2008 UK reorganisation, i.e.: the creation of a branch of SCOR Global Life SE in London and the business transfer from SCOR Global Life Reinsurance UK Ltd to this branch, the Board of Directors approved a new addendum to the retrocession agreement to exclude the business written by the newly created branch in London of the scope of the retrocession agreement.

This agreement gave rise to the payment of EUR 2.32 million to SCOR SE in 2009.

The Directors concerned by this agreement were Messrs. Denis Kessler and Patrick Thourot.

Amendment to the retrocession agreement signed by SCOR and SCOR Global P&C on 4 July 2006

In 2006, despite SCOR's spin-off of its Non-Life reinsurance operations to SCOR Global P&C, SCOR remained a reinsurance company because of the retrocessions established between SCOR Global Life and SCOR Global P&C as the retroceding companies, and SCOR as the retrocessionaire. These retrocessions back the Group's debt carried by SCOR for maintaining the Group's aggregate solvency and confirming its rating.

The retrocession also meets the requirements of the ratings agencies, primarily because the retrocession rate can be modulated based on capital needs in terms of business cycles.

The signature of the retrocession framework agreement between SCOR and SCOR Global Life (then named SCOR Vie) was authorised by the Board on 16 May 2006, pursuant to the provisions of Article L.225-38 of the French Commercial Code. The contract was signed on 4 July 2006, as part of the reorganisation of the Group through the creation, via spin-off, of the subsidiary SCOR Global P&C.

Pursuant to this agreement, SCOR Global Life retroceded a portion of its activities and reserves to SCOR.

This retrocession allows the requirements of the rating agencies with regard to the Group's rating to be addressed. In effect, the retrocession rate is adjusted based on capital needs with regard to activity cycles. The rating agencies confirmed that they are maintaining their rating with regard to this new organisation of the Group.

On 3 August 2007, SCOR Global Life adopted the form of Societas Europaea (SE) at the time of the merger absorption of its wholly owned subsidiaries SCOR Italia Riassicurazioni SpA and SCOR Deutschland.

Due to the completion of this merger on 3 August 2007, (but retroactive to January 1 pursuant to the terms of the merger agreement), the contracts underwritten by its German subsidiary fall under the scope of the retrocession agreement which resulted in a significant increase in the volume of retrocessions from SCOR Global P&C SE to SCOR SE.

As a result, SCOR Global P&C SE and SCOR SE signed amendment No. 2 to the retrocession agreement they signed on 4 July 2006, in order to exclude from the retroceded business, as of 1 January 2007, the contracts underwritten by the German branch.

The Board of Directors of SCOR SE, at its meeting of 13 November 2007, authorised and approved, pursuant to Article L.225-38 of the French Commercial Code, the signature of the amendments to the retrocession agreement signed by SCOR SE and its subsidiary Global P&C SE on 4 July 2006.

On 15 of April 2009, for these same reasons and taking into account the 2009 UK reorganisation, i.e.: the creation of a branch of SCOR Global P&C SE in London and the business transfer from SCOR UK Company Ltd to this branch, the Board of Directors approved a new addendum to the retrocession agreement to exclude the business written by the newly created branch in London of the scope of the retrocession agreement.

This agreement gave rise to the payment of EUR 101.65 million to SCOR SE in 2009.

The Directors concerned by this agreement were Messrs. Denis Kessler and Patrick Thourot.

■ Agreement of financial cover of U.S. regulations "Triple X"

At its meeting of 2 November 2005, the Board of Directors of the Company authorised, pursuant to Article L.225-38 of the French Commercial Code, the issuance of a parent company letter of guarantee intended to cover the financial obligations of SCOR Global Life (formerly SCOR VIE) under the terms of an agreement to issue letters of credit that would be signed by SCOR Global Life, SCOR Financial Services Limited ("**SFS**") and CALYON ("SFS-CALYON Letter of Credit Facility Agreement") dated 13 December 2005 (for the purposes of this Section, the "**Agreement**").

This Agreement and this parent company guarantee were part of a transaction intended to provide SCOR Global Life U.S. Re ("**SGLR**") with additional financial resources so that it could meet the financial coverage requirements stipulated by the American "Triple X" prudential regulations.

Under the terms of the Agreement, CALYON made a commitment to issue or cause the issue to SGLR of one or more letters of credit for a period of five years for a total commitment equal to the smaller of the following two amounts: (a) USD 250 million or (b) the sum equal to the difference between (i) the so-called Triple X reserves and (ii) 150% of the amount of the reserves required in the accounting plan (net of deferred acquisition costs).

The transaction was submitted to the Department of Insurance of the State of Texas (United States of America) insofar as it requires a certain number of amendments to the retrocession treaty (Automatic Coinsurance Retrocession Treaty) executed on 31 December 2003, between SGLR and SFS. In a letter dated 30 September 2005, the competent authorities of the State of Texas indicated they had no comments on the amendments which would be made to such agreement. The Irish administrative authorities (ISFRA) were also informed of the transaction and indicated they had no objection.

The transaction was finalised at the end of December 2005.
At its meeting of 7 November 2006, the Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the extension (i) of the term of the parent company guarantee dated 19 December 2005, issued by SCOR to ten years; and (ii) the amount of the SCOR's guarantee to USD 400 million, in line with the new term of coverage by the letter of credit and the new amount of the CALYON global commitment under the terms of the Agreement.

The Director concerned by this agreement was Mr. Denis Kessler.

19.3 Special report of the auditors on related party agreements and commitments

To the Shareholders,

In our capacity as the auditor of your company, we are submitting to you our report on related-party agreements and commitments.

Related-party agreements and commitments during the financial year:

Pursuant to Article L. 225-40 article of the French Commercial Code, we have been advised of the agreements and commitments that received prior authorization from your Board of Directors.

We are not required to ascertain whether any other agreements exist but to inform you, on the basis of the information provided to us, of the terms and conditions of the agreements of which we were notified. It is not our role to determine whether they are beneficial or appropriate. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, to assess the benefits arising from the execution of these agreements and commitments for the purpose of approving them.

We performed our work in accordance with the professional standards applicable in France. These standards require that we perform the work to verify the consistency of the information provided to use with the basic documents forming the sources of that information.

The Director concerned by this agreement is Mr Denis Kessler.

- Authorisation to execute an engagement letter between SCOR SE and BNP Paribas

At its meeting of 29 July 2009, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature by SCOR SE, with regard to a contemplated acquisition of reinsurance portfolios in the United States, an engagement letter for a mission of financial advice with BNP Paribas, for a period of 9 months. The commissions under this engagement amount to EUR 500,000 tax excluded of execution commission.

This agreement was not concluded on 2009 and did not give rise to any payment in 2009.

- Authorisation to conclude an amendment to the opening contract for accessible credit through the issue of a credit letter signed on 23 December 2008 between SCOR SE and BNP Paribas

At its meeting of 29 July 2009, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature by SCOR SE, of an amendment to the opening contract for accessible credit through the issue of a credit letter ("Letter of Credit Facility Agreement") concluded on 23 December 2008 with BNP Paribas, in order to exclude SCOR Rückversicherung AG from the scope of the contract.

The amendment to the Facility Agreement was not signed in 2009.

- Contribution of SCOR SE by 51% of the shares of SCOR Holding (Switzerland) to the benefit of SCOR Global P&C SE

At its meeting of 29 July 2009, the Company's Board of Directors authorized, pursuant to Article L. 225-38 of the French Commercial Code, the contribution of SCOR by 74,811,626 shares of SCOR Holding (Switzerland) SE to the benefit of SCOR Global P&C SE, representing 51% of its share capital and voting rights.

The share value of SCOR Holding (Switzerland) is fixed at EUR 994,192,887.82

The contribution, net of any liabilities or any charge whatsoever, was consented, accepted and completed through the issue of 78,297,700 new shares of SCOR Global P&C SE in favour of SCOR SE, with nominal value of EUR 3 each, fully paid.

This transaction has been completed on 9 November 2009.

- Parent company guarantee from SCOR SE in favour of SCOR Global Life Re Insurance Company of Texas for reinsurance commitments

At its meeting of 3 March 2009, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the parent company guarantee's signature for the reinsurance commitments of SCOR Global Life Re Insurance Company of Texas.

Only SCOR Global Life Re Insurance Company of Texas' commitments, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

The parent guarantee has been signed on 24 April 2009.

This guarantee's grant of no limited amount is the subject of the same remuneration for SCOR SE, as those of other guarantees, previously granted by the Company.

This parent company guarantee did not give rise to any remuneration in 2009.

- Acquisition of 100% of the shares of SCOR Canada Reinsurance Company by SCOR Global P&C SE from SCOR SE

At its meeting of 3 November 2009, the Company's Board of Directors authorized, pursuant to Article L. 225-38 of the French Commercial Code, the sale by SCOR SE to SCOR Global P&C SE of 100% of the share capital and voting rights of SCOR Canada Reinsurance Company which registered office is in Toronto ("SCOR Canada").

This transaction has been completed on 17 December 2009 for a price of EUR 147,700,000.

Agreements approved during previous financial periods, the enforcement of which continued or ended during the year:

Moreover, pursuant to the French Commercial Code, we have been advised that the following agreements and commitments, approved in previous years, were continued for the last year:

- Authorization prior to the signature of a cash-pooling contract with BNP Paribas

At its meeting of November 13, 2007, the Board of Directors authorized the signature of an agreement with BNP Paribas to establish a notional cash-pooling between SCOR and the European entities of the Group.

This agreement between SCOR and BNP Paribas was signed on 20 October 2008. It gave rise to the payment by SCOR SE to BNP Paribas of non material amounts.

- Contract between SCOR SE and its subsidiaries participating in the notional cash-pooling agreement

The Board of Directors' meeting held on the 18 March 2008 and 26 August 2008 authorised the signature by its Chief Executive Officer, pursuant to Article L.225-38 of the French Commercial Code, with the power of delegation, the conclusion of legal documentation relating to the notional cash-pooling agreement and in particular, the Intragroup Cash Management Agreement contract signed on 20 October 2008, by which participating companies give the power to SCOR SE for the management of cash-pooling.

The following entities of the Group are participating in the cash-pooling scheme: SCOR SE, SCOR Global P&C SE, SCOR Global Life SE, SCOR Auber, GIE Informatique, SCOR Global Life Deutschland (branch), SCOR Global P&C Deutschland (branch), SCOR Rückversicherung AG, SCOR Global Life Rappresentanza Generale per l'Italia (branch), SCOR Global P&C Rappresentanza Generale per l'Italia (branch), SCOR Global Life Iberica Sucursal (branch), SCOR Global P&C Iberica Succursal (branch), SCOR Global Life Reinsurance UK Ltd, SCOR Global Life Reinsurance Services UK Ltd, SCOR Global Life Reinsurance Ireland Ltd, SCOR Financial Services, Sweden Reinsurance Co Ltd, SCOR Holding Switzerland AG, SCOR Switzerland AG.

The Group entities taking part in the cash pooling, during the second phase, are: SCOR UK Company Ltd, SCOR UK Group Ltd, SCOR Holding UK Limited, SCOR London Management Ltd, Converium Insurance Uk Ltd, SCOR Underwriting Ltd, SCOR Global Life Schweiz AG, SCOR Global Life SE Belgique, SCOR Global Life Austria, SCOR Global P&C Ireland Ltd.

This agreement gave rise to the payment by SCOR SE to BNP Paribas of non material amounts.

- The parent company guarantee granted by SCOR SE to the benefit of the reinsurance subsidiaries, pursuant to the insurance and reinsurance contracts finalised by the latter.

At its meeting of 18 March 2008, the company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the payment of existing parent company guarantees, drawn up by SCOR SE or of those which could be drawn up in accordance with the agreement granted by the Board of Directors of 28 August 2007, at a rate of 1 for one thousand, based on the amount of the Company's shareholder's equity, of which the agreements are guaranteed from the 1 January 2008. The concerned subsidiaries are as follows:

In Europe: SCOR Global Life, SCOR Global P&C, Irish Reinsurance Partners Ltd, SCOR Channel, SCOR Financial Services Ltd, SCOR U.K. Co. Ltd.

In the United States of America (USA) and in Canada: SCOR Reinsurance Company Ltd (US), General Security Indemnity Company of Arizona, General Security National Insurance Company, Investors Insurance Corporation., SCOR Life Insurance Company, SCOR Life U.S. Re Insurance Company, SCOR Canada Reinsurance Company.

In Bermudas: Commercial Risk Reinsurance Company, Commercial Risk Re-Insurance Limited.

In Asia: SCOR Asia-Pacific Pte Ltd, SCOR Reinsurance Company (Asia) Ltd.

- Authorisation of the agreement concerning the payment of parental guarantee compensation of SCOR Global P&C SE and SCOR Global Life SE

At its meeting of 18 March 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the payment of existing upstream parent company guarantees (granted by SCOR Global P&C SE and SCOR Global Life SE) or those which could be drawn up in accordance with the authorisation granted by the Board of Directors of 28 August 2007, at a rate of 1 for one thousand, based on the amount of the Company's shareholder's equity, of which the agreements are guaranteed from the 1 January 2008.

These parent company guarantees, drawn up by SCOR Global P&C SE and SCOR Global Life SE, regard SCOR SE's engagements, pursuant to the insurance contracts, reinsurance contracts and financial contracts.

- SCOR SE's new Rule concerning retirement pensions pursuant to Article 39

At its meeting of 18 March 2008, the Company's Board of Directors authorised, conforming to the article L.225-38 of the French Commercial Code, the signature of the company's supplementary pension scheme which has been signed on 15 May 2008.

The aim of this plan is to specify the terms and conditions for the application of an additional pension scheme, put into place by the Company.

The wage, taken into account, in order to calculate the rights, is the average wage of the last five professionally active years, adjusted on the date of departure, according to the development of INSEE's annual average index of the consumer price.

The participant who leaves the Company, in order to enter into retirement, will have the right to a supplemental pension if he/she fulfils some criteria on the date of his/her departure.

- Parent company guarantees from SCOR SE to the benefit of SCOR Switzerland AG for reinsurance commitments

At its meeting of 5 June 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the parent company guarantee's signature covering the reinsurance engagements of SCOR Switzerland AG.

Only SCOR Switzerland AG's commitments, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

This unlimited guarantee's grant is the subject of the same remuneration for SCOR SE, as those of other guarantees, previously granted by SCOR SE.

- Opening contract for accessible credit through the issue of a credit letter with BNP Paribas

At its meeting of 26 August 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature of the agreement, finalised with BNP Paribas, for the issue of stand-by letters of credit, with regard to the Group's insurance and reinsurance activity for a maximum amount up to US$ 400.000.000.

The companies parties to this agreement are SCOR SE, SCOR Global P&C SE and SCOR Global Life SE. The other companies within the Group could equally benefit from this agreement.

This agreement has been signed on December 23, 2008 and gave rise to a payment of EUR 491 447 by SCOR SE to BNP Paribas in 2009.

- Authorisation to execute an engagement letter between SCOR SE and BNP Paribas

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature by SCOR SE, with regard to a contemplated acquisition, of the engagement letter with the Corporate Finance Department of BNP Paribas.

The role assigned under this commission to the Financial Advisor consisted generally of assisting SCOR SE in all phases of negotiations with the shareholders of the company in which the Transaction was planned, its corporate officers and executives, and providing assistance in all phases of the Transaction until it was concluded.

The mission gave rise to a payment of EUR 160 000 in 2009.

- Authorisation to execute an engagement letter between SCOR SE and BNP Paribas

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the signature by SCOR SE, with regard to a contemplated issuance of catastrophe bonds by Atlas V, a special purpose vehicle incorporated in Ireland, the purpose of which is to provide a USD 200 million additional retrocession coverage for SCOR SE and its subsidiaries, of the engagement letter as joint-book runner and joint lead manager with the London branch of BNP Paribas.

This agreement has been concluded on 19 December 2008 and gave rise to a payment of EUR 512 000 in 2009.

- Parent company guarantee from SCOR SE to the benefit of Prévoyance Ré for reinsurance commitments

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the parent company guarantee's signature by SCOR SE for the reinsurance engagements of Prévoyance Ré.

Only Prévoyance Ré's engagements, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

This guarantee's grant of no limited amount is the subject of the same remuneration for SCOR SE, as those of other guarantees, previously granted by SCOR SE.

- Parent company guarantee from SCOR SE to the benefit of SCOR Africa Ltd for reinsurance commitments

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the parent company guarantee's signature by SCOR SE for the reinsurance engagements of SCOR Africa Ltd.

Only SCOR Africa Ltd's engagements, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

This guarantee's grant of no limited amount is the subject of the same remuneration for SCOR SE, as those of other guarantees, previously granted by SCOR SE.

- Parent company guarantee from SCOR SE to the benefit of SCOR Perestrakhovaniye for reinsurance commitments

At its meeting of 13 November 2008, the Company's Board of Directors authorised, pursuant to Article L. 225-38 of the French Commercial Code, the parent company guarantee's signature by SCOR SE for the reinsurance engagements of SCOR Perestrakhovaniye.

Only SCOR Perestrakhovaniye's engagements, pursuant to the insurance and/or reinsurance contracts, are covered by this parent guarantee.

This guarantee's grant of no limited amount is the subject of the same remuneration for SCOR SE, as those of other guarantees, previously granted by SCOR SE.

- Retrocession agreement signed by SCOR and SCOR Global Life on July 4, 2006

In 2006, at the time of SCOR SE's spin-off of its non-Life reinsurance operations to SCOR Global P&C SE, the Group was reorganized for better transparency and SCOR SE remained a reinsurance company because of the retrocessions established between SCOR Global Life SE and SCOR Global P&C SE as the retroceding companies, and SCOR SE as the retrocessionaire.

These retrocessions back the Group's debt, carried by SCOR for better solvency and, therefore, a better rating.

The signature of the retrocession framework agreement between SCOR SE and SCOR Global Life SE (then named SCOR Vie) was authorized by the Board on May 16, 2006, pursuant to the provisions of Article L. 225-38 of the French Commercial Code. The contract was signed on July 4, 2007.

At its meeting of November 13, 2007, the Board of Directors of the Company authorized and approved, pursuant to Article L. 225-38 of the French Commercial Code, the signature of the amendments to the retrocession contracts signed by SCOR and its subsidiaries SCOR Global Life SE and Global P&C SE on July 4, 2006.

- Retrocession agreement signed by SCOR and SCOR Global P&C on July 4, 2006

In 2006, at the time of the SCOR SE spin-off its Non-Life reinsurance operations to SCOR Global P&C SE, SCOR SE was reorganized for better visibility and SCOR SE remained a reinsurance company because of the retrocessions established between SCOR Global Life SE and SCOR Global P&C SE as the retroceding companies, and SCOR SE as the retrocessionaire.

These retrocessions back the Group's debt, carried by SCOR for better solvency and, therefore, a better rating.

The signature of the retrocession framework agreement between SCOR SE and SCOR Global P&C SE was approved by the Board on May 16, 2006, pursuant to the provisions of Article L. 225-38 of the French Commercial Code. The contract was signed on July 4, 2007, as part of the reorganization of the Group through the creation via spin-off of the subsidiary SCOR Global P&C SE.

At its meeting of November 13, 2007, the Board of Directors of the Company authorized and approved, pursuant to Article L. 225-38 of the French Commercial Code, the signature of the amendments to the retrocession contracts signed by SCOR and its subsidiaries SCOR Global Life SE and Global P&C SE on July 4, 2006.

- Commitments for the benefit of Denis Kessler

The Board of Directors, at its meeting of 24 May 2007, in accordance with articles L. 225-38 and L. 225-42-1 of the French Commercial Code, and at the recommendation of the Compensation and Nomination Committee, renewed commitments for the benefit of the Chairman and Chief Executive Officer as defined by the Board on 21 March 2006, and as amended by the Board on 12 December 2008, which are described in the Report of the Chairman of the Board of Directors on the conditions for the preparation and organization of the work of the Board of Directors and the internal control procedures compliant with Article L. 225-37 of the French Commercial Code.

The Director concerned by this agreement is Denis Kessler.

- Project Triple X

At its meeting of November 2, 2005, the Board of Directors of the Company authorized, pursuant to Article L.225-38 of the French Commercial Code, the issuance of a parent company letter of guarantee intended to cover the financial obligations of SCOR Global Life (formerly SCOR VIE) under the terms of an agreement to issue letters of credit that would be signed by SCOR Global Life, SCOR Financial Services Limited and CALYON (SFS-CALYON Letter of Credit Facility Agreement) dated December 13, 2005.

This Agreement and this parent company guarantee were part of a transaction intended to provide SCOR Global Life U.S. Re with additional financial resources so that it could meet the financial coverage requirements stipulated by the American "Triple X" prudential regulations.

The transaction was finalized at the end of December 2005.

At its meeting of November 7, 2006, the Board of Directors authorized, pursuant to Article L. 225-38 of the French Commercial Code, the extension (i) of the term of the parent company guarantee dated December 19, 2005 issued by SCOR to ten years; and (ii) the amount of the SCOR guarantee to USD 400 million, in line with the new term of coverage by the letter of credit and the new amount of the CALYON global commitments under the terms of the Agreement.

Paris-La Défense, March 2, 2010.

Statutory Auditors

MAZARS	ERNST & YOUNG AUDIT
Michel BARBET-MASSIN	Pierre PLANCHON

Financial information concerning the issuers's assets and liabilities, financial position and profits and losses

FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

20 FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

20.1 Historical financial information: consolidated financial statements

In application of article 28 of the EC Commission Regulation No. 809/2004, the following information is incorporated by reference in this Registration Document*:*

(i) The consolidated financial statements as at 31 December 2008 are included from pages 154 to 251 and the auditors' report on these consolidated financial statements as at 31 December 2008 is included from pages 252 to 254 of the Registration Document filed with the *Autorité des Marchés Financiers* on 5 March 2009 under Number D. 09-0099,

(ii) The consolidated financial statements as at 31 December 2007 are included from pages 185 to 289 and the auditors' report on these consolidated financial statements as at 31 December 2007 is included from pages 292 to 295 of the registration document filed with the *Autorité des Marchés Financiers* on 28 March 2008 under Number D. 08-0154.

The consolidated financial statements for the year ended 31 December 2009 are presented below:

20.1.1 CONSOLIDATED BALANCE SHEETS

ASSETS In EUR million		YEAR ENDED 31 DECEMBER 2009	2008
Intangible assets		**1,418**	**1,464**
Goodwill	**Notes 3, 4**	787	787
Value of business acquired	Note 4	551	607
Other intangible assets	Note 4	80	70
Tangible assets	**Note 5**	**40**	**29**
Insurance business investments		**18,644**	**16,982**
Real estate investments	Note 5	307	285
Available-for-sale investments	Note 6	9,997	7,220
Investments at fair value through income	Note 6	165	153
Loans and receivables	Note 7	8,071	9,309
Derivative instruments	Note 8	104	15
Investments in associates	**Note 9**	**69**	**53**
Share of retrocessionaires in insurance and investment contract liabilities	**Note 16**	**1,439**	**1,251**
Other assets		**5,054**	**4,972**
Deferred tax assets	Note 19	471	446
Assumed insurance and reinsurance accounts receivable	Note 10	3,307	3,217
Receivables from ceded reinsurance transactions	Note 10	116	113
Taxes receivable		37	85
Other assets		356	360
Deferred acquisition costs	Note 11	767	751
Cash and cash equivalents[(1)]	**Note 12**	**1,325**	**1,783**
TOTAL ASSETS		**27,989**	**26,534**

(1) In 2009, bank overdrafts have been reclassified from financial debt to cash and cash equivalents, net of overdrafts in line with the presentation within note 12. The 2008 bank overdraft of EUR 41 million is presented within financial debt.

LIABILITIES In EUR million		YEAR ENDED 31 DECEMBER 2009	 2008
Group shareholders' equity	**Note 13**	**3,894**	**3,410**
Share capital		1,459	1,451
Additional paid-in capital		774	952
Revaluation reserves		37	(251)
Retained earnings		1,217	904
Net income for the year		370	315
Equity based instruments		37	39
Minority interests		**7**	**6**
TOTAL SHAREHOLDERS' EQUITY		**3,901**	**3,416**
Financial debt	**Note 14**	**629**	**936**
Subordinated debt		477	583
Debt instruments issued		-	201
Other financial debt		152	152
OCEANE financial debt – repayable 1 January 2010	**Note 14**	**191**	**-**
Contingency reserves	**Note 15**	**87**	**99**
Contract liabilities		**21,126**	**20,240**
Insurance contract liabilities	Note 16	20,961	20,029
Investment contract liabilities	Note 16	165	211
Other liabilities		**2,055**	**1,843**
Deferred tax liabilities	Note 19	251	215
Derivative instruments	Note 8	9	10
Assumed insurance and reinsurance payables	Note 10	377	140
Accounts payable on ceded reinsurance transactions	Note 10	1,083	946
Taxes payable		89	192
Other liabilities		246	340
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**27,989**	**26,534**

20.1.2 CONSOLIDATED STATEMENTS OF INCOME

In EUR million		YEAR ENDED 31 DECEMBER 2009	2008
Gross written premiums	Note 2	6,379	5,807
Change in unearned premiums		(33)	(48)
Gross earned premiums		**6,346**	**5,759**
Other income from reinsurance operations		7	11
Investment income	Note 20	503	467
Total income from ordinary activities		**6,856**	**6,237**
Gross benefits and claims paid	Note 16	(4,674)	(4,101)
Gross commission on earned premiums		(1,334)	(1,293)
Net results of retrocession	Note 21	(136)	(140)
Investment management expenses	Note 22	(35)	(36)
Acquisition and administrative expenses	Note 22	(221)	(192)
Other current operating expenses	Note 22	(116)	(124)
Other current operating income		-	-
Total other current operating income and expense		**(6,516)**	**(5,886)**
CURRENT OPERATING RESULTS		**340**	**351**
Other operating expenses		(21)	(4)
Other operating income		53	1
OPERATING RESULTS		**372**	**348**
Financing expenses	Note 14	(61)	(61)
Share in results of associates		(1)	9
Negative Goodwill		14	6
Restructuring provision and charges, net of tax	Note 23	-	(28)
Corporate income tax	Note 19	47	44
CONSOLIDATED NET INCOME		**371**	**318**
Minority interests		(1)	(3)
GROUP NET INCOME		**370**	**315**
In EUR			
Earnings per share	Note 24	2.06	1.76
Earnings per share (Diluted)	Note 24	2.04	1.68

20.1.3 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

In EUR million		YEAR ENDED 31 DECEMBER 2009	2008 (1)
Group net income		370	**315**
Group other comprehensive income		**268**	**(372)**
Revaluation - Assets available for sale		480	(390)
Shadow accounting		(82)	90
Effect of changes in foreign exchange rates		(21)	(105)
Taxes recorded directly in or transferred to equity	Note 19	(104)	57
Actuarial gain/losses not recognised in income		(8)	(13)
Other changes		3	(11)
GROUP COMPREHENSIVE INCOME, NET OF TAX		**638**	**(57)**
Minority comprehensive income, net of tax		7	(27)
COMPREHENSIVE INCOME, NET OF TAX		**645**	**(84)**

(1) Certain comparatives figures have been revised to align with the presentation requirements of IAS 1 (revised).

20.1.4 CONSOLIDATED STATEMENTS OF CASH FLOWS

In EUR million		FOR THE YEAR ENDED 31 DECEMBER 2009	2008 [(1)]
Net cash flow provided by (used in) operations	**Note 12**	**851**	**779**
Acquisitions of consolidated entities, net of cash acquired		(43)	(71)
(Acquisitions)/disposals of real estate investments		73	6
(Acquisitions)/ disposals or reimbursements of other insurance business investments		(1,064)	(689)
(Acquisitions)/ disposals of tangible and intangible assets		(18)	(15)
Cash flows provided by (used in) investing activities		**(1,052)**	**(769)**
Issuance of equity instrument		15	-
Treasury share transactions		(42)	(46)
Dividends paid		(143)	(144)
Cash generated by issuance of financial debt		57	35
Cash used to reimburse financial debt		(129)	(10)
Interest paid on financial debt		(27)	(55)
Cash flows generated by (used in) financing activities		**(269)**	**(220)**
Effect of change in foreign exchange rates on cash and cash equivalents		12	(59)
TOTAL CASH FLOW		**(458)**	**(269)**
Cash and cash equivalents at 1 January	**Note 12**	**1,783**	**2,052**
Net cash flows from operations		851	779
Net cash flows from investing activities		(1,052)	(769)
Net cash flows from financing activities		(269)	(220)
Effect of change in foreign exchange rates on cash and cash equivalents		12	(59)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		**1,325**	**1,783**

(1) Bank overdrafts have been reclassified within the Statement of Cash Flows from financial debt to cash and cash equivalents, net of overdrafts in line with the presentation within note 12. Comparative amounts have been updated to reflect this change in presentation.

20.1.5 CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

In EUR million	Share capital	Additional paid-in capital	Consolidated reserves (including net income)	Revaluation reserves	Treasury shares	Share-based payments	Minorities	Total consolidated
Shareholders' equity at 1 January 2008	**1,439**	**1,017**	**1,191**	**(13)**	**(69)**	**49**	**34**	**3,648**
Net income for year ended 31 December 2008	**-**	**-**	**315**	**-**	**-**	**-**	**3**	**318**
Other comprehensive income net of tax(1)	**-**	**-**	**(135)**	**(237)**	**-**	**-**	**(30)**	**(402)**
Revaluation – Assets available for sale	-	-	-	(390)	-	-	-	(390)
Shadow accounting	-	-	27	63	-	-	-	90
Effect of change in foreign exchange rates	-	-	(105)	-	-	-	-	(105)
Taxes recorded directly in or transferred to equity	-	-	(33)	90	-	-	-	57
Actuarial losses not recognised in income	-	-	(13)	-	-	-	-	(13)
Other changes	-	-	(11)	-	-	-	(30)	(41)
Total comprehensive income, net of tax	**-**	**-**	**180**	**(237)**	**-**	**-**	**(27)**	**(84)**
Share-based payments	-	-	-	-	-	(10)	-	(10)
Other changes	-	-	-	(1)	(14)	-	(1)	(16)
Capital transactions	12	9	-	-	-	-	-	21
Dividends paid	-	(74)	(69)	-	-	-	-	(143)
Shareholders' equity at 31 December 2008(1)	**1,451**	**952**	**1,302**	**(251)**	**(83)**	**39**	**6**	**3,416**
Net income for year ended 31 December 2009	**-**	**-**	**370**	**-**	**-**	**-**	**1**	**371**
Other comprehensive income net of tax	**-**	**-**	**(20)**	**288**	**-**	**-**	**-**	**268**
Revaluation – Assets available for sale	-	-	-	480	-	-	-	480
Shadow accounting	-	-	-	(82)	-	-	-	(82)
Effect of change in foreign exchange rates	-	-	(21)	-	-	-	-	(21)
Taxes recorded directly in transferred to equity	-	-	6	(110)	-	-	-	(104)
Actuarial losses not recognised in income	-	-	(8)	-	-	-	-	(8)
Other changes	-	-	3	-	-	-	-	3
Total comprehensive income, net of tax	**-**	**-**	**350**	**288**	**-**	**-**	**-**	**638**
Share-based payments	-	-	-	-	(43)	14	-	(29)
Other changes	-	-	-	-	19	(16)	-	3
Capital transactions	8	9	(2)	-	-	-	-	15
Dividends paid	-	(187)	44	-	-	-	-	(143)
SHAREHOLDERS' EQUITY 31 DECEMBER 2009	**1,459**	**774**	**1,694**	**37**	**(107)**	**37**	**7**	**3,901**

(1) Some comparatives figures have been revised to align with the presentation requirements of IAS 1 (revised).

20.1.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20.1.6.1 NOTE 1 - ACCOUNTING PRINCIPLES AND METHODS

(A) GENERAL INFORMATION

SCOR SE ("**SCOR**" or "**the Company**") is a European Company (*Societas Europaea*) domiciled in France and governed by the provisions of French law relating to European Companies as well as by the French corporate law provisions applicable to *Sociétés Anonymes* where this is not contrary to the specific provisions applicable to European Companies. SCOR's shares are publicly traded on the Eurolist by Euronext Paris stock market and on the SIX Swiss Exchange (formerly known as the SWX Swiss Exchange). The principle activities of the Company and its subsidiaries (**"the Group")** are Life and Non-Life reinsurance.

The consolidated financial statements were presented by Group Management to the Audit Committee. The Management and the Audit Committee report to the Board of Directors, which approved the consolidated financial statements on 2 March 2010.

The consolidated financial statements will be presented for approval at the Annual General Meeting which will take place on 28 April 2010.

(B) BASIS OF PREPARATION

SCOR's consolidated financial statements are prepared in accordance with International Financial Reporting Standards and interpretations as adopted by the European Union ("EU") and effective at 31 December 2009.

Reclassifications

Certain reclassifications have been made to prior year financial information to conform to the current year presentation.

Use of estimates

The preparation of the consolidated financial statement requires management to make certain judgements, assumptions and estimates. These affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities at the reporting date. Management reviews these estimates and assumptions periodically, based on past experience and other factors. The actual outcome and results could differ substantially from estimates and assumptions made. The most material financial statement captions for which the Group uses estimates and assumptions are reinsurance reserves, receivables and liabilities relating to reinsurance operations, the fair value and impairment of financial instruments, intangible assets, retirement and other defined benefit plans and deferred taxes.

Allocation of expenses by function

In conformity with IAS 1, the Group has opted to present expenses by function in the income statement. The costs are allocated to four categories (acquisition and administrative expenses, claims settlement expenses, investment management expenses and other current operating expenses) based on allocation keys which are determined based on management's judgment.

(C) BASIS OF CONSOLIDATION

All material entities, in which SCOR owns directly or indirectly more than 50% of outstanding voting rights or has otherwise power of control, are fully consolidated. Control is the authority to direct financial and operational policies in order to obtain benefits from their operations.

Special Purpose Entities (SPE) are consolidated where the substance of the relationship is that the SPE is controlled by the Group. The Group sponsors a number of catastrophe bond notes issued by Atlas Special Purpose Vehicles (SPV). The SPVs allow the retrocession of catastrophe losses financed by the issuance of CAT Bonds. In accordance with SIC 12 Consolidation—Special Purpose Entities, these vehicles are not consolidated by the Group as SCOR does not control these Vehicles and does not support any residual risks or benefits of ownership.

Subsidiaries are consolidated from the time the Group takes control until the date control is transferred outside the Group or control ceases. Certain subsidiaries have been included within the Group financial statements under the equity method and are not fully consolidated on a line by line basis as they are immaterial to the Group consolidated financial statements.

The Group's investments in associated companies are recorded using the equity method. Associated entities are companies in which the Group exercises significant influence but not control. Significant influence generally occurs when the Group owns, directly or indirectly, between 20% and 50% of the outstanding voting rights. Joint ventures, where there is joint control, are accounted for using the equity method.

The financial statements of the material subsidiaries are prepared for the same accounting period as that of the parent company. All material intra-Group balances and transactions including internal results of intra-company transactions are eliminated.

The Group's consolidated financial statements are presented in Euros (EUR) and all values are rounded to the nearest EUR million except where stated otherwise. The other key currencies in which the Group conducts business and the exchange rates used for the preparation of the 2009 financial statements are as follows:

Currency	Ending rate 2009	Average rate - 2009
USD	0.6877	0.7181
GBP	1.1161	1.1244
CAD	0.6469	0.6329

(D) IFRS STANDARDS ADOPTED EARLY, EFFECTIVE DURING THE PERIOD AND ACCOUNTING STANDARDS AND INTERPRETATIONS PUBLISHED BUT NOT YET EFFECTIVE

The Group has adopted the following new and amended International Financial Reporting Standards and interpretations as adopted by the European Union as of 1 January 2009:

- IAS 1 (Revised) - Presentation of Financial Statements;
- IFRS 8 - Operating Segments;
- An amendment to IFRS 7 - Financial instruments: Disclosures;
- Amendment to IFRS 2 - Share-Based Payment;
- IFRIC 16 – Hedges of a net investment in a foreign operation;
- Improvements to International Financial Reporting Standards 2008;
- Amendment to IAS 23 - Borrowing Costs; and
- Amendments to IAS 32 - Financial Instruments: Presentation and to IAS 1 - Presentation of Financial Statements – Puttable Shares and Obligations Arising Only on Liquidation

The Group has also early adopted the following International Financial Reporting Standards and interpretations as adopted by the European Union as of 1 January 2009:

- IFRS 3 (Revised) - Business Combinations and related revisions to IAS 27 -Consolidated and Separate Financial Statements

The principal effects of these changes are as follows:

- The IASB issued revised IAS 1 "Presentation of Financial Statements" in September 2007, effective for annual periods beginning on or after 1 January 2009. The Standard separates owner and non-owner changes in equity as well as introduces a statement of comprehensive income. The SCOR Group has implemented this Standard for the annual period beginning 1 January 2009 and prior year information has been reclassified where necessary to comply with the current year presentation.

- IFRS 8 "Operating Segments", published in November 2006 and applicable as from 1 January 2009, replaces IAS 14 "Segment Reporting". The new Standard requires that the identification of the operating segments used in published financial information be based on the segments used in internal reports that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segments and assess their performance and also requires disclosures concerning the methods used to identify segments. Segment balances must also be reconciled to the amounts disclosed in the consolidated balance sheet and income statement. The new requirements of the Standard have been applied for the preparation of the consolidated financial statements for the annual reporting period. This has resulted in a minimal change in the segment disclosures presented. The revised presentation includes the split between the net insurance technical result and the result derived from investment related balances, and a revision in the order of line items presented. This has not resulted in any material impacts on the Group consolidated financial statements or to how the Group identifies its operating segments.

- Revised IFRS 3 "Business Combinations" and related revisions to IAS 27 "Consolidated and Separate Financial Statements" published on 10 January 2008 and applicable for accounting periods beginning on or after 1 July 2009 represent the second phase of the IASB's project to review the accounting treatment of business combinations. Revised IFRS 3 introduces certain changes in the accounting treatment of business combinations that may impact the amount of goodwill recognised, or the amount of profit in the acquisition period or in subsequent periods. In particular, the acquirer shall recognise, as an adjustment to income, changes in recognised deferred tax assets as from the date when the revised IFRS 3 is applied. The related revisions to IAS 27 require that a change in the interest held in a subsidiary must be accounted for as an equity transaction and no impact is recognised in goodwill or in profit. The revised standards also introduce changes in the accounting treatment of losses generated by subsidiaries and of the loss of control of a subsidiary. SCOR early adopted these revisions as from 1 January 2009.

- An amendment to IFRS 7 "Financial instruments: Disclosures" was published in March 2009 and is applicable for annual accounting periods beginning on or after 1 January 2009. The aim of the proposed amendment is to enhance disclosures about fair value and liquidity risk. The IASB noted the urgent need for enhanced disclosures about financial instruments and strongly encouraged earlier application. The new requirements of the Standard have been applied for the preparation of the consolidated financial statements for the annual reporting period. The main changes presented within the consolidated financial statements on application of these amendments include a reconciliation between the opening and closing balances of investments at fair value determined using valuation techniques not (or partially) based on market data (level 3) and the disclosure of significant transfers between investments at fair value based on prices published in an active market (level 1) and those at fair value determined using valuation technique based on observable market data (level 2). SCOR has applied this amendment to disclosures for the current period, with no requirement to provide comparatives on transition.

- Amendment to IFRS 2 "Share-Based Payment", published in January 2008 and applicable as for annual periods beginning on or after 1 January 2009, makes vesting contingent on service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. The Amendment also stipulates that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The application of this Amendment has not resulted in any material impacts on the Group's consolidated financial statements.

- IFRIC 16 – "Hedges of a net investment in a foreign operation" was issued in July 2008 to address the differing views of the risks eligible for hedge accounting purposes and to clarify which entity within a group could hold a hedging instrument in a hedge of a net investment in a foreign operation. Effective for annual periods beginning on or after 1 October 2008, on adoption this interpretation has not resulted in any material impact on the Group's consolidated financial statements.

- Unless stated otherwise, the improvements to International Financial Reporting Standards published on 22 May 2008 and applicable as from 1 January 2009, comprise non-urgent, minor amendments to Standards. They are presented in a single document rather than as a series of isolated changes. They include both amendments that result in accounting changes for presentation, recognition or measurement purposes, and amendments that are terminology or editorial changes only, expected to have no or minimal effect on accounting. The application of these amendments has not resulted in any material impact on the Group's consolidated financial statements.

- Amendment to IAS 23 "Borrowing Costs", published on 29 March 2007 and applicable as from 1 January 2009, stipulates that borrowing costs must be capitalised and prohibits immediate expensing of borrowing costs. Financial assets measured at fair value are excluded from the scope of this Amendment. The application of this Amendment has not resulted in any material impact on the Group's consolidated financial statements.

- Amendments to IAS 32 "Financial Instruments: Presentation" and to IAS 1 "Presentation of Financial Statements – Puttable Shares and Obligations Arising Only on Liquidation", published on 14 February 2008 and applicable as from 1 January 2009, include the following respective requirements i) certain puttable shares and obligations arising only on liquidation will be classified as equity in certain circumstances; and ii) additional disclosures concerning said instruments must be provided. The application of these Amendments has not had any material impacts on the Group's consolidated financial statements.

The following standards have been issued by International Financial Reporting Standards Board during the year but are not yet effective or have not been adopted by the European Union:

- IFRS 9 – "Financial Instruments" issued in November 2009 specifies how an entity should classify and measure financial assets, requiring all financial assets to be classified on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset and subsequently measured at amortised cost or fair value. The current requirements aim to improve and simplify the approach for classification and measurement of financial assets compared with previous standards. This is applicable for annual periods beginning on or after January 2009, with a mandatory adoption date of 2013. This Standard has not yet been endorsed by the EU.

- Amendment to IAS 39 – "Eligible Hedged items" published in July 2008, for annual periods beginning on or after July 2009, clarifies how the principles that determine whether a hedged risk or portion of cash flows which is eligible for designation should be applied in particular situations. The application of this Amendment is not expected to result in any material impact on the Group's consolidated financial statements.

- Amendments to IFRS 2 – "Share based payments" – Group cash settled share-based payment transactions was issued in July 2009 to clarify the accounting for Group cash-settled share-based payment transactions in the individual financial statements of the entity receiving the services when that entity has no obligation to settle the transaction. It also clarifies the scope of the Standard through incorporation of the guidance contained in IFRIC 8 (Scope of IFRS 2) and IFRIC 11 (IFRS 2—Group and Treasury Share Transactions). The amendments are applicable for annual periods beginning on or after January 2010 subject to EU endorsement and are not expected to result in any material impact on the Group's consolidated financial statements.

- Amendments to IFRIC 14 – "Prepayments of a minimum funding requirement" interpretation issued in November 2009 sought to remove an unintended consequence arising from the treatment of prepayments in some circumstances when there is a minimum funding requirement. This interpretation is applicable for annual periods beginning on or after January 2011 (subject to EU endorsement) and is not expected to result in any material impact on the Group's consolidated financial statements.

- IFRIC 19 – "Extinguishing financial liabilities with equity instruments" issued in November 2009 clarified the treatment of debt equity extinguishments to enhance consistency between entities. An entity is now required to initially measure equity instruments issued to a creditor to extinguish all or part of a financial liability at the fair value of the equity instruments issued or the fair value of the liability extinguished, whichever is more reliably determinable. The difference between the carrying amount of the financial liability extinguished and the initial measurement amount of the equity instruments issued is recognised in profit or loss. This interpretation is applicable retrospectively for annual periods beginning on or after January 2011 (subject to EU endorsement).

- Amendments to IAS 24 – "Related party transactions" issued in November 2009 aims to simplify the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. In addition it provides a partial exemption from the disclosure requirements for government-related entities. The Amendments are applicable for annual periods beginning on or after January 2011(subject to EU endorsement) and the impact of these Amendments is currently being assessed.

- Unless stated otherwise, the improvements to International Financial Reporting Standards published on 12 July 2009 and applicable in part for annual periods beginning on or after 1 July 2009, comprise non-urgent, minor amendments to Standards. They are presented in a single document rather than as a series of isolated changes. They include both Amendments that result in accounting changes for presentation, recognition or measurement purposes, and Amendments that are terminology or editorial changes only, expected to have no or minimal effect on accounting. The application of these Amendments is not expected to result in any material impact on the Group's consolidated financial statements.

(E) FOREIGN CURRENCY TRANSLATION AND TRANSACTIONS

Where the functional currency of an entity is not the same as the reporting currency used to present the Group's consolidated financial statements, assets and liabilities of the entity are translated using the exchange rate at the balance sheet date and the income statement is translated using the average exchange rate for the period. Translation differences are recognised directly in shareholders' equity as "translation adjustments". Transactions denominated in foreign currencies (currencies other than the functional currency) are translated into the functional currency at the rate of exchange at the date of the transaction (for practical purposes, an average rate is used).

At each period end, the entity must translate the items on its balance sheet which are denominated in a foreign currency into the functional currency, using the following procedures:

- monetary items are translated at end of period exchange rates and the resulting gains and losses are recorded in the income statement;

- non-monetary items are translated:

    - at the exchange rates in effect on the transaction date for items valued at historical cost; or

    - at end of period exchange rates if they are valued at fair value; and

    - to the extent that any gains or losses arise, these are directly recorded in shareholders' equity. In particular this affects foreign exchange differences for available for sale equity securities and exchange differences resulting from the conversion of these items are also directly recorded in shareholders' equity.

- the gains and losses resulting from the translation of net foreign investment hedges are recorded in shareholders' equity. They are recognised in the income statement upon the disposal of the net investments.

(F) INTANGIBLE ASSETS

Business combinations and goodwill

Business combinations are accounted for using the purchase method of accounting which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values.

Goodwill is initially measured at cost being the excess of the cost of the business combination over the fair value of the Group's share of the net assets of the acquired company and is included in intangible assets. The squeeze-out of minority interests is recorded using the parent-entity extension method whereby the difference between the cost of the additional interest in the subsidiary and the minority interests' share of the assets and liabilities reflected in the consolidated balance sheet at the date of acquisition of the minority interest is reflected as goodwill.

Goodwill arising on companies accounted for under the equity method is included within the carrying value of those investments.

Negative goodwill is generated when the fair value of the net assets acquired by the Group exceeds the acquisition price and is recognised in the income statement from the date of acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment.

Intangible Assets

The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the expected useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for intangible assets with finite useful life are reviewed annually. Changes in the expected useful life or the expected pattern of future economic benefits are accounted for prospectively by changing the amortisation period or method as appropriate and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assumption continues to be appropriate. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from the de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Value of business acquired (VOBA) in life business

The VOBA refers to life reinsurance portfolios acquired in a business combination. VOBA is capitalised as the present value of the stream of expected future cash flows. These estimates include the future technical result, and the future investment income less deductions for future administration expenses. The present value calculations are based on assumptions and risk discount factors relevant at the date of acquisition. The VOBA is amortised over the lifetime of the underlying reinsurance portfolio and is subject to impairment testing. The amortisation pattern of VOBA is reviewed annually.

VOBA also includes the intangible asset related to the ReMark acquisition to reflect the substance of the guaranteed future income stream and to ensure mirror accounting for the contracts SCOR has sourced from ReMark as well as consistency with amounts used in embedded value calculations.

Other intangible assets

Other intangible assets consist primarily of customer related intangibles arising from non-life business combinations and purchased or development expenditure related to software.

(G) REAL ESTATE INVESTMENTS

Investment properties

Real estate currently held by the Group is classified as investment property. Some buildings may be partially occupied by entities of the Group.

Properties, including properties used by the Group, are recognised at cost, net of accumulated depreciation and impairment losses. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Category	Useful life
Land	Indefinite (not depreciated)
Buildings	
Building structure and exterior	30 – 80 years
Insulation	30 years
Technical installations	20 years
Fixtures and fittings	10 to 15 years

Repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred. All costs directly associated with purchases or constructions of properties are capitalised. All subsequent value enhancing capital expenditures are capitalised when it is probable that future economic benefits related to the item will flow to the Group.

Annually each building is subject to an in-depth analysis of its market value or “fair value” by an independent appraiser. The fair value is calculated using a discounted cash flow model and considers rental status, completeness of construction and renovation work, as well as recent developments within the local real estate market. If the fair value is below the carrying amount, the related impairment losses are recognised in the income statement. The impairment provision is recorded equal to the difference between its fair value and the net book value. With regard to investment properties, their fair value is based primarily on the sum of estimated future cash flows that are discounted on the basis of current market assumptions.

Finance leases

Investment properties acquired through financial lease agreements are recorded on the balance sheet as assets based on the present value of future rental payments and any purchase option. Subsequent to the initial recognition they are accounted for like investment properties at cost, net of accumulated depreciation and impairment losses.

The corresponding debt is recorded under “financial liabilities” and is amortised based on the effective interest rate method.

Rental income

Rental income from investment properties is recorded on a straight-line basis over the term of the current rental agreements.

(H) FINANCIAL INSTRUMENTS

Financial investments

The Group classifies its financial assets in the following categories: available for-sale, fair value through income, loans and other accounts receivable and derivative instruments. There are currently no assets classified as held-to-maturity. Sales and purchases of assets are recorded on the settlement date. Once it has been initially recorded, an asset is measured according to its asset category, determined according to the methods set forth below. Financial assets are derecognised when the contractual rights to the cash flow of the financial asset expire or are transferred, and when the Group has substantially transferred the risks and rewards inherent to the ownership of the financial asset.

Categories of financial assets

(a) Available-for-sale financial assets

Available-for-sale assets include non derivative assets that are either classified as available for sale or not allocated to another category.
Available-for-sale financial assets are recorded at their fair value. Unrealised gains and losses and the respective foreign exchange resulting from variations in the fair value of a financial available-for-sale asset are recorded directly in shareholders' equity.

When an asset is sold, the accumulated gains and losses included in equity are transferred to realised gains and losses from the sale of investments on the income statement, net of any amounts previously recorded through income.

Interest on debt instruments is calculated in accordance with the effective interest method, which includes the amortisation of premiums/discounts and is recorded in the income statement.

Dividends on equity instruments are recorded on the income statement when the Group's right to receive payment has accrued.

(b) Financial assets at fair value through income

This category includes financial assets held for trading purposes and those designated at fair value through income upon initial recognition in the financial statements. Gains and losses from changes in the fair value of financial assets classified under this category are recognised in the income statement in the period in which they occur.

(c) Loans and accounts receivable

This category includes funds held by ceding companies as collateral for underwriting commitments included at the amount deposited.

Non-derivative financial assets, where payment is fixed or determinable and which are not listed on an active market, are also included within this category and these are recognised at amortised cost using the effective interest rate method.

Loans and accounts receivable include short-term deposits or investments with a maturity of more than three months at the date of purchase or deposit.

Loans and accounts receivable include a provision for recoverability if deemed necessary.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash, net bank balances and short-term deposits or investments with a maturity less than or equal to three months at the date of purchase or deposit. Money market funds are also classified as cash equivalent, though only to the extent that fund invested assets qualify as cash equivalent, or there are strict fund management policies and limits that lead the funds to qualify as cash equivalent.

Financial debt

Financial liabilities, with the exception of liabilities arising from reinsurance transactions, are classified as financial debts, financial instruments and other liabilities.

Interest on financial debt is included within financing expenses.

(a) Subordinated financial debts or debt securities

These items comprise the various subordinated or unsubordinated bonds issued by the Group. These loans are classified as financing debts, in accordance with IAS 32.

At initial recognition, all borrowings are recorded at fair value less directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest rate method.

The Group has embedded derivatives included in its convertible debt securities. The option relating to the conversion into shares has been separated from the host borrowing contract and recognised separately in equity. It is not subsequently reassessed.

(b) Other financial debt

This caption includes primarily debt relating to the acquisition of real estate and financial lease agreements. Debt under financial lease contracts is recorded at fair value less directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest rate method where this method has a significant impact compared to the nominal contractual rate method.

Derivative instruments and hedging instruments

Derivative instruments are recorded and classified at fair value through income (designated at inception) unless they are designated as hedging instruments.

All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

The accounting method varies according to whether or not the derivative instrument is designated as a hedging instrument, as described below in "Hedging Instruments."

When the Group has not designated the derivative as a hedging instrument, gains and losses resulting from the change in the fair value of the instrument are recorded in the income statement in the period in which they occur. The Group uses the following derivative instruments to reduce its exposure to various risks: swaps based on interest rates, mortality indices and real estate indices, foreign currency forward purchase and sale contracts, caps and floors, and puts and calls.

(a) Embedded derivative instruments

An embedded derivative is a component of a hybrid instrument which includes a non-derivative host contract, which causes part of the hybrid instrument's cash flow to vary in the same way as that of a freestanding derivative.

A material embedded derivative is separated from the host contract and is recognised as a derivative:

- when its economic features and risks are not closely linked to the economic features of the host contract;
- where the embedded instrument has the same conditions as a separate derivative instrument; and
- where the hybrid instrument is not assessed at fair value through the income statement.

Where an embedded derivative has been separated from its host contract, it is recognised in accordance with the guidance relating to the accounting for derivative financial instruments.

Where the embedded derivative represents a significant part of the instrument and cannot be separated from the host contract, the hybrid instrument is treated as an instrument held for trading. Gains and losses resulting from variations in the fair value of the hybrid are recognised in the income statement in the period during which they occur.

(b) Hedging instruments

A hedging instrument is a designated derivative instrument or, in the case of a single foreign currency hedge, a designated non-derivative asset or liability for which the fair value or cash flows offset variations in the fair value or cash flows of the hedged item.

The hedged item may be an asset, a liability, a firm commitment, a highly probable scheduled transaction or a net investment in a foreign operation exposing the Group to fluctuations in fair value or future cash flows, and which is designated as being hedged.

Hedge effectiveness is monitored periodically by comparing changes in the fair value or cash flows of the hedged item to the changes in the fair value or cash flows of the hedge instrument in order to determine the degree of effectiveness.

Hedges of net investments in a foreign operation are recorded as follows:

- the portion of gains or loss on the hedging instrument considered as the effective portion of the hedge is recorded directly in shareholders' equity;
- the ineffective portion of the hedge is recognised in the income statement.

The Group's primary hedging instruments comprise foreign currency forward purchases and sales and USD denominated debt issued by the Group that has been designated as a net investment hedge.

Valuation of financial assets

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices, at the close of business on the balance sheet date. If quoted market prices are not available, reference can also be made to broker or dealer price quotations.

For units in unit linked-trusts, shares in open-ended investment companies and derivative financial instruments (including real estate, interest rate and mortality swaps, options, etc.), fair value is determined by reference to either published bid-values, or modelled values which incorporate market inputs within the valuation assumptions.

The Group has certain investments which are valued based on models prepared by external third parties using market inputs. These primarily comprise structured products, other than agencies for which the market which is considered active, as well as hybrid, tier 1 and tier 2 corporate debt and hedge funds.

Similarly, the Group values certain derivative investments, namely the mortality and real estate swaps and S&P options, using internal valuation techniques based on observable market data.

For unlisted equity instruments, fair value is determined according to commonly used valuation techniques.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value.

If, as a result of a change in intention or ability or in the circumstance that a reliable measure of fair value is no longer available, it becomes appropriate to carry a financial instrument at cost or amortised cost, then the last reliable fair value available is taken as the new cost or amortised cost, as applicable.

The Group provides disclosures over the measurements of those financial instruments held at fair value, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement requires judgement, considering factors specific to the asset or liability.

Impairment of financial assets

At each balance sheet date, the Group assesses whether there is any evidence of impairment. The amount of impairment is recorded by asset category, as set forth below.

For available-for-sale equity securities which are listed on an active market, a line-by-line analysis is performed when there has been a fall in fair value as compared to the initial purchase price of more than 30%, or a consistent unrealised loss over a period of more than twelve months. The different factors considered in this analysis include the existence or not of significant adverse changes in the technological, market, economic or legal environment in which the issuer operates. After consideration of these factors if a security remains unimpaired the Group ultimately considers objective evidence of impairment, as per IAS 39, by reference to three further key criteria being the existence or not of:

- a consistent decline of more than 30% for twelve months; or
- a magnitude of decline of more than 50%; or
- a duration of decline of more than twenty-four months.

For unlisted equity instruments, impairment is assessed using a similar approach to listed equities.

For debt instruments, and loans and accounts receivable, an objective indicator of impairment relates primarily to proven default credit risk. Different factors are considered to identify those debt instruments potentially at risk of impairment, including significant financial difficulty or default in payments, to enable the Group to conclude whether there is objective evidence that the instrument or group of instruments is impaired.

For financial instruments where the fair value cannot be measured reliably and they are measured at cost a regular analysis is completed to determine if this remains appropriate given the nature of the investment and factors such as amounts realised and the appearance or re-appearance of a market or reliable value. Impairment assessments are completed dependant on the underlying nature of the investment and the expected future cash flow.

If an available for sale financial asset is impaired, the impairment is computed as the difference between the cost of the asset (net of any principle repayment and amortisation) and its current fair value, less any impairment previously recognised in the statement of income, is transferred from equity to the statement of income.

Any impairment reversals in respect of equity instruments classified as available-for-sale are not recognised in the statement of income. Reversals of impairment losses on debt instruments classified as available-for-sale are reversed through the income statement if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment losses were recognised in the statement of income.

(I) RESTRUCTURING COSTS

Restructuring costs other than those that may be recognised on the balance sheet of an acquired company on the acquisition date are recorded when the Group has a present obligation as evidenced by a binding sale agreement or a detailed formal restructuring plan of which the main features are announced to those affected or to their representatives.

(J) CONTINGENCY RESERVES

Provisions are recognised when the Group has a present legal, contractual or constructive obligation as the result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.
Where the Group expects the provision to be reimbursed for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is probable.

Contingent liabilities are disclosed if there is a possible future obligation as a result of a past event, or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reliably estimated.

(K) SHARE CAPITAL AND SHAREHOLDERS' EQUITY

Share capital

Ordinary shares are classified in shareholders' equity when there is no contractual obligation to transfer cash or other financial assets to the holders.

Share issue costs

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax from the proceeds of the issue.

Treasury shares

Treasury shares and any directly related costs are recorded as a deduction from shareholders' equity. When treasury shares are subsequently sold or reissued any consideration received is included in consolidated shareholders equity net of any directly related costs and tax effects. Accordingly there is no related income, gain or loss recognised in the income statement.

Dividends

The final dividend on ordinary shares is recognised as a liability when it has been approved by shareholders at the annual general meeting.

(L) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income available to ordinary shareholders by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

For the diluted earnings per share the weighted average number of shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares such as convertible debt and share options granted to directors and employees.

Potential or contingent share issuances are treated as dilutive when their conversion to shares would decrease net earnings per share.

(M) SUBSEQUENT EVENTS

Subsequent events relate to events that occur between the balance sheet date and the date when the financial statements are approved for issue:

- Such events lead to an adjustment of the consolidated financial statements if they provide evidence of conditions that existed at the balance sheet date, and if relevant and material.

- Such events result in additional disclosure if indicative of conditions that arose after the balance sheet date, and if relevant and material.

(N) ACCOUNTING PRINCIPLES AND METHODS SPECIFIC TO REINSURANCE ACTIVITIES

Classification and accounting of reinsurance contracts

The reinsurance contracts assumed and retroceded by the Group are subject to different IFRS accounting rules depending on whether they fall within the scope of IFRS 4 or IAS 39.

Assumed and ceded reinsurance transactions are those contracts that transfer significant insurance risk at the inception of the contract. Reinsurance risk is transferred when the Group agrees to compensate a cedant if a specified uncertain future event (other than a change in financial variable) adversely affects the cedant. Any contracts not meeting the definition of a reinsurance contract under IFRS 4 are classified as investment contracts or derivative contracts as appropriate.

Assumed and ceded reinsurance transactions that do not transfer significant risk are recognised in the accounts in accordance with IAS 39, which means that amounts collected are no longer recognised as premiums, and technical reserves and deferred acquisition expenses recorded as assets or liabilities on the balance sheet are reclassified as “financial contract liabilities” and “financial contract assets”. These deposits are assessed only on the basis of financial flows and no longer on the basis of estimated ultimate results as required by accounting principles applicable to insurance transactions. Income from these transactions is equal to SCOR’s net fee or spread and is recorded under “other operating income” on the income statement.

Reinsurance reserves

The Group maintains reserves to cover its estimated ultimate liability for claims related to known events or events incurred but not yet reported (IBNR). The reserves are reviewed by management during the year, using new information as soon as it is available and the reserves are adjusted if necessary. Management considers many factors when establishing reserves, including:

- information from ceding companies;

- historical developments, such as reserve patterns, claims payments, number of claims to be paid and product mix;

- internal methods to analyse the Group’s experience;

- most recent legal interpretations concerning coverage and commitments;

- economic conditions;

- biometric developments such as mortality and morbidity and

- Socio-economic factors such as policyholder behaviour.

Reinsurance reserves are presented gross excluding shares retroceded to our reinsurers and measured on the level of individual reinsurance contracts or homogeneous segments of contracts.

(a) Non-Life business

In determining the amount of its reserves, the Group generally uses actuarial techniques that take into account quantitative loss experience data, together with qualitative factors, where appropriate. The reserves are also adjusted to reflect the volume of business underwritten, reinsurance treaty terms and conditions, and diversity in claims processing that may potentially affect the Group’s commitment over time.

However, it is difficult to accurately value the amount of reserves required, especially in view of changes in the legal environment, including civil liability law, which may impact the development of reserves. While this process is complicated and subjective for the ceding companies, the inherent uncertainties in these estimates are even greater for the reinsurer, primarily because of the longer time period between the date of an occurrence and the request for payment of the claim to the reinsurer, the diversity of contract development schemes, whether treaty or facultative, dependence on the ceding companies for information regarding claims, and differing reserve practices among ceding companies. In addition, trends that have affected development of liabilities in the past may not necessarily occur or affect liability development to the same degree in the future. Thus, actual losses, and policy benefits may deviate, perhaps significantly, from estimates of reserves reflected in the Group’s consolidated financial statements.

Claim reserves for losses and claims settlement expenses are recognised for payment obligations from reinsurance losses that have occurred but have not yet been settled. They are recognised for reserves for reinsurance losses reported before the reporting date and reserves for reinsurance losses that have already been incurred but not yet reported (IBNR).

Unearned premium reserves are related to written premiums receivable but allocated to future risk periods.

Share of retrocessionaires in insurance and investment contract liabilities are calculated according to the contractual conditions on the basis of the gross technical reserves. Allowances are established for any specific expected credit risks.

(b) Life business

In Life Reinsurance policy linked liabilities include mathematical reserves, unearned premium reserves and claim reserves.

Mathematical reserves are calculated underwriting reserves relating to guaranteed claims and benefits of ceding companies in life reinsurance. Mathematical reserves are estimated using actuarial methods on the basis of the present value of future payments to cedants less the present value of premium still payable by cedants. The calculation includes assumptions relating to mortality, disability, lapses and the expected future interest rates. Actuarial principles used allow an adequate safety margin for the risks of change, error and random fluctuation. They correspond to those used in the premium calculation and are adjusted if the original safety margins are no longer considered sufficient.

Claim reserves for losses and claims settlement expenses are recognised for payment obligations from reinsurance losses that have occurred but have not yet been settled. They are recognised for reserves for reinsurance losses reported before the reporting date and reserves for reinsurance losses that have already been incurred but not yet reported (IBNR).

Unearned premium reserves are related to written premiums receivable but allocated to future risk periods.

Shares of our retrocessionaires in the insurance and investment liabilities are calculated according to the contractual conditions on the basis of the gross technical reserves. Allowances are established for estimated credit risks.

(c) Contracts not meeting risk transfer criteria

Reserves for investment contract liabilities are recognised for reinsurance contracts, either life or non-life, that do not meet the risk transfer criteria described in IFRS 4.

Cedent accounts

The reinsurance entities of the Group record accounts transmitted by ceding companies upon receipt. At year end, estimates are made for those accounts not yet received from ceding companies. Under this method, the amounts recorded in the financial statements reflect as closely as possible the actual reinsurance commitments of the Group. This method relates to the majority of the contracts signed during the current and previous fiscal year.

Premium estimates

Non Life gross premiums written and earned are based upon reports received from ceding companies, supplemented by the Group’s own estimates of premiums written and earned for which ceding company reports have not yet been received. Differences between such estimates and actual amounts are recorded in the period in which the estimates are changed or the actual amounts are determined. The difference between ultimate estimated premiums, net of commissions, and premiums reported by ceding companies, is recorded under accounts receivable arising from assumed reinsurance transactions. Premiums are earned on a basis that is consistent with the risks covered under the terms of the reinsurance contracts, which is generally one to two years. For certain U.S. and Japanese catastrophe risks, agriculture risks in Brazil and certain other risks, premiums are earned commensurate with the seasonality of the underlying exposure.

The reserve for unearned premiums represents the portion of premiums written that relate to the unexpired terms of contracts and policies in force. Such reserves are computed by pro-rata methods based on statistical data or reports received from ceding companies. Reinstatement premiums are estimated after the occurrence of a significant loss and are recorded in accordance with the contract terms based upon paid losses and case reserves reported in the period. Reinstatement premiums are earned when written.

For Life reinsurance contracts qualifying as “insurance contracts”, the estimation method consists of estimating ceding companies’ missing accounts for the current year in addition to information actually received and recorded.

Claim reserves

In Non-Life reinsurance, SCOR is required to maintain its reserves at a sufficient level to cover the estimated amount of its direct commitments and adjustment expenses for reported and unreported claims, at the end of each fiscal year (net of estimates of recovery and subrogation). These reserves, which pertain to all incurred claims, whether reported or not yet reported, are calculated on the basis of their ultimate cost, undiscounted, except for workers' compensation claims which are discounted in the USA. Ultimate claims expense is estimated using statistical experience for similar policies. Claim reserves including estimated claims paid are calculated based on expected earnings and supplement the information communicated by ceding companies.

In Life reinsurance, estimates, based on experience and information supplied by the underwriters and based on the actuarial analysis, are added to mathematical reserves reported by the ceding companies.

Acquisition expenses of reinsurance activities (Deferred acquisition costs or "DAC")

In reinsurance, the costs associated with the acquisition of new contracts, mainly comprising commissions, are recorded as assets on the balance sheet, to the extent that contracts are profitable. They are amortised on the basis of the residual term of the contracts in Non-Life, and on the basis of the recognition of future margins for Life contracts and subject to impairment testing conducted within the liability adequacy test.

Liability adequacy test

Assets and liabilities relating to reinsurance contracts are subjected each year to a liability adequacy test under IFRS 4.

For the Non-Life segment, the test is performed in the event the ultimate combined ratio is in excess of 100% to the unearned premium reserve, net of deferred acquisition costs.

The liability adequacy test for the life segment compares the carrying value of the technical reserves less deferred acquisition costs and value of business acquired with the fair value of the liabilities from the reinsurance portfolio recognised. The fair value is calculated as the present value of the projected future cash flow using current actuarial assumptions and parameters. In case of deficiency SCOR would impair deferred acquisition costs and value of business acquired and increase technical reserves.

Reinsurance ceded

Premiums payable in respect of reinsurance ceded are recognised in the period in which the reinsurance contract is entered into and includes estimates where the amounts are not determined at the balance sheet date. Ceded premiums are expensed over the period of the reinsurance contract in the same manner as assumed business.

A reinsurance asset is recognised to reflect the amount estimated to be recoverable under the reinsurance contracts in respect of the outstanding claims reported under reinsurance liabilities assumed. The amount recoverable from reinsurers is initially valued on the same basis as the underlying claims provision except in the case of non proportional retrocession whether by risk or by event, where it is SCOR policy to only recognise case or IBNR recoveries upon confirmation of the occurrence of a loss booked to an amount on the assumed side which triggers the retrocession contract.

The amount of recoverable is reduced in the form of a bad debt provision when there is an event arising that provides objective evidence that the Group may not receive all amounts due under the contract and the event has a reliably measurable impact on the expected amount that will be recovered from the reinsurer.

Shadow accounting

For the measurement of deferred acquisition costs, value of business acquired and technical reserves recognised for different insurance portfolios, SCOR applies the shadow accounting principles stipulated in IFRS 4. As the amortisation of DAC (for Life) and VOBA is calculated using expectations for estimated revenues from investments and the measurement of reserves is based on the discount rate reflecting directly the performance of assets, relevant parts of the recognised unrealised gains and losses from investments available for sale are considered as shadow DAC, shadow VOBA and shadow reserves and offset directly in equity.

Impairment of shadow DAC and shadow VOBA for the life business is included within the liability adequacy testing conducted by SCOR Global Life.

Participation at Lloyd's

Participations in syndicates operating at Lloyd's of London are accounted for on an annual accounting basis with a delay due to the transmission of information from syndicates that it does not control. The Group recognises its proportionate share of the syndicates insurance and reinsurance premiums as revenue over the policy term, and claims, including an estimate of claims incurred but not reported. On the closure of an underwriting year, typically three years after its inception, syndicates reinsure all remaining unsettled liabilities into the following underwriting year, a mechanism known as Re-Insurance To Close ("RITC"). If the Group participates on both the accepting and ceding years of Account and has increased its participation, RITC paid is eliminated, as a result of this offset, leaving an element of the RITC receivable. This reflects the fact that the Group has assumed a greater proportion of the business of the syndicates. If the Group has reduced its participation from one year of account to the next, the RITC receivable is eliminated, leaving an element of RITC payable. This reflects the reduction in the Group's exposure to risks previously written by the syndicates. The

Group recognises Lloyds RITC in claims and policy benefits to ensure consistency with similar transactions recognised in accordance with IFRS and, present a true and fair view, rather than an adjustment to gross written premium as per Tech 1/99 (UKGAAP).

Embedded derivatives

IFRS 4 provides for the separation of embedded derivatives in insurance contracts, particularly when these hybrid contracts are not assessed at fair value through income and when the features of the embedded derivatives are not closely linked with the features and risks of the host contract, and when the embedded derivative meets the definition of a derivative instrument. Embedded derivatives which meet the definition of an insurance contract are not separated. SCOR has identified no embedded derivatives in its contracts.

(O) PROVISIONS FOR EMPLOYEE BENEFIT

Pension liabilities

The Group provides retirement benefits to its employees, in accordance with the laws and practices of each country. The main plans are in France, Switzerland, the United States and Germany. Group employees in certain countries receive additional pension payments, paid as an annuity or in capital upon retirement. The benefits granted to Group employees are either in the form of defined contribution or defined benefit plans. Plan assets are generally held separately from the Group's assets.

For defined contribution plans the employer pays fixed contributions into a separate entity, with no legal or constructive obligation to pay further contributions. As a result, only contributions paid or due for the financial year are charged to the Group's income statement as administrative expenses.

Defined benefit plans are those where a sum is paid to the employee upon retirement, which is dependent upon one or several factors such as age, years of service and salary. Defined benefit obligations and contributions are calculated annually by independent qualified actuaries using the projected unit credit method. The obligation recognised on the balance sheet represent the present value of the defined benefit obligation at the balance sheet date, less the market value of any plan assets, where appropriate, both adjusted for actuarial gains and losses and unrecognised past service cost.

In assessing the Group's liability for these plans the Group uses external actuarial valuations which involve critical judgments and estimates of mortality rates, rates of employment turnover, disability, early retirement, discount rates, expected long-term rates of return on plan assets, future salary increases and future pension increases. These assumptions may differ from actual results due to changing economic conditions, higher or lower withdrawal rates or longer or shorter life spans of participants. These differences may result in variability of pension income or expense recorded in future years. Actuarial gains and losses arising from experience adjustments and the effects of changes in actuarial assumptions are reflected in shareholders' equity.

Past service costs generated at the adoption or modification of a defined benefit plan are recorded as an expense, on a straight-line basis over the average period until the benefits become vested. When benefit rights are acquired upon the adoption of a plan or its modification, past service cost is immediately recognised as an expense.

Other long-term benefits

In some countries, the Group rewards employees for length of service by granting them a lump sum after certain periods of service. The primary country providing this benefit is France. For France, the present value of the obligation is calculated annually by an independent actuary using the projected unit credit method and is recognised on the balance sheet.

Termination benefits

The employees of SCOR in Paris take benefit of an agreement "Indemnités de Fin de Carrière" signed as of 4 September 2001. This agreement has been cancelled as of 28 September 2009 and is valid until 31 December 2010. The lump sum defined benefit is granted to SCOR employees only if they are employed by SCOR at the date of their retirement and if they are eligible to the conditions stated in this agreement. A revisited agreement is being studied.

(P) PROVISIONS AND CONTINGENCIES

Management assesses provisions, contingent assets and contingent liabilities and the likely outcome of pending or probable events, for example from lawsuits or tax disputes, on an ongoing basis. The outcome depends on future events that are by nature uncertain. In assessing the likely outcome of events, management bases its assessment on external legal assistance and established precedents.

Provisions, contingent assets and contingent liabilities have also been assessed at the acquisition date for the entities acquired. Such positions are subject to revision as at the acquisition date whilst the initial accounting is not final. Any revision after the initial accounting is final is recognised in the income statement in accordance with IFRS 3 revised.

(Q) SHARE-BASED PAYMENTS

The Group offers stock option plans to certain of its employees. The fair value of the services received in exchange for the granting of options is recognised as an expense. The total amount that is recognised over the vesting period is established by reference to the fair value of options granted, excluding conditions of attribution that are not linked to market conditions (ROE, for example). These conditions are taken into account when determining the probable number of options which will be acquired by the beneficiaries. At each balance sheet date, the Group reviews the estimated number of options which will be acquired. Any impact is then recorded in the income statement with the offsetting entry in shareholders' equity for the remaining vesting period.

The Group also grants shares to certain of its employees. These grants are recorded in expenses over the vesting period with the offset recorded as an increase in shareholder's equity.

The dilutive effect of outstanding options is reflected in the calculation of the diluted earnings per share.

(R) TAXES

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period in countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns. Assessing the outcome of uncertain tax positions requires judgements to be made regarding the result of negotiations with, and enquiries from, tax authorities in a number of jurisdictions. Provisions for tax contingencies require management to make judgements and estimates in relation to tax issues and exposures. Amounts provided are based on management's interpretation of country specific tax law and the likelihood of settlement. Tax benefits are not recognised unless the tax positions are probable of being sustained. In arriving at this position, management reviews each material tax benefit to assess whether a provision should be taken against full recognition of the benefit on the basis of potential settlement through negotiation and/or litigation.

Deferred taxes are recognised using the balance sheet liability method, for all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying value on the balance sheet.

The main temporary differences arise from tax losses carried forward and the revaluation of certain financial assets and liabilities including derivative contracts, certain insurance contract liabilities, provisions for pensions and other post-retirement benefits. In addition, temporary differences arise on acquisitions due to the difference between the fair values of the net assets acquired and their tax base. Deferred tax is provided on temporary differences arising from investments in subsidiaries, associates and joint ventures, except where it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes are not provided in respect of temporary differences arising from the initial recognition of goodwill, or from goodwill for which amortisation is not deductible for tax purposes, or from the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting profit nor taxable profit or loss at the time of the transaction.

Deferred tax on the adjustment of the capitalisation reserves of the French entities is recorded without including the probability of capital losses from asset disposals of securities subject to taxes from these reserves.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available to utilise net operating losses carried forward. Management makes assumptions and estimates related to income projections to determine the availability of sufficient future taxable income. SCOR uses a discounted cash flow model comprised of an earnings model, which considers forecasted earnings, and other financial ratios of legal entity based on board approved business plans, which incorporate key drivers of the underwriting results. Business plans include assessments of gross and net premium expectations expected loss ratios and expected expense ratios over a 3 year time horizon, together with actuarial assumptions. These assumptions include the coefficient of variation on ultimate net reserves together with assumptions as to mean time to payment of existing reserves and future business. To the extent that net operating losses carried forward cannot be utilised or expire, there may be deferred income tax expenses recorded in the future.

Taxes relating to items recorded directly in shareholders' equity are recorded directly in equity and not in the income statement.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets and liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets and liabilities are assessed at the tax rate applicable in the fiscal year in which the asset will be realised or the liability settled, based on the tax rates (and tax regulations) that have been enacted or substantially enacted at the balance sheet date.

(S) SEGMENT INFORMATION

The Group's business is divided into two distinct segments: SCOR Global P&C which refers to the activities included in and under the responsibility of the management of the SCOR Global P&C Division (also referred to as "Non-Life") and SCOR Global Life which refers to all operations included in and under the responsibility of the management of the SCOR Global Life Division (also referred to as "Life"). Each segment offers different products and services, which are marketed via separate channels. Given their specific nature, these segments constitute the primary level of segment information.

Management evaluates the performance of these segments and allocates resources to them in accordance with various performance indicators. The amount of inter-segment transactions, primarily in relation to gross written premiums, is not significant.

(T) ACCOUNTING POLICIES RELEVANT TO THE FIRST-TIME ADOPTION OF IFRS

SCOR adopted IFRS as from 1st January 2005. In compliance with IFRS 1 "First-time adoption" certain standards may not have been retroactively applied. The first time implementation options applied on adoption of IFRS included:

Business combination

SCOR opted not to restate business combinations prior to January 1, 2004, as permitted under IFRS 3. As permitted under IFRS 1, SCOR did not apply IAS 21 "Effects of Changes in Foreign Exchange Rates" retrospectively to goodwill resulting from business combinations that occurred before the transition to IFRS.

Translation adjustments

Translation adjustments relating to those subsidiary accounts with a differing functional currency to that of the Group, were transferred at January 1, 2004 into consolidated reserves. The new IFRS value of the translation adjustment at January 1, 2004 was therefore returned to zero. In the event of the subsequent disposal of these subsidiaries, the income or loss from the disposal will not include the recovery of exchange rate difference prior to January 1, but will include translation adjustments recorded after January 1, 2004.

20.1.6.2 NOTE 2 - SEGMENT INFORMATION

For management purposes, the Group's operations are organised into the following two business segments: SCOR Global P&C which refers to the activities included in and under the responsibility of the management of the SCOR Global P&C Division (also referred to as "Non-Life") and SCOR Global Life which refers to all operations included in and under the responsibility of the SCOR Global Life Division (also referred to as "Life"). The Group underwrites different types of risks for each segment and responsibilities and reporting within the Group are established on the basis of this structure.

Each segment offers different products and services which are marketed via separate channels. The SCOR Global P&C segment is categorised into four product groups being: Property and Casualty Treaties; Specialty Treaties (including Credit & Surety, Ten-Year Inherent Defects Insurance, Aviation, Space, Marine, Engineering, Agriculture and Structured Risk Transfer); Business Solutions (facultative); and Joint Venture and Partnerships. The SCOR Global Life division offers products for: Life (treaties with mainly mortality risks); Financing reinsurance; Critical illness; Disability; Long term care; Annuities; Health; and Personal accident.

Management reviews the operating results of the SCOR Global P&C and Life segments individually for the purpose of assessing the operational performance of the business and to allocate resources. The application of the new requirements of IFRS 8, requiring disclosure of segment information as reviewed internally by management has not significantly changed the presentation of the segment analysis for the Group and has resulted only in a minor revision of line item order within the segment presentation. This revised presentation provides a split between the net insurance technical result and the result derived from investment related balances. The comparatives have been revised to reflect this presentation. SCOR has complied with all the requirements of IFRS 8 within these Financial Statements to the extent that it was practical and feasible. No operating segments have been aggregated to form the SCOR Global P&C and Life reportable operating segments.

The following tables set forth the operating income for each of the Group's business segments as well as certain assets and liabilities for the financial years ended 31 December 2009 and 2008.

In EUR million	AS AT AND FOR THE YEAR ENDED 31 December 2009				31 December 2008 (2)			
	SCOR Global Life	SCOR Global P&C	Adjustments and elimin-ations (1)	Total	SCOR Global Life	SCOR Global P&C	Adjustments and elimin-ations (1)	Total
Gross written premiums	3,118	3,261	-	6,379	2,701	3,106	-	5,807
Change in unearned premiums	(1)	(32)	-	(33)	(10)	(38)	-	(48)
Gross earned premiums	**3,117**	**3,229**	**0**	**6,346**	**2,691**	**3,068**	**-**	**5,759**
Gross benefits and claims paid	(2,449)	(2,225)	-	(4,674)	(1992)	(2109)		(4,101)
Gross commission expense	(669)	(665)	-	(1,334)	(656)	(637)		(1,293)
GROSS TECHNICAL RESULT	(1)	339	**0**	338	**43**	**322**	**-**	**365**
Ceded gross written premiums	(333)	(245)	-	(578)	(266)	(220)	-	(486)
Change in ceded unearned premiums	(5)	-	-	(5)	4	4	-	8
Ceded earned premiums	**(338)**	**(245)**	**0**	**(583)**	**(262)**	**(216)**	**-**	**(478)**
Ceded claims	219	135	-	354	159	106	-	265
Ceded commissions	91	2	-	93	67	6	-	73
Net income from reinsurance operations	**(28)**	**(108)**	**0**	**(136)**	**(36)**	**(104)**	**-**	**(140)**
NET TECHNICAL RESULT	**(29)**	**231**	**0**	**202**	**7**	**218**	**-**	**225**
Other operating revenues	**4**	**5**	**(2)**	**7**	**3**	**28**	**(20)**	**11**
of which other income excluded from combined ratio calculation	-	(19)	-	(19)	-	*(7)*	-	*(7)*
Investment revenues	144	212	(3)	353	137	349		486
Interests on deposits	145	42	-	187	187	28		215
Realised capital gains/(losses) on investments	41	136	-	177	6	81		87
Change in fair value of investments	12	7	-	19	(42)	(3)	-	(45)
Change in investment impairment	(39)	(208)	-	(247)	(25)	(258)	-	(283)
Foreign exchange gains/(losses)	2	12	-	14	(4)	11	-	7
Net investment income	**305**	**201**	**(3)**	**503**	**259**	**208**	**-**	**467**
Investment management expenses	(5)	(29)	(1)	(35)	(1)	(35)	-	(36)
Acquisition and administrative expenses	(92)	(132)	3	(221)	(68)	(132)	8	(192)
Other current operating expenses	(29)	(88)	1	(116)	(55)	(81)	12	(124)
Other current operating income	-	-	-	-	-	-	-	-
CURRENT OPERATING RESULTS	**154**	**188**	**(2)**	**340**	**145**	**206**	**0**	**351**
Other operating expenses	-	(21)	-	(21)	-	(4)	-	(4)
Other operating income	7	46	-	53	1	-	-	1
OPERATING RESULTS	**161**	**213**	**(2)**	**372**	**146**	**202**	**0**	**348**

(1) Inter-segment recharges of expenses are eliminated on consolidation
(2) The comparatives have been revised in accordance with IFRS 8

GROSS WRITTEN PREMIUMS BY GEOGRAPHIC REGION

The distribution by geographic region, based on subsidiary location, is as follows:

	For the year ended 31 December			
	SCOR Global Life		SCOR Global P&C	
In EUR million	2009	2008	2009	2008
Gross written premiums	**3,118**	**2,701**	**3,261**	**3,106**
Europe	2,114	2,071	2,394	2,489
Americas	947	594	543	367
Asia Pacific / Rest of world	57	36	324	250

The distribution by geographic region, based on the location of the ceding company, is as follows:

	For the year ended 31 December			
	SCOR Global Life		SCOR Global P&C	
In EUR million	2009	2008	2009	2008
Gross written premiums	**3,118**	**2,701**	**3,261**	**3,106**
Europe	1,656	1,667	1,895	1,843
Americas	1,063	742	697	624
Asia Pacific / Rest of world	399	292	669	639

ASSETS AND LIABILITIES BY SEGMENT

Key balance sheet(1) captions by segment are estimated as follows:

	As at 31 December					
	2009			2008		
In EUR million	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Goodwill	45	742	**787**	45	742	**787**
Value of business acquired	551	-	**551**	607	-	**607**
Insurance business investments	8,474	10,170	**18,644**	7,423	9,559	**16,982**
Cash and cash equivalents	573	752	**1,325**	576	1,207	**1,783**
Share of retrocessionaires in insurance and investment contract liabilities	926	513	**1,439**	745	506	**1,251**
Total assets	12,647	15,342	**27,989**	11,257	15,277	**26,534**
Contract liabilities	(10,670)	(10,456)	**(21,126)**	(9,832)	(10,408)	**(20,240)**

(1) Amounts presented above represent specific balance sheet line items reviewed by management at the segment level, as such some balance sheet items are excluded from this table.

ASSETS AND LIABILITIES BY GEOGRAPHIC REGION

Assets and liabilities by geographic zone are based on the location of the subsidiary.

	As at 31 December							
	2009				2008			
In EUR million	Europe	North America	Asia and rest of the world	Total	Europe	North America	Asia and rest of the world	Total
Insurance business investments	15,276	3,001	367	**18,644**	14,382	2,398	202	**16,982**
Share of retrocessionaires in insurance and investment contract liabilities	990	447	2	**1,439**	950	295	6	**1,251**
Total assets	23,802	3,465	722	**27,989**	23,500	2,486	548	**26,534**
Contract liabilities	(16,744)	(3,808)	(574)	**(21,126)**	(16,615)	(3,178)	(447)	**(20,240)**

CASH FLOWS BY SEGMENT

The cash flows, by segment, are presented as follows:

	For the year ended 31 December					
	2009			2008		
In EUR million	SCOR Global P&C	SCOR Global Life	Total	SCOR Global P&C	SCOR Global Life	Total[(1)]
Cash and cash equivalents at 1 January	**1,207**	**576**	**1,783**	**1,413**	**639**	**2,052**
Net cash flows from operations	384	467	851	602	177	779
Net cash flows from investing activities	(608)	(444)	(1,052)	(543)	(226)	(769)
Net cash flows from financing activities	(239)	(30)	(269)	(226)	6	(220)
Effect of changes in foreign exchange rates	8	4	12	(39)	(20)	(59)
Cash and cash equivalents at 31 December	**752**	**573**	**1,325**	**1,207**	**576**	**1'783**

(1) Bank overdrafts have been reclassified within the Statement of Cash Flows from financial debt to cash and cash equivalent, net of overdrafts in line with the presentation within note 12. Comparative amounts have been updated to reflect this change in presentation.

20.1.6.3 NOTE 3 - ACQUISITIONS

The following section describes acquisitions which either occurred or for which the acquisition accounting was finalised in 2009.

Acquisition of XL Life America's business ("XLReA")

On 4 December 2009, SCOR acquired 100% of the capital and voting rights of XL Life America Inc. from XL Capital Ltd. and entered into a retrocession contract to assume reserves related to this business. The business acquired showed strong compatibility with SCOR's Life strategy that is rooted in focusing on traditional protection business that is not correlated with economic risks. The acquisition is expected to help SCOR Global Life to strengthen its services in the mortality-protection field and improve SCOR's market position in the United States.

Determination of purchase price

The total consideration for the transaction of EUR 31 million was settled in cash and was entirely self-financed.

Provisional allocation of purchase price

The initial accounting of the business combination, included in the consolidated financial statements of the Group at 31 December 2009 has been determined on a provisional basis. This is due to the fact that for certain items including VOBA, contract liabilities and share of retrocessionaires in contract liabilities, the information necessary in order to make a final determination of fair value is still provisional.

The purchase price has therefore been allocated based on a preliminary estimate of the fair value of assets acquired and liabilities assumed at the date of acquisition determined in accordance with IFRS 3 "Business Combinations". The provisional allocation requires significant assumptions and it is possible that the preliminary estimates will change, potentially by material amounts, as the initial accounting is finalised.

The provisional fair value of assets and liabilities acquired on 4 December 2009 is as follows:

XLReA: fair value of assets and liabilities acquired as at 4 December 2009 In EUR million	Provisional
Assets	
VOBA	20
Investments	35
Share of retrocessionaires in contract liabilities	7
Other assets	9
Cash and cash equivalents	6
TOTAL ASSETS	**77**
Liabilities	
Contract liabilities	27
Other liabilities	6
TOTAL LIABILITIES	**33**
Fair value of net assets	**44**
Consideration	**31**
Negative goodwill	**13**

Value of business acquired

The value of business acquired ("VOBA") has been estimated as EUR 20 million based on an estimate of expected future income and using a discount rate including an appropriate risk premium. This intangible asset will be amortised over the lifetime of the underlying treaties, in line with expected emergence of income.

Share of XLReA income included in the Group's consolidated income

The table below details the key estimated figures for the period from 4 December 2009 to 31 December 2009, which have been included within SCOR's consolidated statement of income, and also key figures for the current reporting period:

	XLReA income statement for the year ended 31 December 2009		
In EUR million	Excluded*	Included*	Total*
Gross written premiums - Life	**26**	**2**	**28**
Operating results	**7**	**1**	**8**
Corporate income tax	**3**	**0**	**3**
NET INCOME	**4**	**1**	**5**

* Only the period from 4 December to 31 December 2009 is included within the SCOR Group consolidated income statements for the year ended 31 December 2009.

Acquisition of Prévoyance Ré

On 31 July 2008, SCOR entered into an agreement with the Malakoff Médéric Group, the leading Group in the French social protection market, to acquire 100% of the share capital and voting rights of Prévoyance et Réassurance, i.e. 1,650,000 shares and voting rights, and its Life and Health reinsurance subsidiary, Prévoyance Ré, i.e. 850,000 shares and voting rights.

Such acquisition was completed on 24 October 2008, by transfer of:

- 2,673,173 SCOR treasury shares to Médéric Prévoyance;
- 257,701 SCOR treasury shares to the Institution Nationale de Prévoyance des Représentants; and
- 528,201 SCOR treasury shares to the URRPIMMEC (Union des Régimes de Retraites et de Prestations en cas d'invalidité et de maladie des Industries Métallurgiques, Mécaniques, Electriques et Connexes).

In addition, Malakoff Médéric Group, in accordance with its commitment, acquired on the market, as from November 2008, an additional number of SCOR shares enabling it to hold 3% of the share capital and voting rights of SCOR.

Prévoyance Ré's primary clients consist of provident institutions and other mutual insurance organisations. Prévoyance Ré will continue to provide its clients with high-level services, whilst fully benefiting from SCOR's recognised know-how in Life and Health.

Determination of purchase price

SCOR acquired the 100% interest in Prévoyance Ré for EUR 40 million (EUR 39 million, excluding expenses) as follows:

In EUR million	Total
Open market purchases of 3,459,075 SCOR shares	53
Change in share price to 24 October 2008	(14)
Fair value of SCOR shares at acquisition date	39
Expenses directly attributable to the acquisition	1
TOTAL CONSIDERATION AS AT 31 DECEMBER 2008	**40**

Purchase price allocation

As from the acquisition date of 24 October 2008, Prévoyance Ré was fully consolidated by SCOR. This resulted in recognition of VOBA of EUR 21 million and a negative goodwill of EUR 6 million in 2008.

In accordance with IFRS 3, the accounting of a business combination can be reviewed within twelve months from the acquisition date. On 30 September 2009, the initial accounting was finalised with no net change in fair value of net assets acquired. These changes reflect the availability and use of more up to date information on which to base the final acquisition accounting and were recorded as follows:

	Fair value of assets and liabilities acquired		
In EUR million	2008 Provisional	2009 Adjustments	2009 Final
Assets			
VOBA	21	(5)	16
Investments	160		160
Share of retrocessionaires in contract liabilities	132	1	133
Other assets	4	1	5
Cash and cash equivalents	12		12
TOTAL ASSETS	**329**	**(3)**	**326**
Liabilities			
Contract liabilities	272	(1)	271
Other liabilities	11	(2)	9
TOTAL LIABILITIES	**283**	**(3)**	**280**
Fair value of net assets	**46**		**46**
Consideration	40		40
Negative goodwill	**6**		**6**

Value of business acquired

The value of business acquired ("VOBA") has been estimated as EUR 16 million based on an estimate of expected future income and using a discount rate including an appropriate risk premium. This intangible asset will be amortised over the lifetime of the underlying treaties, in line with expected emergence of income.

20.1.6.4 NOTE 4 – INTANGIBLE ASSETS

In EUR million	Goodwill	Value of business acquired	Other	Total
Gross value	958	854	99	**1,911**
Amortisation – cumulative	-	(149)	(6)	(155)
Impairment – cumulative	(181)	-	-	(181)
"Shadow accounting"	-	-	-	-
Net book value at 1 January 2008	**777**	**705**	**93**	**1,575**
Effect of foreign exchange rate movements	-	(11)	(13)	(24)
Increases	7	-	(3)	4
Change in scope of consolidation	3	21	-	24
Amortisation for the year	-	(131)	(7)	(138)
Impairment for the year	-	-	-	-
"Shadow accounting"	-	23	-	23
Net book value at 31 December 2008	**787**	**607**	**70**	**1,464**
Gross value	968	862	84	1,914
Amortisation – cumulative	-	(278)	(14)	(292)
Impairment – cumulative	(181)	-	-	(181)
"Shadow accounting"	-	23	-	23
NET BOOK VALUE AT 31 DECEMBER 2008	**787**	**607**	**70**	**1,464**
Effect of foreign exchange rate movements	-	2	1	3
Increases	-	(8)	25	17
Change in scope of consolidation	-	20	11	31
Amortisation for the year	-	(54)	(24)	(78)
Impairment for the year	-	-	(3)	(3)
"Shadow accounting"	-	(16)	-	(16)
Net book value at 31 December 2009	**787**	**551**	**80**	**1,418**
Gross value	968	844	147	1,959
Amortisation – cumulative	-	(300)	(64)	(364)
Impairment – cumulative	(181)	-	(3)	(184)
"Shadow accounting"	-	7	-	7
NET BOOK VALUE AT 31 DECEMBER 2009	**787**	**551**	**80**	**1,418**

The disclosure of intangible assets split between the Group's operational segments SCOR Global P&C and SCOR Global Life has been presented within Note 2 – Segment Information.

GOODWILL

Goodwill, which represents the excess of the cost of each business combination over SCOR's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities acquired, was EUR 787 million as at 31 December 2009 and EUR 787 million as at 31 December 2008. During 2008 the Group finalised the initial accounting in respect of the 2007 acquisition of Converium, which resulted in goodwill of EUR 579 million.

For the purposes of impairment testing, goodwill acquired in a business combination is allocated by SCOR to the groups of cash generating units (CGUs) that are expected to benefit from the profitability and synergies of the business combination. SCOR groups its CGUs by its primary segments, SCOR Global P&C and SCOR Global Life. This is consistent with the way that SCOR now manages and monitors its business and cash flows.

In order to estimate the fair value of SCOR Global P&C for the purpose of impairment testing, SCOR uses a discounted cash flow model comprised of an earnings model, which considers forecasted earnings, and other financial ratios of the reportable segment based on board approved business plans. Business plans include assessments of gross and net premium expectations, expected loss ratios and expected expense ratios over a 3 year time horizon together with actuarial assumptions such as the coefficient of variation on ultimate net reserves together with assumptions as to mean time to payment of existing reserves and future business. SCOR uses Euro risk free interest rates and the estimated SCOR Group cost of capital (9.06%) as derived from the Capital Asset Pricing Model ("CAPM") for discounting purposes. SCOR also uses conservative growth rate assumptions in its valuation models.

For SCOR Global Life, goodwill is tested for impairment by analysis using inputs and the methodology that SCOR applies in calculating the Life Embedded Value. This approach utilises discount rates of between 1.6% and 4% depending on currency and duration and including an average risk margin of 3%.

As part of the impairment testing, SCOR assesses whether the current fair value of operating units is at least equal to the total carrying value of operating units (including goodwill). If it is determined that an impairment exists, the total carrying value is adjusted to current fair value. Any impairment charge is recorded in income in the period in which it is determined.

The annual goodwill impairment tests conducted for both the Global P&C segment and the Global Life segment show a fair value in excess of the total carrying value. Consequently, the result of the goodwill impairment tests is that no goodwill impairment charges were recognised for the year ended 31 December 2009 (2008: Nil).

VALUE OF BUSINESS ACQUIRED

VOBA at 31 December 2009 and 2008 relates to the following acquisitions:

	For the year ended 31 December	
In EUR million	2009	2008
Revios Group acquired in 2006	436	457
Converium Life portfolio acquired in 2007	35	78
Remark acquired in 2007	44	52
Prévoyance Ré acquired in 2008	16	20
XL Life America Inc. acquired in 2009	20	
TOTAL VOBA	**551**	**607**

The IFRS 4 liability adequacy testing which includes VOBA recoverability, showed no indicators of impairment for the years ended 31 December 2009 or 2008. Shadow VOBA amounted to EUR 7 million and EUR 23 million at 31 December 2009 and 2008, respectively.

OTHER INTANGIBLE ASSETS

Other intangible assets at 31 December 2009 were EUR 80 million compared with EUR 70 million at 31 December 2008.

Other intangible assets with finite useful lives at 31 December 2009 were EUR 52 million compared with EUR 56 million at 31 December 2008. The largest component of this balance is the intangibles with finite lives generated from the separate joint venture agreements, GAUM and MDU in total EUR 28 million, acquired through the Converium business combination. The Group amortises its other intangibles with a finite life over a 3 to 10 year period dependent on the specific circumstances of each arrangement.

The Group conducted its annual assessment of the amortisation period and amortisation method of these finite life intangible assets and has concluded that both the amortisation period and existing amortisation methodology are appropriate and in line with current contractual agreements.

The amortisation charge associated with other intangibles with finite lives was EUR 21 million and EUR 7 million for the years ended 31 December 2009 and 2008 respectively.

Other intangible assets also include indefinite life intangible assets associated with Lloyds syndicate participations acquired through the Converium business combination. The Lloyds intangibles of EUR 14 million are deemed to have an indefinite life due to the ability to realise cash for these contractual rights through the Lloyds auction process. During 2008, the rights to one Lloyd's syndicate participation were sold for a gain on disposal of EUR 0.5 m while on another Lloyds syndicate the contractual nature of the agreement changed giving rise to a gain on sale of EUR 5 million together with a reduction of the useful life from an indefinite period to a 10 year period. During 2009, an agreement was reached to cease underwriting in one syndicate. This agreement resulted in an impairment charge of EUR 3 million. Other intangible assets having an indefinite useful life at 31 December 2009 were EUR 19 million compared with EUR 17 million at 31 December 2008.

Intangible assets with an indefinite life are tested for impairment annually. The price of the Lloyds syndicate participations from the Lloyds auction process are key inputs to the impairment tests conducted which demonstrated that there are no indicators of impairment. Other than the EUR 3 million impairment relating to a Lloyds underwriting syndicate, no impairment charges were recognised for the year ended 31 December 2009 (2008: Nil).

20.1.6.5 NOTE 5 - TANGIBLE ASSETS AND REAL ESTATE INVESTMENTS

Tangible assets and real estate investments include all fixed assets and properties of the Group, comprising real estate investments and office or housing buildings which the Group owns or leases. Other property related matters such as rental income received or commitments made to acquire property are also presented within this note.

TANGIBLE ASSETS

Tangible assets at 31 December 2009 were EUR 40 million compared to EUR 29 million at 31 December 2008. These primarily relate to office furniture and equipment, and building fixtures and fittings.

REAL ESTATE INVESTMENTS AND FINANCE LEASES

The majority of properties held by the Group are considered as investment property. They consist of office or housing buildings, which the Group owns and leases, and office buildings and warehouses capitalised under finance lease contracts. The movements in the real estate investments and finance leases are analysed as follows:

In EUR million	Real estate investments	Finance Leases	Total
Gross value at 31 December 2007	**294**	**91**	**385**
Foreign exchange rate movements	-	-	-
Additions	15	-	15
Disposals	(14)	-	(14)
Change in scope of consolidation	-	-	-
Gross value at 31 December 2008	**295**	**91**	**386**
Foreign exchange rate movements	-	-	-
Additions	3	-	3
Disposals	(70)	-	(70)
Change in scope of consolidation	86	-	86
Gross value at 31 December 2009	**314**	**91**	**405**
Cumulative depreciation and impairment at 31 December 2007	**(79)**	**(16)**	**(95)**
Depreciation for the period	(3)	(5)	(8)
Impairment for the period	-	-	-
Other	1	-	1
Cumulative depreciation and impairment at 31 December 2008	**(81)**	**(21)**	**(102)**
Depreciation for the period	6	(3)	3
Impairment for the period	-	-	-
Other	1	-	1
Cumulative depreciation and impairment at 31 December 2009	**(74)**	**(24)**	**(98)**
Carrying value as at 31 December 2007	**215**	**75**	**290**
Carrying value as at 31 December 2008	**215**	**70**	**285**
Fair value as at 31 December 2008	329	99	428
Carrying value as at 31 December 2009	**240**	**67**	**307**
Fair value as at 31 December 2009	307	95	402

Real estate investments

On 30 October 2009 SCOR Auber, a wholly owned subsidiary of the Group, acquired Société Civile Immobilière ("SCI") 3-5 avenue de Friedland for EUR 82 million as part of its real estate investment portfolio. This was partly funded by debt re-financing as presented within other financial debt within Note 14.

In addition, the sale of "le Vivaldi" property on 23 December 2009 generated a capital gain of EUR 24 million. This gain has been presented in the statement of income within investment income.

Financial lease contracts

The Group holds a finance lease which contains an option to purchase an investment property at the end of the lease term. The amount of the minimum payments and their discounted values are as follows:

In EUR million	2009 Minimum payments	2009 including principal payments	2008 Minimum payments	2008 including principal payments
Less than one year	8	5	8	5
From one to five years	5	3	13	7
More than five years	-	-	-	-
Total minimum payments	**13**	**8**	**21**	**12**
Less interest expenses	(5)	-	(9)	
Principal in minimum payments	**8**	**8**	**12**	**12**

PROPERTY RELATED COMMITMENTS RECEIVED AND GRANTED

Operating lease contracts

Various entities in the Group rent their office headquarters. The largest lease contract is by SCOR Paris for its headquarters located at La Défense with a remaining lease term of 3 years. The minimum payments are as follows:

In EUR million	2009 Minimum payments	2008 Minimum payments
Less than one year	13	15
From one to five years	27	51
More than five years	-	3
TOTAL MINIMUM PAYMENTS	**40**	**69**

Rental income

As part of its real estate investment activities described above, SCOR leases or subleases its investment buildings and warehouses. The leases generally conform to the local market conditions and have annual indexation clauses for the rental payments. The estimated minimum rental income is as follows:

In EUR million	2009 Minimum rents	2008 Minimum rents
Less than one year	24	23
From one to five years	48	36
More than five years	4	6
TOTAL MINIMUM PAYMENTS	**76**	**65**

Property related commitments and guarantees

In December 2003, the Group sold its headquarters but remains as tenant of this building until December 2012. The owner of the building has a bank guarantee based on SCOR's rating. SCOR has pledged assets for the same value with the bank that issued this guarantee.

During the year the Group committed to a purchase and construction agreement in relation to an office building within Cologne. Contingent expenditure relating to amounts not yet incurred during the year in relation to this contract amount to approximately EUR 35 million as estimated at the balance sheet date. This expenditure is partially contracted as instalments payable from 2010 onwards and is contingent upon both the progress of construction work and backing by bank guarantees. The completion of the work relating to this agreement is anticipated by the end of 2011, with the final payment contingent upon the transfer of this property to the Group.

Commitments relating to the financing of acquisitions of investment properties through financial leases and other bank loans are presented within note 14.

20.1.6.6 NOTE 6 - INSURANCE BUSINESS INVESTMENTS

The insurance business investments of the Group can be analysed as follows:

Analysis by financial investment category

In EUR million		Net book value as at 31 December 2009	2008
Real estate investments	Note 5	**307**	**285**
Equities		1,147	1,127
Fixed income		8,850	6,093
Available-for-sale investments		**9,997**	**7,220**
Equities		41	37
Fixed income		124	116
Investments at fair value through income– designated upon initial recognition		**165**	**153**
Loans and receivables	Note 7	8,071	9,309
Derivative instruments	Note 8	104	15
TOTAL INSURANCE BUSINESS INVESTMENTS		**18,644**	**16,982**

As at 31 December 2009 USD 51 million of insurance business investments were acquired as part of the acquisition of XL Life America Inc (2008: Prévoyance Ré EUR 160 million).

VALUATION METHODS

Analysis of insurance business investments and financial liabilities carried at fair value by valuation method:

In EUR million	Total	Investments and cash as at 31 December 2009 FV based on prices published in an active market Level 1	FV determined using valuation technique based on observable market data Level 2	FV determined using valuation technique not (or partially) based on market data Level 3	Cost or amortised cost
Real estate	**307**				**307**
Equities	1,147	982	80	2	83
Fixed income	8,850	7,682	1,160	8	
Available-for-sale investments	**9,997**	**8,664**	**1,240**	**10**	**83**
Equities	41	12	29		
Fixed income	124	124			
Investments at fair value through income	**165**	**136**	**29**		
Loans and receivables	**8,071**	**329**			**7,742**
Derivative instruments - assets	**104**		**44**	**60**	
Total insurance business investments	**18,644**	**9,129**	**1,313**	**70**	**8,132**
Cash and equivalents	**1,325**	**1,325**			
Investments and cash as at 31 December 2009	**19,969**	**10,454**	**1,313**	**70**	**8,132**

In EUR million	Total	FV based on prices published in an active market Level 1	FV determined using valuation technique based on observable market data Level 2	FV determined using valuation technique not (or partially) based on market data Level 3	Cost or amortised cost
	Investments and cash as at 31 December 2008				
Real estate	**285**	**-**	**-**	**-**	**285**
Equities	1,127	690	301	18	118
Fixed income	6,093	5,142	943	8	-
Available-for-sale investments	**7,220**	**5,832**	**1,244**	**26**	**118**
Equities	37	37	-	-	-
Fixed income	116	116	-	-	-
Investments at fair value through income	**153**	**153**	**-**	**-**	**-**
Loans and receivables	**9,309**	**1,929**	**-**	**-**	**7,380**
Derivative instruments - assets	**15**	**(2)**	**17**	**-**	**-**
Total insurance business investments	**16,982**	**7,912**	**1,261**	**26**	**7,783**
Cash and equivalents	**1,783**	**1,783**	**-**	**-**	**-**
Investments and cash as at 31 December 2008	**18,765**	**9,695**	**1,261**	**26**	**7,783**

The level in which an investment is categorised within the fair value method hierarchy is determined on the basis of the lowest level of input that is significant to the fair value measurement of that instrument. The significance of an input is therefore assessed against the fair value measurement in its entirety. Assessing the significance of particular inputs into the fair value measurement requires judgment, considering factors specific to the instrument.

Investments at fair value based on prices published in an active market (Level 1)

Included within this category are financial investments that are measured by direct reference to published quotes within an active market. Financial instruments are included within this category if quoted prices or rates represent actual and regularly occurring transactions that are available from an exchange, dealer or broker.

Investments at fair value determined using valuation techniques based on observable market data (Level 2)

The Group has certain investments which are valued based on models prepared by external third parties using market inputs. These primarily comprise structured products, other than agencies for which the market which is considered active, as well as hybrid, tier 1 and tier 2 corporate debt and hedge funds. Similarly, the Group values certain derivative investments, namely the mortality and real estate swaps and S&P options, using internal valuation techniques based on observable market data. Further detail on the valuation of these derivative instruments is included within Note 8.

Investments at fair value determined using valuation technique not (or partially) based on market data (Level 3)

The Group considers those instruments whose fair value is not based on observable market data or whose fair value makes use of observable inputs that require significant adjustment based on unobservable inputs to be Level 3 fair value measurement category. These instruments are neither supported by prices from observable current market transactions in the same instrument, nor are they based on available market data. The main asset class within Level 3 fair value measurement category as at year end consists of derivative instruments primarily relating to the Atlas catastrophe agreements. Further detail on the valuation of these derivatives is included within Note 8.

Available-for-sale investments measured at cost

Available for sale investments included approximately EUR 83 million which are measured at cost (2008: EUR 118 million). These investments include primarily unlisted equity securities. During the period, there were no material gains or losses realised on the disposal of available for sale investments which were previously carried at cost.

Reconciliation of movements in level 3 financial instruments measured at fair value

During the year ended 31 December 2009, there were no transfers into or out of the Level 3 fair value measurement category. The decrease in the Level 3 available for sale equity securities since 31 December 2008 relates primarily to a disposal, which generated a realised gain of EUR 4 million. The addition to Level 3 derivative instruments in the period relates to Atlas V & VI, the catastrophe agreements entered into in February 2009 and December 2009 respectively which are accounted for as derivatives. Refer to Note 8 for further detail on the valuation of these derivatives.

In EUR million	At 1 January 2009	Total gain/(loss) recognised in income statement	Purchases	Sales	At 31 December 2009
Equities	18	4		(20)	2
Fixed income	8				8
Available-for-sale investments	**26**	**4**		**(20)**	**10**
Derivative instruments- assets (1)		**(21)**	**81**		**60**
Investments and cash	**26**	**(17)**	**81**	**(20)**	**70**

(1) The amounts presented above include set up costs for Atlas V & VI of EUR 3.2 million and EUR 1.4 million respectively, which are presented in financing expenses

Gains or losses (realised and unrealised) included in profit or loss for the period relating to level 3 investments are presented in the consolidated income statement as follows:

	Year ended 31 December 2009		
In EUR million	Realised gains	Fair value (unrealised) gains and losses	Total
Total gains or (losses) included in profit or loss for the period(1)	4	(21)	**(17)**
Total gains or (losses) included in profit or loss for the period for assets still held as at 31 December(1)		(21)	**(21)**

(1) The amounts presented above include set up costs for Atlas V & VI of EUR 3.2 million and EUR 1.4 million respectively, which are presented in financing expenses

Transfer of financial instruments between level 1 and level 2

There have been no transfers between Level 2 and Level 1 in 2009.

Available-for-sale investments

(a) Movements in unrealised gains (losses)

The change in the valuation of the available-for-sale portfolio affecting shareholders' equity is as follows:

In EUR million	2009	2008
Net unrealised losses net of tax 1 January	**(251)**	**(13)**
Transferred to consolidated net income during the period, net of impairment	95	42
Change in unrealised gains and losses (including investments purchased during the period)	189	(277)
Impact of foreign exchange	14	-
Change in scope and other	(10)	(3)
Net unrealised gains (losses) net of tax 31 December	**37**	**(251)**

At 31 December, the unrealised gains and losses on available-for-sale investments can be analysed as follows:

In EUR million	2009			2008		
	Unrealised gains	Unrealised losses	Net unrealised gains (losses)	Unrealised gains	Unrealised losses	Net unrealised gains (losses)
Equities	48	(55)	(7)	27	(279)	(252)
Bonds	164	(160)	4	113	(339)	(226)
Unrealised gains and losses on available-for-sale investments (gross of tax) [(1)]	**212**	**(215)**	**(3)**	**140**	**(618)**	**(478)**

(1) Unrealised gains and losses on available for sale investments analysed above exclude gains and losses relating to foreign exchange.

Total impairment losses recorded in 2009 amounted to EUR 232 million, of which EUR 185 million (2008: EUR 218 million) relate to the equity portfolio and EUR 47 million (2008: EUR 42 million) on fixed-income securities.

(b) Unrealised losses – equity securities

The Group analyses its unrealised losses on equity securities as follows:

In EUR million	As at 31 December 2009 Duration of decline in months			
Magnitude of decline	**< 12**	**12-18**	**> 18**	**Total**
31-40%		(3)		(3)
41-50%				
≥ 51%				
Total unrealised losses on available-for-sale equity securities analysed on a line-by-line basis	**0**	**(3)**	**0**	**(3)**
Unrealised losses < 30%				(52)
Unrealised gains and other [(1)]				48
Net unrealised loss				**(7)**

In EUR million	As at 31 December 2008 Duration of decline in months			
Magnitude of decline	**< 12**	**12-18**	**> 18**	**Total**
31-40%	(84)	(39)	(13)	(136)
41-50%	(23)	(51)	(8)	(82)
≥ 51%	(2)	(2)	-	(4)
Total unrealised losses on available-for-sale equity securities analysed on a line-by-line basis	**(109)**	**(92)**	**(21)**	**(222)**
Unrealised losses < 30%				(22)
Hedge funds				(21)
Unrealised gains and other [(1)]				13
Net unrealised loss				**(252)**

(1) Other also includes one listed investment with an unrealised loss of EUR 7 million (2008: EUR 14 million) judged not impaired given the strategic nature of the investment.

(c) Unrealised losses – fixed income securities

The following table summarises the fixed income securities and unrealised losses by class of fixed income security:

In EUR million	As at 31 December 2009 Book value	Net unrealised gains / (losses)	As at 31 December 2008 Book value	Net unrealised gain / (losses)
Government bonds	4,164	39	2,805	67
Corporate bonds	3,349	41	2,423	(163)
Structured products	1,337	(76)	981	(130)
Total fixed income securities	**8,850**	**4**	**6,209**	**(226)**

(d) Credit ratings – fixed income securities

An analysis of the credit ratings of fixed income securities is as follows:

In EUR million	AAA	AA	A	BBB	< BBB	Not rated	Total
As at 31 December 2009							
Available-for-sale	5,524	834	1,422	752	137	181	8,850
Fair value through income	66	39	4	5	2	8	124
Total fixed income securities as at 31 December 2009	**5,590**	**873**	**1,426**	**757**	**139**	**189**	**8,974**
As at 31 December 2008							
Available-for-sale	4,136	453	1,054	254	24	172	6,093
Fair value through income	55	28	29	3	2		117
Total fixed income securities as at 31 December 2008	**4,191**	**481**	**1,083**	**257**	**26**	**172**	**6,210**

(e) Maturity – fixed income securities

The table below presents the estimated maturity profiles of financial assets, which are expected to generate cash inflows to meet cash outflows on financial liabilities:

As at 31 December 2009	Less than one year	One to five years	Five to ten years	Ten to twenty years	More than twenty years	Total
In EUR million	255	4,881	1,992	673	1,173	8,974
In percentage	2,8%	54,4%	22,2%	7,5%	13,1%	100%

20.1.6.7 NOTE 7 - LOANS AND RECEIVABLE

In EUR million	2009	2008
Funds held by ceding companies	7,479	7,202
Short term investments	330	1,929
Loans secured against collateral	31	34
Other loans maturing in more than one year	206	77
Deposits	26	68
Impairment allowance	(1)	(1)
TOTAL	**8,071**	**9,309**

Loans and receivables include primarily receivables from cash deposits made at the request of ceding companies as collateral for commitments (insurance contract liabilities), short term investments and related accrued interest. Short term investments includes government bonds, certificates of deposit (CDs) and treasury bills (T-bills) maturing between 3 and 12 months from the date of purchase. CDs and T-bills maturing in more than 12 months from date of purchase are included in “other loans maturing in more than one year”.

The decrease of EUR 1,238 during the year is due to disposal of short term investment. In 2008 the increase of EUR 1,929 million was due to increases in short term investments.

Short term investments are carried at fair value. Other loans and receivables are carried at cost which approximates the fair value at 31 December 2009 and 2008.

20.1.6.8 NOTE 8 - DERIVATIVE INSTRUMENTS

Derivative financial instruments include the following items:

	Derivative assets		Derivative liabilities		Fair value through income	
In EUR million	2009	2008	2009	2008	2009	2008
Atlas V & VI	60	-		-	(17)	-
Mortality swap	11	10		-	(5)	1
Real estate swap		3	1	1	(1)	3
S&P 500 index options	30	5		-	12	(39)
Interest rate swaps		-	1	-	(1)	(1)
Forward currency contracts	3	(3)	7	9	-	(9)
TOTAL	**104**	**15**	**9**	**10**	**(12)**	**(45)**

ATLAS SPECIAL PURPOSE VEHICLE CATASTROPHE BONDS

On 19 February 2009 SCOR reopened the market for catastrophe bonds (an Insurance Linked Security) with the issue of the three series “Atlas V" catastrophe bonds. The multi-year property catastrophe agreements concluded between SCOR and Atlas V Capital Limited (“Atlas V") provides the Group with additional protection of USD 200 million for exposures to earthquakes and hurricanes in the USA and Puerto Rico. Events are covered for the risk period from 20 February 2009 to 19 February 2012.

On 9 December 2009, SCOR also completed the EUR 75 million Atlas VI transaction, replacing Atlas Reinsurance III. Atlas VI provides EUR 75 million of protection against European windstorms and Japanese earthquakes risks until 31 March 2013.

Atlas V & VI are special-purpose vehicles incorporated under the laws of Ireland and their notes are placed with various institutional investors. In accordance with IAS 39 “Financial Instruments recognition and measurement” these instruments have been recognised as derivative instruments, which are fully funded by the proceeds of the vehicles.

Valuation and presentation

Amounts are recorded in the balance sheet representing the derivative asset recognised at fair value through P&L and other liabilities representing the value interest payments. SCOR values the derivative asset using a model that is based on a combination of market inputs to the extent that trades in these instruments are active and catastrophic modelling tools. These assets are disclosed as level 3 investments within insurance business investments (Note 6).
Amounts recorded in the statement of income include transaction costs that are expensed at inception as financing expense. The changes in fair value through income as presented above are recognised as other operating expenses or other operating income.

Premiums related to the underlying business are accounted for in accordance with IFRS 4 "Insurance Contracts".

MORTALITY SWAP

During 2008 SCOR Global Life SE concluded a four-year mortality swap with JP Morgan, effective 1st January 2008. On 1 September 2009, the terms of the agreement were amended to add an additional layer of protection.

Under the terms of the original 2008 agreement ("1st tranche") SCOR Global Life SE can receive cash up to a nominal amount of USD 100 million and EUR 36 million in the event of a rise in mortality. Under the terms of the amended agreement in 2009 ("2nd tranche") SCOR Global Life SE will also receive up to a nominal amount of USD 75 million in the event of a rise in mortality. The agreement which runs from 1 January 2008 to 31 December 2011 and 1 January 2009 to 31 December 2011 for the 1st and 2nd tranche respectively will compensate SCOR notably for a rise in mortality rates due to major pandemics, natural catastrophes or terrorist attacks.

The swaps are indexed against a weighted combination of U.S. and European population mortality, measured over two consecutive calendar years. According to the structure of the arrangements, a payment will be triggered if, at any time during the period covered, the index exceeds attachment point as presented within the following table. At any index level between the attachment point and the exhaustion point, JP Morgan will pay to SCOR a pro-rata amount of the notional swap amount of the nominal amount, so that for example at an index level of 107.5% on the 2nd tranche, 50% of the total amount becomes payable and at an index level of 110%, the full amount will be paid out. The mortality risk swap is fully collateralised by JP Morgan in favour of SCOR and thus SCOR bears no credit risk exposure.

The terms of the agreement have been summarised below:

	2008 agreement (1st tranche)	2009 amendment (2nd tranche)
Nominal amount	USD 100million & EUR 36 million	USD 75 million
Risk period	1 January 2008 to 31 December 2011	1 January 2009 to 31 December 2011
Attachment point	115%	105%
Exhaustion point	125%	110%
Signing date	22 February 2008	1 September 2009

Additionally, SCOR prepaid USD 850,000 and USD 1,050,000 for the 1st and 2nd tranche respectively as a form of collateral to JP Morgan to secure fees for these arrangements.

Valuation

The mortality swap asset is measured as the difference between the present value of expected cash flow based on the contractual spread (205 bps and 550 bps for the 1st and 2nd tranche respectively) and the current estimated spread obtained from comparable instruments in the market.

REAL ESTATE SWAP

SCOR has entered into two real estate swap contracts, with ABN AMRO. This dual-swap transaction has been concluded for 5 years commencing in 2007 and running until 2011. The two separate swaps are calculated and settled annually April of each year:

- SCOR swaps the French offices total return for 1Y Euribor + 2.20%
- SCOR swaps 1Y Euribor + 2.20% for the German all properties total return

The objective of this transaction is to:

- Hedge SCOR's direct economic exposure to the Paris commercial real estate market.
- Diversify SCOR's real estate direct allocation to other real estate sectors, especially residential, with geographical diversification through other country exposures.

The indices used to measure the relevant real estate returns are those issued by an independent third party company (IPD). These indexes are obtained by the analysis of the appraised market values on 31st December of each year and rental incomes of the real estate portfolios of institutional investors using the independent third party provider. The indices are therefore derived from a large and diversified data base. The notional exposure for each of the four legs of the transactions is EUR 30 million.

Valuation

SCOR values these swaps using an internal model based on observable banking and real estate inputs.

EQUITY INDEX ANNUITY HEDGING OPTIONS

S&P 500 index options are purchased as part of the overall asset/liability duration management strategy for the Equity Indexed Annuity product line. For annuity products where policyholder values are credited based on the performance of a specified index, over the counter options are purchased as investments to provide the income needed to fund the index credits. Any basis risk and risk associated with actual versus expected assumptions for mortality and lapse rates are retained by the Group.

These options are valued based on the Black-Scholes model using observable market inputs such appropriate indexes, volatility measures and yield rates for December 2009. The notional amount at 31 December 2009 was USD 812 million (2008: USD 734 million) for which the cost of the option was USD 31 million (2008: USD 31 million). The fair value adjustment recorded at 31 December 2009 amounted to USD 13 million (2008: USD 23 million) to reduce the options to their fair value of USD 44 million or EUR 30 million (2008: USD 8m or EUR 6m). The total decrease in fair value for these contracts in 2009 recorded through income amounted to USD 17 million or EUR 12 million (2008: USD 57 million or EUR 39 million).

The underlying indexed annuity contracts contain caps (limits) on the percentage increase in the underlying index that SCOR contractually must credit to the policyholders' accounts. The average cap on the portfolio is about 6%. Our maximum total exposure at 31 December 2009 associated with the USD 812 million (2008: USD 734 million) notional amount including recognition of the caps if counterparties fail to pay is USD 56 million (USD 76 million).

INTEREST RATE SWAPS

SCOR enters into interest rates swaps to cover its exposure to financial debt with variable interest rates. The fair value of these swaps is obtained from the banking counterparty using market inputs. The total notional amount relating to these swaps is EUR 97 millions at 31 December 2009 (2008: EUR 111 millions). Net interest paid under these swaps amounted to EUR 1 million in 2009 (2008: EUR 4 million).

FORWARD CURRENCY CONTRACTS

SCOR enters into forward currency purchase and sales contracts to reduce its overall exposure to balances held in currencies other than the functional currencies of its subsidiaries. The contracts are recorded at their net fair value from valuations provided by banking counterparties using market inputs. The outstanding contracts at 31 December 2009 and 2008, converted into EUR at the closing rates, were as follows:

	Forward sales		Forward purchases	
In EUR million	Notional	Fair value	Notional	Fair value
31 December 2009[(1)]	744	740	660	648
31 December 2008	519	529	851	830

(1) The amounts presented exclude a forward contract executed near to the close of markets on 31 December 2009 for the sale of USD to purchase EUR for a notional amount of EUR 396 million in order to hedge the change in functional currency in a subsidiary to avoid being unhedged while markets are closed at the start of 2010. The value of this transaction as at 31 December 2009 was close to nil.

20.1.6.9 NOTE 9 - INVESTMENTS IN ASSOCIATES

The Group holds investments in associated companies. The following table provides a summary of the financial information for these companies expressed in local standards.

In EUR million	Control %	Country	Total assets	Total liabilities excluding equity	Turnover	Net income at 100%	Net book value (in SCOR)
ASEFA	40%	Spain	1,121	1,043	112	3	31
Mutre	33%	France	838	776	307	(3)	32
SCOR CHANNEL	100%	Guernsey	14	12	12	-	2
SCOR Gestion financière	100%	France	4	-	-	(1)	4
TOTAL 2009 (1)							69
ASEFA	40%	Spain	1,011	948	156	23	28
Mutre	33%	France	489	439	93	2	19
SCOR CHANNEL	100%	Guernsey	14	13	15	-	1
SCOR Gestion financière	100%	France	5	-	-	-	5
TOTAL 2008 (2)							53

(1) Based on 2008 accounts except ASEFA and SGF which is based on 2009 provisional financial information.
(2) Based on 2007 accounts except ASEFA which is based on 2008 provisional financial information.

20.1.6.10 NOTE 10 - ACCOUNTS RECEIVABLES AND DEBTS WITH cedantS AND RETROCESSIONAIRES

In EUR million	2009			2008		
	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Gross receivables from ceding companies	206	327	533	150	448	598
Provision for bad debts	(3)	(14)	(17)	(2)	(17)	(19)
Estimated premiums receivable from cedants, net of commission	1,532	1,259	2,791	1,682	956	2,638
Assumed insurance and reinsurance accounts receivable	**1,735**	**1,572**	**3,307**	**1,830**	**1,387**	**3,217**
Amount due from reinsurers	132	(11)	121	82	37	119
Provision for bad debts	-	(5)	(5)	0	(6)	(6)
Receivables from ceded reinsurance transactions	**132**	**(16)**	**116**	**82**	**31**	**113**
Assumed insurance and reinsurance accounts payable	**(157)**	**(220)**	**(377)**	**(68)**	**(72)**	**(140)**
Liabilities for cash deposits from retrocessionaires	(543)	(186)	(729)	(543)	(113)	(656)
Amount due to reinsurers	(40)	42	2	(82)	(48)	(130)
Estimated premiums payable to retrocessionaires, net of commission	(298)	(58)	(356)	(115)	(45)	(160)
Accounts payable on ceded reinsurance transactions	**(881)**	**(202)**	**(1,083)**	**(740)**	**(206)**	**(946)**

Accounts receivable from and payable to cedants and retrocessionaires are mostly due in less than one year. A complete aging of financial assets is included in Note 27.

20.1.6.11 NOTE 11 - DEFERRED ACQUISITION COSTS

In EUR million	2009 SCOR Global Life	2009 SCOR Global P&C	2009 Total	2008 SCOR Global Life	2008 SCOR Global P&C	2008 Total
Net value at 1st January	**524**	**227**	**751**	**426**	**230**	**656**
Capitalisation of new contracts for the period	154	239	353	91	257	348
Change in scope of consolidation and contract portfolio exchanges	-	-	-	-	(29)	(29)
Amortisation for the year	(78)	(227)	(305)	(90)	(231)	(321)
Capitalised interest	11	-	11	18	-	18
Impairment losses during the year	(7)	-	(7)	-	-	-
Amortisation and impairment losses	1	-	1	1	-	1
Foreign exchange rate movements	(4)	(1)	(5)	3	(8)	(5)
Other changes (including change in shadow accounting)	(72)	-	(72)	75	8	83
Net value at 31 December	**529**	**238**	**767**	**524**	**227**	**751**

20.1.6.12 NOTE 12 - CASH AND CASH EQUIVALENTS AND CASH FLOWS

In EUR million	2009	2008
Cash on hand and cash equivalent(1)	1,004	620
Short-term deposits and investments	321	1,163
Cash and cash equivalents	**1,325**	**1,783**
Overdrafts	**-**	**(41)**
Cash and cash equivalents , net of overdrafts	**1,325**	**1,742**

(1) In 2009 overdrafts are included within cash on hand and cash equivalent

Cash where applicable earns interest based on daily deposit interest rates. Total cash and cash equivalents include short term deposits and investments, which mature in less than three months from the date of the initial investment and earn interest based on the rates for short term deposits. Money market funds meeting certain criteria are also classified as cash equivalent.

Bank overdrafts have been reclassified within the Statement of Cash Flows from financial debt to cash and cash equivalent, net of overdrafts as presented within the table above. Comparative amounts within the Statement of Cash Flows have been updated to reflect this change in presentation.

Liquidity is defined as cash and cash equivalents (as presented above) and short term investments comprised primarily of government bonds maturing less than 12 months from date of purchase (as presented within note 7). Total liquidity as at 31 December 2009 is EUR 1,655 million (2008: EUR 3,711 million).

NET CASH FLOW FROM OPERATIONS

The following table reconciles consolidated net income to net cash flow provided by (used in) operations as presented on the statement of cash flows:

	For the year ended 31 December	
In EUR million	2009	2008
Consolidated net income	**370**	**315**
Realised gains and losses on investment disposals	109	(89)
Change in accumulated amortisation and other provisions	16	331
Changes in deferred acquisition costs	(118)	(27)
Net increase in contract liabilities	889	721
Change in fair value of financial instruments recognised at fair value through income	(1)	46
Other non-cash items included in operating results	(163)	(877)
Net cash flow provided by operations, excluding changes in working capital	**1 102**	**420**
Change in loans and accounts receivable	(234)	346
Cash flows from other assets and liabilities	-	-
Net tax (paid)/received	(17)	13
Net cash flow provided by operations	**851**	**779**

During the year the Group has received and paid out operational cash relating to investment income and taxes. Dividend and interest cash receipts relating to investments held during the year were EUR 31 million (2008: EUR 35 million) and EUR 297 million (2008: EUR 360 million). Tax cash outflows during the year were EUR 17 million (2008: inflow of EUR 13 million).

20.1.6.13 NOTE 13 - INFORMATION ON SHARE CAPITAL, CAPITAL MANAGEMENT, REGULATORY FRAMEWORK AND SHAREHOLDERS' EQUITY

SHARE CAPITAL

Authorised share capital

The authorised share capital of the Company at 31 December 2009 was 185,213,031 shares with a nominal value of EUR 7.8769723 each compared with authorised share capital of 184,246,437 shares with a nominal value of EUR 7.8769723 at the end of 2008.

Issued share capital

The number of ordinary shares which were issued and fully paid in circulation as at 31 December 2009 and 2008 were as follows:

	2009	2008
As at 1st January	**184,246,437**	**182,726,994**
Share capital increase – 5 June 2008	-	1,420,408
Share capital increase – 31 December 2008	-	99,035
Share capital increase – 9 January 2009	10,410	
Share capital increase – 6 February 2009	9,869	
Share capital increase – 28 February 2009	10,225	
Share capital decrease – 3 March 2009	(129,539)	
Share capital increase – 31 December 2009	131,053	
Share capital increase – OCEANE conversion – 22 December 2009	934,576	
As at 31 December	**185,213,031**	**184,246,437**
Average nominal price per share in EUR	7.8769723	7.8769723
Share capital in EUR	**1,458,917,915**	**1,451,304,081**

In 2008 the increases were due to the purchase of Converium and the squeeze-out of the minority shareholders.

In 2009 the movements were due to the following operations:

- The Board held on 3 March 2009 decided to reduce the share capital by cancellation of 129,539 treasury shares for a total value of EUR 1 million.
- At the end of 2009, 7,987,792 OCEANE bonds (EUR 2 per bond) were converted into 934,576 SCOR shares for a total amount of EUR 16 million.
- All other movements presented above relate to the issuance of shares on the exercise of stock options for EUR 2 million (EUR 1.3 million in share capital and EUR 0.7 million in additional paid-in capital). This resulted in the creation of 161,557 new shares throughout the year.

The shares issued in 2009 and 2008 were issued at a nominal price of EUR 7.8769723 per share.

Treasury shares

The number of shares held as treasury shares by the Company or its subsidiaries at 31 December 2009 amounted to 6,599,717 shares compared to 4,904,551 shares at the end of 2008. These treasury shares are not entitled to dividends.

Convertible debt

During the year the conversion/exchange ratio was adjusted on these bonds in accordance with the offering and listing prospectus of the OCEANEs. In December, the debt matured through a combination of reimbursement and conversion. The details of the bonds and the related reimbursements and conversions during the year are described more fully in Note 14 - Financial debt.

Capital management policy, objectives and approach

The Group's capital management policy is to optimise the utilisation of its capital and debt structure in order to maximise the short term and long term profitability to shareholders while at the same time providing its customers with an adequate level of security as measured by internal capital allocation models, rating agencies and national regulators.

The Groups' capital management objectives are:

- To match the profile of its assets and liabilities, taking account of the risks inherent in the business;
- To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholder value ;
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets;
- To allocate capital efficiently and support the development of business by ensuring returns on capital employed meet the requirements of the regulators and stakeholders; and
- To manage exposures to movements in exchange rates.

The Group seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The objective of the Group's overall capital management process is the setting of target risk adjusted rates of return for entities, which are aligned to performance objectives and to promote the creation of value to shareholders.

In this regard, and in line with the current strategic plan from 2007 to 2010, the Group aims to achieve the following objectives:

- To secure a return on equity ("ROE") of 900 basis points above the risk free rate over the cycle;
- To provide a Standard and Poor's A+ level of financial security to clients by 2010;
- To self-finance the current business plan of the Group (without capital increase);
- To return any excess capital to shareholders.

The Group reconciles its strategic objectives with the protection of its capital via the Group's "Capital Shield" policy, which articulates the Group's Risk Appetite. This policy is based on an economic approach and aims to protect the Group against potential shock losses, some of which are not immediately recognised from a pure accounting view. The policy builds on the following two concepts:

(a) Active hedging of peak exposures through retrocession

The level of retrocession is selected to ensure that the Group's retained risk profile respects the specific Group Risk Tolerance limits, to help the Group achieve its return on capital and solvency objectives.

(b) Buffer Capital

The Group also holds Buffer Capital in addition to the solvency capital required to support the retained (after retrocession) risk profile. The aim of this extra economic capital is to absorb a significant amount of inherent volatility, thereby limiting the frequency of turning to the market to maintain the Group's available capital above the required solvency capital.

The primary source of capital used by the Group is equity shareholders' funds and borrowings. The Group also considers alternative sources of capital including reinsurance and securitisation, as appropriate when assessing its deployment and usage of capital.

The objective of the capital management policy is sustained and ensured through regular updates of forecasts and an annual strategic and financial planning process. The Group's Board and Executive Management team regularly review the Group's Risk Profile to ensure that the Group's Risk Appetite remains aligned with the Group's strategy. The capital management process is ultimately subject to approval by the board after a formal presentation to its risk committee.

Claims supporting capital managed is comprised of the following:

In EUR million	At 31 December 2009 Book value	Fair value	At 31 December 2008 Book value	Fair value
Subordinated debts	477	443	583	416
Debt instruments issued	-	-	201	214
OCEANE financial debt - repayable 1 January 2010	191	218	-	-
Shareholders' equity	3,901	3,901	3,416	3416
Total claims supporting capital	**4,569**	**4,562**	**4,200**	**4,046**

It should be noted that regulatory filings in the majority of countries in which the Group operates are not prepared on an IFRS GAAP basis. The statutory basis of accounting in various countries is very often different from IFRS giving rise to potential differences between IFRS GAAP capital and statutory capital.

REGULATORY FRAMEWORK

Regulators are primarily interested in protecting the interests of policyholders. At the same time regulators are also interested in ensuring that the Group maintains an appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters.

The operations of the Group are subject to regulatory requirements within the countries where entities of the Group underwrite. Such regulations not only prescribe approval and monitoring of activities, but also impose certain obligations related to level of capital (e.g. capital adequacy) to cover the risk of default and insolvency on the part of the reinsurance companies and insurance companies to meet unforeseen liabilities.

The Group actively monitors the regulatory capital requirements of each of its operating subsidiaries within this capital management framework. The Group is subject to applicable government regulation in each of the jurisdictions in which it conducts business, particularly in France, Switzerland, the United States, the United Kingdom, Singapore, Hong Kong, Ireland and Germany. Regulatory agencies have broad supervisory and administrative powers over many aspects of the insurance and reinsurance industries. Failure of an operating company to meet the local regulatory capital requirements of the jurisdiction in which it operates could lead to regulatory supervision or administration of the affairs of the operating company.

The Group aims to achieve full compliance in respect of all regulatory and solvency requirements in the countries in which it operates.

Group solvency

Under the European Directive relating to reinsurance, as adopted in France in late 2008, the Group is subject to the control of insurance regulators in the various European countries in which it operates. The Group calculated its solvency based on consolidated IFRS financial statement completed with French Generally Accepted Accounting Procedure (GAAP) requirements. This was first performed by the Group in 2008 and subsequently an update was performed at the end of 2009. The results of these assessments confirm that the Group meets the requirements of the "Solvency I" directive.

Information on reserves included in the statement of changes in shareholders' equity

(a) Revaluation reserves

The asset revaluation reserves are used to account for the changes in fair value of the available-for-sale financial assets adjusted to reflect the effects of "shadow accounting", if any.

(b) Translation adjustment

The translation adjustment caption records the differences in exchange rates resulting from the conversion of the financial statements of foreign subsidiaries and branches.

The movement in the translation adjustment is primarily due to the translation of accounts of the subsidiaries and branches using the U.S. dollar as the functional currency. The Group has designated the U.S dollar 100 million of debt issued by SCOR SE as a hedge of the net asset value of its U.S. dollar denominated subsidiaries. Other than this net investment hedge, the Group does not currently hedge its net investments in subsidiaries denominated in foreign currencies.

(c) Share-based payments

The caption "Share-based payments" is used to offset the cost of services received in exchange for the granting of shares, stock options or for employee stock purchase plans.

A breakdown of the movements in the various reserves is provided in Section 20.1.4 - Statement of changes in shareholders' equity.

Information relating to dividend distribution

At the Annual General Meeting of 15 April 2009, the Board of Directors proposed and the shareholders approved a dividend of EUR 0.80 per share representing a payout ratio of 46%. The dividend was fully paid in cash on 14 May 2009 for a total amount of EUR 143 million.

In 2008, SCOR SE paid a share dividend of EUR 0.80 per share in cash on 14 May 2008 for a total amount of EUR 143 million.

Information relating to dividend restrictions

Certain group entities are subject to local regulatory requirements in the jurisdiction in which they operate which could limit their ability to pay dividends in the future.

20.1.6.14 NOTE 14 - FINANCIAL DEBT AND OCEANE FINANCIAL DEBT REPAYABLE 1 JANUARY 2010

The following table sets out an overview of the debt issued by the Group:

		2009		2008	
In EUR million	Maturity	Net book value	Fair value	Net book value	Fair value
Subordinated debt					
USD 100 million	06/06/2029	69	69	71	71
EUR 100 million	05/07/2020	93	93	102	102
EUR 50 million	Perpetual	50	50	51	51
EUR 350 million	Perpetual	265	231	359	192
Total subordinated debt		**477**	**443**	**583**	**416**
Debt instruments issued					
EUR 200 million OCEANE	01/01/2010	-	-	191	204
Medium term notes		-	-	10	10
Total debt instruments issued		**-**	**-**	**201**	**214**
Other financial debt					
Financial leases		8	8	12	12
Other		144	144	140	140
Total other financial debt		**152**	**152**	**152**	**152**
TOTAL FINANCIAL DEBT		**629**	**595**	**936**	**782**
OCEANE FINANCIAL DEBT REPAYABLE 1 JANUARY 2010		**191**	**218**		

Subordinated debt

(a) USD 100 million

A 30-year subordinated note totalling USD 100 million was issued on 7 June 1999. This note is redeemable by SCOR quarterly as from the tenth year. These floating-rate bonds bear interest indexed on the 3-month Libor rate plus (i) 0.80% for the first ten years and (ii) 1.80% thereafter. The Group decided not to redeem the USD 100 million of subordinated floating rate notes due 2029 at their first call date in June 2009.

(b) EUR 100 million

The Company issued, on 6 July 2000, EUR 100 million in 20-year subordinated bonds, redeemable by SCOR each quarter as from the tenth year following their issuance. These floating-rate bonds bear interest indexed on the 3-month Euribor plus (i) 1.15% for the first ten years, and (ii) 2.15% thereafter.

(c) EUR 50 million

EUR 50 million Perpetual Step-Up subordinated notes were issued on 23 March 1999. These notes are redeemable after 15 years, and at a 5-year interval, beyond the 15 years. The floating-rate notes bear interest indexed on the 6-month Euribor plus (i) 0.75% for the first fifteen years of the issue, and (ii) 1.75% beyond the 15 years.
Beyond the control of the issuer, this loan allows for anticipated reimbursement in the following circumstances:

- A change in legislation or tax law which would deprive the bondholders of all or part of the interest payments stipulated in the initial "operating note".
- A change in the accounting of the instrument on the basis of accounting principles in France or the U.S., or changes in methods used by rating agencies which become unfavourable for SCOR.
- The liquidation or the complete sale of the Company, a merger or a takeover by a third party which would render, under certain circumstances, the complete redemption of the debt mandatory.

(d) EUR 350 million

On 28 July 2006 SCOR issued a perpetual super-subordinated debt security (Tier 1 type) for an amount of EUR 350 million to finance the acquisition of Revios Rückversicherung AG. The bond issue, comprised of last-rank subordinated bearer certificates with a face value of EUR 50,000 bearing interest at an initial rate of 6.154% per annum then a floating rate indexed on the 3-month EURIBOR plus a margin of 2.90%, payable quarterly. There is no fixed redemption date but SCOR reserves the right to redeem, in part or in whole, the bonds as from 28 July 2016.

The debt includes a clause for mandatory settlement in cash if regulatory authorities or applicable legislation modify their ability to cover the solvency margin or equivalent. If this clause becomes applicable, the issuer must pay interest in cash even if no dividend has been paid, or proceed with the reimbursement of the notes in cash. Accordingly, the entire issue is considered as a financial debt.

(e) Debt reimbursements

The Group provided liquidity to both its perpetual super-subordinated debt security (Tier 1 type) (TSSDI EUR 350 million) and its EUR 100 million subordinated debt issuance (call date July 2010) resulting in acquisition of own debt of EUR 99 million at an average price of 46.5%. The purchase this debt at a discount gave rise to a consolidated pre-tax profit EUR 53.4 million which is included in other operating income.

Debt instruments issued - OCEANE financial debt repayable 1 January 2010

On 21 June 2004, the Board of Directors approved the issuance of a bond represented by SCOR OCEANE bonds, as approved at the Combined Shareholders' General Meeting on 18 May 2004, and delegated to its Chairman the authority required to carry out such transactions. Issued on 2 July 2004, the nominal value of this bond issuance was EUR 200 million represented by 100 million OCEANEs with a nominal value of EUR 2 each with a term of 5 years and 183 days. The bonds earned interest at a rate of 4.125% payable upon maturity on 1st January of each year.

At any time from 2 July 2004 until the seventh day preceding the normal or early redemption date, bondholders were able to request conversion or exchange of the bonds for shares at a specified rate (the "conversion/exchange ratio"). During 2009 the conversion/exchange ratio was adjusted in accordance with the provisions of Article 2.6.7.3 (4) of the offering and listing prospectus in such a manner that each OCEANE gave an entitlement, via exchange or conversion, to 0.117 SCOR shares (amounting to a conversion price of EUR 17.09 per SCOR share). The Company was able to choose to provide new shares to be issued and/or existing shares.

(a) Initial measurement and classification

In accordance with the accounting principles described in Note 1, this loan was separated from its shareholders' equity component.

After separation of the shareholders' equity portion, the gross effective yield of the OCEANE bond was 6.265%. Amortisation was as follows:

- Normal amortisation: the bonds will be fully amortised on 1st January 2010 at a price of EUR 2 per bond.

- Anticipated amortisation: by purchase, on or off the stock market or public offer and under other conditions as detailed within the prospectus approved by the AMF under Visa No. 04-627 on 24 June 2004.

After separation of the components, the loan component was classified as financial debt, in accordance with paragraph 25 of the IAS 32 standards, due to the fact that SCOR had a contractual obligation to reimburse it on the maturity date, at the latest.

The fair-value of the OCEANE security debt amounted to EUR 218 million as at 31st December 2009 (compared to EUR 204 million at 31 December 2008).

(b) Reimbursement and conversion

In December 2009, certain bondholders exercised their option to convert the OCEANE bonds into shares, leading to an increase of EUR 16 million in share capital and premium during the year, as presented within Note 13. SCOR reimbursed the remaining bondholders in cash at maturity on 4 January 2010. As at 31 December 2009, due to the change in nature of this bond in comparison to the remaining debt, the amount outstanding has been presented below financial debt on the Consolidated Balance Sheet. The total amount payable of EUR 191 million represents principal plus interest for the year.

The 2009 earnings per share calculation, as presented within Note 24, incorporates the EUR 16 million increase in share capital reflecting those bonds converted during the year. No additional amounts have been included within 2009 diluted earnings per share calculation as the remaining bonds at year end are no longer considered potential ordinary shares (2008: 10,470,000).

Other financial debt

Other financial debt relates primarily to the acquisition of investment properties through financial leases, including options to purchase freehold, in total EUR 55 million and other property related bank loans of EUR 92 million.

FINANCE COSTS

The effective interest rate expense incurred during the year relating to financial liabilities measured at amortised cost for 2009 and 2008 is as follows:

In EUR million	2009	2008
Interest on short and medium term debt(1)	(20)	(10)
Interest on OCEANE, perpetual debt and other long term borrowings	(41)	(51)
TOTAL	**(61)**	**(61)**

(1) The amounts presented above include set up costs for Atlas V & VI of EUR 3.2 million and EUR 1.4 million respectively, and certain other one-off letter of credit (LOC) charges.

MATURITY

The maturity profiles of financial debt is included in Note 27 – Insurance and financial risk.

20.1.6.15 NOTE 15 - CONTINGENCY RESERVES

The following table summarises amounts included in contingency reserves:

In EUR million	Reserves for post employment benefits	Other reserves	Total
At 1 January 2008	**63**	**74**	**137**
Acquisition of a subsidiary	-	-	-
Current year provision	8	37	45
Used reserves	(13)	(103)	(116)
Reversal of unused reserves	-	-	-
Foreign exchange rate movements	1	-	1
Adjusted discount rate	18	-	18
Others	(3)	17	14
At 31 December 2008	**74**	**25**	**99**
Acquisition of a subsidiary	-	-	-
Current year provision	-	5	5
Used reserves	(1)	(20)	(21)
Reversal of unused reserves	-	-	-
Foreign exchange rate movements	-	-	-
Adjusted discount rate	3	-	3
Others	-	1	1
At 31 December 2009	**76**	**11**	**87**

Retirement employee benefit

These benefits amount to EUR 76 million and EUR 74 million at 31 December 2009 and 2008, respectively and include post-employment benefits such as pension plans EUR 72 million (EUR 70 million in 2008) and Long service awards provisions EUR 4 million (EUR 4 million in 2008).

Other reserves

The other reserves include mainly provision for restructuring cost of EUR 4 million (2008: EUR 15 million) and other provisions related to employee and tax litigation of EUR 6 million (2008: EUR 8 million).

In 2008, on the finalisation of the purchase accounting exercise for the acquisition of Converium, SCOR increased its estimate on the settlement of the class action law suit by EUR 59 million.

20.1.6.16 NOTE 16 - CONTRACT LIABILITIES

In EUR million	SCOR Global Life 2009	SCOR Global Life 2008	SCOR Global P&C 2009	SCOR Global P&C 2008	Total 2009	Total 2008
Gross contract liabilities						
Gross claim reserves	3,169	2,714	9,156	9,127	12,325	11,841
Mathematical reserves	7,412	6,964	-	-	7,412	6,964
Unearned premium reserves	89	125	1,135	1,099	1,224	1,224
Total gross insurance contract liabilities	**10,670**	**9,803**	**10,291**	**10,226**	**20,961**	**20,029**
Reserves for financial contracts	-	29	165	182	165	211
Total gross contract liabilities	**10,670**	**9,832**	**10,456**	**10,408**	**21,126**	**20,240**
Reinsurance recoverable						
Ceded claims reserves & claims expense reserves	(481)	(137)	(473)	(467)	(954)	(604)
Ceded mathematical reserves	(439)	(599)	-	-	(439)	(599)
Ceded unearned premium reserves	(6)	(9)	(40)	(39)	(46)	(48)
Ceded contract liabilities	**(926)**	**(745)**	**(513)**	**(506)**	**(1,439)**	**(1,251)**
Contract liabilities, net	**9,744**	**9,087**	**9,944**	**9,902**	**19,687**	**18,989**

Underwriting reserves, or contract liabilities, are subject to the use of estimates. Payments linked to these reserves are not usually fixed, either by amount or by due date. Liquidity information related to contract liabilities is included in Note 27.

An analysis of the credit rating of the reinsurance recoverable asset from ceded reinsurance together with an aging analysis of the reinsurance asset is also included in Note 27 – Insurance and financial risk.

SCOR Global P&C

The table below is a reconciliation of the beginning and ending liability for claims reserves and claims expenses of SCOR Global P&C for the years ended 31 December 2009 and 2008.

In EUR million	2009	2008
Gross claims reserves and claims estimates as at 1 January	**9,127**	**9,325**
Ceded claims reserves and claims estimates as at 1 January	**(467)**	**(598)**
Net claim reserves and claims estimates as at 1 January	**8,660**	**8,727**
Revaluation of opening balance at current year end exchange rates	(35)	(233)
Net claims reserves and claims estimates as at 1 January – revalued	**8,625**	**8,494**
Net claims incurred relating to the current underwriting year	1,249	1,239
Net claims incurred for prior underwriting years	831	753
Total net claims incurred	**2,080**	**1,992**
Net claims payments for the current underwriting year	(48)	(40)
Net claims payments for prior underwriting years	(1992)	(1,766)
Total net claims payments	**(2040)**	**(1,806)**
Effect of other foreign exchange rate movements	18	(20)
Net claim reserves and claims estimates as at 31 December	**8,683**	**8,660**
Ceded claims reserves and claims estimates as at 31 December	**(473)**	**(467)**
Gross claims reserves and claims estimates as at 31 December	**9,156**	**9,127**

The analysis of the balance sheet reserve movements of SCOR Global P&C, net of retrocession is presented as follows:

In EUR million	2001	2002	2003	2004	2005	2006	2007	2008 [(1)]	2009 [(1)]
Gross claims reserves & estimates -end of year [(2)]	8,402	8,244	7,045	6,135	6,310	5,791	9,325	9,127	9,156
Ceded claims reserves & estimates-end of year [(2)]	1,462	1,313	691	533	554	490	598	467	473
Net claims reserves & estimates – end of year [(2)]	6,940	6,930	6,353	5,602	5,755	5,301	8,727	8,660	8,683
Net paid losses [(3) (4)]									
1 year later	2,514	2,627	1,425	896	1,000	1,026	1,766	1,992	-
2 years later	4,496	3,735	2,119	1,569	1,657	1,626	2,931	-	-
3 years later	5,425	4,557	2,666	2,075	2,092	2,155	-	-	-
4 years later	6,309	5,029	3,119	2,455	2,351	-	-	-	-
5 years later	6,591	5,436	3,456	2,640	-	-	-	-	-
6 years later	6,913	5,740	3,704	-	-	-	-	-	-
7 years later	7,154	6,051	-	-	-	-	-	-	-
8 years later	7,472	-	-	-	-	-	-	-	-
Net incurred losses [(3)]									
1 year later	8,161	8,191	6,776	5,917	5,987	5,701	9,480	9,491	-
2 years later	8,832	8,133	6,762	5,989	6,262	5,765	9,482	-	-
3 years later	8,927	8,418	6,866	6,243	6,312	5,784	-	-	-
4 years later	9,117	8,543	7,145	6,306	6,305	-	-	-	-
5 years later	9,273	8,853	7,205	6,302	-	-	-	-	-
6 years later	9,568	8,901	7,265	-	-	-	-	-	-
7 years later	9,615	8,993	-	-	-	-	-	-	-
8 years later	9,749	-	-	-	-	-	-	-	-
Gross cumulative inception to date incurred losses as at 31 December 2009[2]	12,099	10,868	8,201	7,141	7,061	6,271	10,222	10,106	-
Ceded cumulative inception to date incurred losses as at 31 December 2009[2]	2,350	1,876	936	839	756	487	739	615	-
Net cumulative inception to date incurred losses as at 31 December 2009[2]	9,749	8,993	7,265	6,302	6,305	5,784	9,482	9,491	-
Unearned premium reserve (UPR)									
Gross UPR – end of year	1,664	1 617	1 124	978	637	575	1 108	1 099	1,135
Ceded UPR – end of year	253	130	76	40	24	18	39	39	40
Net UPR - end of year	1,411	1 487	1 048	938	613	557	1 069	1 060	1,095
Deferred acquisition costs (DAC)									
Gross DAC – end of year	232	204	129	132	137	108	230	227	238
Ceded DAC – end of year	49	25	5	3	2	-	2	1	-
Net DAC - end of year	183	179	124	129	135	108	228	226	238

(1) The table includes balance sheet reserves for Converium for years from 2007 onwards only. Figures for 2007 reflect the completion of the initial accounting of the business combination with Converium. Figures for 2007 and 2008 align to the segments as defined in Note 1. Alignment to segment definition has not be applied to 2006 and prior year figures.
(2) At period end exchange rates.
(3) At average exchange rates.
(4) Includes net cumulative payments for all underwriting years as at each balance sheet date.

The table above shows the movement in the net reserves for unpaid losses and loss expenses of SCOR Global P&C. The table begins by showing the initial reported year-end gross and net reserves, including IBNR, recorded at the balance sheet date at the exchange rates applicable at each balance sheet date.

The next section of the table shows the portion of the initial year-end net reserves that was paid (claims paid) as of the end of subsequent calendar year. Claims paid are converted to EUR at the average foreign exchange rates during the year of payment and are not revalued to the initial exchange rates at which the reserves were established. Additionally payments include losses covered by unearned premium reserves in addition to those covered by the initial claims reserves.

The net incurred losses section is the sum of the paid claims and the change in claims reserves and IBNR at the average exchange rate of the period.

A significant portion of SCOR Global P&C reserves relate to liabilities payable in currencies other than the EUR. The fluctuations of the EUR to those currencies are included in the data in the above table.

Analysis of Asbestos & Environmental IBNR reserves and claims paid

	Year ended 31 December			
	Asbestos [1]		Environment [1]	
	2009	2008	2009	2008
Gross reserves, including IBNR reserves (in EUR million)	120	128	26	28
% of Non-Life gross reserves	1.1%	1.2%	0.2%	0.3%
Claims paid (in EUR million)	6	19	2	5
Net % of Group Non-Life claims paid	0.3%	1.0%	0.1%	0.3%
Actual Number of claims notified under non-proportional and facultative treaties	9,492	9,135	8,234	7,971
Average cost per claim [1] (in EUR)	13,903	13,954	3,489	3,693

(1) Does not include claims which result in no ultimate cost and claims notified only for precautionary reasons for which the amount is not evaluated.

SCOR Global Life

The change in Life mathematical reserves for the years ended 31 December 2009 and 2008 was as follows:

In EUR million	2009	2008
Gross mathematical reserves as at 1 January	**6,964**	**6,546**
Change in scope of consolidation	170	83
Net premiums	2,494	1,498
Claims expense	(2,077)	(1,127)
Technical result and other	(46)	(28)
Change in "shadow accounting"	(1)	2
Impact of foreign exchange movements	(92)	(10)
Gross mathematical reserves as at 31 December	**7,412**	**6,964**
Reinsurance Recoverable		
Ceded mathematical reserves as at 1 January	**(599)**	**(563)**
Change in scope of consolidation	5	(27)
Net premiums	(232)	24
Claims expense	370	(5)
Technical result and other	11	(23)
Impact of foreign exchange movements	6	(5)
Ceded mathematical reserves as at 31 December	**(439)**	**(599)**
Net mathematical reserves as at 1 January	**6,365**	**5,983**
Net mathematical reserves as at 31 December	**6,972**	**6,365**

(a) Guaranteed Minimum Death Benefit (GMDB)

SCOR Global Life inherited from Converium retrocession liabilities related to Guaranteed Minimum Death Benefit (GMDB) rider options attached to variable annuity policies written in the US. This type of business, which carries during financial crisis a specific economic risk, is not within the usual scope of the SCOR Global Life underwriting policy. These treaties are all in run-off and cover in total approximately 0.8 million policies that were issued mainly in the late 1990's and which incorporate various benefit types. Claims occur in the event of death and if the GMDB exceeds the insured's account balance. Under these circumstances, the difference between the GMDB and the account balance or the GMDB and the cash surrender value becomes due, depending on the definition of the underlying reinsurance agreements.

Different types of Guaranteed Minimum Death Benefits are covered, including:

- Return of premium: The GMDB is the amount of total deposits adjusted for partial withdrawals, if any.
- Ratchet: After a given number of years, the GMDB is adjusted to the current account balance, if greater. Most common is a 1-year ratchet, meaning that the GMDB is adjusted annually on the policy's anniversary date.
- Roll-up: The GMDB increases each year from the initial premium adjusted for later deposits and partial withdrawals, as the case may be, by a fixed percentage. Rollup guarantees reinsured under SCOR Global Life's agreements grant an annual accumulation percentage between 3% and 7%. In many products, especially for higher rollup percentages, an upper limit applies (e.g. 200% of the paid policyholder premium adjusted for later deposits and partial withdrawals).
- Reset: After a given number of years, the GMDB is adjusted to the current account balance. This means that the GMDB can be reduced but often not below the paid-up premium (adjusted for later deposits and partial withdrawals).

Guarantees that increase over the time are, for a majority of the assumed business, only applied up to a certain age. This implies that SCOR Global Life will be released from the risk when the beneficiary reaches this age limit.

The policy holders’ assets for this type of product remain with the originating ceding companies.

The GMDB Liability is determined periodically based on the information provided to SCOR Global Life by its retrocedant companies. The current account value, the guaranteed death benefit and details of the covered benefit types are taken into consideration for the evaluation of the net amount at risk and the expected future liability. For the evaluation of the liabilities, SCOR Global Life uses an actuarial model that considers 1,000 investment performance scenarios.

There are some risks which are specific to the GMDB portfolio. Due to the nature of the product the remaining liability is influenced by the development on the financial markets, such as the development of equities, bonds, interest rates as well as the implied volatility on equity options. It is also dependant on policyholder behaviour, particularly on the exercise of partial withdrawal options, but also on other aspects, such as lapse behaviour and the use of options to choose the underlying funds. Being retrocessionaire, SCOR Global Life is exposed to uncertainties concerning data received from its ceding companies, also due to the inherent reporting lag. In using a model for the assessment of SCOR’s liability under this portfolio SCOR is exposed to remaining model risks.

(b) Liability adequacy test

The liability adequacy test conducted at year end 2009 did not detect any deficiencies for either the Non Life or Life segment for the year ended 31 December 2009.

(c) Share of retrocessionaires in insurance and investment contract liabilities

An analysis of the share of retrocessionaires in the Group’s insurance and investment contract liabilities by rating of the retrocessionaires and collateral from retrocessionaires in favour of SCOR at 31 December 2009 and 2008 is as follows:

In EUR million	AAA	AA	A	BBB	< BBB	Not rated	Total as at 31 December 2009	Total as at 31 December 2008
Share of retrocessionaires contract liabilities	**29**	**586**	**649**	**100**	**69**	**6**	**1,439**	**1,251**
Securities pledged	2	51	56	9	6	-	124	93
Deposits received	3	221	447	28	11	4	714	645
Letters of credit	3	56	62	9	7	-	137	125
Total collateral from retrocessionaires in favour of SCOR	**8**	**328**	**565**	**46**	**24**	**4**	**975**	**863**
Share of retrocessionaires contract liabilities net of collateral	**21**	**258**	**84**	**54**	**45**	**2**	**464**	**388**

20.1.6.17 NOTE 17 - PROVISIONS FOR EMPLOYEE BENEFITS

The post-employment benefits granted by the Group vary based on legal obligations and local requirements. Group employees are entitled to short term benefits (holiday pay, sick leave and profit sharing) and long-term benefits (service awards, loyalty bonus and seniority bonus) and post-employment benefits classified as defined benefit or defined contribution plans (termination benefit, pension).

The short-term benefits granted are recognised as an expense for the period by the different entities of the Group.

Defined contribution plans

Defined contribution plans include plans whereby an employer makes periodic contributions to an external plan which manages all administrative and financial aspects. These external plans relieve the employer of all future obligations and manage the payment to employees of all amounts which are due (e.g. National insurance pension scheme, complementary pension scheme (AGIRC/ARRCO in France), defined contribution retirement plans).

The payments made by the Group are expensed during the period in which the expense was incurred.

The amounts paid under defined contribution plans were EUR 7.8 million and EUR 6 million for the years ended 31 December 2009 and 2008, respectively.

Termination benefit

These plans call for the payment of a lump sum, calculated by reference to the employee's length of service within the Group and the salary level at the time of departure. These plans relate primarily to employees of the French and Italian entities.

Defined benefit plans

An employer's obligation under a defined benefit plan is to provide the agreed amount of benefits to current and future beneficiaries. If the defined benefit plans is not wholly funded, provisions are recognised.

The discounted obligation is calculated based on the projected unit credit method by taking into consideration actuarial assumptions, salary increase, retirement age, mortality, turnover and discount rates. Assumptions defined are based on the macro economic environment of each country in which the Group operates.

Modifications to actuarial assumptions or differences between these assumptions and actual amounts give rise to actuarial differences which are recorded in Other Comprehensive Income during the period in which they occur, in accordance with Group accounting principles.

(a) Pension plans

The main defined benefit pension plans relate to Switzerland, North America and France. These locations represent 40%, 20% and 21%, respectively, as at 31 December 2009, (41%, 19% and 20%, respectively, at 31 December 2008), of the Group's obligation under defined benefit plans.

These plans are mostly pre-financed via payments to external organisations which are separate legal entities.

(b) Actuarial assumptions

Actuarial assumptions used for the year end evaluations are as follows:

	US	Canada	Switzerland	UK	Euro zone
Assumptions as at 31 December 2009					
Expected return on assets as at 1 January 2009	7.50%	4.00%	4.60%	6.40%	4.50%
Expected return on assets as at 31 December 2009	7.50%	3.00%	4.00%	7.00%	4.50%
Discount rate	5.75%	5.51%	3.25%	5.60%	5.00%
Salary increase	N/A	N/A	2.00%	3.50%	2.50%
Assumptions as at 31 December 2008					
Expected return on assets at 1 January 2008	7.50%	6.00%	5.00%	6.00%	4.50%
Expected return on assets at 31 December 2008	7.50%	4.00%	4.60%	6.40%	4.50%
Discount rate	6.30%	4.55%	3.25%	6.80%	5.50%
Salary increase	N/A	N/A	2.00%	3,80%	2.50%

Discount rates are defined with respect to high quality long term corporate bond (rated AA) with duration in line with the duration of the obligations evaluated. In Switzerland, the discount rates are determined by reference to high quality government bonds due to the absence of a deep market in high quality corporate bonds.

Expected returns on assets are determined plan by plan. They depend on asset allocation and expected performance.

An increase or decrease in the discount rate of 0.5 would result in an increase or decrease in the estimated pension liability of approximately EUR 12 million (2008: EUR 11 million) with the offsetting impact recorded in equity.

(c) Defined benefits pension cost

	2009				2008			
In EUR million	Total	Europe [1]	Switzer-land	North America	Total	Europe	Switzer-land	North America
Service cost	8	4	4	-	7	4	3	-
Interest cost	8	3	2	3	7	3	2	2
Expected return on assets	(5)	-	(3)	(2)	(6)	(1)	(3)	(2)
Amortisation of past service cost	1	1	-	-	-	-	-	-
Settlement / curtailment	(3)	(3)	-	-	(1)	(1)	-	-
Total pension cost	9	5	3	1	7	5	2	-

(1) Includes a EUR 2.6 million charge relating to a French plan, which was suspended during the year

The actual returns on plan assets were EUR 6.5 million (2008: EUR (10.5) million) for the year ended 31 December 2009.

(d) Balance sheet amounts

In EUR million	2009	2008	2007	2006	2005
Defined benefit obligation	178	166	154	85	66
Plan assets	95	88	92	38	27
Deficit	83	78	62	47	39
Experience adjustments on plan liabilities	(1)	(2)	(2)	(1)	2
Experience adjustments on plan assets	2	(16)	-	-	-

The following schedule reconciles the movements in the balance sheet amounts for the year ended 31 December 2009:

In EUR million	Total 2009	Europe	Switzer -land	North America	Total 2008	Europe	Switzer -land	North America
Reconciliation of defined benefit obligation								
Obligation as at 1 January	**166**	**59**	**68**	**39**	**154**	**52**	**64**	**38**
Service cost	8	4	4	-	7	4	3	-
Interest cost	8	3	2	3	7	3	2	2
Employee contributions	2	-	2	-	2	-	2	-
Plan amendment(1)	2	2	-	-	5	4	1	-
Curtailments(2)	(3)	(3)	-	-	(1)	(1)	-	-
Settlements	(6)	-	-	(6)	-	-	-	-
Acquisition / Divestiture	-	-	-	-	-	-	-	-
Benefit payments	(7)	(1)	(4)	(2)	(12)	(2)	(8)	(2)
Liability (gains)/losses due to change in assumptions	6	5	(1)	2	3	(2)	4	1
Liability (gains)/losses due to experience	(1)	2	(3)	-	(2)	2	(4)	-
Effect of foreign exchange	3	-	3	-	3	(1)	4	-
Obligation as at 31 December	**178**	**71**	**71**	**36**	**166**	**59**	**68**	**39**
Reconciliation of fair value of plan assets								
Fair value of assets as at 1 January	**88**	**14**	**47**	**27**	**92**	**11**	**51**	**30**
Expected return on plan assets	5	-	3	2	6	1	3	2
Employer contributions	9	2	3	4	13	5	5	3
Employee contributions	2	-	2	-	2	-	2	-
Settlements	(6)	-	-	(6)	-	-	-	-
Acquisition / Divestiture	-	-	-	-	-	-	-	-
Benefit payments	(7)	(1)	(4)	(2)	(11)	(1)	(8)	(2)
Asset (gains)/losses due to experience	2	-	-	2	(16)	(2)	(8)	(6)
Effect of foreign exchange	2	-	2	-	2	-	2	-
Fair value of assets as at 31 December	**95**	**15**	**53**	**27**	**88**	**14**	**47**	**27**
Net defined benefit obligation as at 31 December - Deficit	**83**	**56**	**18**	**9**	**78**	**45**	**21**	**12**
Unrecognised past service costs	(7)	(6)	(1)	-	(3)	(1)	(2)	-
Asset ceiling limitation	1	-	-	1	(1)	(1)	-	-
Accrued / (Prepaid)	**77**	**50**	**17**	**10**	**74**	**43**	**19**	**12**
Analysis of funded status								
Funded or partially funded obligation as at 31 December	152	46	72	34	143	38	68	37
Fair value of plan assets as at 31 December	95	15	54	26	88	14	47	27
Funded status as at 31 December - deficit	**57**	**31**	**18**	**8**	**55**	**24**	**21**	**10**
Unfunded obligation as at 31 December	26	24	-	2	23	21	-	2
Total funded status as at 31 December - deficit	**83**	**55**	**18**	**10**	**78**	**45**	**21**	**12**

(1) For 2009, the amount includes a EUR 2.2 million impact due to a change in the tax legislation applicable to a French plan
(2) For 2009, this includes a EUR 2.6 million charge relating to a French plan, which was suspended during the year

The following table summarises the movements in accrued (prepaid) balances recorded in the consolidated balance sheets as at 31 December 2009 and 2008:

In EUR million	Total 2009	Europe	Switzer-land	North America	Total 2008	Europe	Switzer-land	North America
Accrued / (Prepaid) as at 1 January	**74**	**43**	**19**	**12**	**63**	**43**	**13**	**7**
Total pension cost	9	5	3	1	7	5	2	-
Benefits paid by employer	(1)	(1)	-	-	-	-	-	-
Employer contribution	(9)	(2)	(3)	(4)	(13)	(5)	(5)	(3)
Acquisitions/divestitures	-	-	-	-	-	-	-	-
Actuarial (gains)/losses immediately recognised in other comprehensive income (OCI)	3	4	(2)	1	18	3	8	7
Effect of foreign exchange	1	1	-	-	(1)	(3)	1	1
Accrued / (Prepaid) as at 31 December	**77**	**50**	**17**	**10**	**74**	**43**	**19**	**12**

(e) Plan assets

The following table includes the allocation of plan assets as at 31 December 2009 and 2008:

In EUR million	Europe	Switzerland	North America
2009			
Equities	28%	19%	42%
Bonds	10%	55%	51%
Other	62%	26%	7%
2008			
Equities	24%	14%	52%
Bonds	10%	54%	44%
Other	66%	32%	4%

As at 31 December 2009, employer contributions for the year ahead are expected to amount to EUR 8 million (2008: EUR 9 million).

20.1.6.18 NOTE 18 - STOCK OPTIONS AND SHARE AWARDS

The Group has established various free share and stock option plans for the benefit of some of its employees. The terms of these awards are defined and approved by its Board of Directors at the grant date.

The total expense for the year relating to share based payment is EUR 15 million, with EUR 4 million (2008: EUR 4 million) relating to share options granted from 2005 to 2009 plans (2008: 2004 to 2008) and EUR 11 million (2008: EUR 19 million) relating to free shares granted from 2007 to 2009 plans (2008: 2006 to 2008).
The share-based payment plans are described below. There have been no cancellations or modifications to any of the plans during 2009.

Stock option plans

The Group grants its employees options or share subscription plans under the following terms:

Plan	Date of award by the board	Options exercisable on	Date of expiration of plan	Exercise price in EUR	New shares issued subject to option plans
1999	2 September 1999	3 September 2004	2 September 2009	177.4	76,991
2000	4 May 2000	5 May 2004	3 May 2010	185.1	13,286
2000	31 August 2000	1 September 2005	30 August 2010	173.5	62,461
2001	4 September 2001	4 September 2005	3 September 2011	185.1	93,462
2001	3 October 2001	4 October 2005	2 October 2011	131.1	31,148
2003	28 February 2003	28 February 2007	27 February 2013	27.3	111,034
2003	3 June 2003	3 June 2007	2 June 2013	37.6	143,233
2004	25 August 2004	26 August 2008	25 August 2014	10.9	486,251
2005	16 September 2005	16 September 2009	15 September 2015	15.9	623,269
2006	14 September 2006	15 September 2010	14 September 2016	18.3	795,771
2006	14 December 2006	15 December 2010	14 December 2016	21.73	394,500
2007	13 September 2007	13 September 2011	12 September 2017	17.58	1,417,000
2008	22 May 2008	22 May 2012	21 May 2018	15.63	279,000
2008	10 September 2008	11 September 2012	10 September 2018	15.63	1,199,000
2009	23 March 2009	23 March 2013	22 March 2019	14.92	1,403,500
2009	25 November 2009	25 November 2013	25 November 2019	17.117	88,500

The stock options are available after 4 or 5 years regardless of whether the employee is still actively employed by the Group.

The table below presents the changes and the current stock option plans at the end of the year along with the average corresponding exercise price.

	2009		2008(1)	
	Number of options	Average exercise price in EUR per share	Number of options	Average exercise price in EUR per share
Outstanding options at 1January	5,155,287	25.89	4,328,383	31.73
Options granted during the period	1,492,000	15.05	1,478,000	15.63
Options exercised during the period	151,147	12.28	109,445	10.90
Options expired during the period	76,213	177.4	79,977	216.90
Options forfeited during the period	344,462	21.76	461,674	18.32
Outstanding options at 31 December	**6,075,465**	**21.90**	**5,155,287**	**25.89**
Exercisable at 31 December	**1,158,081**	**-**	**855,316**	**-**

(1) After stock consolidation on 3 January 2007: 1 new share equals 10 old shares

The average remaining life of the options and the average exercise price for 2008 and 2009 are presented below.

Range of exercise prices in EUR	Outstanding options 2009 Average weighted exercise price in EUR	Average weighted residual life	Number of outstanding options	2008 Average weighted exercise price in EUR	Average weighted residual life	Number of outstanding options
from 10 to 50	16.87	7.58	5,880,391	17.48	8.12	4,879,291
from 51 to 100	-	-	-	-	-	-
from 101 to 150	131.10	1.75	28,730	131.10	2.75	30,160
from 151 to 200	180.80	0.75	166,344	179.74	1.75	245,836
from 201 to 250	-	-	-	-	-	-
from 10 to 250	21.90	7.30	6,075,465	25.89	7.78	5,155,287

The fair value of options is estimated by using the binomial method which takes into account the terms and conditions under which the options were granted. The following table lists the characteristics used at the end of 2009 and 2008:

	25 November 2009 Plan	23 March 2009 Plan	10 September 2008 Plan	22 May 2008 Plan
Fair value at grant date (EUR)	16.66	15.38	15.85	16.52
Exercise price (EUR)	17.117	14.92	15.63	15.63
Expected life	4 years	4 years	4 years	4 years
Historical volatility(1)	33.01%	37.26%	30.73 %	29.54 %
Dividend	4.87%	4.87%	4.87 %	4.87 %
Risk-free interest rate	2.119%	2.749%	4 %	4.20 %

(1)The historical volatility used to determine the fair value of stock options is based on an historical volatility over periods corresponding to the expected average maturity of the options granted, which is partially smoothed to eliminate extreme deviations and to better reflect long term trends.

Free share plans

The Group also awards free shares to its employees under the following terms:

Date of grant	Date of vesting	Number of shares originally granted	Estimated price on grant date
22 September 2004	10 January 2005	1,962,555	EUR 1.20
7 December 2004	10 January 2005	2,434,453	EUR 1.41
7 December 2004	10 November 2005	2,418,404	EUR 1.41
7 November 2005	1 September 2007	8,471,998	EUR 1.584
4 July 2006	5 July 2008	8,030,000	EUR 1.638
7 November 2006	8 November 2008	666,000	EUR 1.988
21 November 2006	22 November 2008	2,760,000	EUR 2.108
24 May 2007	24 May 2009	1,442,000	EUR 20.85
7 May 2008	8 May 2010	195,000	EUR 15.63
7 May 2008	8 May 2012	84,000	EUR 15.63
26 August 2008	27 August 2010	427,500	EUR 15.16
26 August 2008	27 August 2012	771,500	EUR 15.16
3 March 2009	4 March 2011	65,800	EUR 15.155
3 March 2009	4 March 2013	149,600	EUR 15.155
16 March 2009	17 March 2011	593,500	EUR 15.085
16 March 2009	17 March 2013	694,000	EUR 15.085
15 April 2009	16 April 2011	30,500	EUR 16.29
15 April 2009	16 April 2013	85,500	EUR 16.29
25 November 2009	26 November 2011	72,000	EUR 16.66
25 November 2009	26 November 2013	16,500	EUR 16.66

The fair value of the free shares corresponds to the market value adjusted taking into account the dividends and non-transferability costs, estimated using a forward acquisition/disposal method with a turnover assumption. The following table lists the characteristics used at the end of 2009 and 2008:

	3 March 2009 Plan	16 March 2009 Plan	15 April 2009 Plan	25 November 2009 Plan	7 May 2008 Plan	26 August 2008 Plan
Fair value at grant date (EUR)	13.3 for French 12.5 for foreigners	13.2 for French 12.4 for foreigners	14.3 for French 13.4 for foreigners	14.6 for French 13.7 for foreigners	13.7 for French 12.9 for foreigners	13.2 for French 12.5 for foreigners
Expected life	2 years for French 4 years for foreigners	2 years for French 4 years for foreigners	2 years for French 4 years for foreigners	2 years for French 4 years for foreigners	2 years for French 4 years for foreigners	2 years for French 4 years for foreigners
Dividend	4.87%	4.87%	4.87%	4.87%	4.87%	4.87%
Risk-free interest rate	2.238%	2.422%	2.312%	2.119%	4%	4%

Employees that are resident in France are required to hold the shares for two years from the date of acquisition.

For employees that do not reside in France, the transfer of ownership becomes effective after the fourth year subject to certain performance conditions. They are not permitted to receive any dividends until end of the fourth year and are required to continuously remain as an employee of the Group until the end of the second year.

20.1.6.19 NOTE 19 - TAX

Tax expense

The main components of income taxes for the years ended 31 December 2009 and 2008 are presented below:

In EUR million	2009	2008
Amounts reported in the consolidated statements of income		
Current tax – current year	(9)	(104)
Current tax – true-up of prior years	(26)	12
Deferred taxes due to temporary differences	(100)	85
Deferred taxes from loss carry-forward	184	59
Changes in deferred taxes due to changes in tax rates	(2)	(8)
INCOME TAX (EXPENSE)/BENEFIT	**47**	**44**
In consolidated reserves		-
Revaluation of AFS assets	(110)	92
Other	6	(11)
INCOME TAX (EXPENSE) BENEFIT REPORTED IN EQUITY	**(104)**	**81**

Reconciliation of expected to actual tax expense

A reconciliation of the corporate income tax, obtained by applying the French tax rate of 34.43% for 2009 and 2008 to income (losses) before taxes, minority interest and income (losses) from associated companies consolidated under the equity method, to the actual charge recorded in the income statement is presented in the table below. The effective rate in 2009 is (14.71)% (2008: (15.85)%).

The main variances are due to the difference between local tax rate of each entity and the Group tax rate, permanent differences reported by each entity, reduced rates and specific items, including the reactivation of deferred tax assets relating to US operations.

In EUR million	2009	2008
Income before corporate income tax	**324**	**274**
Theoretical tax at 34.43%	(111)	(95)
Reconciling items to actual tax (expense) / benefit:		
Non-taxable income	23	9
Unused tax losses	4	(4)
Net capitalised losses brought forward from previous financial periods	10	38
Recognition of deferred tax assets	104	66
Changes in tax rates	(2)	1
Differences between French and local tax rates	40	48
Non-taxable revenue and non-deductible charges	(21)	(19)
ACTUAL TAX (EXPENSE)/BENEFIT	**47**	**44**

The standard tax rates for the primary locations in which the Group has operations are as follows:

	2009	2008
France (1)	34.43%	34.43%
Switzerland	21.17%	21.17%
Germany	31.58%	31.58%
United Kingdom	28.00%	28.00%
United States	35.00%	35.00%
GROUP EFFECTIVE TAX RATE	**(14.71)%**	**(15.85)%**

(1) The accounting classification under IFRSs of the French tax “Contribution économique territoriale” applicable starting 2010 is currently being assessed.

Income tax effects relating to other comprehensive income

	2009			2008		
In EUR million	Before tax amount	Tax (expense) benefit	Net of tax amount	Before tax amount	Tax (expense) benefit	Net of tax amount
Effect of changes in foreign exchange rates	(21)	-	(21)	(105)	(24)	(129)
Revaluation of assets available for sale	480	(138)	342	(390)	117	(273)
Shadow accounting	(82)	28	(54)	90	(28)	62
Actuarial gains / losses not recognised in income	(8)	-	(8)	(13)	-	(13)
Other changes	2	6	8	(11)	(8)	(19)
TOTAL	**371**	**(104)**	**267**	**(429)**	**57**	**(372)**

Deferred tax

Deferred tax assets and liabilities and the related expense or benefit as at and for the years ended 31 December 2009 and 2008 were generated by the following items:

In EUR million	Balance sheet as at 31 December 2009	2008	Deferred taxes benefit (expense) for the period 2009	2008
Deferred tax liabilities				
Deferred acquisition costs	(141)	(75)	1	(13)
Unrealised revaluations and temporary	(37)	-	(37)	12
Equalisation reserves	(18)	(46)	29	34
Value of business acquired	(155)	(152)	(18)	29
Goodwill		-		-
Financial instruments	(6)	-	(18)	-
Claims reserves	(3)	(44)	(1)	(49)
Capitalisation reserve	(62)	(45)	(13)	(3)
Other temporary differences	(20)	(71)	2	7
Elimination of internal capital gains	-	-	-	(9)
TOTALDEFERRED TAX LIABILITIES (1)	**(442)**	**(433)**	**(55)**	**8**
Deferred tax assets				
Unrealised revaluations and temporary	1	125	2	8
Retirement scheme	17	4	3	1
Net operating losses for carry forward	603	489	64	50
Financial instruments	1	14	(2)	7
Claims reserves	41	74	(48)	-
"Shadow accounting"	(12)	1	(3)	-
Other temporary differences	19	70	140	6
Elimination of internal capital gains	17	8	(5)	-
TOTAL DEFERRED TAX ASSETS (1)	**687**	**785**	**151**	**72**
Valuation allowance	(25)	(121)	(14)	56
TOTAL	**220**	**231**	**82**	**136**
Balance sheet amounts				
Deferred tax liabilities	(251)	(215)		
Deferred tax assets	471	446		
NET DEFERRED TAX ASSET (LIABILITY)	**220**	**231**		

(1) Amounts are presented on a gross basis. The balance sheet presentation incorporates net deferred tax asset or liability positions where a right of set off exists.

Expiration of losses available for carry-forward

The net operating losses available ("NOL") for carry-forward expire as follows:

In EUR million	Available NOLs	Tax effected	Deferred tax asset recognised
Indefinite	1,174	30% / 31.58% / 34.43%	401
2009			
2010			
2011	144	21.17%	30
2012			
2013			
Thereafter	579	21.17% / 30% / 35%	172
TOTAL	**1,897**		**603**

The net operating losses which have not been activated as deferred tax assets relate primarily to subsidiaries in Switzerland and the United States.

20.1.6.20 NOTE 20 - INVESTMENT INCOME

The tables below show the break down by type of investment income and break down by category of financial assets:

Break-down by type

In EUR million	2009	2008
Rental income from real estate investments	27	29
Dividends	31	38
Interest income on investments	272	347
Other income (mainly cash and cash equivalent)	52	93
Ordinary investment income	**382**	**506**
Realised gains and losses on investments	177	87
Unrealised gains and losses on investments	19	(45)
Investment impairment (1)	(233)	(270)
Real estate depreciation	(14)	(13)
Other investments expenses	(28)	(20)
Net investment income excluding deposit and currency items	**303**	**244**
Interest income on funds withheld and contract deposit	212	233
Interest expense on funds withheld and contract deposit	(26)	(18)
Currency gains (losses)	14	7
TOTAL INVESTMENT INCOME	**503**	**467**

(1) 2008 amount includes EUR 10 million relating to Groupama

Break-down by category of financial asset

In EUR million	2009	2008
Real estate investments	40	30
Available for sale investments	222	126
Investments at fair value through income	12	(10)
Loans and receivables	190	245
Derivative instrument	4	3
Other (mainly cash and cash equivalents), net of other investment expenses	35	73
TOTAL	**503**	**467**

Agreement with Groupama

On 7 May 2008, SCOR announced that it had reached a settlement with Groupama regarding the definitive amount of a guarantee relating to the acquisition of SOREMA SA and SOREMA NA and their subsidiaries ("SOREMA") by SCOR in 2001. At the time, SOREMA was the reinsurance division of Groupama. The guarantee contemplated that Groupama would indemnify SCOR in the event of negative developments concerning the technical reserves of SOREMA entities for all underwriting years up to and including 2000. The parties agreed on a payment of EUR 240 million which occurred on 1 June 2008. SCOR's 2007 accounts included a recoverable of EUR 250 million. Consequently, the net income for the 2008 year includes a charge of EUR 10 million, (EUR 7 million net of tax), in respect of the settlement agreement.

20.1.6.21 NOTE 21 - RESULTS OF RETROCESSION

The table below shows the net results of retrocession for the years ended 31 December 2008 and 2009:

In EUR million	2009 SCOR Global Life	2009 SCOR Global P&C	2009 Total	2008 SCOR Global Life	2008 SCOR Global P&C	2008 Total
Ceded written premiums	(333)	(245)	(578)	(266)	(220)	(486)
Changes in unearned premiums	(5)	-	(5)	4	4	8
Ceded earned premiums	(338)	(245)	(583)	(262)	(216)	(478)
Ceded claims expense	219	135	354	159	106	265
Ceded commissions	91	2	93	67	6	73
Net results from retrocession	**(28)**	**(108)**	**(136)**	**(36)**	**(104)**	**(140)**

20.1.6.22 NOTE 22 - OTHER OPERATING AND ADMINISTRATIVE EXPENSES

Other operating and administrative expenses include expenses incurred by the Group, excluding gross commissions, as follows:

In EUR million	2009	2008
Staff costs	198	207
Taxes other than income taxes	17	18
External charges for services [1]	174	149
OTHER OPERATING AND ADMINISTRATIVE EXPENSES	**389**	**374**

These expenses are further allocated into categories by function as follows:

In EUR million	2009	2008
Acquisition and administrative expenses	221	192
Investment management expenses	35	36
Claims settlement expenses	17	22
Other current operating expenses [1]	116	124
OTHER OPERATING AND ADMINISTRATIVE EXPENSES	**389**	**374**

(1) The amounts presented above include Highfields settlement and related legal expenses of EUR 12 million, net of expected recoveries.

The audit fees paid by Group to the Auditors are detailed below:

In EUR thousand	Ernst&Young Amount (excluding taxes)		Ernst&Young %		Mazars Amount (excluding taxes)		Mazars %	
	2009	2008	2009	2008	2009	2008	2009	2008
SCOR SE	624	690	13%	14%	551	629	21%	26%
Fully consolidated subsidiaries	3,932	3,454	79%	71%	1,725	1,650	67%	67%
Sub-total	**4,556**	**4,144**	**92%**	**85%**	**2,276**	**2,279**	**88%**	**93%**
Related missions								
SCOR SE	168	571	3%	12%	238	-	9%	-
Fully consolidated subsidiaries	96	-	2%	-	71	146	3%	6%
Sub-total	**264**	**571**	**5%**	**12%**	**309**	**146**	**12%**	**6%**
Other								
Legal. tax. social security	129	145	3%	3%	-	14	-	1%
Other		-	-	-	-	-	-	-
Sub-total	**129**	**145**	**3%**	**3%**	**-**	**14**	**-**	**1%**
TOTAL	**4,949**	**4,860**	**100%**	**100%**	**2,585**	**2,439**	**100%**	**100%**

PWC				KPMG				Total			
Amount (excluding taxes)		%		Amount (excluding taxes)		%		Amount (excluding taxes)		%	
2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
								1,175	1,319	16%	17%
	207		100%		-		-	5,657	5,311	75%	69%
	207		**100%**					**6,832**	**6,630**	**91%**	**86%**
	-		-		-		-	406	571	5%	7%
	-		-		202		85%	167	348	2%	4%
	-		**-**		**202**		**85%**	**573**	**7,549**	**7%**	**11%**
	-		-		-		-	129	159	2%	2%
	-		-		37		15%	-	37	-	1%
	-		**-**		**37**		**15%**	**129**	**196**	**2%**	**3%**
	207		**100%**		**239**		**100%**	**7,534**	**7,745**	**100%**	**100%**

The 2008 audit and related fees include incurred 2007 year end statutory audit fees for former auditors whereas for 2008 and 2009 all Group and statutory audit work is completed by Ernst & Young and Mazars.

20.1.6.23 NOTE 23 - RESTRUCTURING COSTS

During Q2 2008 SCOR announced the R^3 restructuring plan which had an originally estimated implementation cost of EUR 49 million and expected synergies of EUR 68 million on an annual basis. This now nears final completion. The amount of the restructuring provision that meets the relevant accounting criteria as at 31 December 2009 and 2008 was as follows:

In EUR million	Expenses per R^3 Plan	Restructuring provisions as at 31 December 2009	31 December 2008
Personnel expenses	26	4	14
Other restructuring costs	23	4	1
Total restructuring costs – Gross of tax	49	8	15
Total restructuring costs – Net of tax	34	5	10

20.1.6.24 NOTE 24 - EARNINGS PER SHARE

Basic and diluted earnings per share are calculated as follows for the years ended 31 December 2009 and 2008, respectively:

	At 31 December 2009			At 31 December 2008		
In EUR million	Net income (numerator)	Shares (1) (2) (denominator) (thousands)	Net income per share (EUR)	Net income (numerator)	Shares (1) (2) (denominator) (thousands)	Net income per share (EUR)
Net income	370	-		315	-	-
Earnings per share						
Net income attributable to ordinary shareholders	370	179,455	2.06	315	178,486	1.76
Diluted earnings per share						
Dilutive effects						
Stock options and share-based compensation	-	1,804		-	1,166	-
Convertible bonds (3)	-	-		5	10,470	(0.08)
Net income attributable to ordinary shareholders and estimated conversions	**370**	**181,259**	**2.04**	**320**	**190,122**	**1.68**

(1) Average number of shares during the period. See Note 1 of the consolidated financial statements
(2) After stock consolidation on 3 January 2007: 1 new share equals 10 old shares
(3) Change in number of convertible bonds during the period relates to the conversion and redemption of OCEANE convertible bonds. Refer to Note 14 - Financial Debt for further detail.

20.1.6.25 NOTE 25 - RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial or operational decisions
The Group's related parties include:

- Key management personnel, close family members of key management personnel, and entities which are controlled, significantly influenced by, or for which significant voting power is held by key management personnel or their close family members;
- Subsidiaries, joint ventures and associates; and
- Post employment benefit plans for the benefit of SCOR employees.

The Group has several business relationships with related parties. Transactions with such parties are made in the ordinary course of business and on substantially the same terms and conditions including interest rates and collateral as those prevailing at the time for comparable transactions with other parties.
SCOR SE is the ultimate parent of the Group. As noted above transactions between SCOR SE and its subsidiaries meet the definition of related party transactions. Where these transactions are eliminated on consolidation they are not disclosed in the group's financial statements. A list of the Group's subsidiaries, associates and joint venture is shown below.

Transactions with key management personnel

Key management personnel are those individuals having responsibility and authority for planning directing and controlling the activities of the Group. The Group considers that the members of the COMEX and the board constitute key management personnel for the purposes of IAS 24.

The total gross compensation of key management personnel, which include short-term employee benefits, post employment benefits, other long-term benefits, termination benefits and share-based payments, for 2009 and 2008 financial years is outlined below.

(a) Cash compensation

The total gross cash compensation of key management personnel for 2009 and 2008 financial years is presented below:

In EUR million	2009	2008
Fixed compensation	4,097,798	3,550,662
Variable compensation	3,176,218	2,806,777
Profit sharing	-	48,832
Premiums/allowances	102,124	287,046
TOTAL CASH COMPENSATION	**7,376,140**	**6,693,317**

(b) Post employment benefits

No retirement benefits (or commitments) have been paid to key management personnel during the period.

The total commitment of the Group for defined benefit retirement plans for the key management personnel in France, Germany and Switzerland amounts at EUR 23 million as of 31 December 2009 (EUR 11.5 million as of 31 December 2008).

(c) Non-monetary benefits

The members of the Executive Committee also benefit from the use of a vehicle for business purposes; the Chairman and Chief Executive Officer has a company car with driver. Certain members of the Executive Committee receive a housing allowance because of their dual duties in two geographically separated units.

Provision of services and benefits

SCOR SE provides services and benefits to its subsidiary companies operating in France and worldwide as follows:

- Provision of technical support in relation to risk management information technology and reinsurance services. Services are charged for annually on an arms length basis.

- Issue of share options and share awards to employees of subsidiaries. Costs are charged for annually based on the underlying value of the awards granted calculated in accordance with the guidance set out in IFRS 2. See Note 18 - Stock options and share awards for further details.

Parent company guarantees

SCOR SE provides parental guarantees to a number of operating subsidiaries. Under the terms of these parental guarantees contracts of insurance or reinsurance between clients and the Group companies are covered so that clients benefit from the additional financial security of SCOR SE. During the year SCOR SE granted a parental guarantee to SCOR Global Life Reinsurance Company of America, SCOR Global Life Re Insurance Company of Texas, SCOR Perestrakhovaniye and SCOR Africa Limited. These each had similar terms and conditions to those issued by SCOR SE to other legal entities within the SCOR Group.

Loans

SCOR provides loans to Group companies in the normal course of business remunerated at market rates.

Significant subsidiaries, investments in associates and joint ventures

Significant subsidiaries, investments in associates and joint ventures are included in the table below where material to the Group.

		2009 Percentage		2008 Percentage		
	Country	Control	Interest	Control	Interest	Consolidation method
Reinsurance – Insurance Businesses						
SCOR SE	France	100,00	100,00	100,00	100,00	Parent
Commercial Risk Partners Ltd (merged into GSNIC)	Bermuda	-	-	100,00	100,00	Full
Commercial Risk Reinsurance Company (merged into GSNIC)	Bermuda	-	-	100,00	100,00	Full
Commercial Risk Re-insurance Company (merged into GSNIC)	United States	-	-	100,00	100,00	Full
Converium Finance SA	Luxemburg	-	-	100,00	100,00	Full
General Security Indemnity Company of Arizona	United States	100,00	100,00	100,00	100,00	Full
General Security National Insurance Company	United States	100,00	100,00	100,00	100,00	Full
Prévoyance Ré	France	100,00	100,00	100,00	100,00	Full
SCOR AFRICA Ltd (Micawber)	South Africa	100,00	100,00	-	-	Full
SCOR GIE Informatique	France	100,00	100,00	100,00	100,00	Full
SCOR Global Investment	France	100,00	100,00	100,00	100,00	Full
SCOR Perestrakhovaniye	Russia	100,00	100,00	100,00	100,00	Full
SCOR Reinsurance Asia Pacific Pte Limited	Singapore	100,00	100,00	100,00	100,00	Full
SCOR Reinsurance Company Asia	Hong Kong	100,00	100,00	100,00	100,00	Full
SCOR U.S. Corporation	United States	100,00	100,00	100,00	100,00	Full
SCOR Global LIFE SE and its subsidiaries						
SCOR Global Life SE	France	100,00	99,99	100,00	100,00	Full
Investors Insurance Corporation	United States	100,00	100,00	100,00	100,00	Full
ReMark Group BV	Netherland	100,00	100,00	100,00	98,67	Full
ReMark International BV	Netherland	100,00	100,00	100,00	98 67	Full
Revios Canada Holding Corp. Ltd.	Canada	100,00	100,00	100,00	100,00	Full
Revios Reinsurance Canada Ltd	Canada	100,00	100,00	100,00	100,00	Full
SCOR Financial Services	Ireland	100,00	100,00	100,00	100,00	Full
SCOR Global Life Re Insurance Company of Texas	United States	100,00	100,00	100,00	100,00	Full

	Country	2009 Percentage Control	2009 Percentage Interest	2008 Percentage Control	2008 Percentage Interest	Consolidation method
SCOR Global Life Reinsurance (Barbados) Ltd., Bridgetown	Barbados	100,00	100,00	100,00	100,00	Full
SCOR Global Life Reinsurance Company of America	United States	100,00	100,00			Full
SCOR Global Life Reinsurance International (Barbados) Ltd., Bridgetown	Barbados	100,00	100,00	100,00	100,00	Full
SCOR Global Life Reinsurance Ireland Limited	Ireland	100,00	100,00	100,00	100,00	Full
SCOR Global Life Reinsurance UK Limited	United Kingdom	100,00	100,00	-	-	Full
SCOR Global Life Rückversicherung Schweiz AG	Switzerland	100,00	100,00	100,00	100,00	Full
SCOR Global Life U.S. Re Insurance Company	United States	100,00	100,00	100,00	100,00	Full
Sweden Reinsurance Co. Ltd	Sweden	100,00	100,00	100,00	100,00	Full
SCOR Global P&C SE and its subsidiaries						
SCOR Global P&C SE	France	100,00	99,99	100,00	100,00	Full
SCOR (UK) Group Limited	United Kingdom	100,00	100,00	100,00	100,00	Full
SCOR Canada Reinsurance Company	Canada	100,00	100,00	100,00	100,00	Full
SCOR Global P&C Ireland	Ireland	100,00	100,00	100,00	100,00	Full
SCOR Global South Africa (Pty) Ltd	South Africa	100,00	100,00	-	-	Full
SCOR P&C Ireland Holding Limited	Ireland	100,00	100,00	100,00	100,00	Full
SCOR UK Company Limited	United Kingdom	100,00	100,00	100,00	100,00	Full
SCOR Underwriting Ltd	United Kingdom	100,00	100,00	100,00	100,00	Full
SCOR Holding (SWITZERLAND) AG and its subsidiaries						
SCOR Holding (Switzerland) AG	Switzerland	100,00	100,00	100,00	100,00	Full
SCOR Finance (Bermuda) Ltd renamed to SCOR FINANCE (SWITZERLAND) LTD	Switzerland	100,00	100,00	100,00	100,00	Full
SCOR Holding (UK) Ltd	United Kingdom	100,00	100,00	100,00	100,00	Full
SCOR Insurance (UK) Ltd	United Kingdom	100,00	100,00	100,00	100,00	Full
SCOR PCC Ltd	United Kingdom	100,00	100,00	100,00	100,00	Full
SCOR Rückversicherung (Deutschland) AG	Germany	100,00	100,00	100,00	100,00	Full
SCOR Switzerland AG	Switzerland	100,00	100,00	100,00	100,00	Full
Real Estate Businesses						
Finimo Realty Pte Ltd	Singapore	100,00	100,00	100,00	100,00	Full
SCOR Auber	France	100,00	100,00	100,00	100,00	Full
Financial Activity						
Avance	Germany	100,00	100,00	100,00	100,00	Full
Europe MidCap	Luxemburg	-	-	100,00	100,00	Full
SCOR Picking	Luxemburg	-	-	100,00	100,00	Full
FCP SGI Euro Govies	France	100,00	100,00	-	-	Full
Associates and Joint Ventures						
ASEFA SA Seguros y reaseguros	Spain	39,97	39,97	39,97	39,97	Equity interest
MUTRE SA	France	33,33	33,33	33,33	33,33	Equity interest
SCOR Channel Limited	Guernsey	99,86	99,86	99,86	99,86	Equity interest
SCOR Gestion Financière	France	100,00	100,00	100,00	100,00	Equity interest

20.1.6.26 NOTE 26 - COMMITMENTS RECEIVED AND GRANTED

The general reinsurance regulatory environment requires that underwriting liabilities be collateralised by pledged assets, cash deposits or letters of credit.

Reinsurance commitments are recognised as liabilities within underwriting reserves and are offset by assets which are maintained for the settlement of claims. When the liabilities are not offset by cash deposited with the ceding companies, the underwriting reserves may be covered by pledged securities or letters of credit granted to ceding companies which disclosed within off-balance sheet commitments.

In EUR million	2009	2008
Commitments received		
Unused lines of credit [(1)]	50	50
Letters of credit – retrocessionaires [(2)]	137	125
Endorsements, sureties	16	19
Other commitments received	-	1
TOTAL COMMITMENTS RECEIVED	**203**	**195**
Commitments given		
Letters of credit [(3)]	1,484	1,403
Pledged securities	2,874	2,708
Endorsements, surety	23	28
Other commitments given	75	80
TOTAL COMMITMENTS GIVEN	**4,456**	**4,219**
Collateral received from retrocessionaires		
TOTAL COLLATERAL RECEIVED FROM RETROCESSIONAIRES [(4)]	**975**	**863**

(1) Unused lines of credit represent those facilities available to the Group to enable it to meet its liquidity requirements. These include overdrafts and lines of credit, but exclude letter of credit facilities. The Group has total letter of credit facilities available to it of USD 3,840 million, composed of several syndicated and bilateral lines with international banks. The prior year comparative has been changed to reflect improved presentation and current year definitions.
(2) Includes letters of credits received from external retrocessionaires.
(3) Represents the total amount of letter of credits granted by the entity in favour of its cedants, including those issued by banks on behalf of the Group.
(4) This is the total carrying amount of financial assets pledged as collateral for liabilities or contingent liabilities.

Assets including investment securities ("OAT"), real estate and shares in associates for a total amount of EUR 2,874 million (2008: EUR 2,708 million) have been pledged to financial institutions, in order to guarantee the letters of credit granted to SCOR

Minimum payments under operating lease commitments, estimated minimum rental income amounts received by SCOR as part of its real estate investment activities and commitments to purchase properties are included within Note 5 – Tangible assets and real estate investments.

Parental guarantees provided by SCOR SE to a number of operating subsidiaries have been presented within Note 25 – Related party transactions.

Minimum net worth under stand-by letter of credit facilities

In accordance with the terms of its stand by letter of credit facilities, the Group must meet certain minimum requirements relating to net worth. The Group currently meets all such requirements.

Other - Catastrophe protection

In 2004 Converium (which has since become SHS) announced the successful private placement of USD 100.0 million of floating rate notes issued by Helix 04 Limited ("Helix"), a Bermuda special purpose exempted company. By means of a counterparty contract with the issuer, the transaction provided SCOR Switzerland with fully collateralised second and subsequent event protection for North Atlantic hurricane, U.S. earthquake, Japanese earthquake and European windstorm property catastrophe exposures. The notes paid only for second and subsequent events in any of the four peril regions during the five-year term of the transaction. This arrangement expired on 23 June 2009.

Payments from Helix to SHS were based on modelled reinsurance losses on a notional portfolio. The Helix 04 contract could first be triggered when modelled losses to the notional portfolios reach USD 154.8 million. The second trigger hit when modelled losses reach USD 176.2 million. It would then pay out according to a sliding scale of modelled losses up to USD 276.2 million.

The Helix counterparty contract was a risk mitigation non exchange traded derivative whose fair value was closely referenced to the Insurance Linked Securities market pricing of the bond. In the absence of a first qualifying event the fair value of the contract was approximately equal to the unexpired cost of the contract. At 31 December 2009 the fair value of the counterparty contract was EUR nil million (2008: EUR 2 million included in other assets on the balance sheet).

20.1.6.27 NOTE 27 - INSURANCE AND FINANCIAL RISK

Framework

The risk management framework and governance of the Group is described in the introduction to Section 4 – Risk factors of the 2009 Registration Document which incorporates these consolidated financial statements.

Insurance risks – Non-Life

Insurance risk for the Non-Life and the sensitivity of the Group to that risk is described in the 2009 Registration Document Section 4.1.1 – The Group is exposed to diverse risk factors in the non-life and life reinsurance businesses.

(a) Geographic concentration

Concentrations of gross written premium by geographical location, both based on subsidiary location and the location of the ceding company, is included in Note 2 – Segment Information.

Concentrations of Non-Life reinsurance risks are included in the 2009 Registration Document in Section 4.1.2 – We are exposed to losses from catastrophic events.

(b) Other concentrations

Information on exposures to asbestos and environmental claims is included in Note 16 – Contract liabilities.

Insurance risks - Life

Insurance risks and the related sensitivities of the Life business to these risks is described in the 2009 Registration Document Section 4.1.1 – The Group is exposed to diverse risk factors in the non-life and life reinsurance businesses.

Geographic concentration

Concentrations of gross written premium by geographical location, both based on subsidiary location and the location of the ceding company, is included in Note 2 – Segment Information

Credit risk

Credit risk is the risk that one party to a financial instrument or other asset (such as retrocessionaires) will cause a financial loss to the other party by failing to discharge an obligation.

Credit risks identified by SCOR are described in the 2009 Registration Document in Section 4.1.12 – We are exposed to credit risks.

(a) Concentration

The carrying amounts of the Group's financial assets exposed to credit risk by counterparty credit quality, excluding consideration of collateral held or other credit enhancements is included in Note 6 – Insurance business investments (for fixed income securities) and Note 16 – Contract liabilities (for the share of retrocessionaires in insurance and financial liabilities).

(b) Aging of financial assets

The following table provides an overall analysis of the aging of financial assets as at 31 December 2009:

In EUR million	Current	1-12 months	12-24 months	24-36 months	> 36 months	Total
Available-for-sale investments	9,997	-	-	-	-	9,997
Fair value through income	165	-	-	-	-	165
Derivative instruments	104	-	-	-	-	104
Loans and receivables	7,544	527	-	-	-	8,071
Reinsurance assets	1,422	16	-	-	-	1,438
Insurance receivables	2,941	367	62	27	26	3,423
Taxes receivable	33	4	-	-	-	37
Other accounts receivable	348	4	4	-	-	356
Cash and cash equivalents	1,320	5	-	-	-	1,325
TOTAL	**23,874**	**923**	**66**	**27**	**26**	**24,916**

The following table provides an overall analysis of the aging of financial assets as at 31 December 2008:

In EUR million	Current	1-12 months	12-24 months	24-36 months	> 36 months	Total
Available-for-sale investments	7,220	-	-	-	-	7,220
Fair value through income	153	-	-	-	-	153
Derivative instruments	16	-	-	-	-	16
Loans and receivables	8,868	438	-	2	-	9,309
Reinsurance assets	1,228	23	-	-	-	1,251
Insurance receivables	3,113	136	25	7	50	3,330
Taxes receivable	85	-	-	-	-	85
Other accounts receivable	339	8	12		-	359
Cash and cash equivalents	1,783	-	-	-	-	1,783
TOTAL	**22,806**	**605**	**37**	**9**	**50**	**23,506**

Financial assets have been aged within the above aging analysis according to their original due date. The due date for each of these instruments may vary dependent on the nature of the asset. Reinsurance assets and insurance receivables business credit terms are typically based on normal terms of trade, as specified within contracts. Insurance receivables include estimates, which are presented as current. The available-for-sale investments and fair value through income categories presented above include fixed income securities and equity securities. For fixed income securities, amounts are only presented as non-current if the security has not been redeemed on the date of maturity and therefore the amount receivable is past due. For equity securities, due to the absence of a contractual date of redemption, these instruments are presented as current. Other assets presented in the above aging analysis, including derivative instruments, loans and receivables, cash and cash equivalents and other accounts receivable, are presented in a similar manner as those instruments described above, dependent on the existence of a redemption date.

Impairment information relating to financial assets is included in Note 6, - Investments, Note 7 - Loans and receivables, and Note 10 - Accounts receivables and debts with cedants and retrocessionaires and Note 20 – Investment income.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments. SCOR does not currently face substantial liquidity issues in the short term due to limited obligations related to financial instruments and the significant level of cash and short term investments, EUR 1.7 billion at 31 December 2009 (2008: EUR 3.7 billion).

Liquidity risk is described in the 2009 Registration Document in Section 4.3.1- We face liquidity requirements in the short to medium term.

Maturity profiles

SCOR Global P&C

The technical reserves of SCOR Global P&C are established on an undiscounted basis (except workers compensation in the USA). The table below includes the estimated maturity profiles of the Non-Life insurance liabilities based on payment patterns derived from historical data.

Non-Life insurance liabilities[1] In EUR million	**0-1 year**	**1-3 years**	**3-7 years**	**> 7 years**	**Total**
As at 31 December 2009	3,297	3,103	2,543	1,346	10,291
As at 31 December 2008	2,997	3,435	2,678	1,116	10,226

(1) The maturity profile patterns presented above have been revised to most appropriately reflect the basis of the Group's management of claims liabilities.

The analysis of the balance sheet reserve movements, including net paid losses is included in Note 16 - Contract liabilities.

SCOR Global Life

The cash flows of the life business have been prepared on a best estimates basis. The amounts below represent the estimated timing of the net cash flows resulting from recognised insurance liabilities. For long term life reinsurance, benefit payments are typically settled net of premiums (for treaties with periodic premium payments). Where reserves are deposited with the client, the settlement normally also includes certain other account items, primarily the release of the deposits. For contracts where deposits may be used to offset the amounts settled between SCOR and its cedants, the cash flows have been projected on a net basis.

The table below reflects net cash outflows.

Life Insurance liabilities In EUR million	**1-5 years**	**6-10 years**	**> 10 years**
As at 31 December 2009	425	281	1,246
As at 31 December 2008	231	402	1,842

The amount of gross deposits which have been netted against expected life benefits are EUR 3 898 million and EUR 3,978 million in 2009 and 2008, respectively.

Financial debt and OCEANE financial debt repayable 1 January 2010

Maturity profiles have been prepared based on undiscounted contractual maturities and include contractual interest payments. In the case of perpetual debt, or debt which is subject to multiple redemption dates, the analysis below assumes such debt is redeemed on the first possible redemption date. Of the amounts below, EUR 312 million (2008: EUR 263 million) relates to variable rate debt.

At 31 December 2009		**Debt maturity profiles**			
In EUR million	**Interest rate ranges**	**Less than 1 year**	**Between 1 to 5 years**	**Greater than 5 years**	**TOTAL**
Subordinated debt	1.50% - 6.15%	189	116	280	585
Other financial debt	1.20% - 4.30%	10	98	64	172
TOTAL		**199**	**214**	**344**	**757**
OCEANE FINANCIAL DEBT REPAYABLE 1 JANUARY 2010	**4.12%**	**191**	**-**	**-**	**191**

At 31 December 2008 In EUR million	Interest rate ranges	Debt maturity profiles Less than 1 year	Between 1 to 5 years	Greater than 5 years	TOTAL
Subordinated debt	2.27% - 7.48%	33	276	459	767
Convertible debt	4.12% - 4.65%	19	200	0	219
Other financial debt	4.23% - 5.93%	54	88	27	168
TOTAL		**105**	**565**	**485**	**1 155**

The previous tables are based on the IFRS 7 disclosure requirement and do not represent the intention of the Group to call the debt back before maturity.

Maturity analyses of financial assets that are held for managing liquidity risk are presented within Note 6 – Insurance business investments.

The Group holds a finance lease which contains an option to purchase an investment property at the end of the lease term. The amount of the minimum payments and their discounted values are presented within Note 5 – Tangible assets and real estate investments. In addition, various entities in the Group rent their office headquarters. The minimum payments relating to these operating leases are presented within Note 5 – Tangible assets and real estate investments.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and equity price risk.

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This risk is more fully described in the 2009 Registration Document in Section 4.2.4 – We are exposed to currency risk.

(b) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate fluctuations have direct consequences on the market value of our fixed-income investments and therefore on the level of unrealised capital gains or losses of the fixed-income securities held in our portfolio. The return on the securities held also depends on changes in interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

Investments

The Group's objective is to maintain an appropriate mix of fixed and variable rate instruments. It also manages the maturities of interest bearing financial assets. Interest rate risk relating to investments is more fully described in the 2009 Registration Document in Section 4.2.1 – We face risks related to our fixed income investment portfolio.

Financial debt

Financial debt is not carried at fair value. For the Group, interest rate risk is limited to the interest paid on variable rate debt.

Insurance liabilities

The Group has certain life insurance contracts which are sensitive to fluctuations in interest rates.

Life

Although in general all long term liabilities are discounted, in most cases there is no immediate accounting impact from a 100 basis point change in interest for the following reasons:

- For the German, Italian, Swiss and Austrian markets, valuation interest rates are typically locked-in at the minimum interest rate guaranteed by the ceding on the deposited assets covering the liabilities.

- For the business written in the United Kingdom, Scandinavia, United States (traditional, non-savings products) and France (excluding Long Term Care), valuation interest rates are locked-in based on a prudent estimate of the expected rate earned on assets held less a provision for adverse deviation.

The life products with guaranteed minimum death benefits (GMDB) are not materially sensitive to 100 basis point decrease in interest rates. An increase in interest rates would not result in a decrease in the level of reserves as the interest rates are locked-in.
The liabilities recorded for the annuity business would not change materially to a 100 basis point change in interest rates as they are linked to account values. However, the shadow accounting would be impacted.

For Long Term Care products in France, ceding companies use valuation interest rates established by French regulators which are linked to some extent, to market rates. Reserve movements reported by ceding companies are influenced by numerous factors, including interest assumptions, where are not distinguished separately. SCOR does not actively revise the valuation interest rates during its reserving process. Due to lack of direct data, the interest rate sensitivity cannot be precisely analysed.

Non-Life

The Group does not consider that it is interest rate sensitive if the interest rates are fixed by local regulators. Additionally, there are no material amounts of discounted reserves in the Non-Life portfolio which would result in interest sensitivities. Finally, for lines of business where there are interest sensitivities at the level of the ceding company and for which no direct information on these sensitivities is submitted to SCOR level (e.g. the bodily injury portion of automobile), SCOR considers that the information provided by the ceding company is not necessarily representative of the evolution in interest rates. The IBNR calculations performed by SCOR using methods other than the loss ratio method do not represent a material portion of the recorded reserves and therefore the sensitivity is not considered material.

(c) Equity price risk

Equity price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group’s equity prices exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices, principally investments in equity securities.

Investments

The majority of the Group’s investments are in debt securities. For investments made in equity securities, the Group’s objective is to develop and manage a high-quality diversified portfolio seeking shares with high dividend payouts. The equity portfolio is regularly monitored.

All investments, whether held directly or in mutual funds, are aggregated and valued on a regular basis. This approach allows for the monitoring of changes in the portfolio and the identification of investments with higher than average volatility. The Group’s exposure is reviewed at regular Investment Committee meetings.

Additional information is included in the 2009 Registration Document in Section 4.2.2 – We face risks related to our equity-based portfolio.

Life

In general, equity movements have no impact on the reported liabilities of the life business as the underlying policies and reinsurance contracts are typically unrelated to equity prices. For some risk premium treaties (where the underlying insurance policies are unit-linked or universal life) the sums at risk and thus the expected claims, vary with the movement of the underlying assets. However, under almost all reinsurance programs, premiums are also linked to the sums at risk such that the liability would not materially change.

The premiums on the Guaranteed Minimum Death Benefit (GMBD) business underwritten by the SCOR Group in the U.S. market vary with the value of the underlying assets rather than the sum at risk. Thus, premiums would decrease under a decline of the equity values whereas the expected claims would increase thus leading to an increase in the liability. However, included in the reserve calculation is a prudent margin for this fluctuation. Accordingly, the level of reserves recorded for this business would remain unchanged in the event of a 10% decrease in equity values. As the valuation assumptions are locked-in, an increase in equity values, resulting in a decrease in the economic liability, would not impact the level of reserves recorded in the financial statements.

Non-Life

The Non-Life business is not sensitive to equity price risk.

Sensitivity to market risk

The following table summarises the accounting sensitivity of the Group's consolidated income and consolidated equity (on a pre-tax basis) to market risks based on reasonably possible movements in key variables with all other variables held constant. The assumptions included are:

(a) Interest rate risk

The interest sensitivities include the movements on the debt security portfolio, cash and cash equivalents, structured notes, the impact of changes in interest rates on variable rate financial debt and the GMDB and annuity business of the life operations in the US.

(b) Equity price risk

SCOR conducted an analysis of the sensitivity of the impairment of equity securities, by applying the accounting policy and application rules set out in 20.1.6.1 (H) to theoretical future market value changes. SCOR estimates that, excluding any impairment arising to duration, a further uniform decline of 10% from 31 December 2009 market values would generate a potential future further impairment of equity securities of EUR 12 million, net of tax (2008: with an equivalent decline, EUR (65) million). It should be noted that this figure should not be scaled up or down as the impairment rules are not a linear function of market value. For example a scenario with a market value decline of 20% would not double the potential further equity impairment.

As previously mentioned, the Life and Non-Life business are not sensitive to equity price movements.

The market sensitivities of the Group are estimated as follows:

In EUR million	31 December 2009 Income [3]	31 December 2009 Equity [3] [4]	31 December 2008 Income [3]	31 December 2008 Equity [3] [4]
Interest +100 basis point [1]	-	(201)	(2)	(188)
% of Equity	-	(5.2)%	(0.1)%	(5.5)%
Interest – 100 basis points [1]	-	204	2	220
% of Equity	-	5.2%	0.1%	6.4%
Equity markets +10% [2]	1	72	3	62
% of Equity	0.0%	1.9%	0.1%	1.8%
Equity markets -10% [2]	(13)	(67)	(65)	(62)
% of Equity	(0.3)%	(1.7)%	(1.9)%	(1.8)%

(1) The impact of interest rate sensitivity on income relates to financial debt at variable rates.
(2) Excludes investments in hedge funds which normally do not have a uniform correlation to equity markets and securities where SCOR has a strategic investment including where the Group has a substantial shareholding but does not meet the "significant influence" criteria in IAS 28.
(3) The reduction in equity represents the estimated net asset impact independently to the amount of impairment recognised in the profit and loss account.
(4) Net of tax at an estimated average rate of 25%.

(c) Currency risk

SCOR has a balance sheet hedging approach whereby there is an objective to match monetary assets and liabilities in each foreign currency so that the fluctuation in the exchange rate has no material impact to the reported net income. The policy is to closely monitor the net monetary currency positions and, where appropriate, execute either cash arbitrages or forward hedges.

In addition, during the year SCOR entered into a net investment hedge to reduce it's exposure to variations in the net assets of USD functional currency subsidiaries. USD debt with a carrying value of USD 100 million was designated as a hedge as at 1 October 2009 and the movement in foreign exchange during the period ended 31 December 2009 reclassified to equity was EUR 1 million.

The Group recognised a net foreign exchange gain of EUR 14 million for the year ended 31 December 2009 (2008: EUR 7 million).

For currency translation risk, the following sensitivity analysis considers the impact in equity of a 10% movement in the exchange rates of the Group's two largest translation risk currency exposures; USD and GBP relative to EUR.

		Equity impact	
In EUR million	Currency movement	2009	2008
USD/EUR	+10%	130	186
% of Equity		3.3%	5.4%
USD/EUR	-10%	(130)	(186)
% of Equity		(3.3)%	(5.4)%
GBP/EUR	+10%	34	28
% of Equity		0.9%	0.8%
GBP/EUR	-10%	(34)	(28)
% of Equity		(0.9)%	(0.8)%

(1) This analysis excludes the impact of hedging activity. During 2009, the Group entered into a net investment hedge to reduce its exposure to variations in the net assets of USD functional currency subsidiaries as described above.

20.1.6.28 NOTE 28 - LITIGATION

The following litigation matters shall be mentioned:

In the United States:

- In August 2006, Highfields Capital LTD, Highfields Capital I LP and Highfields Capital II LP (the "Highfields Funds"), as former minority shareholders of IRP Holdings Limited, a company incorporated in Ireland, commenced an action against SCOR in the Superior Court of the Commonwealth of Massachusetts (the "Highfields Lawsuit"). The complaint in the Highfields Lawsuit, which was served upon SCOR on 18 October 2006, included claims for common-law fraud, negligent misrepresentation and violations of a Massachusetts consumer protection statute arising out of the Highfields Funds' purchase of an equity interest in IRP Holdings Limited in December 2001, and the conditions for setting the price at which the Highfields Funds subsequently sold their interest to SCOR in 2005, a transaction which was highly profitable to the Highfields Funds. The Highfields Lawsuit is similar to a previous lawsuit filed by the Highfields Funds in March 2004 before the U.S. District Court for the District of Massachusetts and which was dismissed for lack of subject matter jurisdiction on 16 August 2006. On 21 March 2007, the Superior Court of the Commonwealth of Massachusetts granted SCOR's motion to dismiss the Highfields Funds' claims under the Massachusetts consumer protection law but denied SCOR's motion to dismiss the remaining claims. On 10 April 2007, the Court denied SCOR's Motion for Summary Judgment on Statute of Limitations Grounds, and on 17 September 2007, the Court denied SCOR's Motion for Partial Summary Judgment seeking dismissal of the Highfields Funds' claim for negligent misrepresentation.

  The current fact discovery deadline in the Highfields Lawsuit ended in principle 17 April 2009. No proceedings beyond that date are presently scheduled. Discovery is now under way April 2009. The parties took the common initiative before the end of this operation to appoint a mediator in order to bring the parties' positions closer and to find a common ground. The mediation was concluded in June 2009. Without admitting any of the merits or faults invoked by the adverse party, the Group agreed upon a settlement agreement putting an end to the litigation having a net impact after tax and after recovery of insurances of EUR 5.6 million in the consolidated financial statements of the first semester 2009.

  On 18 June 2009, SCOR commenced an action before the Commercial Court of Nanterre against an insurance company with respect to the recovery of the attorney's fees and costs arising from the Highfileds litigation covered by the D&O insurance policy.

  SCOR maintains that Highfields' action is without merit and intends to continue to defend itself vigorously. At this stage of the proceedings, we cannot estimate the likelihood or potential amount of any adverse judgment.

- In July 2001, leaseholders of the WTC ("**Silverstein Parties**") purchased a USD 3.55 billion property insurance program covering the World Trade Center ("**WTC**"). SCOR underwrote a 10% quota share of that program as a 100% fronted reinsurer of Allianz Global Risks U.S. Insurance Company ("**Allianz**"). Beginning in October 2001, various claims were brought in U.S. Federal District Court in New York to resolve whether the 11 September 2001 WTC attack constituted one or two occurrences, as well as other coverage disputes ("**WTC Litigation**"). Allianz, as SCOR's 100% fronting company, was a named party to the WTC Litigation. SCOR, as the financially interested reinsurer, was associated in the defence and control of the claim against Allianz. On 6 December 2004, a jury determined that the 11 September 2001 WTC attack constituted two occurrences under the terms of the property insurance policy issued by Allianz. On 18 October 2006, the U.S. Court of Appeals for the Second Circuit affirmed the jury's verdict. The two-occurrence verdict against Allianz did not determine the amount of damages owed by Allianz under its policy. That determination was the subject of the ongoing coverage litigation, as well as a separate court-supervised appraisal proceeding.

  In April 2006, the Silverstein Parties announced their intent to transfer certain WTC reconstruction rights to The Port Authority of New York and New Jersey ("**Port Authority**") thereby extinguishing the Silverstein Parties' right to recover replacement costs for the transferred rights pursuant to the terms of Allianz's coverage. After Allianz refused to waive Allianz's rights under its policy, the Silverstein Parties and the Port Authority initiated a separate lawsuit against Allianz and other insurers in New York state court disputing that the partial transfer extinguished the insurers' obligation to pay replacement costs for the transferred rights. In September 2006, the New York state court ordered all parties to take part in a global settlement mediation in an effort to resolve the claim.

  On 23 May 2007, over SCOR's stated objection as the 100% fronted reinsurer, Allianz accepted a final settlement with the Silverstein Parties and the Port Authority resolving all pending litigation. Under the settlement, Allianz agreed to pay two full limits of coverage, USD 710 million, with the unpaid balance payable in increments through 2010, and conceded a number of valuation and coverage positions that Allianz had been advancing on SCOR's behalf under the Allianz policy, including Allianz's position that any prior or future transfers of development rights by the Silverstein Parties extinguished potential replacement cost claims for the transferred rights. In objecting to the settlement, SCOR advised Allianz that the settlement, by waiving critical coverage and valuation positions under the Allianz policy and foreclosing SCOR from obtaining a merits-based resolution of the claim, did not comply with the terms and conditions of the reinsurance certificate between SCOR and Allianz and contained ex gratia components.

On 27 September 2007, SCOR initiated claims against Allianz in an arbitration proceeding challenging both Allianz's issuance of a policy prior to the loss that did not conform to the terms of coverage agreed by SCOR, as well as Allianz's 23 May 2007 settlement of the claim over SCOR's objection. The arbitration ended on 13 November 2009 by a definitive order from the arbitration panel which considered that Allianz did not exceed its rights and obligations. The additional cost of the coverage of two events, deemed covered by Allianz and by SCOR, amounts to EUR 39 million, net of retrocession and tax. This decision put a definitive end to this litigation between, on one hand, Allianz, reinsured by SCOR, and the Silverstein Parties and, on the other hand, between SCOR and Allianz.

- On 29 April 2006, a fire occurred at Huntsman Corporation's Aromatics and Olefins Plant. Huntsman Corporation ("**Hunstman**") was insured by its "captive" insurer, International Risk Insurance Company ("**IRIC**"), and IRIC was 100% reinsured by various reinsurers, including SCOR UK Company. On 30 August 2007, certain reinsurers, including SCOR UK Company, brought suit in Federal Court in the Southern District of Texas ("**Reinsurers Action**") seeking to compel Huntsman and IRIC to arbitrate their disputes regarding certain coverage and quantum issues that had arisen with reinsurers, and alternatively seeking a declaratory judgment from the Court regarding these issues. Both Huntsman and IRIC filed motions to dismiss the Reinsurers Action. Huntsman later filed suit in Texas State Court against IRIC ("**Huntsman Action**"), who then filed a third-party action against reinsurers in the same matter. Reinsurers sought to remove the Huntsman Action from State Court to Federal Court in the Eastern District of Texas. On 21 September 2007, reinsurers were then successful in getting the Huntsman Action transferred to the Federal Court in the Southern District of Texas (where the Reinsurers Action is now pending). On 4 February 2008, Huntsman filed a motion to have the Huntsman Action sent back to State Court. On 26 September 2008, the Court denied Huntsman and IRIC's motions to dismiss the Reinsurers Action and refused to send Huntsman Action back to State Court. Arbitrability discovery has been ordered and will be conducted absent an agreed resolution of the arbitrability issue.

  On 29 December 2008, Huntsman entered into a Settlement Agreement and Arbitration Submission Agreement (the "**Agreement**") with its reinsurers, including SCOR UK Company, whereby the parties agreed to resolve their disputes regarding certain insurance coverage and quantum issues arising out of the fire and to submit it to an arbitration panel. As part of this Agreement, a subsequent stay order was filed in the litigation pending in the U.S. District Court for the Southern District of Texas. The federal Court has maintained limited jurisdiction to resolve certain issues related to the arbitration. The Huntsman Action and the IRIC action were dismissed with prejudice pursuant to the arbitration Agreement.

  The arbitration is underway and a final ruling is not expected before the end of March 2010.

- The Group is involved in one legal proceeding concerning past environmental claims in Texas. Based on information available to us as at the date of the consolidated financial statements, the Group believes the provisions it has reserved are sufficient to cover this matter.

In addition, as a result of its acquisition of Converium (which has since become SCOR Holding (Switzerland)), SCOR assumes the burden of the following litigation matters:

- On 4 October 2004, the first of several putative securities class action complaints was filed in the United States District Court for the Southern District of New York (the "**Court**") against Converium and several of its officers and directors. The complaints were subsequently consolidated and Public Employees' Retirement System of Mississippi and Avalon Holdings Inc. were appointed lead plaintiffs (the "**Lead Plaintiffs**").

  On 23 September 2005, the lead plaintiffs filed a consolidated amended class action complaint (the "**Complaint**"). In addition to Converium and certain of its officers and directors, the Complaint also names as defendants Zurich Financial Services ("**ZFS**"); UBS AG; and Merrill Lynch International. The Complaint generally alleges that a class of shareholders who purchased shares of Converium between 11 December 2001 and 1st September 2004 were damaged because Converium did not establish adequate loss reserves to cover claims by policyholders; Converium announced reserve increases prior to 20 July 2004 that were insufficient; and, as a result of the foregoing, Converium's earnings and assets were materially overstated. The Complaint asserts claims for violations of Section 10(b) and Section 20(a) of the Securities Exchange Act of 1934 (the "**Exchange Act**") and Sections 11, 12 and 15 of the Securities Act of 1933 (the "**Securities Act**"). The Complaint seeks unspecified monetary damages and other relief.

  On 23 December 2005, the defendants moved to dismiss the Complaint and on 21 April 2006, Lead Plaintiffs moved for leave of Court to file a proposed Consolidated Second Amended Class Action Complaint, to amend their complaint to add, among other things, Securities Act claims based on Converium's 1st March 2006 restatement of its financial accounts from 1998 through 2005.

  On 28 December 2006, the Court issued an Opinion and Order granting in part and denying in part defendants' motions to dismiss the Complaint. The Court dismissed the claims against all defendants alleging violations of Sections 11, 12 and 15 of the Securities Act as well as claims asserting violations of Sections 10(b) and 20(a) of the Exchange Act based upon allegations that Converium misrepresented and omitted material information in its 11 December 2001, initial public offering (the "**IPO**") prospectus and registration statement. The Court denied the motion to dismiss those claims against Converium and its former officers alleging that those defendants violated Section

10(b) and Section 20(a) of the Exchange Act by misrepresenting and omitting material information in various public disclosures following Converium's IPO. In addition, the Court denied Lead Plaintiffs' motion to amend their complaint.

On 12 January 2007, Lead Plaintiffs filed a motion for reconsideration of the Court's 28 December 2006 order. On 9 April 2007, the Court granted Lead Plaintiffs' motion for reconsideration in part and denied it in part. The Court granted Lead Plaintiffs' motion to reconsider its dismissal of Exchange Act claims arising out of the IPO. The Court denied Lead Plaintiffs' motion to reconsider the dismissal of the Securities Act claims, as well their motion to file a Consolidated Second Amended Class Action Complaint.

On 24 August 2007, Lead Plaintiffs filed a Motion for Preliminary Approval of Proposed Settlement with ZFS. Under the terms of the Proposed Stipulation of Settlement, ZFS is to pay USD 30 million in cash for the benefit of a Settlement Class. The Settlement Class includes persons who purchased American Depositary Shares and Swiss shares purchased on the Swiss Stock Exchange, including persons who reside abroad, during the period 11 December 2001 through 2 September 2004.

On 4 September 2007, the Court preliminarily approved the settlement. If the settlement obtains final approval, it would resolve the claims of the Settlement Class asserted against ZFS (and against certain other defendants as set forth in the Stipulation of Settlement, including all of Converium's former directors). A fairness hearing on the settlement has not yet been scheduled.

On 14 September 2007, the Court issued an opinion rejecting certain additional arguments raised by Converium and the officer defendants in their motion to dismiss with regard to Lead Plaintiffs' Exchange Act claims that it had not ruled on in its initial decision or its reconsideration decision.

By Orders dated 6 March and 19 March 2008, the Court certified a class of plaintiffs consisting of all U.S. residents who purchased Converium Securities on the SWX Swiss Exchange and all persons who purchased Converium or in the American Depository Shares ("**ADSs**") on the New York Stock Exchange (NYSE) from 7 January 2002 through 2 September 2004 (the "**Class**"). The Court specifically excluded from the Class all non-US purchasers of Converium Securities on the SWX Swiss Exchange.

On 20 March 2008, Lead Plaintiffs filed a motion for reconsideration of the ruling of the 6 March and 19 March 2008 Orders.

On 26 March 2008, Lead Plaintiffs moved for leave to file a second amended complaint.

On 6 May 2008, following several mediation sessions before the Honourable Daniel Weinstein (Ret.), a Memorandum of Understanding was entered to pursuant to which the Lead Plaintiffs and SCOR Holding (Switzerland) agreed to settle the claims and/or potential claims of the certified Class before the U.S. Court and the claims of non-U.S. purchasers of Converium securities in a proceeding in the Netherlands for an aggregate amount of USD 115 million (pre tax and before D&O recoveries).

On 25 July 2008, SCOR Holding (Switzerland) executed a definitive settlement agreement in the U.S. class action. On 12 December 2008, the U.S. Court issued an Order and Final Judgment approving the settlements as fair, reasonable and adequate and dismissing with prejudice all claims against the defendants in the action, including those asserted against SCOR Holding (Switzerland) and certain of its former officers and directors.

On 9 January 2009, plaintiff Michael Rubin filed an appeal with the Second Circuit Court of Appeals of (i) that portion of the District Court's 28 December 2006 Order dismissing plaintiffs' Securities Act claims as untimely; (ii) that portion of the District Court's 28 December 2006 Order denying plaintiffs' motion to amend the complaint; and (iii) the Districts Court's 12 December 2008 Order and Final Judgment. An agreement was finally concluded with the plaintiff and the settlement became final on 17 June 2009.

SCOR negotiated a definitive agreement for the settlement of the claims of non-U.S. purchasers of Converium securities. A petition will be submitted within the next weeks before the Court of Appeal of Amsterdam, in the Netherlands, which is the only Court likely to maintain jurisdiction in order to grant a legal ground to the payment of indemnification to the shareholders not residing in the US homogeneous with the indemnification received by the US shareholders. The proceeding before this Court in relation to its jurisdiction and is being carefully followed with by SCOR but the process may be long. The Court may take more than six months to issue an order upon the eligibility of SCOR's petition.

Moreover, on 19 May 2008, SCOR Holding (Switzerland) initiated an arbitration proceeding in Switzerland against its D&O carriers. On 11 July 2008, a settlement agreement between SCOR Holding (Switzerland) and some of these insurers was concluded, pursuant to which SCOR Holding (Switzerland) received CHF 65 million. The arbitration proceeding with the others D&O carriers is underway.

At the same time, SCOR filed a petition before the Commercial Court of Zurich against two other D&O carriers. This procedure is in parallel with the arbitration proceeding in Switzerland against its D&O carriers.

No final decision is expected on these two proceedings before the end of 2010.

In Europe:

- On 29 January 2008, the Spanish competition authority (*Comisión Nacional de la Competencia*, the "**CNC**") commenced a sanctioning procedure against SCOR Global P&C SE Ibérica Sucursal, a branch of SCOR Global P&C, and a number of other insurance and reinsurance companies for alleged antitrust practices to set the commercial conditions applied to customers in relation to the decennial insurance for construction that could result in an infringement of Article 1 of Law 15/2007, of 3 July 2007, on Competition (the "**Competition Act**") (which prohibits agreements and concerted practices that may have as an object or effect the restriction of competition in the market).

  After an initial investigatory phase, the Directorate of Investigation of the CNC has confirmed its initial accusation and has sent the file to the Council of the CNC for a final decision. The CNC issued its decision on 12 November 2009, which puts and end to the proceeding regarding the decennial insurance against, inter alia, SCOR Ibérica Sucursal. The fine amounts to EUR 18.599 million for SCOR which is sanctioned along with other insurers and reinsurers within the construction market in Spain. SCOR has decided to appeal this decision before the Administrative Chamber of the National Hearing and filed an appeal on 21 December 2009. SCOR intends to assert strong arguments, concerning both the proceedings and the substance of the litigation, as well as upon the calculation of the fine and its proportionality.

  SCOR is confident in the success of this appeal with regards to the merits of its argument, upon the calculation of the reinsurance prices as well as upon the excessive amount of the fine.

SCOR and its subsidiaries are involved in legal and arbitration proceedings from time to time in the ordinary course of their business. Nevertheless, other than the proceedings mentioned above, to the knowledge of SCOR, as at the date of the financial statements herein, there are no other litigation matters likely to have a material impact on the financial position, business or operating income of SCOR.

20.1.6.29 NOTE 29 - SUBSEQUENT EVENTS

The earthquake that hit the Port-au-Prince area (Haiti) on 12 January 2010 is likely to have an impact upon various contractual obligations carried by SCOR, upon reinsurance treaties benefiting to local cedants as well as facultatives relating to industrial equipment or communication infrastructure. As at the date of this Registration Document, the valuations remain uncertain, due to the difficulties to communicate with the economic players in Haiti. The total damage could also impact the Life business and results.

20.2 Auditing of historical consolidated financial information

In application of the EC Commission Regulation No. 809/2004, the following information is included by reference in this Registration Document:

(i) The report from the Statutory Auditors on the consolidated financial statements for the financial year ending 31 December 2008 published pages 252 to 254 of the registration document filed with the *Autorité des Marchés Financiers* on 5 March 2009 under Number D. 09-0099

(ii) The report from the Statutory Auditors on the consolidated financial statements for the financial year ending 31 December 2007 published pages 292 to 295 of the registration document filed with the *Autorité des Marchés Financiers* on 28 March 2008 under Number D. 08-0154.0

The report from the Statutory Auditors on the consolidated financial statements for the financial year ended 31 December 2009 is reproduced below:

Report of Statutory Auditors on the consolidated financial statements

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the financial statements. This information includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting matters. These assessments were made for the purpose of issuing an opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements. The report also includes information relating to the specific verification of information in the Group management report.

This report, together with the statutory auditors' report addressing financial and accounting information in the Chairman's report on internal control, should be read in conjunction with, and is construed in accordance with French law and professional auditing standards applicable in France.

Statutory Auditors' Report on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of SCOR SE for the year ended 31 December 2009.

These consolidated financial statements have been approved by the Board of Directors at their meeting on 2 March 2010. Our role is to express an opinion on these financial statements, based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes verifying, by audit sampling and other selective testing procedures, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used, the significant estimates made by the management, and the overall financial statements presentation. We believe that the evidence we have gathered in order to form our opinion is adequate and relevant.

In our opinion, the financial statements give a true and fair view of the assets, liabilities, financial position and results of the consolidated group in accordance with the accounting rules and principles applicable under IFRS, as adopted by the European Union.

Without qualifying our opinion, we draw attention to the matters discussed in the note 1 - "accounting principles and methods" – paragraph (D) regarding the IFRS standards effective during the period and early adopted especially IAS 27 A "Consolidated and Separate Financial Statements" and IFRS 3 (revised) "Business Combinations " and related revisions to IAS 27 "Consolidated and Separate Financial Statements".

II. Justification of our assessments

Accounting estimates used to prepare the consolidated financial statements as at 31 December 2009 have been assessed in high market volatility and an uncertain economic future environment. In this context, and in accordance with the requirements of Article L. 823-9 of the French Commercial Code (Code de Commerce), we have performed our own assessments that we bring to your attention on the following matters:

- Within the framework of our assessment of the accounting rules and policies followed-up by our company, we ensured ourselves of the reasonableness of the change in accounting methods mentioned above and of the presentation thereof.

- Notes 1- "(G) real estate investments", 1 - "(H) financial instruments", 5, 6 and 8 to the consolidated financial statements describe the principles and methods used to estimate the valuation and impairment of investments and derivative instruments.

  In the specific context of the financial crisis, we examined the control system in place, detailed in note 27 to the consolidated financial statements, relative to the inventory of direct and indirect exposures, and the system in place for their assessment, as well as the valuation methods and write-down policies applicable to certain financial instruments. We have obtained assurance that the information provided in the aforementioned notes is appropriate, and that the approaches and policies described were properly applied by the Group.

- Notes 1 - "(F) intangible assets", 3 and 4 to the consolidated financial statements describe the principles and methods used to assess the valuation of goodwill and the value of business acquired for the Life and Non-Life reinsurance portfolios. The methods used to carry out these annual impairment tests are described in note 4 to the consolidated financial statements.

  We have examined the approaches used in the impairment tests, the cash flow forecasts and the consistency of the assumptions used. We have verified that the information described in note 4 to the consolidated financial statements is appropriate.

- Notes 1 - "(R) Taxes" and 19 to the consolidated financial statements describe the principles and methods used to perform the valuation of deferred tax assets as well as the deferred tax assets impairment test.

  We have assessed the approaches used in this impairment test, the forecasted cash flows and the assumptions made. We have verified that the information described in note 1 - "(R) Taxes" to the consolidated financial statements is appropriate.

- As stated in notes 1 - "(B) Use of estimates", 1 - "(N) Accounting principles and methods specific to reinsurance business", 7, 10, 11 and 16 to the consolidated financial statements, the technical accounts specific to reinsurance are estimated on the basis of reinsurance commitments or on statistical and actuarial bases, particularly in the case of accounts not received from cedants recognised as receivables, technical reserves, and deferred acquisition costs. The methods used to calculate these estimates are described in the notes to the consolidated financial statements.

  Our audit work consisted in assessing the data and assumptions on which the estimates are based, in reviewing the company's calculations, in comparing estimations from prior periods with actual outcomes, and in examining senior management's procedures for approving these estimates.

- Note 3 - "Acquisition of XL Life America Inc. (XLRLA)" to the consolidated financial statements describes the methods and assumptions used for the provisional valuation of net assets, and by comparison with the acquisition price, of the negative goodwill following the acquisition of XL RLA. Note 3 - "Acquisition of Prévoyance Ré" to the consolidated financial statements describes the methods and assumptions used to determine the final net assets, and by comparison with the acquisition price, the goodwill recorded following the acquisition of Prévoyance Ré.

  Our audit consisted of assessing the reasonableness of the assumptions used by the management and in verifying calculations leading to the company valuation.

- Note 28 "Litigation" to the consolidated financial statements describes the litigation encountered by the Group.

  We examined the Group's procedures to identify these risks, to evaluate and reflect them in the financial statements.

- Notes 1 - "(O) pension obligations and related benefits" and 15 to the consolidated financial statements specify the valuation methods applied to pension obligations and other related obligations.

  Our work consisted of assessing the data and assumptions used, reviewing the company's calculations and verifying that the information in notes 1 - "(O) pension obligations and related benefits" and 15 to the consolidated financial statements are appropriate.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole and therefore served in forming our audit opinion expressed in the first part of this report.

III. Specific verification

We have also performed the specific verifications required by law in accordance with professional standards applicable in France

We have no matters to report regarding its fair presentation and conformity with the consolidated financial statements.

Paris-La Défense,
2 March 2010

The statutory Auditors

MAZARS	ERNST & YOUNG AUDIT
Michel BARBET-MASSIN	Pierre PLANCHON

Other information audited by the legal controllers

The Registration Document as a whole is the subject of a review completion letter sent by the statutory auditors to SCOR.

The Report by the Chairman of the Board of Directors on the conditions for the preparation and organisation of the work of the Board of Directors and on internal control procedures, pursuant to Article L. 225-37 of the French Commercial Code, featured in Appendix B, has been the subject of a report by the SCOR statutory auditors, which is also included in Appendix B.

The third-party agreements executed in 2009 or continued during 2009, as defined by Articles L. 225-38 and following of the French Commercial Code, listed in Section 19.3, have been the subject of a specific report by the statutory auditors.

The SCOR corporate accounts for the financial periods ending 31 December 2009, 2008 and 2007, included respectively in Appendix A of this Registration Document, at pages 286 to 324 of the registration document filed with the Autorité des marches financiers on 5 March 2009 under the number D. 09-0099 and at pages 147 to 185 of the registration document filed with the Autorité des marches financiers on 28 March 2008 under the number D. 08-0154, have been the subject of reports by the statutory auditors, featured respectively in Appendix A of this Registration Document, at pages 325 to 327 of the registration document filed with the Autorité des marches financiers on 5 March 2009 under the number D. 09-0099 and at pages 289 to 292 of the registration document filed with the Autorité des marches financiers on 28 March 2008 under the number D. 08-0154.

20.3 Sources of financial information not extracted from the audited financial statements of the issuer and indication of such absence of audit

Not applicable

20.4 Date of most recently audited financial information

31 December 2009.

20.5 Interim and other financial information

Not applicable.

20.6 Dividend distribution policy

The resolution to be presented to the Annual General Meeting to approve, during the first half of 2010, the accounts for the financial year 2009, sets out the distribution of a dividend of EUR 1 per share for the financial year 2009.

The statute of limitations for dividends is 5 years. Dividends whose payment has not been requested shall be allocated to the administration de domains.

See also Section 20.1.6 – Notes to the consolidated financial statements, Note 24 - Earnings per share.

20.7 Litigation and arbitration procedures

Please see Section 20.1.6.28 – Note 28 – Litigation.

20.8 Material change in financial or commercial situation

No material change has occurred in the Group’s financial or commercial situation since the end of the financial year 2009.

Additional information

ADDITIONAL INFORMATION

21 ADDITIONAL INFORMATION

21.1 Share capital

21.1.1 AMOUNT OF ISSUED CAPITAL AND ADDITIONAL INFORMATION

Date	Amount of capital subscribed In EUR	Number of shares outstanding
5 June 2008	1,450,523,984.67	184 147 402
31 December 2008	1,451,304,080.62	184 246 437
3 March 2009	1,450,523,984.67	184 147 402
31 December 2009	1,458,917,914.79	185,213,031
2 March 2010	1,457,885,613.93	185,081,978

All SCOR shares outstanding are fully paid up.

In accordance with the decision of the Combined Shareholders' Meeting on 16 May 2006 in its seventeenth resolution, to consolidate the shares comprising the share capital of SCOR in the ratio of one new share with a par value of EUR 7.8769723 (the "**New Shares**") for 10 existing shares with a par value of EUR 0.78769723 per share (the "**Old Shares**") and the decision of the Board of Directors of the Company on 7 November 2006, the Chairman and Chief Executive Officer noted on 15 December 2006 and 3 January 2007:

- that the reverse stock-split of SCOR shares would take place on 3 January 2007; and
- that prior to the reverse stock-split, the share capital would be reduced by a nominal amount of EUR 3, corresponding to the nominal amount of 4 SCOR shares (as a result of the cancellation of 4 treasury shares in order to obtain a number of outstanding Old Shares in circulation that was a multiple of 10).

The reverse stock-split took place on 3 January 2007 by an automatic exchange of ten (10) Old Shares for one (1) New Share. A residual proportion of the share capital, corresponding to the fractional Old Shares in the respective portfolios of the shareholders, initially continued to be listed and traded on the Eurolist by Euronext Paris S.A. market in the form of Old Shares to enable holders of Old Shares to sell or obtain a whole number of shares. The corresponding New Shares were held by the Company and could be exchanged on request by holders of Old Shares until 3 January 2009. The Old Share listing line was closed on 3 July 2007. The New Shares corresponding to the Old Shares the combination of which had not been requested by their holders on 3 January 2009 have been sold on the market by SCOR, and the corresponding Old Shares have been cancelled.

Pursuant to the fourth resolution passed by the Extraordinary Shareholders' Meeting of the Company on 18 May 2004, which decided to authorise the Board of Directors to grant officers and employees of the Company options carrying the right to subscribe to new shares in the Company, or to purchase existing shares of the said Company and granting the Board with the powers to note where applicable, at its first meeting from the close of the Company's financial year, the number and amount of new shares issued during the said fiscal year as a result of the exercise of options, the Board of Directors of SCOR noted, on 3 March 2009, the capital increase of SCOR of EUR 1,020,375.11 through the issue of 129,539 new shares, each with a par value of EUR 7.8769723.

Pursuant to the eighteenth resolution passed by the Extraordinary Shareholders' Meeting of the Company on 7 May 2008, which decided to authorise the Board of Directors to reduce the share capital by cancellation of treasury shares, the Board of Directors of SCOR, on 3 March 2009, decided to reduce the share capital of SCOR of EUR 1,020,375.11 through the cancellation of 129,539 treasury shares, each with a par value of EUR 7.8769723.

The holders of bonds convertible and/or exchangeable into new or existing SCOR shares (OCEANEs) had the option until 22 December 2009 included to exercise their share allotment right at rate of 0.117 SCOR share for each OCEANE exercised. On 23 December 2009, the Company acknowledged the conversion of 7,987,792 OCEANEs, resulting in the creation of 934,576 new SCOR shares. The OCEANEs non-exercised were reimbursed in cash. In compliance with Article L. 225-149 of the French Commercial Code, the Board of Directors, on 2 March 2010, acknowledged that 934,576 shares of a nominal value of EUR 7.8769723 each have been created on 31 December 2009 and that it resulted in an increase in capital of a total nominal amount of EUR 7,361,629.26 to the benefit of the holders of OCEANEs. The Board of Directors also brought the necessary amendments to the bylaws provisions relating to the share capital and to the number of shares composing it.

According to the decision of the Extraordinary Shareholders General Meeting of the Company dated 18 May 2004, in its fourth resolution to authorise the Board to grant to officers and employees options to subscribe for or purchase of shares and to acknowledge, if necessary, at its first meeting following the year end of the Company, the number and amount of new shares issued during that period following the exercise of options, the Board of Directors of SCOR acknowledged, on 2 March 2010, the capital increase of EUR 84,322 by creation of 10,705 shares with a nominal value of EUR 7.8769723 each.

Pursuant to the decision of the Extraordinary Shareholders General Meeting of the Company dated 15 April 2009, in its twenty-first resolution to authorise the Board to reduce the share capital by cancellation of treasury shares, the Board of Directors of SCOR decided on 2 March 2010 the share capital reduction of EUR 1,116,623.84 by cancellation of 141,758 new treasury shares with a nominal value of EUR 7.8769723 each.

As a result, on the date of the Registration Document, the share capital of SCOR was EUR 1,457,885,613.93 divided into 185,081,978 shares each with a par value of EUR 7.8769723.

To the Company's knowledge, there is no significant pledge on the SCOR's shares.

Refer to Section 20.1.6.26 – Note 26 – Commitments received and granted for a description of the pledges on the Company's assets.

Number of shares authorised for convertible securities and under stock option plans

	At 31 Dec. 2008	At 31 Dec. 2009	On the date of the Registration Document		
OCEANE	-	-	-	**Interest-bearing date of the OCEANE**	**Normal amortisation date**
	10,470,000	-	-	2 August 2004	1 January 2010
Stock option plans	-	-	-	**Date of availability of options**	**Expiration date**
28 Feb 2003	101,577	100,357	100,357	28 Feb 2007	27 Feb 2013
03 June 2003	132,311	126,022	126,022	03 June 2007	02 June 2013
25 Aug 2004	345,432	226,538	221,833	26 Aug 2008	25 Aug 2014
16 May 2005	578,377	510,090	510,090	16 Sept 2009	16 Sept 2015
14 Sept 2006	734,594	695,384	695,384	15 Sept 2010	14 Sept 2016
14 Dec 2006	371,000	198,500	198,500	15 Dec 2010	14 Dec 2016
13 Sept 2007	1,138,000	1,069,500	1,069,500	13 Sept 2011	13 Sept 2017
22 May 2008	279,000	279,000	279,000	22 May 2012	21 May 2018
10 Sept 2008	1,199,000	1,183,000	1,183,000	10 Sept 2012	9 Sept 2018
23 March 2009	-	1,403,500	1,403,500	23 March 2013	22 March 2019
25 Nov. 2009	-	88,500	88,500	25 Nov. 2013	24 Nov. 2019
Total	**15,349,291**	**5,880,391**	**5,875,686**		

	- Number initially authorised (date of the Shareholder's Meeting) - Outstanding number at the date of the Registration Document
Delegation of powers granted by the Extraordinary Shareholders' Meeting of 15 April 2009	
16th resolution (Delegation of powers to the Board of Directors for the purpose of deciding upon the incorporation of profits, reserves or premiums into the share capital)	25,390,466 shares (15 April 2009) 25,390,466 shares (Date of the Registration Document)
17th resolution (Delegation of authority granted to the Board of Directors for the purpose of deciding on the issuance of shares and/or of securities granting access to capital or giving entitlement to a debt instrument, without cancellation of preferential subscription rights)	76,171,399 shares (15 April 2009) 76,171,399 shares (Date of the Registration Document)
18th resolution (Delegation of authority granted to the Board of Directors for the purpose of deciding on the issuance of shares and/or of securities granting access to capital or giving entitlement to a debt instrument, with cancellation of preferential subscription rights)	36,816,176 shares (15 April 2009) 36,816,176 shares (Date of the Registration Document)
20th resolution (Authorisation granted to the Board of Directors for the purpose of the issuance of shares and/or securities granting access to the Company's capital or giving entitlement to a debt instrument, as remuneration for shares contributed to the Company in the context of any public exchange offer launched by the Company or of any contributions in kind within a limit of 10% of the share capital)	36,816,176 shares (15 April 2009) 36,816,176 shares (Date of the Registration Document)
Authorisations for share issues granted by the Extraordinary Shareholders' Meeting of 15 April 2009	
19th resolution (Authorisation granted to the Board of Directors for the purpose of increasing the number of shares issued in the event of over-subscription to the share capital increase, with or without cancellation of preferential subscription rights)	16,948,136 shares (15 April 2009) 16,948,136 shares (Date of the Registration Document)
22nd resolution (Authority to issue shares for stock option plans)	3,000,000 shares (15 April 2009) 2,911,500 shares (Date of Registration Document)
23rd resolution (Authority to issue shares under free share allotment plans)	3,000,000 shares (15 April 2009) 2,795,500 shares (Date of Registration Document)
24th resolution (Share capital increase reserved for employees of the Group)	3,000,000 shares (15 April 2009) 3,000,000 shares (Date of Registration Document)
25th resolution (Aggregate ceilings of the capital increases)	110,561,865 shares (15 April 2009) 110,268,865 shares (Date of Registration Document)
Total	**110,561,865 shares (15 April 2009) 110,268,865 shares (Date of Registration Document)**

The delegations of powers granted by the Shareholders' Meeting of 15 April 2009 are each granted for a twenty-six (26) months duration as from the date of the Shareholders' Meeting, i.e. until 15 June 2011, date on which it will be deemed expired if the Board of Directors did not use it.

The authorisations granted by the Shareholders' Meeting of 15 April 2009 are each granted for an eighteen (18) months duration as from the date of the Shareholders' Meeting, i.e. until 15 October 2010, date on which it will be deemed expired if the Board of Directors did not use it.

The total number of shares authorised at the date of the Registration Document, including the shares (i) to be issued in connection with the implementation of stock option plans or (ii) that could be issued under current authorisations is 116,144,551.

21.1.2 EXISTENCE OF NON-EQUITY SHARES

Not applicable.

21.1.3 NUMBER AND VALUE OF DIRECTLY OR INDIRECTLY HELD TREASURY SHARES

The description of the stock buyback program implemented under the 6th resolution of the Annual Shareholders' Meeting of 15 April 2009 was published by the Company on 22 April 2009. The report of the Board of Directors of the Company to the Annual Shareholders' Meeting to be held in the first half of 2010 on the use of the 6th resolution will be made available to SCOR shareholders under the conditions set forth by law.

Moreover, SCOR reactivated on 3 October 2008 the liquidity agreement concluded with Exane BNP Paribas and allocated to this agreement 200,000 SCOR's shares and EUR 3,000,000 (in liquid assets).

In the context of the above mentioned buyback program and this liquidity agreement were as follows: SCOR proceeded, during the financial year 2009, to:

- the purchase of 4,328,112 treasury shares,
- the sale of 2,169,065 treasury shares,
- the transfer of 686,751 treasury shares.

On 31 December 2009, SCOR held 6,599,717 shares compared with 4,904,551 shares at 31 December 2008. The par value of these treasury shares is EUR 51,985,788 and their book value is EUR 107,242,402.

The tables hereunder detail the evolution of the trading rates of the operations on treasury shares as well as the allocation by objectives.

Month	Average monthly trading rate for purchases In EUR	Average monthly trading rate for sales In EUR	Total monthly amount of trading fees In EUR	Number of shares purchased	Number of shares sold
January 2009	15.535	15.822	2,194.86	431,275	307,896
February 2009	15.222	15.419	NA	324,245	298,718
March 2009	15.030	15.166	1,465.68	597,180	343,915
April 2009	15,635	15.888	NA	331,208	308,908
May 2009	15.239	15.473	NA	329,614	290,489
June 2009	14.681	14.770	NA	308,885	265,611
July 2009	15.263	15.401	1,344.78	309,327	327,831
August 2009	17.644	17.742	NA	154,184	205,572
September 2009	18.308	18.354	NA	329,304	371,942
October 2009	18.217	18.299	NA	291,507	210,148
November 2009	16.905	17.022	4,756.15	594,078	277,353
December 2009	17.106	17.000	29,944.83	1,727,083	5,000

Objective	Number of shares as at 31/12/2008	Reallocation during the financial year	Nominal value In EUR	Percentage of share capital
1.Stimulation of the secondary market or the liquidity of the Company's shares by an investment services provider through a liquidity agreement compliant with a professional ethics charter recognised by the Financial Markets Authority	646,934	-	5,095,881.20	0.35 %
2Implementation of any stock option plan of the Company within the framework of the provisions of Articles L. 225-177 *et seq*. of the French Commercial Code	-	-	-	-
3.Free allotment of shares to employees and/or company representatives	5,952,783	-	46,889,906.80	3.21 %
4.Allotment of shares to employees and, where applicable, company representatives for the purpose of participating in the results of the company's expansion and implementing any company savings plan, under the conditions specified by law, in particular within the framework of Articles L. 443-1 et seqq. of the French Labour Code	-	-	-	-
5.Purchasing of shares for keeping and later remittal for exchange or as payment within the framework of possible external growth operations	-	-	-	-
6.Remittal of shares during the exercise of rights attached to securities giving access to the capital	-	-	-	-
7.Cancellation of the shares bought back in this way, within the limits established by law	-	-	-	-

21.1.4 AMOUNT OF CONVERTIBLE SECURITIES, EXCHANGEABLE SECURITIES OR SECURITIES WITH SUBSCRIPTION WARRANTS

As at 31 December 2009, the bonds convertible and/or exchangeable for new or existing shares of SCOR (OCEANEs) represented a debt of an amount of EUR 191 million. Such loan has been repaid on 4 January 2010.

Refer also to Section 20.1.6 – Notes to the Consolidated Financial Statements - Note 14: Financial debt.

21.1.5 INFORMATION ABOUT AND TERMS OF ANY ACQUISITION RIGHTS AND/OR OBLIGATIONS OVER AUTHORISED BUT UNISSUED CAPITAL OR AN UNDERTAKING TO INCREASE THE CAPITAL

Refer to:

- Section 15.1.3 – Remuneration in the form of options and share allocation,
- Section 17.2 – Information on shareholding and stock options for members of the administrative and management bodies,
- Section 17.3 - Plans providing employee participation in Company,
- Appendix A – Notes to the Corporate Financial Statements – Note 12: Stock Options,
- Section 20.1.6 – Notes to the Consolidated Financial Statements – Note 17: Provisions for employee benefits, and
- Section 21.1.1 – Amount of issued capital and additional information.

21.1.6 INFORMATION ABOUT ANY CAPITAL OF ANY MEMBER OF THE GROUP WHICH IS UNDER OPTION OR AGREED CONDITIONALLY OR UNCONDITIONALLY TO BE PUT UNDER OPTION AND CHARACTERISTICS OF SUCH OPTIONS

Refer to:

- Section 15.1.3 – Remuneration in the form of options and share allocation,
- Section 17.2 – Information on shareholding and stock options for members of the administrative and management bodies,
- Section 17.3 – Plans providing employee participation in Company,
- Appendix A – Notes to the Corporate Financial Statements – Note 12: Stock Options,
- Section 20.1.6 - Notes to the Consolidated Financial Statements – Note 17: Provisions for employee benefits, and
- Section 21.1.1 – Amount of issued capital and additional information.

The shares of Group's companies other than SCOR are neither under option nor agreed to be put under option.

21.1.7 HISTORY OF THE COMPANY'S SHARE CAPITAL FOR THE PERIOD COVERED BY THE HISTORIC FINANCIAL INFORMATION

Change in capital	Changes: New Shares[12] Issue price (in EUR)	Number	Share capital (in EUR)	Additional paid-in capital (in EUR)	Successive amounts of capital (in EUR)	Cumulative number of shares (in New Shares)
31/12/2005					**763,096,713**	**96,876,907**
Exercise of subscription options	-	None	None	None	-	-
Conversion of OCEANE	-	None	None	None	-	-
Capital increase[13]	17.50	21,528,201	169,577,046.1	207,166,478.4	-	-
31/12/2006					**932,673,759**	**118,405,108**
Exercise of subscription options	-	None	None	None	-	-
Conversion of OCEANE	-	None	None	None	-	-
Reverse stock split[14]	-	-	(3)	-	-	-
Capital increase[15]	21	14,331,037	112,885,181.48	188,066,597.5	-	-
Capital increase[16]	21	3,506,173	27,618,027.60	46,011,602.24	-	-
Capital increase[17]	18.79	46,484,676	366,158,505.20	507,288,556.8	-	-
31/12/2007					**1,439,335,470.20**	**182,726,994**
Conversion of OCEANE	-	None	None	None	-	-
Capital increase[18]	11.31	1,420,408	11,188,514.47	8,941,508.01	-	-
Exercise of subscription options	10.90	99,035	780,095.95	299,385.85	-	-
31/12/2008					**1,451,304,380.43**	**184,246,437**
Exercise of subscription option	10.90	30,504	240,279,16	92,214.44	-	
Cancellation of treasury shares	-	129,539	1,020,375.11	None	-	
Exercise of subscription option	10.90	131,053	1,032,300.85	396,176.85		
31/12/2009					**1,451,556,285.33**	**184,278,455**
Conversion of OCEANE	17.09	934,576	7,361,629.26	8,614,012.88		
Exercise of subscription option	10.90	10,705	84,322.99	32,361.51		
Cancellation of treasury shares	NA	141,758	1,116,623.84	None		

12The amounts in New Shares indicated for the periods prior to 3 January 2007 are amounts adjusted on the basis of the corresponding amounts for Existing Shares in order to reflect the impact of the reverse stock split described in Section 21.1.1 of the Registration Document, as if the split had taken place prior to the period covered by the information provided in this table, as the SCOR capital was entirely represented by Existing Shares prior to 3 January 2007. The adjustment was made by dividing the corresponding amount expressed in Existing Shares; the result was rounded off to the next lowest whole number.

13This capital increase was essentially intended to finance with equity a portion of the acquisition by SCOR VIE, a wholly owned subsidiary of SCOR, of 100% of the stock of Revios Rückversicherung AG ("**Revios**"), a German company, from GLOBALE Rückversicherungs-Aktiengesellschaft. This issue was described in an offering circular approved by the AMF on 16 November 2006 under number 06-406.

14On 3 January 2007, SCOR executed a reverse stock split. In a decision on 2 January 2007, the Chairman and Chief Executive Officer of SCOR noted share capital of EUR 932,673,756 versus EUR 932,673,759 until that date because of the adjustment to fractional shares.

15This capital increase was intended to remunerate the in-kind contribution made to the Company by PatinexAG, a Swiss joint stock company, of 23,216,280 registered shares of Converium Holding AG stock. – For more information on this in-kind contribution of stock, refer to Section 5.2.1.1-Public offer upon the Converium shares. This contribution was described an E document registered by the AMF on 10 April 2007 under number E.07-032 and a supplemental E document registered by the AMF on 23 April 2007 under number E.07-039.

16This capital increase was intended to remunerate the in-kind contribution made to the Company by the pension fund Alecta pensionsförsäkring, ömsesidigt ("**Alecta**"), a Swedish pension fund, of 5,680,000 registered shares of stock in Converium Holding AG – For more information on this in-kind contribution of securities, refer to Section 5.2.1.1 - Public offer upon the Converium shares. This contribution was described in an E document registered by the AMF on 10 April 2007 under number E.07-032 and a supplemental E document registered by the AMG on 23 April 2007 under number E.07-039.

17This capital increase was intended to issue and list for trading the shares of the Company to be remitted in exchange for the shares of Converium Holding AG stock tendered in the combined tender/exchange offer made by the Company for the registered shares of Converium Holding AG stock held by the public. This capital increase was performed pursuant to Swiss legal and regulatory provisions and was described in an offering prospectus published and filed with the Swiss Commission des Offres Publiques d'Acquisition ("**COPA**") on 5 April 2007 – For more information on this capital increase, refer to Section 5.2.1.1 - Public offer upon the Converium shares. This capital increase was described in (i) an offering notice approved by the AMF on 10 April 2007 under number 07-115, (ii) a supplemental notice approved by the AMF on 23 April 2007 under number 07-131, and (iii) a second supplemental notice approved by the AMF on 12 June 2007 under number 07-183.

18This capital increase was intended to pay the contribution in kind of the SCOR Holding (Switzerland) AG's shares to SCOR by the minority shareholders in the framework of the cancellation proceedings of the SCOR Holding (Switzerland) AG's shares not held by the Group – For more information on this operation and this cancellation proceedings, refer to Section 5.2.1.2 - Cancellation of the shares of SCOR Holding (Switzerland).

21.2 Charter and Bylaws

21.2.1 CORPORATE PURPOSE OF THE ISSUER (ARTICLE 3 OF THE BYLAWS)

The purpose of the Company, either directly or indirectly, in all countries, is as follows:

a) insurance, reinsurance, cession or retrocession of business of any nature in all classes and in all countries, the assumption in any form of reinsurance contracts or liabilities of any French or foreign company, organisation, entity or association, and creation, acquisition, rental, lease, installation and operation of any undertaking related to these activities;

b) the construction, lease, operation or purchase of any and all properties;

c) the acquisition and management of all securities and other equity rights by any means including but not limited to subscription, transfer or acquisition of shares, bonds, corporate rights, partnerships and other equity rights;

d) acquisition of equity investments or interests in any industrial, commercial, agricultural, financial, securities or real estate companies, the formation of any company, participation in any capital increases, mergers, demergers and spin-offs;

e) administration, management and control of any company or other undertaking, direct or indirect participation in all transactions carried out by such companies or undertakings by any means including, but not limited, to participation in any company or equity investment;

f) implementation and management of centralised cash resource management within the Group and the provision of services, to any Group company concerned, relating to the management and operations of centralised cash resources;

and generally all such industrial, commercial and financial transactions, or transactions involving moveable property and real estate, as may pertain directly or indirectly to the above stated corporate purpose or as may be related to or facilitate the implementation or pursuit thereof.

21.2.2 SUMMARY OF THE BYLAWS AND INTERNAL REGULATIONS OF THE COMPANY CONCERNING THE MEMBERS OF ITS ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Refer to the report of the Chairman of the Board of Directors in Appendix B of the Registration Document.

21.2.3 RIGHTS, PRIVILEGES AND RESTRICTIONS ATTACHED TO EXISTING SHARES

Dividend rights

The Shareholders' Meeting may decide to offer shareholders a choice between payment of the dividend in cash or in shares for all or a portion of the dividend or interim dividend to be distributed, in compliance with applicable law and regulatory provisions. Dividends will be deemed forfeited after the legally prescribed period (i.e. after five years) and revert to the French government.

Dividends paid to non-residents are in principle subject to withholding tax.

Voting rights

The voting right attached to shares is proportional to the portion of share capital they represent. During a period of two years from the reverse stock-split of the Company's shares implemented on 3 January 2007, any Old Share shall give the right to one vote and any New Share to ten votes, so that the number of votes attached to the shares shall remain proportional to the portion of share capital they represent.

The remaining Old Shares have been cancelled on 3 January 2009 and since then subject to applicable laws, all the shares of the Company give right to one voting right.

At all meetings, each shareholder has as many votes as the number of shares he holds or represents without limitation other than those which may result from legal requirements and the stipulations above. The difference between the distribution of share capital and the distribution of voting rights arises from the existence of treasury shares with no voting rights.

Where the shares are held by a beneficial owner, the voting rights attached to those shares belong to the beneficial owner at ordinary shareholders' meetings, and to the bare owner at extraordinary shareholders' meetings.

Failure to observe the legal and statutory obligations concerning thresholds may be sanctioned by the removal of voting rights for those shares or rights exceeding the undeclared fraction.

Statutory distribution of earnings (Art. 20 of the bylaws)

After approval of the financial statements and recognition of the existence of distributable funds consisting of the earnings for the fiscal year, less prior losses and plus, if applicable, any profit carried forward, the Shareholders' Meeting shall distribute them as follows:

1/ The profit available for distribution comprises the net profit for the financial year, less prior-year losses and all sums transferred to reserves pursuant to the law, plus any retained earnings;

2/ All or part of the profit available for distribution may be transferred by the Shareholders' Meeting to any discretionary, ordinary or extraordinary reserves or carried forward, as deemed appropriate.;

3/ Any remaining balance shall be distributed on all the shares in proportion to their unredeemed paid-up value, it being stipulated that during a period of two years starting from the reverse split operation on the shares of the Company, pursuant to the seventeenth resolution of the Ordinary and Extraordinary Shareholders' Meeting of 16 May 2006, shares which have been subject to the reverse split shall be entitled to an amount ten times greater than the amount to which shares which have not been subject to the reverse split shall be entitled.

The Shareholders' Meeting may distribute all or part of the discretionary reserves in the form of a full or partial dividend or as an exceptional distribution; in this case, the resolution shall expressly indicate the sums to be deducted from each reserve.

The Ordinary Shareholders' Meeting may validly take all decisions necessary to give each shareholder the option of receiving all or part of a dividend or interim dividend in the form of shares in the Company, in accordance with the terms and conditions set forth by law.

Share buy-back or conversion clause

The bylaws stipulate no share buy-back or conversion clause.

Pre-emptive subscription rights for securities of the same class

Under current French regulations, and in particular Article L. 225-132 of the French Commercial Code, any cash capital increase gives a pre-emptive right for shareholders to subscribe to new shares which is proportional to the amount of their shares.

The Shareholders' Meeting which decides or authorises a capital increase may, under Article L. 225-135 of the French Commercial Code, eliminate the pre-emptive subscription right for the entire capital increase or for one or more segments of said increase and may allow or not allow a priority subscription period for shareholders. When the issue is carried out through a public offering without pre-emptive subscription rights, the issue price must be set according to Article L 225-136 of the French Commercial Code.

In addition, the Shareholders' Meeting which decides on a capital increase may reserve it for named persons or categories of persons corresponding to specific characteristics, in application of Article L. 225-138 of the French Commercial Code.

The Shareholders' Meeting may also reserve it for shareholders of another company that is the target of a public exchange offer initiated by the Company pursuant to Article L. 225-148 of the French Commercial Code or for certain persons in the context of contributions in kind in application of Article L. 225-147 of the French Commercial Code.

Jointly held shares

Subject to legal provisions concerning voting rights in meetings and the right to communication conferred on shareholders, shares are not divisible with regard to the Company, so that joint co-owners are required to be represented with the Company by one of said co-owners or by a single agent, appointed by the Court in the event of disagreement.

21.2.4 ACTIONS REQUIRED TO MODIFY SHAREHOLDERS' RIGHTS

The rights of shareholders are set forth in the bylaws of the Company. Under Article L.225-96 par. 1 of the French Commercial Code, amendments to the bylaws must be approved by the Extraordinary Shareholders' Meeting, by a majority vote of two-thirds of the shareholders present or represented.

21.2.5 CONDITIONS FOR CALLING ANNUAL SHAREHOLDERS' MEETINGS AND EXTRAORDINARY SHAREHOLDERS' MEETINGS (ARTICLES 8 AND 19 OF THE BYLAWS)

Shareholders' Meetings shall be called and conducted in accordance with French law. They shall consist of all shareholders, regardless of the number of shares held.

The bylaws make no provision for shares with double voting rights.

Meetings are held at corporate head offices, or elsewhere as indicated in the notice of meeting.

All shareholders may attend the Meetings, in person or through an agent, with proof of identity and of the ownership of shares, either in the form of registration in his name or a certificate from an authorised intermediary designated as account holder.

The Board of Directors of the Company determines the time period during which formalities for the immobilisation of bearer shares must be completed. This period is 24 hours under ordinary circumstances.

Subject to the terms and conditions set forth by the legal and regulatory provisions in force, shareholders may send their proxy voting forms or remote voting forms concerning any Shareholders' Meeting either in paper format or, if approved by the Board of Directors, by an electronic means of communication. For instructions issued by shareholders via electronic means including proxy instructions or for electronic remote voting forms, the capture and electronic signature of the shareholder may be carried out directly, if applicable, on the dedicated website set up by the Company, by any reliable identification process that safeguards the link between the signature and the form as determined by the Board of Directors and in accordance with the conditions defined by the legal and regulatory provisions in force.

The deadline for the return of remote voting forms and proxies shall be determined by the Board of Directors. Such deadline cannot be less than one day before the date of the Shareholders' Meeting. However, if authorised by the Board of Directors, electronic remote voting forms and instructions given by electronic methods involving a proxy or a power of attorney may validly be received by the Company up until 3 p.m. (Paris time) on the day preceding the Shareholders' Meeting.

The Board of Directors of the Company may also determine that shareholders may participate in and vote at any Shareholders' Meeting by videoconference or by any other mode of telecommunication permitting the identification and effective participation of the shareholders, under the conditions set forth by the legal and regulatory provisions in force.

21.2.6 PROVISIONS THAT COULD DELAY, DEFER OR PREVENT A CHANGE IN CONTROL

Not applicable.

21.2.7 DECLARATION THRESHOLDS

In addition to the information required by law from all shareholders who, acting alone or in concert, hold either directly or indirectly a given fraction of the share capital or of the voting rights of the Company, any natural person or legal entity, acting alone or in concert, which comes to hold or ceases to hold, either directly or indirectly, a fraction of the share capital or of the voting rights of the Company equal to or greater than 2.5%, or 5%, or 10%, or 15%, must inform the Company by registered letter, return receipt requested, addressed to the registered office, within five trading days of the date of the crossing of such threshold, of the total number of shares and/or of securities giving access to share capital held either directly or indirectly or in concert by such natural person or legal entity. The failure to comply with this requirement is sanctioned, upon request of one or more shareholders holding at least 2.5% of the Company's share capital, noted in the minutes of the Shareholders' Meeting, by the suspension of voting rights from all shares in excess of the non-declared fraction for any Shareholders' Meeting that may take place during a period of two years following the date of the regularisation of the notification.

21.2.8 CONDITIONS GOVERNING MODIFICATIONS TO THE SHARE CAPITAL (OTHER THAN LEGAL PROVISIONS)

Not applicable.

Material contracts

22 MATERIAL CONTRACTS

Refer to:

- Section 20.1.6 – Notes to Consolidated Financial Statements – Note 26 : Commitments received and granted and Note 27 : Insurance and financial risk

- Sections 19.1 and 19.2 – Related Party Transactions.

Triple X – SCOR Global Life Rückversicherung AG (formerly Revios) Transaction

Like all Life reinsurers in the U.S. market, SCOR Global Life Rückversicherung AG (formerly Revios) has utilised offshore retrocession agreements in order to better manage its capital requirements, especially those imposed by the so-called Triple X regulations. When a U.S. ceding entity retrocedes risks to a non-U.S. reinsurance entity, U.S. legislation requires that a guarantee be provided for the benefit of the U.S. ceding company in order for it to reduce its statutory reserve liabilities. In the past, Revios has relied on the use of short term Letters of Credit ("**LoC**") for this purpose.

It has been an objective of the Revios Group to reduce its reliance on short term LoC in favour of a longer term solution, not only as a prudent course of action, but also in order to garner more favourable treatment from the rating agencies. For this purpose, in 2005 Revios put in place a Funding Arrangement ("**FA**"). This FA is in the form of a reinsurance agreement with two third party reinsurers, London Life and Union Hamilton. London Life acts as an intermediary for the retrocession of Revios business to its offshore companies. Under the FA, funds are placed in trust for the benefit of London Life, which reduces the LoC requirement on a dollar-for-dollar basis.

The FA is supported by the profitability of a large portfolio of in force life reinsurance contracts. Under the FA, Revios is able to cover under the guarantee approximately 90% of the excess of US statutory reserves over IFRS liabilities, up to the facility's maximum of USD 225 million.

The cost of the FA is competitive with long term LoC facilities and is guaranteed for 15 years. It also has the benefit of being non-recourse to Revios.

The FA was launched in two phases. In the first phase, effective 31 December 2005, USD 105 million was placed in trust in lieu of letters of credit. In the second phase, an additional USD 96 million of funding was placed in trust effective 30 September 2006.

In order to anticipate the increasing requirements of the Triple X regulations, the FA provided regulatory guarantees of approximately USD 226 million as at 31 December 2007, USD 224.75 million as at 31 December 2008 and USD 224.51million as at 31 December 2009.

Parent company guarantees issued by SCOR Global Life Rückversicherung AG (formerly Revios) to its subsidiaries

SCOR Global Life Rückversicherung AG issued parent company guarantees for the following of its European subsidiaries: SCOR Global Life Reinsurance UK Limited (United Kingdom), SCOR Global Life Reinsurance Ireland Limited (Ireland), Sweden Reinsurance Co Ltd (Sweden), and SCOR Global Life Rückversicherung Schweiz AG (Switzerland).

Under these guarantees, which took effect on 22 November 2005 for SCOR Global Life Reinsurance Ireland Limited and on 25 November 2005, for the other subsidiaries concerned, SCOR Global Life Rückversicherung AG will unconditionally assume the commitments of the aforesaid subsidiaries with regard to reinsurance contracts agreed by them upon a payment default remaining uncured for more than 30 days.

Stand-by letter of credit facility agreement executed on 25 June 2007, between SCOR Switzerland AG (formerly Converium AG) a bank syndicate comprised of ABN AMRO Bank N.V., Niederlassung Deutschland, Bayerische Hypo Und Vereinsbank, Deutsche Bank AG, Luxembourg Branch, Commerzbank, Crédit Suisse, Barclays Bank, and JP Morgan Chase Bank

A credit facility agreement dated 25 June 2007, was executed between SCOR Switzerland AG (formerly Converium AG) and a bank syndicate comprised of ABN AMRO Bank N.V., Niederlassung Deutschland, Bayerische Hypo Und Vereinsbank, Deutsche Bank AG, Luxembourg Branch, Commerzbank, Crédit Suisse, Barclays Bank, and JP Morgan Chase Bank. The purpose of the agreement is to guarantee the performance of the obligations of SCOR Switzerland under its reinsurance transactions. This revolving stand-by letter of credit agreement for up to USD 1,500 million was executed for a period of use from 25 June 2007, to 25 June 2010, with an option to be extended to 25 June 2012.

By an amendment dated 30 October 2007, Crédit Suisse and Barclays Bank withdrew from the bank syndicate and the amount of the facility was reduced to USD 1,070 million.

Collateralised swap executed on 22 February 2008 between SCOR Global Life SE and JP Morgan Ventures Corporation, extended in 2009

SCOR Global Life SE has signed on 22 February 2008 a four-year mortality swap with JPMorgan Ventures Corporation, under the terms of which it will receive up to USD 100 million and EUR 36 million in the event of a significant rise in mortality. The agreement runs from 1 January 2008 to 31 December 2011 and will compensate SCOR notably for a rise in mortality rates due to major pandemics, natural catastrophes or terrorist attacks.

SCOR Global Life SE has added a new layer of protection to its current four-year mortality swap transaction. Under the new, extended arrangement, SCOR will be entitled to USD 75 million in the event of a rise in mortality over the course of the period from 1 January 2009 to 31 December 2011 notably due e.g. to major pandemics, natural catastrophes or terrorist attacks.

The risk swap is indexed against a weighted combination of US and European population mortality, measured over two consecutive calendar years. According to the structure of the arrangement, a payment will be triggered if, at any time during the period covered, the index exceeds 115%. At any index level between the trigger point of 115% and the exhaustion point of 125%, JPMorgan Ventures Corporation will pay to SCOR Global Life SE a pro-rata amount of the notional swap amount of USD 100 million plus EUR 36 million.

The risk swap is fully collateralised.

Stand-by letter of credit facility agreements executed on 24 July 2009 between SCOR SE, SCOR Global Life SE and SCOR Global P&C SE on one side and Deutsche Bank on the other side, as amended on 4 December 2009

SCOR, SCOR Global Life SE and SCOR Global P&C SE on one side and Deutsche Bank on the other side executed, on 24 July 2009, a stand-by letter of credit facility agreement.

Deutsche Bank agreed to issue Stand-By Letters of Credit (“**SBLCs**”) in a form acceptable to the American National Association of Insurance Commissioners (“NAIC”) as guarantee for commitments undertaken by SCOR, SCOR Global Life SE and SCOR Global P&C SE in the context of their reinsurance activities. The maximum face value of the letters of credit under this agreement is USD 250,000,000, as from 1 January 2009 until 31 December 2011.

The issuance of SBLCs pursuant to this agreement is subject to the execution of (i) a pledge over a financial instruments account to the benefit of Deutsche Bank, composed of U.S. treasury bills and French Government bonds under the terms and conditions required by the agreement and of (ii) a first demand guarantee to the benefit of Deutsche Bank up to a maximum amount of USD 125,000,000.

Stand-by letter of credit facility agreements executed on 23 October 2008, between SCOR SE, SCOR Global P&C SE, SCOR Global Life SE, SCOR Switzerland AG and SCOR Rückversicherung (Deutschland) AG on one side and Natixis on the other side

A stand-by letter of credit facility agreements dated 23 October 2008, was executed between SCOR, SCOR Global P&C SE, SCOR Global Life SE, SCOR Switzerland AG and SCOR Rückversicherung (Deutschland) AG on one side and Natixis on the other side. Natixis agreed to issue SBLCs to guarantee the reinsurance activities of the above mentioned companies up to a maximum of USD 200,000,000 in a form acceptable to the NAIC, as from 23 October 2008 until 16 October 2011.

Stand-by letter of credit facility agreements executed on 19 December 2008, between SCOR SE, SCOR Global P&C SE, SCOR Global Life SE, SCOR Switzerland AG on one side and CALYON on the other side

Under the terms of an agreement with SCOR, SCOR Global P&C SE, SCOR Global Life SE and SCOR Switzerland AG on one side and CALYON on the other side, CALYON has agreed to issue SBLCs to guarantee the reinsurance activities of the above mentioned companies up to a maximum of USD 200,000,000 in a form acceptable to the NAIC, as from 1 January 2009 until 31 December 2011.

The issuance of SBLCs under the terms of these agreements is subject to the execution by each entity of a pledge over a financial instrument account consisting of OATs or U.S. Treasury bills representing at least 50% of the amount of the SBLC.

Third-party information and statements by experts and declarations of any interest

THIRD-PARTY INFORMATION AND STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

23 THIRD-PARTY INFORMATION AND STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

23.1 Expert's report

Not applicable.

23.2 Information from third parties

The Company certifies that all the following information stated in this Registration Document and received from third parties has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by such third party, no facts have been omitted, which would render the reproduced information inaccurate or misleading:

- Data issued from the Standard & Poor's Global Reinsurance Highlights (2009 Edition) and relating to the ranking on reinsurance market participants quoted in sections 3.1 – Group key figures, 5.1.5 – Important events in the development of the issuer's business and 6.5 – Information on SCOR's competitive position;

- Ratings issued by the Standard & Poor's, Fitch Ratings, AM Best and Moody's rating agencies quoted in section 4.1.8 – Financial ratings play an important role in our business.

Documents on display

24 DOCUMENTS ON DISPLAY

Throughout the period of validity of the Registration Document, the bylaws and any other document required by law may be consulted and are freely available upon request from the registered office of the Company at 1 avenue du Général de Gaulle, 92800 Puteaux.

The document referred to in Article 222-7 of the general regulation of the AMF is incorporated in the Registration Document and is shown in Section 28 – Published Information. The information quoted therein is available for downloading from the following sites:

- Autorité des Marchés Financiers (AMF): http://www.amf-france.org
- Bulletin des Annonces Légales Obligatoires (BALO): http://balo.journal-officiel.gouv.fr
- SCOR: http://www.SCOR.com/
- L'info financière: http://www.info-financiere.fr/search.php

Information on holdings

25 INFORMATION ON HOLDINGS

As concerns the holdings held directly by SCOR, refer to:

- Section 7 – Management chart,
- Appendix A – Notes to the Corporate Financial Statements – Note 2.3 – Subsidiaries and affiliates, and
- Section 20.1.6 – Notes to the Consolidated Financial Statements – Note 25 – Information on related parties.

As at 31 December 2009, SCOR held, however indirectly, shares or units in the following companies, which represent at least 10% of the consolidated net assets or generate at least 10% of the consolidated net profit or loss.

	Type of business	% Capital	Share capital issued in millions	Reserves (in EUR millions)	Operating income after tax (in EUR millions)	Value of holding (in EUR millions)	Amount remaining for the purchase of the shares (in EUR millions)	Amount of dividends received (in EUR millions)	Amount of liabilities due to SCOR (-) and by SCOR (+) (in EUR millions)
SCOR US Corporation (US)	Reinsurance	100%	USD 196	346	134	1,211	-	-	-
SCOR Switzerland AG (Switzerland)	Reinsurance	100%	CHF 400	1,283	96	1,826	-	-	-
SCOR Holding (Switzerland) AG	Holding	100%	USD 555	719	52	1,783	-	-	-
SCOR Reinsurance Company (Asia) Ltd	Reinsurance	100%	USD 26	38	43	26	-	-	-
TOTAL				**2,386**	**325**	**4,845**	**-**	**-**	**-**

Non financial information

26 NON FINANCIAL INFORMATION

Not applicable.

Fees paid by the Group to the Auditors

27 FEES PAID BY THE GROUP TO THE AUDITORS

Refer to Section 20 – Consolidated financial statements, Note 22 – Other operating and administrative expense for the detail of audit fees.

Published information

PUBLISHED INFORMATION

28 PUBLISHED INFORMATION

28.1 Information published on the Autorité des Marchés Financiers (AMF) website (www.amf-france.org)

Date	Subject
8 January 2010	Disclosure of trading in the Company's shares by members of the Board of Directors (Antonio Borgès)
23 December 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Daniel Valot)
15 December 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Georges Chodron de Courcel)
9 December 2009	Disclosure of crossing thresholds
15 December 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Daniel Havis)
3 December 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Daniel Lebègue)
1st December 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Gérard Andreck)
26 November 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Claude Tendil)
24 November 2009	Disclosure of crossing thresholds
8 September 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Jean-Claude Seys)
4 September 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (André Lévy-Lang)
1st July 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Peter Eckert)
19 June 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Allan Chapin)
24 April 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Daniel Lebègue)
14 April 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Carlo Acutis)
14 April 2009	Disclosure of trading in the Company's shares by members of the Board of Directors (Claude Tendil)
5 March 2009	Registration document

28.2 Information published in the Bulletin des Annonces Légales Obligatoires (BALO) [Bulletin of required legal notices publications] (www.journal-officiel.gouv.fr/balo/index.php)

Date	Subject
2 December 2009	Other notices –Contractual reimbursement of OCEANE convertible bonds 2004/2010
11 September 2009	Other notices – Notice to OCEANE convertible bonds 2004/2010 holders
3 June 2009	Periodical publications – Approval of the financial statements for the financial year 2008 by the Ordinary Annual General Meeting of the Shareholders held on 15 April 2009 and certification of the auditors
29 April 2009	Other notices – Voting rights
27 April 2009	Other notices – Voting rights
30 March 2009	Notices of meeting – Notice of convening of the shareholders and securities holders to the Ordinary and Extraordinary General Meeting of the Shareholders of 15 April 2009
11 March 2009	Notices of meeting – Notice of convening of the shareholders and securities holders to the Ordinary and Extraordinary General Meeting of the Shareholders of 15 April 2009

28.3 Information published on SCOR's company website (www.scor.com)

All press releases and offering circulars published on the AMF site (point A.) are simultaneously published on SCOR's website. In addition, the following were published on the SCOR's website:

Date	Subject
10 February 2010	SCOR executes on its strategy: the successful outcome of the P&C 1/1 renewals combines growth and an increase in expected profitability – Press release
26 January 2010	SCOR appoints new Function managers – Press release
28 December 2009	Disclosure of trading in own shares – From 22 to 23 December 2009
18 December 2009	2009 Actuarial Awards: SCOR supports the development of actuarial science – Press release
21 December 2009	Disclosure of trading in own shares – From 14 to 18 December 2009
15 December 2009	Disclosure of trading in own shares – From 7 to 11 December 2009
10 December 2009	SCOR closes new EUR 75 million catastrophe bond Atlas VI – Press release
7 December 2009	SCOR wins Reinsurance Magazine's « European Reinsurer of the Year » award – Press release
7 December 2009	Disclosure of trading in own shares – From 1st to 4 December 2009
7 December 2009	Disclosure of trading in own shares – From 23 to 30 November 2009
7 December 2009	Disclosure of trading in own shares – From 1st to 6 November 2009
7 December 2009	Disclosure of trading in own shares – From 1st to 31 July 2009
7 December 2009	Disclosure of trading in own shares – From 4 to 29 May 2009
4 December 2009	SCOR finalises purchase of XL Re Life America Inc. – Press release
18 November 2009	SCOR Global Life launches SCOR Telemed to provide clients with value-added services in the field of tele-underwriting – Press release
17 November 2009	SCOR decided to appeal against the ruling by the Spanish National Competition Commission – Press release
13 November 2009	WTC matter is closed – Press release
4 November 2009	SCOR combines growth and profitability to generate a net income of EUR 278 million in the first nine months of 2009, with shareholders' equity increasing to EUR 3.8 billion (EUR 20.84 per share) – Press release
19 October 2009	Julien Carmona joins SCOR as Chief Operating Officer – – Press release
8 October 2009	SCOR reinforces its presence in the Netherlands and opens a Life branch office – Press release
14 September 2009	Half-year statement of the liquidity contract between SCOR SE and EXANE BNP Paribas – Press release
8 September 2009	Adjustment to the conversion/exchange ration for OCEANE convertible bonds: 0.117 SCOR share per OCEANE – Press release
4 September 2009	Standard & Poor's upgrades SCOR's Enterprise Risk Management (ERM) to « Strong »– Press release
4 September 2009	A.M. Best changes SCOR rating outlook from "stable" to "positive" – Press release
3 September 2009	SCOR extends mortality swap with J.P. Morgan to protect the Group from pandemic risks– Press release
30 July 2009	SCOR records net income of EUR 184 million for the First Half of 2009; robust July renewals underline the Group's strong competitive position – Press release
30 July 2009	SCOR announces the publication of its interim financial report for the six months ended 30 June 2009 – Press release
23 July 2009	SCOR wins "Catastrophe Risk Transaction of the Year" award from the Environmental Finance – Press release
22 July 2009	SCOR purchases US-based XL Re Life America – Press release
2 July 2009	SCOR SE signs the Kyoto Statement, a major insurance and reinsurance initiative to combat climate change – Press release
30 June 2009	SCOR opens a Life and Non-Life subsidiary in South Africa – Press release
29 May 2009	SCOR share enters "CAC Next 20" index on Paris stock exchange – Press release
19 May 2009	SCOR wholly-owned subsidiary ReMark acquires ESG Direct Asia – Press release
30 April 2009	SCOR records 1st quarter 2009 net income of EUR 93 million, strong 15% volume growth and shareholders' equity reaches EUR 3.6 billion – Press release

Date	Subject
30 April 2009	SCOR Global Life European Embedded Value increases by 3.9% to EUR 1.7 billion. Strong operating performance – Press release
23 April 2009	2009-2010 Sharebuy back program
15 April 2009	SCOR's Combined General Meeting adopts all proposed resolutions – Press release
3 April 2009	Disclosure of trading in own shares – From 3 to 27 March 2009
30 March 2009	Notice of convening to the 2009 Shareholders' General Meeting (15 April 2009)
11 March 2009	Notice of meeting to the 2009 Shareholders' General Meeting
26 March 2009	SCOR wins "Best International Reinsurer on the Russian Market in 2008" – Press release
16 March 2009	Modification of the means allocated to the liquidity agreement – Press release
13 March 2009	Standard & Poor's upgrades SCOR to "A" – Press release

28.4 Information published on NYSE-Euronext's web site (www.euronext.com)

All press releases and offering circulars published on the AMF site (point 1.1) and on SCOR's web site (point 1.4) are simultaneously published on NYSE-Euronext's website. In addition, the following were published on the NYSE-Euronext's website:

Date	Subject
1 December 2009	Contractual redemption of OCEANEs 2004/2010 – Delisting from the stock exchange of the OCEANEs
8 September 2009	Modification of the characteristics of the OCEANEs
6 September 2009	Press release – Leading global reinsurers establish an Independent "Global Reinsurance Forum"
26 May 2009	Press release – SCOR announces the disposal of its Gecimed shares
15 May 2009	Notice – Update of the number of shares
7 May 2009	Notice – Assimilation of ordinary shares. Increase of the number of outstanding ordinary shares
30 April 2009	Press release – SCOR announces that it intends to tender its Gecimed shares to the public tender offer by Gecina
23 April 2009	Press release – 2009-2010 Share Buyback program
30 March 2009	Press release – Combined General Meeting on 15 April 2009 at 10:00
27 March 2009	Notice – In the context of the reverse split of SCOR, the compensation price for not reversed split share is EUR 1.72086 per share

28.5 Information published on the Info-Financières web site (www.info-financiere.fr/search.php.com)

All press releases and offering circulars published on the AMF site (point 1.1) and on SCOR's web site (point 1.4) are simultaneously published on the Info-Financières' website. No other information has been published on the Info-Financières' website.

Appendix A: Unconsolidated corporate financial statements of SCOR SE

APPENDIX A: UNCONSOLIDATED CORPORATE FINANCIAL STATEMENTS OF SCOR SE

APPENDIX A: UNCONSOLIDATED CORPORATE FINANCIAL STATEMENTS OF SCOR SE

1. HISTORIC FINANCIAL INFORMATION - CORPORATE FINANCIAL STATEMENTS

Pursuant to Article 28 of Regulation (EC) No. 809/2004 of the European Commission, the following information is included by reference in this Registration Document:

(i) The corporate financial statements for the year ended 31 December 2008 and the Auditors' Report pertaining thereto published on pages 275 to 311 and 312 to 313, respectively, of the registration document filed with the Autorité des Marchés Financiers on 5 March 2009 under number D. 09-0099.

(ii) The corporate financial statements for the year ended 31 December 2007 and the Auditors' Report pertaining thereto published on pages 147 to 185 and 289 to 292, respectively, of the registration document filed with the Autorité des Marchés Financiers on 28 March 2008 under number D. 08-0154.

SCOR's corporate financial statements for the financial year ended 31 December 2009 are shown below:

1.1. Significant events of the year

"Significant events of the year" are an integral part of the notes to the corporate financial statements.

This year SCOR SE ("SCOR") carried out the following transactions:

- SCOR SE completed a transfer, on 9 November 2009, of 51% of SCOR Switzerland AG to SCOR Global P&C SE for an amount of EUR 994 million.
- SCOR SE completed a transfer, on 17 December 2009, of 100% of SCOR CANADA to SCOR Global P&C SE for an amount of EUR 148 million which generated a profit of EUR 122 million.
- On 17 June 2009, following the termination without liquidation ("dissolution sans liquidation") of FERGASCOR, all assets and liabilities of Fergascor were transferred to SCOR SE ("Transmission Universelle de Patrimoine").
- A new branch was created by SCOR SE in 2009, SCOR Zweignierderlassung Zurich, with a retroactive effect as from 1st January 2009.
- Partial repurchase of subordinated notes (EUR 350 million), for an amount of EUR 93 million, by SCOR Holding Switzerland.
- Partial conversion of OCEANE (EUR 200 million) for EUR 16 million into capital after the conversion by bondholders of 7,978,792 bonds (nominal EUR 2) into 934,576 shares (price EUR 17.094).
- Increase in capital of SCOR Asia Pacific for an amount of USD 25 million.
- On 31 December 2009, merger of Commercial Risk Partner (CRP) and GSNIC.
- On 22 June 2009, SCOR and the Highfields Funds concluded a transaction, including mutual renunciation of all legal recourse raised, or which could be raised, within the framework from the Highfields Action. On 24 June 2009, SCOR and the Highfields Funds deposited a declaration of desistance ("*déclaration de désistement*") from the Highfields Action, thus ending the dispute.
- Closure of World Trade Center case: SCOR and its retrocessionnaires will assume, within the framework of their respective agreements, their share of the claim relating to the World Trade Center.
- Reversal of an impairment provision against SCOR U.S.shares amounting to EUR 85 million.

1.2. Balance sheets

BALANCE SHEETS – ASSETS

In EUR million		Gross amount	Impairment and provisions	2009 Net	2008 Net
Intangible assets	**Note 3**	**5**	**1**	**4**	**4**
Investments	**Note 2&4**	**4,699**	**510**	**4,189**	**4,379**
Real estate investments		156	1	155	157
Investments in associates		4,469	506	3,963	4,076
Other investments		74	3	71	146
Cash deposited with ceding companies		-	-	-	-
Investments representing unit-linked contracts	**Note 2**	**-**	**-**	**-**	**-**
Share of retrocessionaires in underwriting reserves	**Note 4**	**70**	**-**	**70**	**6**
Reinsurance reserves (Life)		-	-	-	-
Loss reserves (Life)		-	-	-	-
Unearned premiums reserves (Non-Life)		2	-	2	-
Loss reserves (Non-Life)		68	-	68	6
Other underwriting reserves (Non-Life)		-	-	-	-
Accounts receivable	**Note 4**	**287**		**287**	**288**
Accounts receivable from reinsurance transactions		35	-	35	58
Other accounts receivable		252	-	252	230
Other assets	**Note 3**	**431**	**12**	**419**	**141**
Operating property, plant and equipment		48	12	36	33
Bank accounts and cash		276	-	276	25
Treasury stock		107	-	107	83
Accrued income and deferred charges	**Note 4**	**1,295**		**1,295**	**1,211**
Due and accrued interest and rental income		-	-	-	1
Deferred acquisition costs – assumed (Non-Life)		32	-	32	32
Reinsurance estimates – assumed		1,255	-	1,255	1,172
Other accruals		8	-	8	8
Redemption premiums for bonds		**-**	**-**	**-**	**-**
Net translation adjustment		**-**	**-**	**-**	**-**
TOTAL		**6,787**	**523**	**6,264**	**6,029**

BALANCE SHEETS – LIABILITIES

In EUR million		2009	2008
Shareholders' equity and reserves [1]	**Note 5**	**2,438**	**2,361**
Share capital		1,459	1,451
Additional paid-in capital		745	923
Re-valuation reserves		-	-
Unavailable reserve		-	-
Other reserves		22	22
Capitalisation reserve		2	-
Retained earnings		2	24
Net income		199	(64)
Regulated reserves		9	5
Other capital base		**319**	**410**
Gross underwriting reserves	**Note 4**	**1,899**	**1,705**
Reinsurance reserves (Life)		231	308
Loss reserves (Life)		147	124
Unearned premiums reserves (Non-Life)		154	163
Loss reserves (Non-Life)		978	793
Other underwriting reserves (Non-Life)		389	317
Equalisation reserves (Non-Life)		-	-
Underwriting reserves for unit-linked contracts		**-**	**-**
Contingency reserves	**Note 6**	**47**	**50**
Liabilities for cash deposits received from retrocessionaires	**Note 4**	**-**	**-**
Other liabilities	**Note 4**	**1,557**	**1,503**
Liabilities arising from reinsurance operations		7	16
Convertible bond issue		192	200
Debts to credit institutions		11	10
Negotiable debt securities issued by the company		-	10
Other loans, deposits and guarantees received		1,289	1,171
Other liabilities		58	96
Accrued liabilities	**Note 4**	**4**	**-**
Deferred commissions received from reinsurers (Non-Life)		1	(1)
Reinsurance estimates – Retrocession		3	(7)
Other accruals		-	8
Net translation adjustment		**-**	**-**
TOTAL		**6,264**	**6,029**

(1) The data for financial years 2008 and 2009 are before allocation of earnings.

1.3. Income statements

In EUR million	Gross transactions	Retroceded transactions	2009 net transactions	2008 net transactions
UNDERWRITING ACCOUNT, NON-LIFE				
Premiums earned	**592**	**(6)**	**586**	592
Premiums	586	(8)	578	545
Change in unearned premiums	6	2	8	47
Allocated investment income	**80**	**-**	**80**	(2)
Other technical income	**90**	**-**	**90**	59
Claims expenses	**(566)**	**171**	**(395)**	(441)
Benefits and costs paid	(377)	108	(269)	(229)
Claims reserve expense	(189)	63	(126)	(212)
Expenses for other underwriting reserves(1)	(72)	-	(72)	**(25)**
Acquisition and administration costs	(164)	(1)	(165)	**(173)**
Acquisition costs	(149)	(1)	(150)	(158)
Administration costs	(15)	-	(15)	(15)
Commissions received from reinsurers	-	-	-	-
Other underwriting expenses	(37)	-	(37)	**(55)**
Change in equalisation reserves	-	-	-	-
Change in liquidity reserves	-	-	-	-
NON-LIFE UNDERWRITING RESULTS (LOSS)	(77)	165	87	**(45)**

(1) Other underwriting reserve expense corresponds to the reserve for increasing risks.

In EUR million	Gross transactions	Retroceded transactions	2009 net transactions	2008 net transactions
UNDERWRITING ACCOUNT, LIFE				
Premiums	**356**	**-**	**356**	**431**
Investment revenues	**67**	**-**	**67**	**18**
Investment income	11	-	11	16
Other investment income	44	-	44	1
Realised gains	12	-	12	1
Unit-linked policy adjustments (capital gain)	**-**	**-**	**-**	**-**
Other technical income	**-**	**-**	**-**	**-**
Claims expenses	**(324)**	**-**	**(324)**	(283)
Benefits and costs paid	(299)	-	(299)	(278)
Claims reserve expense	(25)	-	(25)	(5)
Expenses for Life reinsurance and other underwriting reserves	75	-	75	**(47)**
Life reinsurance reserves	75	-	75	(47)
Unit-linked contract reserves	-	-	-	-
Other underwriting reserves	-	-	-	-
Acquisition and administration costs	(129)		(129)	**(120)**
Acquisition costs	(124)	-	(124)	(113)
Administration costs	(5)	-	(5)	(7)
Commissions received from reinsurers	-	-	-	-
Investment expenses	(46)	-	(46)	**(18)**
Internal and external investment management costs and interest expense	(7)	-	(7)	(14)
Other investment expenses	(3)	-	(3)	(1)
Realised losses from investment	(36)	-	(36)	(3)
Unit-linked policy adjustments (capital loss)	-	-	-	**-**
Other underwriting expenses	(22)		(22)	**(19)**
Change in liquidity reserve	-	-	-	**-**
UNDERWRITING RESULTS (LOSS)	(23)	-	(23)	**(38)**

In EUR million	2009 net transactions	2008 net transactions
NON-UNDERWRITING ACCOUNT		
Non-Life underwriting result	**87**	**(45)**
Life underwriting result	**(23)**	**(38)**
Investment revenues	**697**	**152**
Investment income	120	134
Other investment income	457	6
Realised gains	121	12
Investment expenses	**(481)**	**(156)**
Internal and external investment management costs and interest expense	(80)	(118)
Other investment expenses	(30)	(6)
Realised losses from investments	(371)	(32)
Gains from transferred investments	**(80)**	**2**
Other non-underwriting gains	**-**	**-**
Other non-underwriting expenses	**-**	**-**
Non-recurring gains	**(12)**	**12**
Employee profit sharing	**(2)**	**(1)**
Income taxes	**13**	**11**
FINANCIAL YEAR RESULTS	**199**	**(64)**
NET EARNINGS PER SHARE (in EUR)	**1.08**	**(0.35)**

1.4. Table of consolidated off-balance sheet commitments

In EUR million		Related companies	Other	2009	2008
COMMITMENTS RECEIVED	**Note 15**		**670**	**670**	**673**
Rate swaps			79	79	92
Asset swap			-	-	-
Index default swap			-	-	-
Caps and floors			-	-	75
Commercial paper			-	-	-
Confirmed credit			-	-	-
Foreign currency forward purchases			180	180	187
Performance bond			-	-	-
Mortgages			-	-	-
Leases from buildings purchased with finance lease			-	-	-
Letters of credit			403	403	310
Endorsements and sureties			8	8	9
COMMITMENTS GIVEN	**Note 15**		**376**	**376**	**585**
Endorsements, sureties and credit guarantees given			**91**	**91**	**192**
Endorsements, sureties			8	8	8
Letters of credit			83	83	184
Investment securities and assets acquired with commitment for resale			**-**	**-**	**-**
Other commitments on investment securities, assets or revenues			**79**	**79**	**167**
Rate swaps			79	79	92
Caps and floors			-	-	75
Asset swaps			-	-	-
Underwriting commitments			-	-	-
Other commitments given			**206**	**206**	**226**
Securities pledged to ceding companies			18	18	24
Marketable securities pledged to financial institutions			4	4	-
Investments in subsidiaries and affiliates pledged to financial institutions			-	-	-
Mortgages			-	-	-
Other guarantees given to financial institutions			-	-	1
Contract termination indemnities			5	5	5
Foreign currency forward sales			179	179	196
Real estate leases			-	-	-
COLLATERAL RECEIVED FROM RETROCESSIONAIRES			**-**	**-**	**-**

NOTE 1 - ACCOUNTING POLICIES

The financial statements for the 2009 financial year are presented in accordance with the European Directive of 19 December 1991, the French Decree 94-481 of 8 June 1994, and the Order of 20June 1994 as amended by the Order of 28 July 1995, for which the application has been extended to include reinsurance companies. The income statement was split between the Non-Life underwriting statement, the Life underwriting statement and the non-underwriting statement. In addition to reinsurance operations, the underwriting accounts include general expenses and income from investments relating to reinsurance activities. Income from invested shareholders' equity is recorded in the non-underwriting account.

Impact of new branch SCOR Zweignierderlassung Zurich

A new branch was created by SCOR SE in 2009, SCOR Zweignierderlassung Zurich, with a retroactive effect as from 1st January 2009, with no significant impact on the balance sheet or net income.

1.1 - INTANGIBLE ASSETS

Intangible assets consist of software acquired or created by the Company which is capitalised and amortised over a period ranging from 1 to 5 years.

1.2 - INVESTMENTS

Investments are recorded at historical cost, excluding expenses. Investments are valued based on the asset category and the length of time over which they are expected to be held.

1.2.1 - Investments in associates

The fair value of investments in associates is based on their value in use. This value is assessed based on the utility of the investment to the Company as well as the actual share price, the revalued shareholders' equity, the actual results and the future outlook.

For active reinsurance companies, the fair value is estimated based on consolidated net assets, excluding goodwill and before elimination of shares, increased by unrealised capital gains or losses and by the Embedded Value (for Life Reinsurance) and forecasts of future profits (for Non-life Reinsurance), net of tax. It does not include the value of future business for Life companies.

At each balance sheet date, if the carrying value of an investment in associate is less than its historical cost, an analysis is conducted in order to determine if impairment is required. The assumptions and conclusions of this analysis, conducted as at 31 December 2009, are detailed in Section 2.1.

For real estate and financial (holding) companies, the fair value is calculated as the pro rata of the net assets increased for unrealised gains, net of tax. An impairment provision is recorded on a line-by-line basis when these values are less historical cost.

1.2.2 - Equity securities and other variable-income securities

Equity securities and other variable income securities are recorded at cost, excluding expenses. The realisable value as at the balance sheet date is determined according to article R.332-20 of the French Insurance Code, and for listed securities, corresponds to the share price on the balance sheet date. For unlisted securities; the fair value is based on net assets.

When the realisable value is more than 30% below the initial cost for more than six consecutive months, a detailed line-by-line analysis performed to determine whether the impairment is permanent. In accordance with the Notice of 18 December 2002 (amended of 15 December 2008) issued by the Emergency Committee of the French National Accounting Commission, an impairment provision is recorded on a line-by-line basis for securities which are considered permanently impaired.

1.2.3 - Bonds and other fixed-income securities

Bonds and other fixed-income securities are recorded at cost, excluding accrued interest. In compliance with article R. 332-19 of the French Insurance Code, the difference between cost and redeemable par value is amortised to income over the remaining period until maturity using the effective interest rate method.

No impairment is recognised for differences between net book value, as decreased or increased by the amortisation of any premium or discount, and the realisable value. An impairment provision is recorded only in the event of issuer default.

Upon disposal, any the realised gain or loss is allocated to the capitalisation reserve.

1.2.4 - Other assets

An impairment provision is recorded for loans or other accounts receivable due in more than one year if the fair value is less than historical cost.

1.2.5 - Provision for liquidity risk on underwriting commitments

A liquidity risk reserve is recorded for the possible need to liquidate assets in order to make immediate payment on major claims. This reserve is included in underwriting reserves and is recorded when the total net book value of assets, excluding bonds and other fixed income securities (investments valued according to article R. 332-19 of the French Insurance Code), exceeds their fair value. The fair value corresponds to the market price for listed shares, the net asset value for unlisted shares and the net realisable value for investments in subsidiaries as described in 2.1.

Based on the calculations performed, no such reserve was required or recorded in the financial statements for 2008 and 2009.

1.3 - CURRENT PROPERTY, PLANT AND EQUIPMENT

Items included in this caption are recorded at their historical cost.

Equipment, furniture and fixtures are depreciated on a straight-line or sliding scale basis depending on their estimated useful lives:

- Office equipment and furniture 5 to 10 years
- General fixtures 10 years
- Transport equipment 4 to 25 years

Deposits and security deposits relate primarily to rented facilities.

1.4 - ACCOUNTS RECEIVABLE

An allowance for bad debts relating to accounts receivable from reinsurance transactions and other receivables is recorded when recoverability is uncertain.

1.5 - RETIREMENT COMMITMENTS AND SIMILAR BENEFITS

The Company records all liabilities relating to employee benefits on its balance sheet.

- End of career indemnities (IFC) and retirement indemnities (IDR): employees benefit from additional retirement benefits paid in full upon retirement. The evaluation of these indemnities depends on several factors such as age, number of year's service and salary.
- Senior management pension obligations (Article 39): The valuation of the reserve for senior management pension obligations is based on the following actuarial assumptions:
    - Discount rate: 5.20% based on IBoxx EUR Corporate AA bonds 10Y+ rates at 31 December 2009
    - Updated mortality tables for the various plans, with turnover data for managers and salary increases.

- Long term service awards: The CNC Notice 2004-05 dated 25 March 2004 requires the recognition of a provision for long term service awards as from 2004.

- In Opinion n° 2008-17 dated 6 November 2008 relating to the accounting of stock option and share purchase and plans and free share allotment plans, the CNC redefined the accounting of such benefits granted to employees and the accounting for impairment of treasury shares held for such plans. In the event of the delivery of already existing shares, the expense should be recognised over the vesting period if the attribution of shares is based on the employee remaining with the company over the vesting period. As such, at each period end, a provision for risk is recorded for the pro rata of the estimated cost (calculated as the difference between the cost to acquire the shares and nil value) to which the pro rata of the expired period, from date of attribution, to the entire vesting period is applied.

The impact of this change in method during 2008 was recorded directly in retained earnings for EUR 31 million, before tax and EUR 21 million, after tax.

1.6 - FINANCIAL BORROWINGS

This financial statement caption includes the various subordinated or unsubordinated bonds issued by the Company as described in Note 4.

Debt issuance costs are amortised over the life of the respective loan. Interest on financial debt is included in financing expenses.

1.7 - RECORDING OF REINSURANCE TRANSACTIONS

Assumed reinsurance transactions:

Assumed reinsurance is recorded upon receipt of accounts transmitted by ceding companies.

Pursuant to the provisions of article R.332-18 of the French Insurance Code, accounts not yet received from ceding companies at the end of the financial year are estimated, in order to better reflect SCOR's reinsurance commitments in the financial statements. This method is used for the majority of the contracts signed during the current and previous financial years.

Estimates of premiums and commissions not yet received from ceding companies at period end are recorded in the income statement and included on the balance sheet in the account "Reinsurance estimates - assumed".

Overall, the premiums recorded for the year (premiums reported in the accounts received from cedants and estimated premiums) correspond to the estimated premium expected at the time the policy was underwritten.

Estimated claims expenses are recorded in loss reserves.

Retrocession

The retroceded portion of assumed reinsurance, determined in accordance with the treaty terms, is recorded separately from the assumed reinsurance transaction.

The retrocessionaires' share in estimates of assumed premiums and commissions is included on the balance sheet in the liability account, entitled "Reinsurance estimates - retrocessions."

Cash deposits received from retrocessionaires are recorded as liabilities on the balance sheet.

Securities pledged as collateral by reinsurers to guarantee their commitment are included in off- balance sheet accounts at their fair value.

1.8 - TECHNICAL / UNDERWRITING RESERVES

Non-Life Activity:

An unearned premium reserve is calculated either pro rata temporis on a contract-by-contract basis, or using a statistical method when the results do not differ significantly from the contract-by-contract method.

SCOR determines the amount of loss reserves at the end of the year at a level which covers the estimated amount of its commitments as well as estimated claims management costs for both reported and unreported claims (net of estimated recovery and subrogation). These reserves, which pertain to all claims, reported or unreported, are evaluated on the basis of their undiscounted “ultimate” cost. Ultimate claims expense for a contract is estimated based on statistical experience for similar policies.

Loss reserves, including estimated claims paid, are calculated based on expected results and supplement the information communicated by ceding companies.

Life Activity:

The mathematical reserves for Life reinsurance are submitted by ceding companies and completed by estimates calculated by Life actuaries using statistics based on historical date and information provided by underwriters.

Additionally, estimated claims are included in the provisions for claims payable.

The Company is required to have adequate reserves to cover its commitments after consideration of estimated investment returns, mortality, morbidity and lapse rates, and other assumptions.

A provision for increased risk (“*risque croissant*“) is recorded for long term care and disability business. This risk increases with the age of the insured although the premiums are typically constant. It is equal to the difference between the discounted values of the respective commitments of the insured and insurer.

1.9 - ACQUISITION COSTS OF REINSURANCE OPERATIONS

The costs associated with the acquisition of new contracts, essentially commissions, are recorded as assets within the limits of contract profitability. They are amortised over the duration of the Non-Life contracts.

1.10 - TRANSACTIONS CONDUCTED IN FOREIGN CURRENCIES

Pursuant to the provisions of article R. 341-7 of the French Insurance Code, foreign currency transactions of the Company are recorded in their original currency. For purposes of financial statement presentation, balance sheet amounts are converted into Euro using the end of period exchange rates or the rate of the closest date immediately prior to the end of the period.

As from 1st January 2008, SCOR applies the new rules relating to the accounting of transactions in foreign currencies by entities subject to the rules of the Insurance Code as required by the CNC in its opinion n° 2007-02 dated 4 May 2007.

Balance sheet positions in foreign currencies

At each balance sheet date, items in foreign currencies are converted into Euro by allocating the underlying transactions as follows:

- Transactions relating to assets and liabilities generating a “structural” foreign currency position primarily investments in subsidiaries and related provisions;

- Other transactions generating an “operational” foreign currency position.

Differences relating to the conversion of structural positions are recorded on the balance sheet whereas conversion differences relating to operational positions are recorded in income.

Off-balance sheet positions in foreign currencies

The foreign currency differences on off-balance sheet positions (forward financial instrument contracts – “IFT”) and the related off-balance sheet account represent unrealised foreign currency gains or losses. These differences are recorded on the balance sheet in the accounts “net translation adjustments” and “regularisation of forward financial instrument contracts”, based on the underlying strategy.

The objective of the "net translation adjustments" account on the balance sheet is to ensure symmetrical treatment with the accounting of the exchange difference generated by the underlying instrument:

- When the IFT is linked to a structural element, the "net translation adjustments" account is maintained on the balance sheet until the structural element has been realised;

- When the IFT relates to a strategic investment, the "net translation adjustments" account is maintained until the date of the investment;

- When the IFT is related to an operational item, in the context of a strategic divestiture or investment, or the is linked to a non-structural financial debt, the "net translation adjustments" account is recorded in income.

The foreign currency hedge strategy is described in Note 9.

Interest differences relating to forward contracts are depreciated to interest expense or income over the effective life of the hedged operation.

The impact of the change in accounting method during 2008 was calculated retrospectively at the beginning of the period and recorded directly to retained earnings for EUR 1 million.

1.11 - PRINCIPLES RELATING TO FINANCIAL STATEMENT PRESENTATION

Allocation of expenses by function

In accordance with the Decree of 8 June 1994 and the Order of 20 August 1994 which set forth the rules and accounting principles for reinsurance companies, general expenses, previously recorded by type, are allocated to the following five functions: acquisition costs, claims settlement expenses, administrative expenses, investment portfolio management expenses, and other underwriting expenses.

Portfolio entries / transfer

Premium portfolio entries based on the accounts of ceding companies offset the risk on accounts managed by accounting year. Premium portfolio entries represent the portion of unearned premiums paid at the start of the contract and the financial year while the risk relates to previous years. Likewise, premium portfolios ceded represent the portion of unearned premium at the end of the financial year and of the contract. Premium portfolio entries and withdrawals are included in the premium written and are an integral part of premium income. Portfolio movements are recorded as premium and claim portfolio entries or transfer.

1.12 - FINANCIAL INSTRUMENTS RECEIVED AND GIVEN

The use of and accounting financial instruments comply with the French General Statement of Accounting Principles ("*Plan Comptable Général*") of 1982 and French Decree 2002-970 dated 4 July 2002, relating to the use of forward financial instruments by French insurance companies.

Such instruments may include foreign currency and interest rate swaps; caps and floors; forward currency contracts; puts and calls on equity securities and other rate options.

Income and losses in the form of interest or premiums are recorded on a pro rata basis over the life of the contract. Commitments given and received recorded at the balance sheet date reflect the nominal amount of open transactions. Any unrealised loss positions on swaps are recorded in the financial statements.

ANALYSIS OF KEY BALANCE SHEET ITEMS

NOTE 2 - INVESTMENTS

2.1 - CHANGES IN INVESTMENTS

GROSS VALUES In EUR million	Gross values at the start of the financial year	Impact of foreign exchange on opening balances	Acquisitions creations	Transfers and placement out of service	Gross amounts at the end of the financial year
Land	-	-	-	-	-
Buildings	1	-	-	1	0
Shares in and advances to land and real estate companies	158	-	84	86	156
Equity interests (1)	4,486	3	1,161	1,552	4,098
Cash deposited with ceding companies (related & associated companies)	-	-	-	-	-
Loans (related and associated companies)	560	(1)	169	357	371
Other investments	149	(1)	103	177	74
Cash deposited with other ceding companies	-	-	-	-	-
TOTAL	5,354	1	1,517	2 ,173	4, 699

(1) EUR -388 million decrease in equity interests including:

- SCOR SE completed a transfer, on 9 December 2009, of 51% of SCOR Switzerland AG to SCOR Global P&C SE for an amount of EUR 994 million.
- SCOR SE completed a transfer, on 17 December 2009, of 100% of SCOR CANADA to SCOR Global P&C SE for an amount of EUR 148 million.
- On 17 June 2009, following the termination without liquidation (“*dissolution sans liquidation*”) of FERGASCOR, all its assets and liabilities were transferred to SCOR SE (“*Transmission Universelle de Patrimoine*”).
- Increase in capital of SCOR Asia Pacific for an amount of USD 25 million.
- On 31 December 2009, Amalgamation of Commercial Risk Partner (CRP) and GSNIC.

DEPRECIATION AND IMPAIRMENT In EUR million	Depreciation/ allowances at beginning of the financial year	Impact of foreign exchange on opening balances	Increases in allowances for the financial year	Reversals during the financial year	Depreciation and allowances at the end of the financial year
Land	-	-	-	-	-
Buildings	1	-	-	1	-
Shares in and advances to land and real Estate companies	1	-	-	-	1
Equity interests	947	-	31	472	506
Loans (related and associated companies)	23	(1)	-	22	-
Other investments	3	-	-	-	3
TOTAL	**975**	(1)	31	495	510

Loans

- The CRP loan of USD 65 million and impaired for USD 32 million was capitalised prior to the merger of CRP with GSNIC.

- The advance granted by SCOR to SCOR Global Life for the financing of the Revios acquisition is EUR 371 million at 31 December 2009 compared to EUR 505 million in 2008.

Associated companies

At 31 December 2009, provisions against equity investments can be analysed as follows:

- The impairment on affiliate CRP (EUR 358 million in 2008) has been reversed with the merger into GSNIC.

- SCOR U.S. Corporation: EUR 500 million compared to EUR 585 million in 2008. A reversal of the impairment estimated at EUR 85 million has been recorded due to an increase in the market value of this affiliate and its improved financial condition.

  The shares held in SCOR U.S. Corporation were valued using the following method and assumptions: Enterprise value was assessed based on revalued net assets increased for the creation of future value determined using the Discounted Cash Flow (DCF) method. Projected income was used for the DCF method.

- Analyses performed for other equity investments did not result in impairment provisions.

2.2 - SCHEDULE OF INVESTMENTS

In EUR million	Gross value	Net book value	Realised value	Unrealised gains and losses
1 – Real estate investments and real estate investments in process	156	155	215	61
2 - Shares and other variable-income securities (other than mutual fund shares)	4,103	3,594	4,955	1,360
3 - Mutual fund shares (other than those in 4)	6	6	3	3
4 - Mutual fund shares exclusively invested in fixed-income securities	-	-	-	-
5 - Bonds and other fixed-income securities	27	27	28	1
6 - Mortgage loans	-	-	-	-
7 - Other loans and similar bills	407	406	406	0
8 - Deposits with ceding companies	-	-	-	-
9 - Cash deposits (other than those in 8) and security deposits	-	-	-	-
10 - Assets representative of unit-linked policies	-	-	-	-
Sub-total	**4,699**	**4,189**	**5,607**	**1,419**
11 – Other forward instruments	259	259	259	0
- Investment or divestment strategy	-	-	-	-
- Anticipation of investment	-	-	-	-
- Yield strategy	-	-	-	-
- Other transactions	259	259	259	0
- Amortisation premium/discount	-	-	-	-
12 – Total lines 1 to 11	**4,958**	**4,447**	**5,866**	**1,419**
a) including:				
- investments valued according to article R.332-19	27	27	28	1
- investments valued according to article R.332-20	4,672	4,161	5,580	1,418
- investments valued according to article R.332-5	-	-	-	-
- Forward instruments	259	259	259	0
b) including:				
- investments and IFT OECD	4,879	4,369	5,571	1,203
- investments and IFT excluding OECD	78	78	295	216

2.3 - SUBSIDIARIES AND AFFILIATES

As at 31 December 2009, loans and advances granted by SCOR to its subsidiaries totalled EUR 405 million (including EUR 371 million to SCOR Global Life), compared to EUR 560 million as at 31 December 2008.

Loans granted to SCOR by its subsidiaries totalled EUR 1,126 million (including EUR 939 million from SCOR Global P&C) compared to EUR 994 million as at 31 December 2008.

For 2009, SCOR recognised EUR 5 million in financial income from loans with related companies and EUR 14 million in interest on borrowings with related companies.

Name	Original currency	Share capital	Reserves	Share of capital	Gross book value	Net book value	Loans and advances	Receivables against issuers	Guarantees and pledges given (2)	Turn over	Net income	Dividends received
(Amounts in million)	(OC) *	(OC) *	(OC) *		(EUR)	(EUR)	(EUR)	(EUR)	(EUR)	(OC) *	(OC) *	(EUR)
A- RELATED ENTITIES: DETAILED INFORMATION												
- SCOR GLOBAL LIFE S.E. (1)	**EUR**	**275**	**653**	**100,00%**	**430**	**430**	**371**	**100**	**-**	**1,835**	**-12**	**50**
1, Avenue du Général de Gaulle 92800 PUTEAUX, France												
- SCOR GLOBAL P&C S.E.	**EUR**	**544**	**1,313**	**100,00%**	**1,465**	**1,465**	**-**	**104**	**-**	**1,547**	**-94**	**51**
1, Avenue du Général de Gaulle 92800 PUTEAUX, France												
- SCOR REINSURANCE ASIA-PACIFIC PTE LTD	**USD**	**74**	**36**	**100,00%**	**65**	**65**	**0**	**1**	**-**	**207**	**0**	**0**
143 Cecil Street HEX 20-01 GB Building SINGAPORE 069542												
- SCOR US CORPORATION	**USD**	**196**	**504**	**100,00%**	**1,211**	**711**	**0**	**2**	**-**	**601**	**193**	**0**
199 Water Street, NEW YORK, NY 10038-3526 USA												
- SCOR AUBER S.A. (France)	**EUR**	**47**	**103**	**100,00%**	**149**	**149**	**5**	**23**	**-**	**15**	**17**	**8**
1, Avenue du Général de Gaulle 92800 PUTEAUX, France												
GENERAL SECURITY NATIONAL INSURANCE COMPANY CORP	**USD**	**5**	**135**	**100,00%**	**66**	**66**	**0**	**0**	**-**	**0**	**-3**	**-**
199 Water Street, NEW YORK, NY 10038-3526 USA												
- SCOR Holding Switzerland AG	**CHF**	**555**	**1,046**	**40,68%**	**788**	**788**	**-**	**0**	**-**	**0**	**77**	**0**
General Guisan-Quai 26, 80022 Zurich, Suisse												
- ASEFA S.A.	**EUR**	**10**	**80**	**39,97%**	**6**	**6**	**-**	**0**	**-**	**0**	**-4**	**0**
Avda Manoteras 32 Edificio A 28050 Madrid, Espagne												
- SCOR GESTION FINANCIERE S.A.	**EUR**	**4**	**1**	**100,00%**	**6**	**4**	**-**	**0**	**-**	**0**	**-1**	**0**
1, Avenue du Général de Gaulle 92800 PUTEAUX, France												
- PREVOYANCE RE S.A.	**EUR**	**40**	**9**	**100,00%**	**41**	**37**	**-**	**0**	**-**	**78**	**7**	**-**
1, Avenue du Général de Gaulle 92800 PUTEAUX, France												
- SCOR PERESTRAKHOVANIYE.O.O.O.	**RUB**	**7**	**0**	**100,00%**	**6**	**6**	**-**	**0**	**-**	**0**	**1**	**-**
10 Nikolskaya Street, 109012, Moscou,												

Name	Original currency	Share capital	Reserves	Share of capital	Gross book value	Net book value	Loans and advances	Receivables against issuers	Guarantees and pledges given (2)	Turn over	Net income	Dividends received
(Amounts in million)	(OC) *	(OC) *	(OC) *		(EUR)	(EUR)	(EUR)	(EUR)	(EUR)	(OC) *	(OC) *	(EUR)
Russian Federation												
- SCOR AFRICA LTD	**ZAR**	**0**	**150**	**99,40%**	**11**	**11**	**-**	**0**	**-**	**14**	**5**	**-**
2nd Floor,West Tower, Maude Street, Nelson Mandela Square, Sandton 2196, Afrique Sud												
- GIE INFORMATIQUE	**EUR**	**0**	**0**	**100,00%**	**-**	**-**	**34**	**0**	**-**	**18**	**0**	**-**
1, Avenue du Général de Gaulle 92800 PUTEAUX												
- SCOR GLOBAL INVESTMENT S.E.	**EUR**	**3**	**0**	**100,00%**	**3**	**3**	**-**	**0**	**-**	**4**	**1**	**-**
1, Avenue du Général de Gaulle 92800 PUTEAUX, France												
Total A					**4,246**	**3,741**	**409**	**230**	**0**	**-**	**-**	**109**
B- ENTITIES WITH EQUITY INTEREST												
- In France					11	7	2	8	-	-	-	-
- Other than France					2	2	28	-	-	-	-	-
Total B					**12**	**9**	**29**	**8**	**-**	**-**	**-**	**0**
TOTAL					**4,259**	**3,749**	**438**	**238**	**-**	**-**	**-**	**109**

(1) Provisional data
(2) SCOR guarantees in full, without limits as to amounts, the underwriting liabilities of its subsidiaries pertaining in particular to their obligations relative to the payment of claims
* OC: Original Currency

NOTE 3 - OTHER ASSETS

3.1 - TANGIBLE AND INTANGIBLE ASSETS

In EUR million	Opening balances	Acquisitions/ creations	Transfers and placement out of service	Ending balances
GROSS VALUES				
Intangible assets	**5**	**-**	**-**	**5**
Goodwill	4	-	-	4
Set-up costs	0	-	-	0
Other intangible assets	1	-	-	1
Tangible assets	**41**	**7**	**-**	**48**
Deposits and security bonds	18	2	-	20
Equipment, furniture, fittings and fixtures	23	5	-	28
DEPRECIATION AND ALLOWANCES	**8**	**5**	**-**	**13**
Other intangible assets (excluding goodwill)	1	-	-	1
Equipment, furniture, fittings and fixtures	7	5	-	12

All the assets and liabilities of Prévoyance et Réassurance were transferred to SCOR by way of a "transmission universelle de patrimoine" or "TUP" on 28 December 2008. This transfer resulted in the elimination of the shares of Prévoyance et Réassurance (EUR 26 millions) and the recording of all assets and liabilities of the company in the accounts of SCOR. Badwill of EUR 3.7 million was recorded in connection with this transaction.

3.2 - TREASURY SHARES

As at 31 December 2009, the number of shares held as treasury shares amounted to 6,599,717 shares (i.e., 3,56% of capital) for a total of EUR 107,242,402. These shares were acquired in the context of anticipated awards to Company employees and officers as part of share allotment plans.

In EUR million	Opening balance	Acquisitions/ creations	Transfers and placement out of service	Ending balance
Treasury shares				
Number	4,904,551	5,728,340	4,033,174	6,599,717
Amount	83,051,649	93,315,565	69,124,812	107,242,402

NOTE 4 - TRANSACTIONS WITH SUBSIDIARIES AND AFFILIATES

In EUR million	2008 Related com-panies	2008 Other Affiliates	2008 Other	2008 Total	2009 Related com-panies	2009 Other Affiliates	2009 Other	2009 Total
ASSETS (Gross)								
Investments	**5,195**	**6**	**153**	**5,354**	**4,651**	**6**	**42**	**4,699**
Real estate investments	155	-	4	159	154	-	2	156
Shares other than variable income securities and bonds	4,480	6	117	4,603	4,092	6	38	4,136
Loans	560	-	32	592	405	-	2	407
Cash deposits with ceding companies	-	-	-	-	-	-	-	-
Share of retrocessionaires in underwriting reserves	**6**	**-**	**-**	**6**	**70**	**-**	**-**	**70**
Accounts receivable	**248**	**-**	**39**	**288**	**238**	**-**	**49**	**287**
Accounts receivable from reinsurance transactions	44	-	14	58	31	-	4	35
Other accounts receivable	204	-	26	230	207	-	45	252
Others assets	**83**	**-**	**67**	**150**	**107**	**-**	**324**	**431**
Accrued income and deferred charges	**1,211**	**-**	**-**	**1,211**	**1,267**	**-**	**28**	**1,295**
Deferred acquisition costs – assumed (Non-Life)	32	-	-	32	25	-	6	32
Other assumed reinsurance transactions	1,179	-	(7)	1,172	1,242	-	14	1,255
Other accruals	-	-	7	7	-	-	8	8
LIABILITIES								
Other Capital base	**-**	**-**	**410**	**410**	**-**	**-**	**319**	**319**
Gross underwriting reserves	**1,698**	**-**	**8**	**1,705**	**1,793**	**-**	**106**	**1,899**
Contingency reserves	**50**	**-**	**-**	**50**	**-**	**-**	**47**	**47**
Liabilities for cash deposits received from retrocessionaires	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other liabilities	**1,002**	**-**	**501**	**1,503**	**1,139**	**-**	**418**	**1,557**
Liabilities arising from reinsurance operations	5	-	11	16	7	-	-	7
Financial liabilities	994	-	397	1,391	1,126	-	365	1,491
Other creditors	3	-	93	96	6	-	53	59
Accrued liabilities	**(7)**	**-**	**8**	**1**	**4**	**-**	**-**	**4**
Deferred commissions received from reinsurers (Non-Life)	-	-	(1)	(1)	1	-	-	1
Reinsurance estimates – Retrocession	(7)	-		(7)	3	-	-	3
Other accruals	-	-	9	9	-	-	-	-

4.1 - OTHER EQUITY AND FINANCIAL LIABILITIES

Long-term financial debt includes:

(a) Other capital base:

- EUR 50 million in Perpetual Step-Up subordinated notes issued on 23 March 1999. These notes are callable by after 15 years, and at five-yearly intervals thereafter. The floating-rate notes bear interest based on the 6-month Euribor plus (i) 0.75% for the first fifteen years of the issue, and (ii) 1.75% thereafter.

- Initial EUR 350 million (reduced to EUR 257 million after repurchase of EUR 93 million during 2009) undated deeply subordinated notes (Tier 1 type) issued on 28 July 2006 in connection with the financing of the acquisition of Revios Ruckversicherung AG. The bond issuance is represented by last-rank subordinated bearer notes with a par value of EUR 50,000 each bearing interest at an initial rate of 6.154% per annum, a floating rate indexed on the 3-month EURIBOR plus a margin of 2.90%, payable quarterly. No fixed redemption date is set but SCOR reserves the right to redeem the bonds in full or in part as from 28 July 2016.

(b) Financial liabilities

- USD 100 million 30-year subordinated bonds issued on 7 June 1999, callable by SCOR quarterly as from the tenth year. These floating-rate bonds bear interest based on the 3-month Libor rate plus (i) 0.80% for the first ten years of the issue, and (ii) 1.80% thereafter.

- Initial EUR 100 million (EUR 93 million after repurchase of EUR 7 million during 2009) 20-year subordinated bonds, issued on 6 July 2000 callable by SCOR quarterly as from the tenth year following their issuance. These floating-rate bonds bear interest based on the 3-month Euribor plus (i) 1.15% for the first ten years, and (ii) 2.15% thereafter.

- EUR 200 million loan represented by SCOR OCEANEs issued on 2 July 2004 as authorised by the Combined Shareholders' General Meeting of 18 May 2004. This loan is represented by 100 million OCEANEs with par value of EUR 2 each. The bonds earn interest at the rate of 4.125% payable 1st January each year. The loan has a term of 5 years and 183 days. At any time after 2 July 2004 and until the seventh day preceding the normal or early redemption date, bondholders may request conversion or exchange of the bonds for shares at the rate of 0.117 shares for one bond. The Company may, at its discretion, provide newly issued shares and/or existing shares.

  At the end of the year, a part of EUR 200 million OCEANE financial debt was converted for an amount of EUR 16 million into capital by shareholders of 7,987,792 bonds with Euro 2 nominal per bond in to 934, 576 SCOR SE shares with EUR 17.094 per share. SCOR reimbursed the remaining bondholders in cash at maturity on 4 January 2010.

- SCOR Holdings Switzerland (SHS) repurchased part of the subordinated perpetual debt (350 million) for EUR 93 million. This repurchase resulted in the cancellation of the debt (EUR 93 million) on 27 July 2009. In the SCOR SE accounts, this decrease in debt resulted in a new internal loan to SHS for EUR 93 million with the same interest rate conditions.

- Loans granted to SCOR by its subsidiaries, mainly SCOR Global P&C (cf § 2.3).

4.2 - GROSS UNDERWRITING RESERVES

In EUR million	2007	2008	2009
Reinsurance reserves (Life)	259	308	231
Loss reserves (Life)	116	124	147
Unearned premiums reserves (Non-Life)	211	163	154
Loss reserves (Non-Life)	652	793	978
Other underwriting reserves (Non-Life)	291	317	389
Gross underwriting reserves	**1,529**	**1,705**	**1,899**

The reinsurance activity of SCOR is comprised of two treaties: a quota share with SCOR Global P&C and SCOR Global Life and a facultative contract with Allianz which is 100 % retroceded to SCOR Global P&C.

4.3 - MATURITY OF ASSETS AND LIABILITIES

The maturity of debt at 31 December 2009 is as follows:

In EUR million	Less than 1 year	1-5 years	+5 years	Total
Perpetual debt (other equity)	12	-	307	319
Convertible debt	192	-	-	192
Bank debt	11	-	-	11
Negotiable instruments	-	-	-	-
Other loans and deposits received	1,127		162	1,289
TOTAL	**1,342**	**0**	**469**	**1,811**

The maturity of investments, debt, (other than financial debt), and receivables is less than one year.

4.4 - ACCRUED INCOME AND DEFERRED CHARGES

The analysis of accrued income and deferred charges at 31 December is as follows

	ASSETS		LIABILITIES	
En EUR million	2008	2009	2008	2009
Reinsurance estimates- assumed	**1,172**	**1,255**	**(7)**	**3**
Reinsurance estimates – assumed - Life	443	385	-	-
Reinsurance estimates – assumed – Non-Life	729	870	(7)	3
Deferred acquisition costs- non life	**32**	**32**	**-**	**-**
Others accruals	**7**	**8**	**7**	**1**
TOTAL	**1,211**	**1,295**	**0**	**4**

- The reinsurance estimates – assumed - Life (EUR 385 million) includes premiums for EUR 1,358 million, commissions payable of EUR (280) million and claims payable amounting to EUR (693) million.
- The reinsurance estimates – assumed -Non Life (EUR 870 million) includes premiums for EUR 792 million, commissions payable of EUR (185) million and sinisters to repay for EUR 263 million.

NOTE 5 - SHAREHOLDERS' EQUITY

The share capital, comprising 185,213,031 shares with par value of EUR 7,8769723 totalled EUR 1,458,917,915 as at 31 December 2009.

In EUR million	2008 shareholders' equity before allocation	Income allocation	Other movements during the period	2009 shareholders' equity before allocation
Share capital	1,451	-	8	1,459
Additional paid-in capital	923	(187)	9	745
Re-valuation reserves	-	-	-	
Capitalisation reserves	-	-	2	2
Other reserves	21	-	-	21
Retained earnings	24	(20)	(2)	2
Net income	(64)	64	199	199
Regulated reserves	5	-	4	9
TOTAL	**2,361**	**(143)**	**220**	**2,438**

- The loss for 2008, i.e., EUR (64) million, was allocated to retained earning which, combined with a portion of additional paid-in capital (EUR 187 million), has been paid out as dividends in the amount of EUR 143 million (i.e., EUR 0.80 per share).

- The issuance of shares relating to the exercise of options through 31 December 2009 for a total of EUR 2 million were allocated to the share capital of the Company for EUR 1.3 million and to additional paid-in capital for EUR 0.7 million. The exercise of options resulted in the creation of 161,557 shares.

- The Council of 3rd March has decided to reduce the share capital by cancellation of treasury shares for 129,539 shares with an amount of EUR 1.0 million.

- At the end of the year, part of the EUR 200 million OCEANE financial debt was converted into capital for an amount of EUR 16 million A total of 7,987,792 bonds with Euro 2 per bond were converted 934, 576 SCOR SE shares at EUR 17,094 per share.

- All new shares were issued with voting rights.

- The other reserves relate to the legal reserve for an amount of EUR 21 million.

NOTE 6 - CONTINGENCY RESERVES

GROSS VALUES In EUR million	Total at the beginning of the financial year	Increases	Decreases	Total at the end of the financial year
Tax litigation	1	-	(1)	0
Restructuring	3	-	(2)	1
Retirement provisions	24	5	(10)	19
Free share allotment plans	20	5	-	25
Long-term awards	2	-	-	2
TOTAL	50	10	(13)	47

The contingency reserves amount to EUR 47 million, of which:

- EUR 24.8 million for free share allotment plans with the following expiry : EUR 6.9 million at 2010, EUR 11.4 million at 2011, EUR 4.0 million at 2012, EUR 2.4 million at 2013.

- EUR 0.5 million in provisions for restructuring expenses

- EUR 11 million in reserves for post-employment benefits: retirement provisions (EUR 1.5 million), severance pay (EUR 1.6 million), supplementary retirement (EUR 6.6 million) and long term service awards (EUR 1.3 million).

- EUR 10.1 million for retirement provisions relating to employees of the German branch.

NOTE 7 - ASSETS – LIABILITIES BY CURRENCY

Currency In EUR million	Assets 2009	Liabilities 2009	Surplus 2009	Surplus 2008
Euro	5,958	(5,695)	264	191
US Dollar	271	(524)	(253)	(182)
Pounds sterling	5	(12)	(8)	(22)
Swiss francs	2	0	2	2
Other currencies	27	(33)	(6)	11
TOTAL	6,264	(6,264)	0	0

ANALYSIS OF KEY INCOME STATEMENT ITEMS

NOTE 8 - BREAKDOWN OF PREMIUMS AND COMMISSIONS

8.1 - BREAKDOWN OF PREMIUMS BY GEOGRAPHIC REGION (COUNTRY WHERE CEDANT IS LOCATED)

In EUR million	2008	2009
France	**341**	388
North America	146	64
South America	27	18
Asia	29	59
Europe	332	344
Rest of world	106	69
TOTAL	**981**	**942**

SCOR premiums are the result of the implementation of two internal retrocession treaties entered into jointly with SCOR Global P&C and SCOR Global Life.

8.2 - PORTFOLIO EVOLUTION

	2008			2009		
In EUR million	Prior years	2008	Total	Prior years	2009	Total
Premiums	79	879	958	53	893	946
Portfolio entries	195	4	199	343	(2)	341
Portfolio transfers	(160)	(16)	(176)	(340)	(6)	(346)
Movements	35	(12)	23	3	(7)	(5)
TOTAL	**114**	**867**	**981**	**56**	**886**	**942**

8.3 - CHANGE IN COMMISSIONS

In EUR million	2008	2009
Commissions - assumed	236	236
Commissions - retroceded	1	1
TOTAL	**237**	**237**

NOTE 9 - ANALYSIS OF INVESTMENT INCOME AND EXPENSES BY KIND

In EUR million	2008 Related companies	2008 Other	2008 Total	2009 Related companies	2009 Other	2009 Total
Revenues from securities	116	-	116	112	-	112
Revenues from real estate investments	-	-	-	9	-	9
Revenues from other investments	26	5	31	5	5	10
Other revenues	0	4	4	495	8	503
Realised gains	15	2	17	129	6	135
Total investment income	**157**	**11**	**168**	**750**	**19**	**769**
Management and financial costs	48	54	102	21	38	59
Other investment expenses	6	3	9	31	13	44
Realised losses	-	35	35	388	17	405
Total investment expenses	**54**	**92**	**146**	**440**	**68**	**508**

Dividends received from subsidiaries total EUR 120.6 million and include: SCOR Global P&C EUR 50.5 million, SCOR Global Life EUR 50 million, SCOR Auber EUR 8.4 million and SCOR Canada 12.3 million.

The transfer of SCOR Canada's shares to SCOR Global P&C created a profit of EUR 122 million. The merger between Commercial Risk Partner (CRP) and GSNIC caused an overall loss of EUR (8) million (which includes EUR (388) millions loss on sale offset by a reversal of an impairment provision of EUR 380 million, which is included in other revenues). Finally, the improvement of the financial position of SCOR U.S. allowed a reversal of part of the impairment provision amounting to EUR 85 million (other revenues).

Results from transactions involving financial instruments (rate swaps, interest-rate options, real estate swap) were posted to financial income in the net amount of EUR 1.1 million in 2009 compared to EUR (4.1) million in 2008.

FOREIGN CURRENCY TRANSACTIONS

Currency losses were EUR (2.6) million in 2009 compared to a loss of EUR (4) million in 2008.

FOREIGN CURRENCY HEDGING STRATEGY

The corporate financial statements are prepared in original currencies converted to Euros. Fluctuations in the exchange rates used to convert the accounts might generate a significant foreign exchange impact. To limit the exchange rate fluctuation risk, forward foreign currency hedges are entered into at the beginning of the year to cover the main currency surpluses in the balance sheet at the beginning of the year and adjusted during the year for material arbitrage transactions involving currencies. Hedges include spot trades of foreign currencies, forward trades of foreign currencies and option strategies.

NOTE 10 - ANALYSIS OF GENERAL EXPENSES BY KIND AND NON RECURRING RESULT

General expenses by kind

In EUR million	2008	2009
Salaries	44	44
Retirement	3	4
Benefits	5	5
Other	3	3
Total personnel expenses	**55**	**56**
Other general expenses	113	87
TOTAL GENERAL EXPENSES BY KIND	**168**	**143**
Workforce		
Executives - Paris	163	155
Employees / Supervisors -Paris	29	19
Employees / branches	343	329
TOTAL CURRENT WORKFORCE	**535**	**503**

Non-recurring result

The exceptional result of EUR(12.4) million was generated by the following:

- Estimated recovery, under a D&O policy, of fees and indemnities paid relating to the litigation with Highfield amounting to EUR 6.3 million.
- A profit of EUR 1.7 million relating to the repurchase of subordinated debt of EUR 100 million.
- Restructuring expenses of EUR (1.5) million.

NOTE 11 - ANALYSIS OF INCOME TAX

The SCOR Group in France is consolidated for tax purposes with SCOR as the parent company of the Group, and SCOR Global P&C, SCOR Global Life, SCOR Gestion Financière, SCOR Auber and Prévoyance Ré as subsidiaries. Under the tax agreement, SCOR benefits from the deficits of its subsidiaries, and tax benefits are transferred back to the individual subsidiary concerned, if the entity becomes profitable in the future.

Total tax losses of the consolidated French tax Group were EUR 1,080 million as at 31 December 2009.

SCOR, as a stand alone company has a tax deficit (in the absence of a tax consolidation the tax charge would be nil). The corporate tax gain of EUR 12.5 million relates to:

- the contribution of the subsidiaries which are consolidated for tax purposes for EUR 13.1 million
- tax credits for EUR 1.8 million
- taxes from branches : EUR (3.2) million
- Reversal of a tax provision :EUR 0.8 million

NOTE 12 - STOCK OPTIONS

The table below summarises the status of the various stock option plans for 2009:

Plan	Date of General Meeting	Date of Board of Directors Meeting	Date of availability of options	Plan expiration date	Number of beneficiaries	Number of options initially granted
1999	05/06/1999	09/02/1999	09/03/2004	09/02/2009	145	498,500
2000	05/06/1999	05/04/2000	05/05/2004	05/03/2010	1,116	111,600
2000	05/06/1999	08/31/2000	09/01/2005	08/30/2010	137	406,500
2001	04/19/2001	09/04/2001	09/04/2005	09/03/2011	162	560,000
2001	04/19/2001	10/03/2001	09/04/2005	10/02/2011	1,330	262,000
2003	04/18/2002	02/28/2003	02/28/2007	02/27/2013	65	986,000
2003	04/18/2002	06/03/2003	06/03/2007	06/02/2013	1,161	1,556,877
2004	05/18/2004	08/25/2004	08/26/2008	08/25/2014	171	5,990,000
2005	05/31/2005	08/31/2005	09/16/2009	09/15/2015	219	7,260,000
2006	05/16/2006	08/28/2006	09/14/2010	09/14/2016	237	8,030,000
2006	05/16/2006	11/07/2006	12/14/2010	12/14/2016	55	2,525,000
2007	05/24/2007	08/28/2007	09/13/2011	09/12/2017	391	1,417,000
2008	05/07/2008	05/07/2008	05/22/2012	05/21/2018	8	279,000
2008	05/07/2008	08/26/2008	09/10/2012	09/10/2018	376	1,199,000
2009	05/07/2008	03/16/2009	03/23/2013	03/23/2019	360	1,403,500
2009	04/15/2009	04/15/2009	11/25/2013	11/25/2019	17	88,500
Totals at December 31, 2009						

Valuation

Number of which to Group directors	Of which top ten attributions	Subscription or purchase price	Number of options remaining at 31/12/2008	Number of options cancelled during 2009	Number of options exercised during 2009	Number of options remaining at 31/12/2009
130,000	71,000	177.40	76,991	76,991	-	-
600	1,000	185.10	12,922	429	-	12,493
110,000	63,000	173.50	62,641	777	-	61,684
150,000	77,000	185.10	93,462	1,295	-	92,167
1,200	2,000	131.10	30,160	1,430	-	28,730
450,000	170,000	27.30	101,577	1,220	-	100,357
288,750	122,100	37.60	132,311	6,289	-	126,022
1,335,000	920,000	10.90	345,432	9,412	109,482	226,538
1,650,000	1,290,000	15.90	578,377	26,622	41,665	510,090
1,900,000	1,550,000	18.30	734,594	39,210	-	695,384
1,000,000	1,470,000	21.73	371,000	172,500	-	198,500
311,500	276,500	17.58	1,138,000	68,500	-	1,069,500
279,000	279,000	15.63	279,000	-	-	279,000
-	132 ,000	15.63	1,199,000	16,000	-	1,183,000
439,000	439,000	14,92	-	-	-	1,403,500
-	81,500	17,117	-	-	-	88,500
			5,155,287	420,675	151,147	6,075,465
				21,015,529.30	1,855,827.30	133,045,988.20

By application of Articles L.225-181 and R 225-137 of the French Commercial Code, the Company adjusted the price of the shares corresponding to options granted and the number of shares linked to options following the capital increases of 31 December 2002, of 7 January 2004 and of 12 December 2006. Thus, according to the provisions of Article R 228-91 of the French Commercial Code, the adjustment applied equalises, to the nearest hundredth of a share, the value of shares that will be received if the rights attached to share subscription and purchase options are exercised after the capital increase, while retaining the preferential subscription right, of the Company decided on 13 November 2006 and the value of the shares that would have been obtained in case those rights were exercised prior to said capital increase.

These calculations were performed individually and plan by plan, and rounded up to the nearest unit. The new basis for exercising the rights attached to the share subscription and purchase options have been calculated by entering the value of the preferential subscription right on the one hand, and the value of the share after detachment of this right on the other, as determined from the average of the opening prices during all the trading days included in the subscription period.

In addition, on 3 January 2007, the company carried out a reverse stock split of shares comprising the capital of SCOR with the exchange of one new share with a par value of EUR 7.8769723 for 10 old shares with a nominal value of EUR 0.78769723 per share.

The stock option plans for the years 2003 to 2009 are share subscription plans that may give rise to a share capital increase. The other plans are share purchase options.

There are no stock option plans providing for the purchase of or subscription to shares in Group subsidiaries.

No options were exercised in 2005, 2006, and 2007.

In 2008, 109,445 subscription rights of options were exercised relating to the stock option plan of 25 August 2004, vested on 26 August 2008.

In 2009, a total of 151,147 rights of options were exercised. 109,482 rights of options were exercised under the stock option plan of 25 August 2004, vested on 26 August 2008; and 41,665 options were exercised under the stock option plan of 16 September 2005, vested on 17 September 2009.

NOTE 13 - EMPLOYEE SHARE-OWNERSHIP PLANS

13.1 - EMPLOYEE PROFIT-SHARING AND INCENTIVE PLAN AGREEMENTS

Under these agreements, employees of SCOR SE and certain subsidiaries are entitled to invest the amounts due to them under the profit-sharing and incentive plans in a closed-end investment fund entirely invested in SCOR SE stock.

In EUR thousands	2004	2005	2006	2007	2008
Amount distributed under the profit-sharing plan	439	1,230	1,442	1,708	1,138
Amount distributed under the collective incentive plan	1,688	2,198	1,540	979	-

The amount of 2009 profit-sharing payouts have been estimated in the accounts and set aside for EUR 1,751,793.

13.2 - AMOUNT PAID INTO COMPANY EMPLOYEE SAVING PLAN

In EUR thousands	2005	2006	2007	2008	2009
Collective incentive plan *	822	2,002	1,133	641	0
Profit sharing *	60	572	679	710	472
Net voluntary payments	144	92	48	40	169
Total payments	**1,026**	**2,666**	**1,860**	**1,391**	**641**
Net matching payments	584	550	381	326	193

*Paid out in the financial year for the previous financial year

13.3 - INDIVIDUAL RIGHT TO TRAINING ("DROIT INDIVIDUEL A LA FORMATION (DIF)")

The number of hours accrued by the employees of SCOR SE was 12,695 on 1st January 2009.

NOTE 14 - COMPENSATION OF THE CORPORATE OFFICER

The following table presents the gross cash compensation paid in 2008 and 2009 to the Group Chairman & CEO:

Chairman and CEO

In EUR	2008	2009
Fixed compensation	1,000,000	1,400,000
Variable compensation	1,200,000	881,350
Directors' fees	57,100	33,700
Total cash compensation	2,257,100	2,315,050

Total pension benefits commitments relating to the corporate officer ("*mandataire social*") amount to EUR 9.7 million.

NOTE 15 - ANALYSIS OF COMMITMENTS GIVEN AND RECEIVED

	Commitments received		Commitments given	
In EUR million	2008	2009	2008	2009
Ordinary business operations (note 15.1)	**673**	**670**	**585**	**376**
Financial instruments (note 15.1.1)	354	259	363	258
Confirmed credits, letters of credit and guarantees given (note 15.1.2)	310	403	209	105
Other commitments given and received (note 15.1.3)	9	8	13	13
Hybrid transactions (note 15.2)	**0**	**0**	**0**	**0**
TOTAL	672	670	585	376

15.1 - COMMITMENTS RECEIVED AND GIVEN IN THE ORDINARY COURSE OF BUSINESS

15.1.1 - Financial instruments received and given

	Commitments received		Commitments given	
In EUR million	2008	2009	2008	2009
Rate swaps	92	79	92	79
Caps and floors	75	0	75	0
Forward Currency purchases/sales	187	180	196	179
TOTAL	354	259	363	258

The commitments given and received on rate swaps for an amount of EUR 79 million are related to real estate:

- real estate swap of EUR 61 million concerning the juxtaposition of swaps exchanging the performance of real estate in France against the performance in Germany.
- amortisable swap (maturity 2010) of EUR 18 million intended to hedge rate variances on a mortgage. This transaction was entered into as the result of a real estate acquisition.

Exchange rate hedges generated an unrealised profit of EUR 3 millions.

EUR 75 million in floor contracts expired in September 2009.

15.1.2 - Confirmed credits, letters of credit, and guarantees received and given

In EUR million	Commitments received 2008	Commitments received 2009	Commitments given 2008	Commitments given 2009
Confirmed credit	-	-	-	-
Letters of credit	310	403	184	83
Securities pledged to financial institutions	-	-	0	4
Investments in subsidiaries and affiliates pledged to financial institutions	-	-	-	-
Real estate mortgages	-	-	-	-
Other guarantees given to financial institutions	-	-	25	18
TOTAL	310	403	209	105

SCOR SE has signed agreements with different financial institutions concerning the granting of letters of credit for EUR 403 million.

15.1.2.1 - Letters of credit received

The commitments received in terms of capacity to issue letters of credit amounted to EUR 403 million, corresponding mainly to contracts signed with the banks:

- BNP Paribas: USD 385 million (EUR 265 million),
- Deutsche Bank: USD 75 million (EUR 52 million),
- Natexis: USD 125 million (EUR 86 million) for the WTC loss.

Total commitments received from banks relating to the WTC amount to EUR 86 million.

15.1.2.2 - Letters of credit given

In consideration of its commitments relating to technical reserves, SCOR has granted letters of credit in the amount of USD 120 million (EUR 83 million) to cedants (of which USD 112 million or EUR 77 million in favour of Allianz for the WTC claim), compared to EUR 403 million in letter of credit capacity received from banks.

15.1.2.3 - Other guarantees given

The guarantee given in consideration for underwriting commitments under the ACE Trust was EUR 18 million. This guarantee was in the form of securities pledged to ceding companies.

15.1.2.4 - Other commitments given and received

In EUR million	Commitments received 2008	Commitments received 2009	Commitments given 2008	Commitments given 2009
Commercial paper	-	-	-	-
Performance bond	-	-	-	-
Mortgages	-	-	-	-
Leases for leased buildings	-	-	-	-
Guarantees and securities(1)	9	8	8	8
Underwriting commitments	-	-	-	-
Assets pledged to ceding companies	-	-	-	-
Contract termination indemnities	-	-	5	-
Real estate lease	-	-	-	-
TOTAL	9	8	13	13

(1) Rent guarantee given by HSBC, collateralised by pledged securities.

15.2 - COMMITMENTS GIVEN AND RECEIVED IN RESPECT OF HYBRID TRANSACTIONS

	Commitments received		Commitments given	
In EUR million	2008	2009	2008	2009
Asset swap	-	-	-	-
Index default swap	-	-	-	-
TOTAL	**0**	**0**	**0**	**0**

No facts in connection with the aforementioned commitments given and received have come to our knowledge, which may have an adverse impact on cash flows, cash positions or on our liquidity requirements. To the best knowledge of the Company, as at 31 December 2009, there were no other significant outstanding financial commitments requested by a Group entity within the context of the procedures described above.

NOTE 16 - POST BALANCE SHEET EVENTS

The earthquake that hit the Port-au-Prince area (Haiti) on 12 January 2010 is likely to have an impact upon various contractual obligations carried by SCOR, upon reinsurance treaties benefiting to local cedants as well as facultatives relating to industrial equipment or communication infrastructure. As at the date of this Registration Document, the valuations remain uncertain, due to the difficulties to communicate with the economic players in Haiti. The total damage could also impact the Life business and results.

NOTE 17 - EXCEPTIONAL EVENTS AND LITIGATION MATTERS

The following litigation matters shall be mentioned:

In the United States:

- In August 2006, Highfields Capital LTD, Highfields Capital I LP and Highfields Capital II LP (the “Highfields Funds”), as former minority shareholders of IRP Holdings Limited, a company incorporated in Ireland, commenced an action against SCOR in the Superior Court of the Commonwealth of Massachusetts (the “Highfields Lawsuit”). The complaint in the Highfields Lawsuit, which was served upon SCOR on 18 October 2006, included claims for common-law fraud, negligent misrepresentation and violations of a Massachusetts consumer protection statute arising out of the Highfields Funds’ purchase of an equity interest in IRP Holdings Limited in December 2001, and the conditions for setting the price at which the Highfields Funds subsequently sold their interest to SCOR in 2005, a transaction which was highly profitable to the Highfields Funds. The Highfields Lawsuit is similar to a previous lawsuit filed by the Highfields Funds in March 2004 before the U.S. District Court for the District of Massachusetts and which was dismissed for lack of subject matter jurisdiction on 16 August 2006. On 21 March 2007, the Superior Court of the Commonwealth of Massachusetts granted SCOR’s motion to dismiss the Highfields Funds' claims under the Massachusetts consumer protection law but denied SCOR's motion to dismiss the remaining claims. On 10 April 2007, the Court denied SCOR’s Motion for Summary Judgment on Statute of Limitations Grounds, and on 17 September 2007, the Court denied SCOR’s Motion for Partial Summary Judgment seeking dismissal of the Highfields Funds’ claim for negligent misrepresentation.

  The current fact discovery deadline in the Highfields Lawsuit ended in principle 17 April 2009. No proceedings beyond that date are presently scheduled. Discovery is now under way April 2009. The parties took the common initiative before the end of this operation to appoint a mediator in order to bring the parties’ positions closer and to find a common ground. The mediation was concluded in June 2009. Without admitting any of the merits or faults invoked by the adverse party, the Group agreed upon a settlement agreement putting an end to the litigation having a net impact after tax and after recovery of insurances of EUR 5.6 million in the consolidated financial statements of the first semester 2009.

  On 18 June 2009, SCOR commenced an action before the Commercial Court of Nanterre against an insurance company with respect to the recovery of the attorney’s fees and costs arising from the Highfileds litigation covered by the D&O insurance policy.

  SCOR maintains that Highfields' action is without merit and intends to continue to defend itself vigorously. At this stage of the proceedings, we cannot estimate the likelihood or potential amount of any adverse judgment.

- In July 2001, leaseholders of the WTC (“**Silverstein Parties**”) purchased a USD 3.55 billion property insurance program covering the World Trade Center (“**WTC**”). SCOR underwrote a 10% quota share of that program as a

100% fronted reinsurer of Allianz Global Risks U.S. Insurance Company ("**Allianz**"). Beginning in October 2001, various claims were brought in U.S. Federal District Court in New York to resolve whether the 11 September 2001 WTC attack constituted one or two occurrences, as well as other coverage disputes ("**WTC Litigation**"). Allianz, as SCOR's 100% fronting company, was a named party to the WTC Litigation. SCOR, as the financially interested reinsurer, was associated in the defence and control of the claim against Allianz. On 6 December 2004, a jury determined that the 11 September 2001 WTC attack constituted two occurrences under the terms of the property insurance policy issued by Allianz. On 18 October 2006, the U.S. Court of Appeals for the Second Circuit affirmed the jury's verdict. The two-occurrence verdict against Allianz did not determine the amount of damages owed by Allianz under its policy. That determination was the subject of the ongoing coverage litigation, as well as a separate court-supervised appraisal proceeding.

In April 2006, the Silverstein Parties announced their intent to transfer certain WTC reconstruction rights to The Port Authority of New York and New Jersey ("**Port Authority**") thereby extinguishing the Silverstein Parties' right to recover replacement costs for the transferred rights pursuant to the terms of Allianz's coverage. After Allianz refused to waive Allianz's rights under its policy, the Silverstein Parties and the Port Authority initiated a separate lawsuit against Allianz and other insurers in New York state court disputing that the partial transfer extinguished the insurers' obligation to pay replacement costs for the transferred rights. In September 2006, the New York state court ordered all parties to take part in a global settlement mediation in an effort to resolve the claim.

On 23 May 2007, over SCOR's stated objection as the 100% fronted reinsurer, Allianz accepted a final settlement with the Silverstein Parties and the Port Authority resolving all pending litigation. Under the settlement, Allianz agreed to pay two full limits of coverage, USD 710 million, with the unpaid balance payable in increments through 2010, and conceded a number of valuation and coverage positions that Allianz had been advancing on SCOR's behalf under the Allianz policy, including Allianz's position that any prior or future transfers of development rights by the Silverstein Parties extinguished potential replacement cost claims for the transferred rights. In objecting to the settlement, SCOR advised Allianz that the settlement, by waiving critical coverage and valuation positions under the Allianz policy and foreclosing SCOR from obtaining a merits-based resolution of the claim, did not comply with the terms and conditions of the reinsurance certificate between SCOR and Allianz and contained ex gratia components.

On 27 September 2007, SCOR initiated claims against Allianz in an arbitration proceeding challenging both Allianz's issuance of a policy prior to the loss that did not conform to the terms of coverage agreed by SCOR, as well as Allianz's 23 May 2007 settlement of the claim over SCOR's objection. The arbitration ended on 13 November 2009 by a definitive order from the arbitration panel which considered that Allianz did not exceed its rights and obligations. The additional cost of the coverage of two events, deemed covered by Allianz and by SCOR, amounts to EUR 39 million, net of retrocession and tax. This decision put a definitive end to this litigation between, on one hand, Allianz, reinsured by SCOR, and the Silverstein Parties and, on the other hand, between SCOR and Allianz.

- On 29 April 2006, a fire occurred at Huntsman Corporation's Aromatics and Olefins Plant. Huntsman Corporation ("**Hunstman**") was insured by its "captive" insurer, International Risk Insurance Company ("**IRIC**"), and IRIC was 100% reinsured by various reinsurers, including SCOR UK Company. On 30 August 2007, certain reinsurers, including SCOR UK Company, brought suit in Federal Court in the Southern District of Texas ("**Reinsurers Action**") seeking to compel Huntsman and IRIC to arbitrate their disputes regarding certain coverage and quantum issues that had arisen with reinsurers, and alternatively seeking a declaratory judgment from the Court regarding these issues. Both Huntsman and IRIC filed motions to dismiss the Reinsurers Action. Huntsman later filed suit in Texas State Court against IRIC ("**Huntsman Action**"), who then filed a third-party action against reinsurers in the same matter. Reinsurers sought to remove the Huntsman Action from State Court to Federal Court in the Eastern District of Texas. On 21 September 2007, reinsurers were then successful in getting the Huntsman Action transferred to the Federal Court in the Southern District of Texas (where the Reinsurers Action is now pending). On 4 February 2008, Huntsman filed a motion to have the Huntsman Action sent back to State Court. On 26 September 2008, the Court denied Huntsman and IRIC's motions to dismiss the Reinsurers Action and refused to send Huntsman Action back to State Court. Arbitrability discovery has been ordered and will be conducted absent an agreed resolution of the arbitrability issue.

  On 29 December 2008, Huntsman entered into a Settlement Agreement and Arbitration Submission Agreement (the "**Agreement**") with its reinsurers, including SCOR UK Company, whereby the parties agreed to resolve their disputes regarding certain insurance coverage and quantum issues arising out of the fire and to submit it to an arbitration panel. As part of this Agreement, a subsequent stay order was filed in the litigation pending in the U.S. District Court for the Southern District of Texas. The federal Court has maintained limited jurisdiction to resolve certain issues related to the arbitration. The Huntsman Action and the IRIC action were dismissed with prejudice pursuant to the arbitration Agreement.

  The arbitration is underway and a final ruling is not expected before the end of March 2010.

- The Group is involved in one legal proceeding concerning past environmental claims in Texas. Based on information available to us as at the date of the consolidated financial statements, the Group believes the provisions it has reserved are sufficient to cover this matter.

In addition, as a result of its acquisition of Converium (which has since become SCOR Holding (Switzerland)), SCOR assumes the burden of the following litigation matters:

- On 4 October 2004, the first of several putative securities class action complaints was filed in the United States District Court for the Southern District of New York (the "**Court**") against Converium and several of its officers and directors. The complaints were subsequently consolidated and Public Employees' Retirement System of Mississippi and Avalon Holdings Inc. were appointed lead plaintiffs (the "**Lead Plaintiffs**").

  On 23 September 2005, the lead plaintiffs filed a consolidated amended class action complaint (the "**Complaint**"). In addition to Converium and certain of its officers and directors, the Complaint also names as defendants Zurich Financial Services ("**ZFS**"); UBS AG; and Merrill Lynch International. The Complaint generally alleges that a class of shareholders who purchased shares of Converium between 11 December 2001 and 1st September 2004 were damaged because Converium did not establish adequate loss reserves to cover claims by policyholders; Converium announced reserve increases prior to 20 July 2004 that were insufficient; and, as a result of the foregoing, Converium's earnings and assets were materially overstated. The Complaint asserts claims for violations of Section 10(b) and Section 20(a) of the Securities Exchange Act of 1934 (the "**Exchange Act**") and Sections 11, 12 and 15 of the Securities Act of 1933 (the "**Securities Act**"). The Complaint seeks unspecified monetary damages and other relief.

  On 23 December 2005, the defendants moved to dismiss the Complaint and on 21 April 2006, Lead Plaintiffs moved for leave of Court to file a proposed Consolidated Second Amended Class Action Complaint, to amend their complaint to add, among other things, Securities Act claims based on Converium's 1st March 2006 restatement of its financial accounts from 1998 through 2005.

  On 28 December 2006, the Court issued an Opinion and Order granting in part and denying in part defendants' motions to dismiss the Complaint. The Court dismissed the claims against all defendants alleging violations of Sections 11, 12 and 15 of the Securities Act as well as claims asserting violations of Sections 10(b) and 20(a) of the Exchange Act based upon allegations that Converium misrepresented and omitted material information in its 11 December 2001, initial public offering (the "**IPO**") prospectus and registration statement. The Court denied the motion to dismiss those claims against Converium and its former officers alleging that those defendants violated Section 10(b) and Section 20(a) of the Exchange Act by misrepresenting and omitting material information in various public disclosures following Converium's IPO. In addition, the Court denied Lead Plaintiffs' motion to amend their complaint.

  On 12 January 2007, Lead Plaintiffs filed a motion for reconsideration of the Court's 28 December 2006 order. On 9 April 2007, the Court granted Lead Plaintiffs' motion for reconsideration in part and denied it in part. The Court granted Lead Plaintiffs' motion to reconsider its dismissal of Exchange Act claims arising out of the IPO. The Court denied Lead Plaintiffs' motion to reconsider the dismissal of the Securities Act claims, as well their motion to file a Consolidated Second Amended Class Action Complaint.

  On 24 August 2007, Lead Plaintiffs filed a Motion for Preliminary Approval of Proposed Settlement with ZFS. Under the terms of the Proposed Stipulation of Settlement, ZFS is to pay USD 30 million in cash for the benefit of a Settlement Class. The Settlement Class includes persons who purchased American Depositary Shares and Swiss shares purchased on the Swiss Stock Exchange, including persons who reside abroad, during the period 11 December 2001 through 2 September 2004.

  On 4 September 2007, the Court preliminarily approved the settlement. If the settlement obtains final approval, it would resolve the claims of the Settlement Class asserted against ZFS (and against certain other defendants as set forth in the Stipulation of Settlement, including all of Converium's former directors). A fairness hearing on the settlement has not yet been scheduled.

  On 14 September 2007, the Court issued an opinion rejecting certain additional arguments raised by Converium and the officer defendants in their motion to dismiss with regard to Lead Plaintiffs' Exchange Act claims that it had not ruled on in its initial decision or its reconsideration decision.

  By Orders dated 6 March and 19 March 2008, the Court certified a class of plaintiffs consisting of all U.S. residents who purchased Converium Securities on the SWX Swiss Exchange and all persons who purchased Converium or in the American Depository Shares ("**ADSs**") on the New York Stock Exchange (NYSE) from 7 January 2002 through 2 September 2004 (the "**Class**"). The Court specifically excluded from the Class all non-US purchasers of Converium Securities on the SWX Swiss Exchange.

  On 20 March 2008, Lead Plaintiffs filed a motion for reconsideration of the ruling of the 6 March and 19 March 2008 Orders.

  On 26 March 2008, Lead Plaintiffs moved for leave to file a second amended complaint.

  On 6 May 2008, following several mediation sessions before the Honourable Daniel Weinstein (Ret.), a Memorandum of Understanding was entered to pursuant to which the Lead Plaintiffs and SCOR Holding (Switzerland) agreed to settle the claims and/or potential claims of the certified Class before the U.S. Court and the claims of non-U.S. purchasers of Converium securities in a proceeding in the Netherlands for an aggregate amount of USD 115 million (pre tax and before D&O recoveries).

On 25 July 2008, SCOR Holding (Switzerland) executed a definitive settlement agreement in the U.S. class action. On 12 December 2008, the U.S. Court issued an Order and Final Judgment approving the settlements as fair, reasonable and adequate and dismissing with prejudice all claims against the defendants in the action, including those asserted against SCOR Holding (Switzerland) and certain of its former officers and directors.

On 9 January 2009, plaintiff Michael Rubin filed an appeal with the Second Circuit Court of Appeals of (i) that portion of the District Court's 28 December 2006 Order dismissing plaintiffs' Securities Act claims as untimely; (ii) that portion of the District Court's 28 December 2006 Order denying plaintiffs' motion to amend the complaint; and (iii) the Districts Court's 12 December 2008 Order and Final Judgment. An agreement was finally concluded with the plaintiff and the settlement became final on 17 June 2009.

SCOR negotiated a definitive agreement for the settlement of the claims of non-U.S. purchasers of Converium securities. A petition will be submitted within the next weeks before the Court of Appeal of Amsterdam, in the Netherlands, which is the only Court likely to maintain jurisdiction in order to grant a legal ground to the payment of indemnification to the shareholders not residing in the US homogeneous with the indemnification received by the US shareholders. The proceeding before this Court in relation to its jurisdiction and is being carefully followed with by SCOR but the process may be long. The Court may take more than six months to issue an order upon the eligibility of SCOR’s petition.

Moreover, on 19 May 2008, SCOR Holding (Switzerland) initiated an arbitration proceeding in Switzerland against its D&O carriers. On 11 July 2008, a settlement agreement between SCOR Holding (Switzerland) and some of these insurers was concluded, pursuant to which SCOR Holding (Switzerland) received CHF 65 million. The arbitration proceeding with the others D&O carriers is underway.

At the same time, SCOR filed a petition before the Commercial Court of Zurich against two other D&O carriers. This procedure is in parallel with the arbitration proceeding in Switzerland against its D&O carriers.

No final decision is expected on these two proceedings before the end of 2010.

In Europe:

- On 29 January 2008, the Spanish competition authority (*Comisión Nacional de la Competencia*, the “**CNC**") commenced a sanctioning procedure against SCOR Global P&C SE Ibérica Sucursal, a branch of SCOR Global P&C, and a number of other insurance and reinsurance companies for alleged antitrust practices to set the commercial conditions applied to customers in relation to the decennial insurance for construction that could result in an infringement of Article 1 of Law 15/2007, of 3 July 2007, on Competition (the "**Competition Act**") (which prohibits agreements and concerted practices that may have as an object or effect the restriction of competition in the market).

  After an initial investigatory phase, the Directorate of Investigation of the CNC has confirmed its initial accusation and has sent the file to the Council of the CNC for a final decision. The CNC issued its decision on 12 November 2009, which puts and end to the proceeding regarding the decennial insurance against, inter alia, SCOR Ibérica Sucursal. The fine amounts to EUR 18.599 million for SCOR which is sanctioned along with other insurers and reinsurers within the construction market in Spain. SCOR has decided to appeal this decision before the Administrative Chamber of the National Hearing and filed an appeal on 21 December 2009. SCOR intends to assert strong arguments, concerning both the proceedings and the substance of the litigation, as well as upon the calculation of the fine and its proportionality.

  SCOR is confident in the success of this appeal with regards to the merits of its argument, upon the calculation of the reinsurance prices as well as upon the excessive amount of the fine.

SCOR and its subsidiaries are involved in legal and arbitration proceedings from time to time in the ordinary course of their business. Nevertheless, other than the proceedings mentioned above, to the knowledge of SCOR, as at the date of the financial statements herein, there are no other litigation matters likely to have a material impact on the financial position, business or operating income of SCOR.

1.6. Certification of audit of historical financial information

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended 31 December 2009, on:

- the audit of the accompanying annual financial statements of SCOR SE,
- the justification of our assessments,
- the specific verifications and information required by French law.

These annual financial statements have been approved by the Board of Directors at their meeting on 2 March 2010. Our role is to express an opinion on these financial statements, based on our audit.

I. Opinion on the annual financial statements

We conducted our audit in accordance with the professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes verifying, by audit sampling and other selective testing procedures, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, the significant estimates made by the management, and the overall financial statements presentation. We believe that the evidence we have gathered in order to form our opinion is adequate and relevant.

In our opinion, the financial statements give a true and fair view of the assets; liabilities, financial position and result of the company at 31 December 2009, in accordance with the accounting rules and principles applicable in France.

II. Justification of our assessments

Accounting estimates used to prepare the consolidated financial statements as at 31 December 2009 have been assessed in a high market volatility and an uncertain economic future environment. In this context, and in accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de Commerce*), we have performed our own assessments that we bring to your attention on the following matters:

- As stated in notes 1.7 and 1.9 to the annual financial statements, the technical accounts specific to reinsurance are estimated on the basis of reinsurance commitments or on statistical and actuarial bases, particularly the technical estimates accounted for under receivable from reinsurance transactions, gross and ceded technical reserves, and deferred acquisition costs. The methods used to calculate these estimates are described in the Notes to the annual financial statements.
- Our audit work consisted in assessing the data and assumptions on which the estimates are based, in reviewing the company's calculations, in comparing estimations from prior periods with actual outcomes, and in examining senior management's procedures for approving these estimates.
- Notes 1.2, 1.10, 1.12, 2 and 15.1.1 to the annual financial statements describe the principles and methods used to estimate the valuation and impairment of investments and derivative instruments.
- In the specific context of the financial crisis, we examined the control system in place relative to the inventory of direct and indirect exposures, and the system in place for their assessment, as well as the valuation methods and write-down policies applicable to certain financial instruments. We have obtained assurance that the information provided in the aforementioned notes is appropriate, and that the approaches and policies described were properly applied by the company.
- Notes 6 and 17 to the annual financial statements describe the uncertainties relating to the potential litigation encountered by the company.

We examined the Group's procedures to identify these risks, to evaluate and reflect them in the annual financial statements.

These assessments were made as part of our audit of the annual financial statements taken as a whole and therefore served in forming our audit opinion expressed in the first part of this report.

III. Specific verification

We have also performed the specific verifications required by law in accordance with professional standards applicable in France.

We have no matters to report regarding:

- the fair presentation and the conformity with the financial statements of the information given in the directors' report and in the documents to the shareholders with respect to the financial position and the financial statements;

- the fair presentation of the information given in the directors' report in respect of remunerations and benefits granted to the relevant directors and any other commitments made in their favour in connection with, or subsequent to, their appointment, termination or change in current function.

In accordance with French law, we have ensured that the required information concerning the purchase of investments and controlling interests and the names of the main shareholders has been properly disclosed in the directors' report.

Paris-La Défense, 2 March 2010

The statutory Auditors

MAZARS	ERNST & YOUNG AUDIT
Michel BARBET-MASSIN	Pierre PLANCHON

Appendix B: Report of the Chairman of the Board of Directors

APPENDIX B: REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

APPENDIX B: REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS ON THE TERMS AND CONDITIONS FOR PREPARING AND ORGANISING THE WORK OF THE BOARD OF DIRECTORS AND ON INTERNAL PROCEDURES IN ACCORDANCE WITH ARTICLE L. 225-37 OF THE FRENCH COMMERCIAL CODE

I. Terms and conditions for preparing and organising the work for the board of directors

In accordance with the provisions of article L.225-37 of the French Commercial Code, this report serves to set forth the terms and conditions for the preparation and organisation of the work of the Company's Board of Director's, in addition to the internal auditing procedures that have been implemented by the Company.

This report has been approved by the Board of Directors on 2 March 2010.

It has been incorporated in the 2009 Registration Document of SCOR SE ("**SCOR**") which is available on the Company's web site (www.scor.com) and on the AMF web site (www.amf-france.org).

During its meeting on 12 December 2008, the Company's Board of Directors designated the consolidated corporate governance code listed corporations of the AFEP-MEDEF *(Association Française des Entreprises Privées – Mouvement des Entreprises de France)* of December 2008 as its reference code, according to the implementation of this law on 3 July 2008 (act no.2008-649 aimed at providing various provisions regarding the adaptation of French company law with the European Community law changing articles L. 225-37 and L. 225-68 of the French Commercial Code).

Details of this code can be found on the Company's website www.scor.com or alternatively on MEDEF's website www.medef.fr.

TERMS AND CONDITIONS FOR PREPARING AND ORGANIZING THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors is composed of 15 Directors: Denis Kessler, Chairman of the Board, Carlo Acutis, Gérard Andreck, Antonio Borgès, Allan Chapin, Peter Eckert, Daniel Havis, Daniel Lebègue, André Lévy-Lang, Luc Rougé, Guillaume Sarkozy (as representative of Médéric Prévoyance), Herbert Schimetscheck, Jean-Claude Seys, Claude Tendil and Daniel Valot, and one non-voting Director: M. Georges Chodron de Courcel. Amongst these 16 members of the Board, 12 are independants: Carlo Acutis, Gérard Andreck, Antonio Borgès, Peter Eckert, Daniel Havis, Daniel Lebègue, André Lévy-Lang, Guillaume Sarkozy (as representative of Médéric Prévoyance), Herbert Schimetscheck, Jean-Claude Seys, Claude Tendil and Daniel Valot.

The experience and competences of the Directors and the Non-Voting Director are very varied. In addition to the Chairman of the Board, eight of the Directors listed, work or have worked at a high level within the insurance industry. Three Directors and the non-voting Director practise or have practised at a high level in the financial and banking industry, in addition to one Director from the manufacturing industry. The Board benefits from international experience, provided by the American, Austrian, Italian, Portuguese, and Swiss nationalities of its members.

The worldwide basis of the Group's personnel elected at universal suffrage with two turns an employee to be their representative to the Board of Directors. Luc Rougé, elected candidate, has been proposed by the Board to the approval of the Shareholders' meeting. The Shareholders' general meeting held on 15 April 2009 voted widely in favour of such candidate.

a) Assessment of the Board of Directors

In compliance with the recommendations stated by the government code, an assessment of the Board of Directors was conducted in 2008. Mr Daniel Valot, an independent Director, addressed a questionnaire to the Directors in September 2008. This questionnaire concerned the composition of the Board, its functioning and the functioning of the Committee's Boards. All the Directors, without exception, completed the questionnaire. Mr Daniel Valot assessed the questionnaires and presented his summary report during the Board Meeting that took place on 13 November 2008.

The main conclusions drawn from this analysis are the following:

The responses are complete, constructive and positive. The feedback reflects an able and strong Board, composed of varied personalities, experimenting and participating in an active and constructive manner in carrying out proceedings. The responses highlight the efficacy of the Boards, notably the Audit Committee and the Strategy Committee and the ability of the Board to follow the management and to assess performances, strategies and risks. The feedback attests to the Board's confidence in the quality of financial reporting due to the work of the Audit Committee.

The following were identifiable as reoccurring areas for improvement in the responses:

- The need to send files earlier;
- The completion of risk analyses more thoroughly within the Risk Committee;
- The improvement of formalities for the Remuneration and Nomination Committee.

An informal assessment has been performed during 2009 by the Compensation and Nomination Committee. Such assessment concluded to a global improvement of the items mentioned during the 2008 assessment.

During its meeting held on 28 October 2009, the Compensation and Nomination Committee deeply reviewed the composition of the Board and of the Committees in the framework of the duties ending on 2011. In particular, it expressed its will that the future Board be younger, more feminine, with more diversified competences and continues to be international. Its works will be underway during 2010.

b) Composition of the Board of Directors

A list of the members of the Company's Board of Directors in 2009 features in the table below:

Name	Age	Citizenship	Date of appointment	End of duty	Renewals
Denis Kessler, Chairman of the Board	57	French	04/11/2002	2011	24/05/2007
Carlo Acutis	71	Italian	15/05/2003	2011	15/04/2009
Gérard Andreck	65	French	18/03/2008	2011	
Antonio Borgès	60	Portuguese	15/05/2003	2011	24/05/2007
Allan Chapin	68	American	12/05/1997	2011	31/05/2005
Peter Eckert	64	Swiss	15/04/2009	2011	
Daniel Havis	54	French	18/11/1996	2011	31/05/2005
Daniel Lebègue	66	French	15/05/2003	2011	15/04/2009
André Lévy-Lang	72	French	15/05/2003	2011	15/04/2009
Luc Rougé	57	French	24/05/2007	2011	15/04/2009
Guillaume Sarkozy (2)	58	French	15/04/2009	2011	
Herbert Schimetschek	72	Austrian	15/05/2003	2011	24/05/2007
Jean-Claude Seys	71	French	15/05/2003	2011	15/04/2009
Claude Tendil	64	French	15/05/2003	2011	24/05/2007
Patrick Thourot (1)	61	French	24/05/2007	15/04/2009	
Daniel Valot	65	French	15/05/2003	2011	24/05/2007
G. Chodron de Courcel, Censeur	59	French	15/05/2003	2011	31/05/05-24/05/07 15/04/2009

(1) Patrick Thourot was a Director until the Shareholders' meeting of 15 April 2009.
(2) Guillaume Sarkozy representes Médéric-Prévoyance, member of the Board.

The Board of Directors is composed of 34% of foreigners, of 73% of Directors having a past experience in the insurance or reinsurance industry and of 80% of independent Directors.

Concerning the duration and the grading of the duties of the Directors, the AFEP-MEDEF Code indicates (§12):

(i) the duration of Directors' terms of office should not exceed a maximum of four years,

(ii) Terms should be staggered so as to avoid replacement of the entire body and to favour a smooth replacement of Directors.

For historical reasons, the duties of the entire Directors end at the Shareholders' meeting to be held in 2011. In these circumstances, the Board of Directors chose a simultaneous renewal of all of its members, in order to allow a full rethinking of its composition in the light of the new corporate governance rules. Duties of 4 and 2 years will be proposed to the vote of the Shareholders' meeting of 2011, in order to comply with the AFEP-MEDEF Code.

At the Board Meeting held on 31 March 2004, an interim assessment was made of the Board's organisation and operation. A new set of internal regulations (the "**Internal Regulations**") was adopted to formalise and strengthen the strategic decisions made. These Internal Regulations were amended by the Board of Directors on 2 November 2005 and on 4 July 2006. The main provisions of the Internal Regulations are provided below:

- *Mission of the Board of Directors of the Company*

Pursuant to the Internal Regulations, the Board of Directors of the Company determines the policies of the Company's businesses, oversees their implementation and supervises the management's administration. The Board meets at least four times a year. In accordance with legal provisions, it settles the financial statements, proposes dividends and makes investment and financial policy decisions. The Board also determines the amount and the nature of the sureties, securities and guarantees, which can be granted by the Chairman and Chief Executive Officer on behalf of the Company.

The Internal Regulations of the Board of Directors provides that the Strategy Committee is in charge of reviewing the Group's development strategies, including external growth investments and internal restructuration transactions, and to examine any contemplated acquisition or sale, merger or contribution of an amount higher than EUR 100 million. The Chairman of the Strategy Committee introduces its works to the Board of Directors which then deliberates upon its proposals.

- *Meetings of the Board of Directors of the Company*

At least five days before any meeting of the Board of Directors, the Chairman and Chief Executive Officer is required to submit a file to the Directors containing all information that will allow them to participate in the discussions listed on the agenda, and notably any useful information upon the financial situation, the treasury situation and the liabilities of the Company, in a discerning and efficient manner. Furthermore, outside of Board meetings, the Chairman and Chief Executive Officer is required to submit any necessary information and documents to the Directors to complete their duties, and the Directors may submit requests for information to the Chairman and Chief Executive Officer. In addition, Directors may ask the Chairman and Chief Executive Officer to invite the major executives of the Company to attend Board meetings.

- *Meetings held by videoconference or telecommunication*

Pursuant to the provisions of Articles L. 225-37 and R. 225-21 of the French Commercial Code, the Internal Regulations allow the Board to hold its meeting by videoconference or via telecommunications, providing that the identification of the participating Board members can be determined.

- *Independence of Directors*

The application of the notion of director independence is assessed on the basis of the following primary criteria, derived from the recommendations of the AFEP/MEDEF report. An independent director:

1 must not currently be or have been within the last five years an employee or corporate officer of SCOR;

The corporate governance code of listed corporations of AFEP/MEDEF also considers that, in order to be qualified as independent, a Director must not be or have been within the last five years an employee or corporate officer of a company consolidated by the parent company.

However, SCOR considers that an external Director, member of the Board of Directors of SCOR as well as member of the Board of Directors of subsidiaries of SCOR, such as SCOR Holding (Switzerland) or SCOR Reinsurance Company, who satisfies all the other criteria shall be considered as being independent.

2 must not have received remuneration greater than EUR 100,000 per year from SCOR within the last five years, excluding that received as directors' fees;

3 must not be an officer in a company in which SCOR directly or indirectly is a director, or in which an employee has been appointed as such, or in which an officer of SCOR (currently or within the last five years) is a director;

4 must not be a significant client, supplier, investment banker, commercial banker of SCOR or of its group (the "**Group**") or for which SCOR or its Group represents a significant share of the turnover. A significant share is a contribution to the turnover equal to the lesser of the following two amounts: more than 2% of the Company's consolidated turnover, or an amount greater than EUR 100 million;

5 must not have a close family relationship with an officer of SCOR;

6 must not have been an auditor of the company within the last five years;

7 must not have been a Director of SCOR for a period exceeding twelve years;

8 must not represent a shareholder of the Company owning more than 5% of the share capital or voting rights.

The following table presents the results of the review of the independence of each Director made in 2009 with regard to the criteria stated above:

Criteria	1	2	3	4	5	6	7	8	Independent
Denis Kessler	No	No	No	Yes	Yes	Yes	Yes	Yes	No
Carlo Acutis	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gérard Andreck	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Antonio Borgès	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Allan Chapin	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No
Peter Eckert	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Daniel Havis	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Daniel Lebègue	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
André Lévy-Lang	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Luc Rougé	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Guillaume Sarkozy (1)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Herbert Schimetschek	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Jean-Claude Seys	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Claude Tendil	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Daniel Valot	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

(1) Representing Médéric Prévoyance, Director

- *Rights and obligations of Directors*

Upon request, Directors are entitled to training on the specific nature of the Company, their business lines and their area of activity. They agree to regularly attend meetings of the Board, Committees of which they are members and the General Shareholders' Meetings. Finally, they are obliged to voice their opposition when they believe that a decision taken by the Board of Directors could be harmful to the Company.

- *Loyalty and conflict of interest*

The Internal Regulations prohibit Directors from accepting benefits from the Company or from the Group that could jeopardize their independence, and require them to dismiss any pressure from other Directors, specific groups of shareholders, creditors, suppliers or other third parties. Directors undertake to submit to the Board of Directors of the Company any agreement falling under the purview of article L. 226-38 of the French Commercial Code. In the event of a conflict of interest, Directors are obliged to inform the Board in full in advance. Such Directors are required to abstain from participating in any Board discussions.

- *Accumulation of position as Director*

The Internal Regulations require that candidates for Director inform the Board of the position they currently hold as Director or Officer in other entities, as the Board has the duty to ensure compliance with the rules regarding the accumulation of position as Director. Once appointed, Directors must inform the Board of any appointment they hold as a company officer within a period of five days following the event. Finally, Directors must inform the Board of the position they have held as Director in other entities during the course of the financial year within a period of one month following the end of this financial year.

Information concerning the positions held by the SCOR Directors is provided in Section 14.1.1 entitled Information on the members of the Board of Directors of the Registration Document.

- *Limitations and restrictions on trading SCOR securities*

The Internal Regulations set out the primary recommendations of the market authorities concerning the Directors trading the securities of the Company.

Firstly, the Internal Regulations set out the legal and regulatory provisions, demanding confidentiality with regard to privileged information known to the Directors during their appointment.

Following this, the Internal Regulations insist that the Directors register as owners of SCOR equities that they themselves or their un-emancipated minor children hold at the time they enter office, in addition to those acquired subsequently. Finally, certain restrictions are enforced by the Internal Regulations concerning trading SCOR securities:

- firstly, Directors are prohibited from trading in SCOR securities while in possession of information which, when made public, is likely to have an impact on the share price. The restriction remains in place two days after this information has been made public by a press release,
- secondly, they are prohibited, directly or indirectly, from carrying out any transaction in the Company's securities during unstable periods, which they are made aware of by the Company or during any period preceding a major event affecting the Company, likely to influence its market price.

Finally, Directors are obliged to declare all transactions carried out concerning the Company's securities, directly or by an intermediary, on their behalf or on behalf of a third party, by their spouse, or by a third party holding a power of attorney, to SCOR.

The Appendices of the Internal Regulations contain a description of the missions and the functioning of the various Committees. The Audit Committee and the Risks Committee decided each to adopt a Chart to complete such Appendices.

c) Meetings of the Board of Directors in 2009

During the course of the financial year 2009, the Company's Board of Directors held eight meetings on the following dates:

- 3 March;
- 16 March ;
- 15 April, two Board Meetings, the first preceding the Annual General Meeting and the second following it ;
- 29 April;
- 29 July;
- 6 September;
- 3 November.

The average attendance rate of the members of the Board was 87.5%.

The following table displays the attendance of the members of the Board of Directors during 2009:

Board members	Attendance rate (%)
Denis Kessler	100
Carlo Acutis	75
Gérard Andreck	87.5
Antonio Borgès	62.5
Allan Chapin	100
Georges Chodron de Courcel, non-voting Director	100
Peter Eckert (1)	100
Daniel Havis	100
Daniel Lebègue	87.5
André Lévy-Lang	62.5
Luc Rougé	100
Guillaume Sarkozy (2)	60
Herbert Schimetschek	100
Jean-Claude Seys	87.5
Claude Tendil	100
Patrick Thourot (3)	66.7
Daniel Valot	100

(1) Peter Eckert is a Director since 15 April 2009
(2) Médéric Prévoyance, represented by Guillaume Sarkozy, is a Director 15 April 2009
(3) Patrick Thourot is no longer a Director since 15 April 2009

d) Committees of the Board of Directors

At their meeting on 15 May 2003, the Board of Directors created four consultative Committees, responsible for preparing Board meeting discussions and making recommendations in specific areas.

The **Strategy Committee** is composed of Denis Kessler, Chairman, Carlo Acutis, Gérard Andreck, Antonio Borgès, Allan Chapin, Georges Chodron de Courcel (Non-Voting Director), Peter Eckert, Daniel Havis, Daniel Lebègue, André Lévy-Lang, Guillaume Sarkozy (as representative of Médéric Prévoyance, Director), Jean-Claude Seys, Herbert Schimetscheck, Claude Tendil, Patrick Thourot (until 15 April 2009) and Daniel Valot, appointed by the Board of

Directors and selected among the members of voting and non-voting Directors. The term of their mandates coincide with their term of office on the Board of Directors.

The Committee's mission is to study the Group's development strategies and to examine any acquisition or disposal plan concerning an amount in excess of EUR 100 million.

The Chairman of the Committee may convene any individual likely to provide relevant information for a clear understanding of a given point; the presence and information provided by this individual being limited to the relevant items on the agenda. The Chairman of the Strategy Committee must exclude the non-independent members of the Committee from the review of the discussions which might create an ethical problem or a conflict of interest.

In 2009, the Strategy Committee met on five occasions. Its works dealt with the whole strategy of the Group and in particular, the review of acquisition plans.

The average attendance rate of the Committee Members was 82.5%. The following table states the attendance rates of the members of the Strategy Committee in 2009:

Board members	Attendance rate (%)
Denis Kessler, Chairman	100
Carlo Acutis	40
Gérard Andreck	60
Antonio Borgès	80
Allan Chapin	100
Georges Chodron de Courcel, non-voting Director	80
Peter Eckert (1)	100
Daniel Havis	100
Daniel Lebègue	100
André Lévy-Lang	60
Guillaume Sarkozy (2)	0
Jean-Claude Seys	100
Herbert Schimetschek	100
Claude Tendil	100
Patrick Thourot (3)	100
Daniel Valot	100

(1) Peter Eckert is Director since 15 April 2009
(2) Médéric Prévoyance, represented by Guillaume Sarkozy, is Director since 15 April 2009
(3) Patrick Thourot is no longer a Director since 15 April 2009

The **Audit Committee** is composed of Daniel Lebègue, Chairman, André Lévy-Lang, Antonio Borgès and Daniel Valot. Each of its member is independent. According to its Internal Regulations, the Committee comprises between three and five members appointed by the Board of Directors of the Company and selected among the members of voting and non-voting Directors and, in compliance with the AFEP and MEDEF corporate governance code of listed corporations of December 2008, it is composed of a majority of independent Directors. The term of their mandates coincide with their term of office on the Board of Directors.

Due to their past experience and the duties that they held during their career, each member of the Committee has a high level of competence in financial matters.

The Committee is responsible for reviewing the financial situation of the Group, its compliance with internal policies, in addition to audits and reviews carried out by the auditors and by the internal control unit. It ensures the quality and transparency of the Group's financial statements.

The Audit Committee has adopted a set of Internal Regulations, setting forth two imperative missions:

- Accounting mission, including the analysis of periodic financial documents, the review of the relevance of choices and correct application of accounting methods, the review of the accounting treatment of any material transaction, review of the scope of consolidation, review of off-balance sheet commitments, control of the selection and remuneration of statutory auditors, oversight of any accounting and financial reporting documents before they are made public;
- Ethical and internal control responsibilities. In this context, the Audit Committee is responsible for ensuring that internal procedures relating to the collection and auditing of data, guarantee the quality and reliability of SCOR's financial statements. The Audit Committee is also in charge of reviewing agreements with related parties ("*conventions réglementées*"), analysing and responding to questions from employees with regard to internal controls, the preparation of financial statements and the treatment of internal accounting books and records.

The Committee may consult the Group's Chief Financial and Accounting Officer, the Chief Internal Auditor and external auditors on these issues. During the financial year 2009, it proceeded to the hearing of the auditors, of the Group Chief Financial Officer during the review of the financial statements. It also heard the Chief of Internal Control. The review of the financial statements has been accompanied with a presentation made by the auditors underlying the major results of their works, as well as with a presentation made by the Group Chief Financial Officer describing the risks exposure and the material off-balance sheets liabilities of the Company.

The Chairman of the Committee may convene any individual likely to provide relevant information for a clear understanding of a given point; the presence and information provided by this individual being limited to the relevant items on the agenda. The Internal Regulations of SCOR's Audit Committee, has been approved by the Board of Directors of the Company on 18 March 2005.

During its seven meetings in 2009, the Audit Committee discussions focused primarily on the following matters: review of the quarterly and annual financial statements, management of the Group's debt, impact of the financial crisis upon the Group's assets, strategy plan, embedded value, impact of the litigations upon the financial statements..

The average attendance rate of the Committee Members was 89%. The following chart states the attendance of the Audit Committee's members in 2009:

Board members	Attendance rate (%)
Antonio Borgès	85.7
Daniel Lebègue, Chairman	100
André Lévy-Lang	85.7
Daniel Valot	85.7

The **Compensation and Nomination Committee** members are Allan Chapin, André Lévy-Lang, Georges Chodron de Courcel, Non-Voting Director, Claude Tendil Chairman and Daniel Valot. According to its Internal Regulations, the Committee is composed of between three and five members appointed by the Board of Directors of the Company and chosen among the members of voting and Non-Voting Directors. The term of their mandate coincides with their term of office within the Board of Directors or Non-Voting Director.

Four of its members are independent.

The Committee submits recommendations concerning compensation packages for the corporate officers and members of the Executive Committee of the Group ('COMEX'), pensions, stock allotment plans and stock option plans or stock subscription plans to the Board and makes proposals concerning the composition and organisation of the Board of Directors of the Company and its Committees. Its missions are described in the Internal Regulations.

The Committee met four times in 2009. Its works dealt with the stock allotment and subscription plans, the modalities of remuneration of the Chairman and Chief Executive Officer and other members of the Executive Committee of the Group. The Committee focussed on the renewal and composition of the Board of Directors. The Committee also worked on the general organisation and on the succession schemes of the key officers of the Group.

The average attendance rate of the Committee Members was 85%. The following chart states the attendance of the members of the Compensation and Nomination Committee in 2009:

Board members	Attendance rate (%)
Allan Chapin	75
Georges Chodron de Courcel	100
André Lévy-Lang	75
Claude Tendil, Chairman	100
Daniel Valot	75

The **Risk Committee** members are Antonio Borgès, Peter Eckert, Chairman, Daniel Havis, Daniel Lebègue, André Lévy-Lang, Guillaume Sarkozy (as representative of Médéric Prévoyance), Jean-Claude Seys and Daniel Valot.

All of its members are independent.

The Committee is responsible for highlighting the main risks to which the Group is exposed, regarding both assets and liabilities and for ensuring that the means put in place to monitor and manage those risks have been effectively implemented. It examines the Group's risks and the Group's 'Enterprise Risk Management' (ERM) policy. The Committee met five times in 2009, primarily to discuss the following matters: analysis of the main exposures of the Group (in particular pandemia), risk appetite, retrocession policy and coverage, solvency and contemplated Solvency II, internal model of assets and liabilities and capital allocation management, standards and guidelines for assets management, internal control and Directors' and Officers' liability insurance.

During its meeting held on 2 November 2009, the Committee adopted a new chart providing for its missions and its functioning.

The average attendance rate of the Committee Members was 83%. The following chart states the attendance of the members of the Risk Committee in 2009:

Board members	Attendance rate (%)
Antonio Borgès	60
Peter Eckert, Chairman	100
Daniel Havis	100
Daniel Lebègue	100
André Lévy-Lang	100
Guillaume Sarkozy	25
Jean-Claude Seys	100
Daniel Valot	80

e) Principles and rules stated for the determination of compensation and in-kind benefits for corporate officers

The data on compensation for corporate officers appears in Section 15 – Remuneration and benefits – and 17.2 – Information on shareholding and stock options of the members of the management and administrative bodies.

Every year, the conditions of remuneration for corporate officers and Directors are made public through the documents released for the Annual General Shareholders' Meeting. The General Shareholders' Meeting that took place on 31 May 2005 set the Directors' fees at a maximum of EUR 800,000 per year. This limit has not been changed since this date. Within the limits of this amount and upon the submission of the Compensation and Nomination Committee, the Board of Directors fixed the conditions of the allotment, in order to encourage the attendance of the Directors. It was thus decided to award the Directors' fees, payable to each voting or non-voting Director as a fixed part, equal to EUR 20,000, payable in fourths and another part based on attendance by voting and non-voting Directors, amounting to EUR 1,700 per meeting and participant. The payment of the Directors fees is made at the end of each quarter. Moreover, each Director received in 2009 the single sum of EUR 10,000 that must be used to purchase Company's shares, that the Director commits to keep until the end of his appointment. The paid amounts have been properly used to that effect.

- Directors

A table displaying the fees allocated individually to each Director or non-voting Director can be found in section 15.1.1 of the Registration Document.

Certain Directors or the Non-Voting Director of SCOR are also members of the Boards of Directors for the Group's subsidiary companies and as a result of this, received Directors' fees in 2009.

With the exception of the Chairman of the Board of Directors and the Director representing the employees, the members of the Board are not entitled to stock option plans for the subscription or the purchase of shares nor stock allotment plans from the Company.

No retirement contribution (or commitment) has been paid for the benefit of the Directors.

- Chairman and Chief Executive Officer

Compensation

There is no employment contract between Mr. Denis Kessler and the Company.

Following the recommendation of the Compensation and Nomination Committee, the meeting of the Board of Directors on 12 December 2008 decided that the Chairman and Chief Executive Officer:

- will receive a fixed gross annual sum of EUR 1,200,000, payable in twelve monthly instalments; and
- will receive, a variable annual compensation, capped at EUR 1,000,000 determined as follows:
    - 50% on the basis of the achievement of personal objectives, defined annually at the beginning of each year by the Board of Directors of the Company on the recommendation of the Compensation and Nomination Committee; and
    - 50% on the basis of the achievement of financial objectives, defined annually at the beginning of each year by the Board of Directors of the company on the recommendation of the Compensation and Nomination Committee.

The variable compensation for year n will be paid in year n+1, as soon as the financial statement of the Company for year n are approved by the Board of Directors.

For 2008, the variable compensation of the Chairman and Chief Executive Officer has been determined according to the following criteria:

- personal criteria: reinforcement of the ERM and finalisation of the internal model ; implementation of the new Group's organisation following the acquisitions of Revios and Converium ; prospective management of the executives and of the key employees ; implementation of the subsidiary dedicated to the asset management ; general management;
- financial criteria: Return on Equity (RoE) achieved by SCOR.

In the case of departure during financial year n:

- all the variable part of his compensation for year n-1 will be payable during year n as soon as the Company's financial statements for year n-1 are settled by the Board of Directors;
- in addition, in the case of dismissal, the amount of the variable part of his compensation for year n will be (i) determined on the basis of the variable compensation for year n-1 and prorated on the basis of the departure date for the current year n, and (ii) paid as soon as the Company's financial statements for year n-1 are settled by the Board of Directors.

In case of dismissal or imposed departure due to a change in the structure of the share capital or in the strategy, substantially affecting the content of his duties or making the continuation of his activities and the normal exercise of his powers of the Company, the Chairman and Chief Executive Officer:

- will receive an indemnity corresponding to the sum of all the fixed and variable elements of his annual gross compensation, paid by the Company during the two years prior to his departure. This severance pay is subject to the performance conditions adopted by the Board of Directors, under the recommendation of the Compensation and Nomination Committee. These performance conditions can be referred to in the Board of Director's Management report;
- concerning the options granted prior to his leaving, within the stock options plans, and which he is unable to exercise according to these plans, he will benefit from an indemnity, compensating for this loss of the right to exercise the options, the amount of which will be determined by an independent expert using the Black & Scholes evaluation method, as at the date of his departure;
- will receive an indemnity, including the loss of the right to the shares, equal to the number of shares concerned by the average price of SCOR shares on his departure date, in connection with the shares that have been granted to him for free prior to his leaving but the rights of which have not been acquired yet.

The Company did not consider it necessary to make this information public directly after the meeting of the Board of Directors, during which these decisions were made. This information is released each year when the Registration Document is made available.

Stock option and free share allotment plans

On meeting on 16 March 2009, the Board of Directors, upon authorisation granted by the Extraordinary general meeting of the Shareholders on 7 May 2008, and upon the recommendation of the Compensation and Remuneration Committee of 11 March 2009, decided to allot 125,000 performance shares to the Chairman and Chief Executive Officer. The granting will be effective at the end of a vesting period of two years and subject to the satisfaction of performance conditions as defined by the Compensation and Nomination Committee. Such granting is also submitted to a non-transferability period of two years at the end of which the shares will be available and be freely assigned. The Chairman and Chief Executive Officer shall retain 10% of these shares in the registered form until he ceases to hold his duties of corporate officer. He shall also acquire on the market un number of shares equal to 5% of the shares freely assigned to him. An allotment of 125,000 shares subscription options to the benefit of the Chairman and Chief Executive Officer was decide by the same Board of Directors, upon authorisation granted by the Extraordinary general meeting of the Shareholders on 7 May 2008, and upon the recommendation of the Compensation and Remuneration Committee of 11 March 2009. The exercise of these subscription options is subject to the satisfaction of the same performance conditions as those of the performance shares.

Life insurance

Finally, at the meeting of the Board of Directors on 21 March 2006, it was decided that the Chairman and Chief Executive Officer will have specific life insurance to cover the risks inherent in the duties of Chairman and Chief Executive Officer of the Company, in an amount equivalent to three years of fixed and variable compensation; the insurance will be obtained by the Company.

Benefits in kind

As the Company representative, the Chairman and Chief Executive Officer is granted with a company car with a driver. The insurance, maintenance, fuel and all costs related to the driver are paid by the Company.

Moreover, the Chairman and Chief Executive Officer receives benefits in kind, of the following nature:

(a) a health insurance policy under the terms of a contract dated 16 September 1988;

(b) an "all causes" death or permanent disability insurance policy for Company Executives, dated 30 June 1993. The Company is currently re-negotiating this contract and it is specified that the Chairman and Chief Executive Officer will benefit from any policy that may replace the existing policy; and

(c) death or permanent disability insurance for an accident, underwritten on 1 January 2006; it is specified that the Chairman and Chief Executive Officer will benefit from any policy that may replace the existing one.

Retirement

Like all the Group's Executive officers based in France and employed by the Group as at 30 June 2008, the Chairman and Chief Executive Officer benefits from pension coverage capped at 50% of the reference salary, provided he has been with the Group for a minimum of five years. The rights to this pension are vested progressively, based on seniority over a period of 5 to 9 years, on the basis of the average compensation received over the last five years with the Group. The right to a supplementary pension is only acquired under the condition that the beneficiary is a corporate officer or an employee of the Company when he claims his rights for the pension, according to the rules in force at that time.

Powers of the corporate officers

At its meeting on 18 April 2002 and in compliance with Article L. 225-51-1 of the French Commercial Code and Article 16 of SCOR's bylaws ("Executive Management"), the Board of Directors of the Company decided that the management of the Company will be carried out under his responsibility by the Chairman of the Board of Directors, with the title of Chairman and Chief Executive Officer, who may be assisted by a Deputy Chief Executive Officer.

Denis Kessler joined the Group on 4 November 2002 with the goal to sort it out as it was facing a very difficult financial situation. The Board of Directors considered that, in order to achieve such mission, it was preferable to entrust the powers of Chairman and of Chief Executive Officer to Denis Kessler.

No limitation on the powers of the Chairman and Chief Executive Officer, other than those stipulated by law, is included in the bylaws or any decision of the Board of Directors of the Company.

General meetings of the Shareholders

The modalities of the participation of the Shareholders to the General meetings and notably the main powers of the Shareholders' General meetings, the description of the Shareholders' rights as well as the modalities of the exercise of the voting rights are set forth by the Article 19 of the Company's by-laws, an electronic version of which is available on SCOR's web site (www.scor.com).

II. Internal control and risk management procedures

Introduction

SCOR has integrated the internal control system in the actions made to strengthen the Enterprise Risk Management (ERM) framework in the Group. The internal control system is the responsibility of the Group's General Management.

This report was prepared with the contribution of the Group Risk Management Department, the risk management departments of the operating companies, the Group Internal Audit Department, the General Secretary's Department and the Finance Department. It was presented to the Accounting and Audit Committee on 1st March 2010 and approved by the Board of Directors of the Company on 2nd March 2010.

Because of the international activity of the Group, and to ensure coherence between ERM and the internal control system, the Group now uses the COSO 2 report "*Enterprise Risk Management – integrated framework" published by the Committee of Sponsoring Organisations of the Treadway Commission (COSO)* in developing and formalising the risk management and internal control systems. The four general objectives sought through the application of this framework are (1) to ensure that strategic objectives are properly implemented in the Group, (2) to ultimately achieve better operating efficiency and use of resources, (3) to ensure compliance with applicable laws and regulations, and (4) to ensure reliable accounting and financial information. The use of this framework requires us to cover the eight components set forth by the COSO, i.e. (1) defining the internal environment, (2) ensuring objectives are set, performing (3) a risk identification, (4) a risk evaluation and (5) a risk response, (6) listing and formalising control activities, (7) presenting the information and communication process, and (8) ensuring monitoring of the risk management and internal control systems. The structure of this report is in line with the eight components of the COSO, components 1 and 2 being dealt with in the paragraph "Internal environment and setting of objectives" and components 3, 4 and 5 in the paragraph "Identification and assessment of risks". The elements concerning accounting and financial reporting are separate and are presented in the last part.

Like any internal control system, the Group's system cannot absolutely guarantee that the risks not to achieve the COSO objectives will be totally eliminated. For example, among the various limitations inherent in the effectiveness of internal controls relating to the preparation of financial documents, those involving decision-making errors based on human judgment are particularly high in a reinsurance company. In effect, the accounting data are subject to numerous estimates, primarily because of the evaluation by the reinsurer of claim reserves, either those not yet declared to the ceding companies or the reinsurer, or those for which development is uncertain or subject to a number of assumptions.

SCOR improvements in terms of ERM have been acknowledged by Standard & Poor's which raised in September 2009 SCOR's ERM from "adequate" to strong", principally evaluating the Group's risk management culture as well as its strategic risk management.

(a) Internal Environment and Setting of Objectives

General organisation

The Group consists of SCOR SE ("SCOR") and its 6 "hubs", subsidiaries, branches and representation offices throughout the world. SCOR, a European company having its registered office in Puteaux (France), has the responsibilities of a parent company, operational responsibilities for cash management and for the retrocession of the Group's operating entities and functional responsibilities. SCOR carried out operating activities of asset management in the first months of 2009. This responsibility was partly taken over during 2009 by SCOR Global Investments, a subsidiary of SCOR, and will be completely taken over for all subsidiaries over the next quarters.

SCOR's functional responsibilities cover a broad area extending to all of the Group's activities. The heads of both the Finance Department (the Chief Financial Officer (CFO)) and the Group Risk Management Department (the Chief Risk Officer (CRO)) report to the Chairman and Chief Executive Officer and are members of SCOR's Executive Committee (Group Comex). The Group Internal Audit Department reports to the Chairman and Chief Executive Officer. The other departments, namely Information Systems Department, General Secretary and Corporate Legal and Reinsurance Legal Departments, Human Resources Department, Corporate Communications Department and Group Cost Control & Budget Department, report to the Chief Operating Officer (COO).

In particular:

- The Group Risk Management Department includes the Group Actuarial Department, the Group Retrocessions Department, the Group Risk Management Department, the Corporate Actuarial Department and the Group Financial Analysis & Risk Modelling ("Finmod").

- The Finance Department includes the Group Corporate Finance and Financial Communications Department, the Group Treasury Department, the Group Financial Planning & Analysis Department, the Group Accounting & Consolidation Department, the Group Tax Department and a new department: the Investment Accounting Department.

Reinsurance operating activities are divided between:

SCOR Global P&C	SCOR Global Life
Non-life treaties, facultative business in major corporate risks, and specialty treaties	Life and health reinsurance

Each of the two reinsurance companies includes functional departments, including a Risk Management Department.

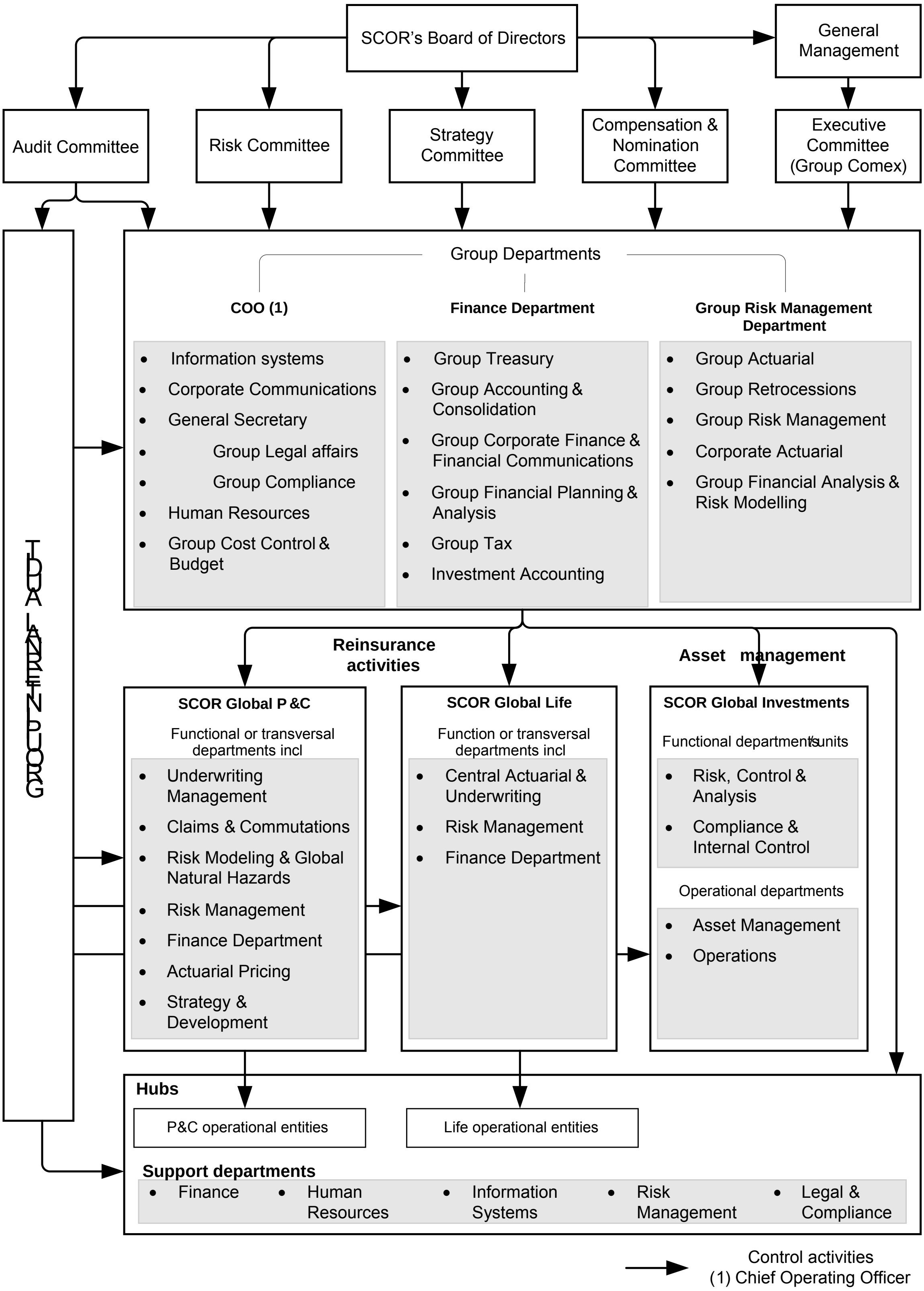
Furthermore, the Group is organised around six "hubs" (Paris, Zurich, Cologne, London, Singapore and New York), each hub having local, regional and Group responsibilities. The heads of hub report to the Group COO. This organisation enables:

- the operational structures and support functions to be optimised by creating service entities in charge of managing pooled resources: information systems, human resources, legal,… in the Group's main locations. These service entities are distinct from the underwriting units which have direct reporting lines with the respective SCOR Global P&C and SCOR Global Life organisations,

- several Group functions to be carried out in a geographical location other than Paris in order to benefit fully from the competences within different locations.

  Each hub includes the following functions: a Legal and Compliance Officer, a Head of Information Systems, a Head of Finance, a Head of Human Resources and a Risk Manager.

GROUP INTERNAL CONTROL STRUCTURE : THE PARTICIPANTS



Within this environment, control responsibilities are exercised as follows:

- SCOR's Board of Directors relies on the Accounting and Audit Committee and the Risk Committee to exercise its control responsibility over the objectives it has set for the Company;

- SCOR's Executive Committee defines the procedures for implementing the strategy decided by the Board of Directors, the underwriting policy, the financial policy, the retrocession policy, and the claims management policy. It meets on a weekly basis and is currently made up of the Senior Managers of the Group: the Chairman and Chief Executive Officer of SCOR, the Chief Executive Officer of SCOR Global P&C and his deputy, the Chief Executive Officer of SCOR Global Life and his deputy, the Chief Executive Officer of SCOR Global Investments, the Chief Risk Officer and the Chief Financial Officer. SCOR is represented in the governance bodies of its principal subsidiaries. Eventually, SCOR's Board of Directors, following a recommendation made by the Compensation and Nomination Committee, has decided to appoint independent directors of SCOR in each of the principal subsidiaries;

- the Group departments and functional or transversal departments of SCOR Global P&C, SCOR Global Life and SCOR Global Investments invested with a control responsibility have the task of defining and controlling the implementation of rules pertaining to the areas of their responsibility and applicable to all of the Group's entities. These rules, and the participants, are described in detail in part c) of this report on control activities;

- the hubs' support departments, the operational entities of SCOR Global P&C and SCOR Global Life and the operational departments of SCOR Global Investments must apply the rules defined above. They carry out all of the first-level controls related to business management and ensure compliance with regulatory, accounting and fiscal laws, at both local and Group levels;

- The Group Internal Audit Department eventually checks independently the effectiveness and relevance of the internal control procedures for all the Group's entities whatever the area.

Enterprise Risk Management and Group internal control approach

The main tasks of the Group Risk Management Department are to further develop the Enterprise Risk Management (ERM) framework and to promote an ERM culture within the Group so that risks are managed consistently within each department. The Group Risk Management Department is supported in these tasks by the departments in charge of Risk Management at SCOR Global P&C, SCOR Global Life and SCOR Global Investments.

To this end, the Group Risk Management Department has defined a framework ("ERM framework") which aims at structuring and promoting ERM within the Group and implementing a harmonised, formalised and structured internal control system according to Group standards. Experts, who report to the different Risk Management Departments are dedicated to the coordination of internal control initiatives within SCOR, SCOR Global P&C and SCOR Global Life and support the managers if necessary.

The approach used to develop the internal control system was adopted and is monitored by the Risk Committee. The principal characteristics of this approach are as follows:

- establishment of an Internal Control Group Policy specifying the approach, the reference framework, the Group principles, the responsibilities of the different participants in internal control and the quality requirements. Various application guides supplement this policy,

- appointment of global process owners (GPO) at the Group, SCOR Global P&C, SCOR Global Life and SCOR Global Investments levels and local process owners (LPO). The GPOs' responsibility is to document the processes, identify the related critical risks, define the appropriate key controls and to ensure their deployment and application in the various entities of the Group. The LPOs' main responsibilities are to review the processes and key controls defined by the GPOs and to comply with this documentation or justify to the GPO why they have to differ,

- monitoring, upon completion of the initial documentation through (a) a self-assessment procedure on the maturity (quality) of their processes and controls by the GPOs and LPOs and (b) periodic missions of the Group Internal Audit Department. An insufficient level of maturity requires an action plan to be established.

Compliance to local regulations and constraints is ensured by hub compliance officers.

This approach was deployed first during 2009 on the processes assessed as highly critical. It is being rolled out on the processes deemed critical.

Furthermore SCOR is closely monitoring the potential impacts of the Solvency II Directive. SCOR's Executive Committee decided in December 2009 to conduct a comprehensive assessment of the situation in relation to the Solvency II requirements. When this work is completed, the results and an action plan will be presented to the Executive Committee and Board of Directors of SCOR.

Group standards and Registration documents

To be in line with the ERM and internal control approach, SCOR has created Group standards or has revised existing local documents in order to create Group references.

Thus, Group principles relative to delegations of powers, to the use of the double signature in documents which bind SCOR and to the Group IT security policy are available. The Anti-money Laundering and Combating Terrorism Financing Guidelines cover the activities of SCOR Global Life and SCOR Global P&C as well.

In 2009, the Group produced a new code of conduct which has been approved by the Risk Committee and presented to SCOR's Board of Directors. This Code describes behaviour's principles that each employee must apply during the course of his decision making and activities .

The Information Charter, which describes the importance of information for SCOR's Paris entities and establishes the framework for using information systems, has been revised to become a Group reference ("SCOR IT Policy") and will be presented to the Executive Committee. It especially sets forth the applicable security measures and the legal considerations involved in using information technology resources. The other purposes of this Charter are to avoid misuse of professional and personal information and to guarantee compliance with the confidentiality of said information.

When approved, these documents are made available to Group employees on the SCOR intranet.

Setting of objectives

SCOR has implemented and formalised for several years 3 year strategic plans. The current plan, Dynamic lift V2, covers the years 2007 to 2010. The strategic plan includes objectives such as risk appetite and risk tolerance as well as written premiums, financing, profitability and rating. A new plan is in development and will be introduced following approval by SCOR's Board of Directors mid-2010.

As mentioned here before, the Executive Committee defines the procedures for implementing the strategy and reviews the consistency of the operational plans or policies (e.g. underwriting, finance, retrocession, IT) with the strategic plan. The Executive Committee also ensures that there is an optimal risk-based allocation of capital and diversification.

The clarity and precision of strategic objectives and their implementation within the Group ease the identification, evaluation and control of risks, whatever their nature (e.g. underwriting risk, market risk, and operational risk), possibly caused by these objectives.

(b) Identification and Assessment of Risks

Several processes for identifying and assessing risks have been implemented to approach risk from different angles and to deal with them in an exhaustive manner. These include:

- A Risk Enquiry process

The methodology of this process is based on a large number of interviews carried out by members of the risk management departments in the different companies and functional departments of SCOR with members of the Executive Committee, other senior managers and subject matter experts. The risks identified during the interviews are analysed and grouped into three different categories according to their importance, with mention, if possible, of the action underway or to be recommended. This complete review is carried out once a year.

- An Emerging Risks process

Emerging risks are subject to a specific process of identification and analysis. A dedicated collaborative site has been created on the Group's intranet allowing designated observers, who are experts in their field, to collate market information, articles or studies on topics that might constitute emerging risks. In addition, a special email address allows all Group employees to submit information. This information is processed by a Committee composed of members of the risk management departments of the SCOR Group.

All the resulting conclusions and studies of the two processes: Risk Enquiry process and Emerging Risks process are summarised in reports submitted each year to the Chief Risk Officer who discusses with the risk owners who decide which steps to take.

- An Extreme Scenarios process

This process aims to review and assess the potential impact of selected extreme scenarios. Subject specific working groups constituted of experts across the Group then perform quantitative studies which are summarised in specific reports.

The Chief Risk Officer presents any major scenario, if any, which exceeds the Group's risk tolerance to the Executive Committee and the Risk Committee.

Furthermore operational risks are being identified, listed and assessed within each critical process.

All the above-mentioned initiatives and processes are coordinated by the Group Risk Management Department, supported by the Risk Officers of SCOR Global P&C and SCOR Global Life.

Furthermore, the Group Risk Management Department coordinates an ERM coordination committee, made up of representatives of SCOR Global P&C, SCOR Global Life, SCOR Global Investments and the Group departments. This committee discusses the major risks identified within each Group entity as well as new approaches and developments in ERM which are of importance for the Group.

(c) Principal Activities and Participants of Risk Control

Because of its activities, SCOR is exposed to many risks: reinsurance related risks, market risks and other risks (e.g. liquidity, rating). These risks, as well as the main procedures implemented by SCOR to control or mitigate them are detailed in the part 4 – Risk Factors of the 2009 Reference Document. This report does not detail these risks, but aims at summarising the principal activities and participants of Risk Control.

The control activities dealt with below are considered as the principal activities for controlling risks specific to different fields. These control activities are:

- either applied across all Group entities;

- or they are adjusted and rolled-out gradually in order to ensure the internal control system is adequate and consistent across the Group.

The formalisation is being revised in accordance with the new Group standards.

SCOR's control procedures are currently grouped in the following fields of activity:

c) activities related to reinsurance,

d) asset management,

e) accounting management,

f) Central functions.

i) Activities related to reinsurance

The operating and control procedures concerning underwriting, pricing, administration of reinsurance contracts and claims management are validated by SCOR Global P&C and SCOR Global Life and are applied to all underwriting segments of the company in question, regardless of location. The following steps strengthen internal controls in this area:

- SCOR uses an internal model for determining economic capital managed by the Group Risk Management Department, necessary to implement its underwriting and asset management policies. Economic capital is allocated to SCOR Global P&C and SCOR Global Life and constitutes the reference for deciding and verifying the profitability expected from each of them;

- Most of the business underwritten by SCOR Global P&C is renewed on agreed dates. This situation enables to establish annual underwriting plans, both qualitative (description of the environment) and quantitative (activity budget). These plans are approved by the Group Comex. Concerning SCOR Global Life, business is underwritten along the year. As a result, the notion of underwriting plan is different. The plan is a multiyear plan and is updated on a quarterly basis with the business actually underwritten;

- A quarterly review of technical results is performed for:

    - SCOR Global P&C, by sector (P&C Treaties, Specialties, Business Solutions) and region (EMEA (Europe, Middle East & Africa), Americas, Asia-Pacific). The review enables to analyse technical results by underwriting year, by nature and by line of business;

    - SCOR Global Life, by Market Unit and provides technical results by legal entity, by region (i.e. France, Germany, UK/Ireland, Rest of Europe, North America, Asia/Pacific, Middle East, Others) and by line of business;

- Underwriting and pricing guidelines, defined respectively by SCOR Global P&C and SCOR Global Life, specify the underwriting capacities delegated to each entity, as well as the underwriting rules and principles to be complied with. They are approved each year by the Group Chief Risk Officer. Business opportunities going beyond the stipulations of the guidelines thus defined are subject to special referral procedures at two key levels. These cases are examined respectively:

  - for SCOR Global P&C, by its Underwriting Management Department;

  - for SCOR Global Life, by the Central Actuarial & Underwriting Department and where applicable the Risk Management Department and the Finance Department of SCOR Global Life;

  Cases which may have a significant impact on the balance sheet (thresholds and/or conditions defined in a procedure or specific guidelines) must be reviewed by the Group Risk Management Department;

- Concerning claims management

  - for SCOR Global P&C, the definition of a global claims and commutations management policy for all Treaty, Facultative and Specialty business of SCOR Global P&C is carried out by the Claims & Commutations Department of SCOR Global P&C; this department manages major, serial, contentious and latent claims. In addition, audits of the clients' claim departments are conducted by claim experts from the principal entities of SCOR in order to review important files and to provide technical support to these cedants;

  - for SCOR Global Life, claims exceeding a predefined threshold are reviewed by the Central Actuarial & Underwriting Department of SCOR Global Life;

  A "Large Loss" Committee, common to both SCOR Global P&C and SCOR Global Life, meets on a regular basis to review the Group's large losses;

- Catastrophe risk accumulations are monitored as follows:

  - for SCOR Global P&C, the Risk Modelling & Global Natural Hazards Department is in charge of monitoring accumulations. A "CAT" committee meets regularly to review the accumulation reporting package and decide or arbitrate the allocation of CAT capacities by country. Earthquake and storm risks are managed by market models (Eqecat, AIR and RMS) in the regions considered to be the most exposed;

  - for SCOR Global Life, scenarios are established in conjunction with the Risk Management Department of SCOR Global Life in order to define the need for retrocession coverage;

- Risks specific to the administration of contracts are subject to controls performed at the level of the subsidiaries and branches. SCOR's Group Information System includes multiple automatic controls and additional control tools;

- The Group Chief Actuary performs a centralised control of the methods and reserving tools and ensures that reserves are adequate for P&C and Life activities. His role is to implement standardised methods for reserving losses for the entire Group, and to ensure the consistency of the reserving policies within the Group, in liaison with the internal actuaries and any external actuaries. The Chief Risk Officer, assisted by the Group Chief Actuary, supervises the reserves for all the subsidiaries and branches and reports to the Accounting and Audit Committee of the Board of Directors of the Company;

- The Group Retrocession Department establishes and implements the external retrocession plan for P&C and Life activities. This department is responsible for its proper application, for monitoring the solvency of the retrocessionaires, the related counterparty risks and, when necessary, for the collection of balances due.

ii) Asset management

- the Group has harmonised the principles governing asset management: the Statement of Group Investment Principles defines the Group's governance in terms of asset management and the Manual of Group Investment Guidelines determines the conditions in which SCOR Global Investments will implement, on behalf of all Group subsidiaries, the investment policy as defined by the Group's Investment Committee; both of these documents have been approved by the Group's Executive Committee;

  in 2008, SCOR Global Investments was specially created to manage all of SCOR's financial assets and obtained on May 15th, 2009 approval from the French financial market regulatory body (AMF) as an asset management company. To this end, the management and control procedures have been revised and a Head of Compliance and Internal Control was appointed in 2009. In order to meet the requirements of the regulatory body, his role is to implement an effective internal control program which covers all activities relating to financial asset management;

- investment decisions are implemented by SCOR Global Investments in accordance with the directives of the Group Investment Committee and with the investment guidelines. This Group Investment Committee meets at least once every quarter. Its role is to coordinate tactical asset allocation on a Group level and to supervise the application of the objectives by the asset management company, observing the constraints established;

- a regular reporting allows SCOR to monitor the management of assets entrusted to SCOR Global Investments;

- the investment portfolios managed by external service providers are reviewed during quarterly investment committees, attended by the external fund managers, the Senior Managers of the subsidiary in question and representatives of SCOR Global Investments;

- the information systems used by SCOR Global Investments monitor transactions on publicly traded securities (audit trail, valuation of securities). Assets owned by all Group entities are since 2009 monitored in one central information system and the accounting tools implemented in Paris in 2008 are being deployed in the Group's principal subsidiaries. Performance analysis and risk monitoring tools are being deployed as well.

iii) Accounting management

See below (f) thereafter.

iv) Central functions

The Group's central functions, different from the finance and communication functions dealt with in parts (d) and (f) thereafter, comprise Risk Management, Treasury, budget & forecasting and functions relating to legal and tax issues, information systems, human resources and general service departments. These include:

- the Group Risk Management Department's primary focus is to develop and manage ERM mechanisms, promote ERM concepts throughout the Group and perform a second-level control over reinsurance underwriting as mentioned above. The Department also supervises the placement of the Group's insurance policies;

- the Group Treasury Department manages the Group's cash flow, directly or indirectly and carries out a weekly centralised reporting of the Group's cash situation. A quarterly reconciliation is carried out with the accounting figures;

- control of the Group's information systems is provided by the Group Information Systems Department. A Unit has been established to deal with all issues of information system security. Periodic audits of information security applications and procedures are conducted. Since several years, SCOR has been improving its control procedures by basing them on the COBIT guidelines (*Control objectives for information and technology*) to cover the risks, listed in the 12 major processes of COBIT, relating to the development of programmes, changes in programmes, operation and access to data programmes. An IT contingency plan has been established, including an emergency and back-up centre located outside of SCOR's head office and covers all Group entities, in terms of Group systems;

- the budgetary control system for general expenses is organised and managed by the Group Cost Control & Budget Department;

- the Group Financial Planning & Analysis Department establishes an annual financial plan for the Group by company and monitors actual data in relation to this plan on a quarterly basis. A presentation of the results of the analysis is made to the Executive Committee every quarter;

- the objective of the Group Tax Department is to ensure that the various entities of SCOR meet their tax obligations and promote the use of best practices in this domain;

- The General Secretary and Group's Legal Departments exercise control at various levels. It is their responsibility to ensure compliance, both with the laws and regulations and with internal rules, decisions, commitments and practices of SCOR. This task particularly affects the legal organisation of the Group's entities, the entry into agreements, and supervision of major disputes. They also monitor compliance with the Group's filing obligations. In addition, in order to minimise compliance and reputation risks, the Group Compliance Officer, reporting to the General Secretary, must ensure that the various aspects of regulatory and legal compliance are properly identified and managed.

  Following the organisation of the Group within six "hubs", the local support functions are gradually assumed by entities especially dedicated and set up in each hub. This organisation enables to create centres of expertise and to strengthen the coherence and control of our activities. Thus the head of hub is responsible for defining the business continuity plan and implementing it in all locations within his hub. Furthermore, the hub is a key element for the implementation of Group procedures and policies.

(d) Information and Communication

Financial communication:

The establishment and centralisation of all financial information - particularly press releases, intended for the market, investors, financial analysts, and the press - are the responsibility of the Corporate Communications Department and the Group Corporate Finance & Finance Communications Department, which respects a formalised process. Financial information intended for rating agencies is the responsibility of the Group Corporate Finance & Finance Communications Department. All of this information is ultimately controlled by General Management.

Concerning the Registration Document, a specific process has been implemented to ensure the contribution of all relevant departments and the consistency of the information provided. A final edit is made by members of the Executive Committee.

The Corporate Communications Department systematically and simultaneously publishes regulated information, including press releases, via a professional host included in the official list published by the AMF and on SCOR's website (www.scor.com).

Internal communication:

SCOR strives to make all documents deemed important available to all SCOR employees (or to certain categories if necessary) on SCOR's intranet.

Furthermore, SCOR has increased the use of collaborative sites enabling it to share and retain document history or to collect and centralise information specific to certain subjects (e.g. emerging risks) from various sources.

(e) Internal Control System Monitoring

Monitoring of the internal control procedures falls under the remit of General Management which is supported by two departments: the Group Risk Management Department and the Group Internal Audit Department with the aim of optimising resources and having regular, formalised reporting of the state of documentation and structuring of internal control procedures. Furthermore, the Finance Department has developed the "management representation letters" process, detailed in part f) on financial reporting, which also incorporates certain points relative to internal control of accounting and financial reporting.

The Group Risk Management Department monitors the documentation and formalisation status, according to Group standards, of the processes deemed critical.

The Group Internal Audit Department's main responsibility is to inform the Chairman and Chief Executive Officer and the operating and functional departments of any operating irregularities through the implementation of an annual audit plan based on an analysis of risks, resulting amongst other things from discussions with the Group, P&C and Life Risk Management Departments, and approved by the Accounting and Audit Committee.

The Group Internal Audit Director reports his activity to the Accounting and Audit Committee of the Board of Directors of the Company.

(f) Financial Reporting

The accounting and finance function is the responsibility of the Chief Financial Officer (CFO), who manages all financial areas in order to have an overall view of the Group's technical and financial results.

The CFO does not, however, exercise direct control over all accounting information systems and relies on the accounting departments of operating companies, who provide him with quarterly consolidation packages, as well as on the accounting departments of SCOR Global P&C and SCOR Global Life who assist him in coordinating aspects relative to the processes, methods and reporting.

General accounting for SCOR subsidiaries is supported by two main auxiliary group of accounting systems, namely (1) technical reinsurance accounting: premiums, claims, commissions, technical reserves, interest on funds held; and (2) financial asset accounting: securities, bank accounts, investment income and expenses.

The processes described below concerning reinsurance accounting and calculation of technical reserves, which are within the single technical information system (OMEGA), are being applied progressively by Group entities.

Concerning reinsurance accounting, numerous regular controls are conducted directly (automatic and systematic, or for consistency or by testing) by the Technical accounting teams located in the subsidiaries using both Group tools and Group or specific control reports. Quarterly inventories are also subject to specific control procedures.

(A) Concerning SCOR Global P&C:

the calculation of technical reserves (including IBNR - *Incurred But Not Reported*) having a significant impact on the balance sheet and income statement, is largely based on contractual and accounting data, the relevance of which is verified upstream. This calculation of technical reserves inventories is subject to the following successive controls:

- by the actuaries in charge of reserving through control reports for which the proper implementation is verified by the Group Actuarial Department;
- by the Chief Actuary, particularly for methods, tools and results;

(B) Concerning SCOR Global Life:

- the reinsurance treaties are either reviewed individually or are pooled within an affiliation treaty based on certain criteria defined in advance;
- the treaties are then subject to reserving estimates, which are reviewed at each quarterly closing either by the actuaries or at meetings attended by underwriters, technical assistants and actuaries.

Finally, reinsurance technical results are analysed quarterly by the finance departments of SCOR Global P&C and SCOR Global Life. At year-end, the Group Chief Actuary establishes a report on the adequacy of the reserves of SCOR Global P&C and SCOR Global Life.

Monitoring of financial assets and cash flow is provided through various operating methods. The information systems used provide an audit trail of the transactions carried out. In certain entities, accounting activities are delegated to external service providers; controls implemented by these entities make it possible to verify the proper recording of accounting data and consistency of the figures. “Cash” reconciliations are made on a daily basis, for the most part, and securities are reconciled the following day (D+1) with reports from the various custodians. Portfolios managed directly are monitored in real time.

The implementation of the new information system which enables to book, value and monitor of assets owned by all Group entities improves substantially the investment accounting model. Indeed, the accounting tools implemented in 2008 in Paris are being deployed in the Group’s principal subsidiaries. In addition to the use of a new accounting tool, this project will therefore improve the investment accounting organisation, definition of roles, responsibilities and processes.

Regarding the process of aggregating and consolidating accounting data by the Group Accounting Department, current internal control is ensured:

- by the use of general and consolidation accounting software shared by all Group entities;
- by the definition by the Group Accounting & Consolidation Department of a closing process, clear responsibilities and a detailed financial statement closing schedule, which is monitored, in the closing period, on a daily basis;
- by a definition of responsibilities for controlling the integration of auxiliary accounting systems;
- by the centralised management of charts of accounts;
- by the works of the IFRS Centre of Excellence whose objectives are to (1) communicate developments and standards to all contributors and (2) coordinate justifications and documentations of accounting processes for complex operations.

At the end of 2009 SCOR decided to finalise its information systems integration by launching a Group wide “one ledger” project. This project aims at providing a complete finance system integration by promoting consistency, quality visibility and control with the use of one general accounting software and one chart of accounts for the Group.

Control of the quarterly consolidation procedure under IFRS is provided in particular through:

- use of a market recognised consolidation software package ("Magnitude") and common to all Group entities, which ensures the whole consolidation process through automated and formalised controls;

- the formalisation of the reconciliations between the systems or auxiliary accounting methods with the general and consolidation accounting systems;

- at least three levels of control of the consistency and completeness of the consolidation package, one by the entity in question, another by the finance departments of SCOR Global P&C and SCOR Global Life and the third by the Group Finance Department;

- systematic analyses of the results, shareholders' equity, taxation and cash flow;

- internal monitoring of changes in legislation and accounting standards, together with the Group's external consultants and auditors;

- daily monitoring of the closing process of each of the Group entities;

- internal monitoring of changes in legislation and accounting standards, together with the Group's external consultants and auditors;

- an audit performed by external auditors as at December 31, 2009 and a limited review as at June 30, 2009.

In addition, and without calling into question the implementation of internal control rules by SCOR and its managers, General Management requests, within the framework of the reporting and quarterly consolidation procedure, that all local managers of Group entities, as well as Senior Managers of SCOR Global P&C and SCOR Global Life, make a specific quarterly statement to the Chairman and Chief Executive Officer, and to the Group Chief Financial Officer in the management representation letters as to the reliability and fair presentation of the accounts of the entities they manage and the effectiveness of the internal controls. The results are analysed and monitored by a committee including the General Secretary of SCOR, the Group Accounting Director and the Head of the IFRS Centre of Excellence. The key points are communicated to the Executive Committee.

Conclusion on the control procedures implemented

SCOR believes that its risk management and internal control systems are appropriate and adapted to its activities and is engaged in an ongoing process to improve its internal control standards and their implementation. The decision to create hubs and the projects which aim at providing a complete finance system integration (i.e. investment accounting and general accounting software) illustrate this will and significantly contribute to the Group's last improvements in terms of control.

III. Statutory auditors’ report, prepared in accordance with article L. 225-235 of the Commercial code, on the report prepared by the Chairman of the Board of Directors of SCOR SE

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with and construed in accordance with, French law and professional standards applicable in France.

Statutory auditors' report, prepared in accordance with article L. 225-235 of the French Commercial Code (*code de commerce*), on the report prepared by the Chairman of the Board of Directors of SCOR SE

To the Shareholders,

In our capacity as statutory auditors of SCOR SE and in accordance with article L. 225-235 of the French Commercial Code (code de commerce), we hereby report on the report prepared by the Chairman of your company in accordance with article L. 225-37 of the French Commercial Code (code de commerce) for the year ended 31 December 2009.

It is the Chairman's responsibility to prepare and submit for the Board of Directors' approval a report on internal control and risk management procedures implemented by the company and to provide the other information required by article L. 225-37 of the French Commercial Code (code de commerce) relating to matters such as corporate governance.

Our role is to:

report on any matters as to the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information,

confirm that the report also includes the other information required by article L. 225-37 of the French Commercial Code (code de commerce). It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

Information on internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;

- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;

- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information relating to the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with article L. 225-37 of the French Commercial Code (code de commerce).

Other information

We confirm that the report prepared by the Chairman of the Board of Directors also contains the other information required by article L. 225-37 of the French Commercial Code (code de commerce).

Paris-La Défense, 2 March 2010

Statutory Auditors

MAZARS	ERNST & YOUNG AUDIT
Michel BARBET-MASSIN	Pierre PLANCHON

Appendix C: Environmental impact

APPENDIX C: ENVIRONMENTAL IMPACTS

Paris La Défense

Information required under Article R. 225-105 of the Commercial Code

Consumption of water, raw materials, and energy in 2009:

- Water consumption : 15,821 m3
- Electricity : 6,984 Mwh (full occupancy of the building)
- Fuel : 74 783 litres
- Heat : 1 302 Mwh
- Cooling : 243 Mwh

Measures taken to improve energy efficiency:

- Individual setting of heat pumps;
- Setting of central air conditioners;
- Consumption monitoring;
- Optimisation of energy resources through Technical Building Management;
- Replacement of standard bulbs with energy-saving bulbs upon each change;
- Replacement and modernisation of the building technical management system;
- Automatic and centralised management system of lighting and technical equipments;
- Consideration of energy consumption when replacing equipment;
- Replacement of one Air Treatment Plant with a cooling system previously running at R22 (HCFC) by HFC system.

Air emissions:

- Generation Station was renovated in 1998, covering combustion and emissions, in accordance with the provisions of the Order of July 25, 1997 defining general recommendations applicable to facilities classified for the protection of the environment and the applicable standards;
- Four closed air-cooling towers, treated in accordance with the applicable standards to combat legionnaires' disease;
- Air conditioning plants using ultra-sound humidifiers (no noise) treated against legionnaire's disease;
- Regular anti-bacterial analyses carried out by a control office;
- Implementation of the "ECOVENT" system on electricity generation groups in order to limit emissions of motor oil particles into the air.

Waste processing and preventive measures:

- Removal agreement accompanied by a certificate of assumption of responsibility for used oil from Electricity Generation Groups;
- Recycling of lights bulbs and light tubes with return to our suppliers for waste processing (eco-participation)
- Removal of industrial waste (obsolete IT components, oil) by a specialised supplier
- Bacteriological treatment of the canteen's fryer in order to reduce frequency of oil change
- Implementation of a network to detect leaks of water and hydrocarbon (fuel, oil);
- Installation of a retention basin to hold acids or chlorine used for the descaling of certain materials or the treatment of channels, in the local technical sub-soil;
- Installation of an oil retention basin in local electricity generation groups;
- Implementation of selective waste sorting (oils, wood, gravel, soiled barrels, food, paper);
- Cleaning service providers being asked to use "environment-friendly products" (consultation in process).

Aerial emissions of greenhouse gases, substances contributing to acidification, eutrophisation or photochemical pollution or long-lasting organic compounds:

- Recovery of gas (heat pumps, cold chambers, etc.) for reprocessing;
- Continuation of the program to replace HCFC compressors running at R22 with equipment that operates with replacement gases for HFC;
- Campaign to replace heat pumps operating at R22 by devices using R 407C.
- Limitation of Greenhouse gas emissions and use of fossil energy (fuel) through modification of our electricity supply contract: termination of "EJP" contracts.

Objectives assigned by the Company to its foreign subsidiaries:

- The consumption of water resources, raw materials, and energy with any measures taken to improve energy efficiency and use of renewable energy, land use conditions, emissions into the air, water, and soil which significantly affect the environment and for which the list will be determined by order of the ministers responsible for the environment and industry, sound or odor nuisances, and waste;
- Measures taken to limit threats to the biological equilibrium, the natural environment, and protected animal and plant species;
- Evaluation or certification measures taken in environmental matters;
- All measures taken to ensure conformance of the company's activities to applicable legislative and regulatory provisions;
- Expenses incurred to prevent the company's activities having consequences on the environment;

The existence within the company of internal environmental management services, training, and related employee information resources dedicated to reducing environmental risk, as well as the organisation to address pollution accidents with consequences beyond the company's site.

Appendix D: Glossary

APPENDIX D: GLOSSARY*

*This glossary is a list of selected reinsurance terms. It is not a complete list of terms used in this Document de Reference or in the insurance or reinsurance industry.

A

ACCIDENT YEAR
The accounting year in which loss events occur.

ACCOUNTING YEAR
The entity's financial year in which the accounts are recorded. Due to the time required to transfer information elating to a given period of cover, the ceding company's accounting year may differ from that of the reinsurer. For reinsurers such as SCOR and its subsidiaries, which may calculate their results before receiving the accounts from the ceding company, estimates are made for ceding company information which has not been received at the date the financial statements are prepared.

ACCUMULATION
The sum of all risks which are correlated such that a single insured event will affect theses risks or all the underwritten lines relating to the same risk.

ACTUARY
Specialist who applies probability theory to Life and Non-Life insurance and reinsurance in order to measure risks and calculate premiums, as well as technical or mathematical reserves.

ADDITIONAL RESERVE
Reserves for claims are recorded in the accounting system for the amount communicated by the cedants. They can be supplemented with additional amounts calculated according to past experience, in order to take into considerations estimated future adverse developments.

ADVERSE DEVELOPMENT
Losses recorded during the period for which initial estimates recorded in previous accounting periods proved insufficient.

ASSUMED BUSINESS
Transaction whereby a reinsurer agrees to cover part of a risk already underwritten or accepted by an insurer. The opposite of ceded business.

ATTACHMENT POINT
The amount of losses above which an excess of loss reinsurance contract becomes operative.

B

BEST ESTIMATES
An actuarial "best estimate" refers to the expected value of future potential cash-flows (probability weighted average of distributional outcomes) related to prior underwritten business. Best estimates are based upon available current and reliable information and take into consideration the characteristics of the underlying portfolio.

C

CASUALTY INSURANCE
Insurance primarily concerned with the losses caused by injuries to third parties by the policyholder and the legal liability imposed on the insured resulting there from.

CATASTROPHE (or CAT) BOND
A high performance bond which is generally issued by an insurance or reinsurance company. If a predefined occurrence takes place (such as an earthquake, tsunami, hurricane etc.), the bondholder loses all or part of his investment in the bond.

This type of insurance-linked security allows insurance and reinsurance companies to transfer peak risks (such as those arising from natural catastrophes) to capital markets, thereby reducing their own risks.

CEDING COMPANY (ALSO CALLED cedant) OR CEDING OFFICE)
Insurance company, mutual society or provident insurance provider that transfers (or "cedes") a part of the risk it has underwritten to a reinsurer.

CESSION OR CEDED BUSINESS
Transaction whereby an insurer (cedent or ceding company) either mandatorily or facultatively transfers part of its risk to the reinsurer against the payment of premium. The opposite of ceded business is assumed business.

CLAIMS AND CLAIMS EXPENSE
Amount relating to actual or estimated claims made by an insured for an indemnity under an insurance contract for loss events that occurred in the accounting year.

CLAIMS RATIO
The ratio of the sum of claims paid, the change in the provisions for unpaid claims and claim adjustment expenses in relation to earned premium.

CLASS OF BUSINESS
A homogeneous category of insurance. Since 1985, French reinsurers have used a uniform presentation that distinguishes between life, fire, crop hail, credit and surety, other risks, third party liability, motor, marine and aviation classes. The last eight of these form the general class of Non-Life business. English-speaking markets generally distinguish between Property (damage to goods) and Casualty (liability insurance and industrial injury), and Life business.

COMBINED RATIO
Sum of the non-life claims ratio and the expense ratio.

COMMUTATION
A transaction through which insurers or reinsurance surrender all rights and are relieved from all obligations under the insurance or reinsurance contract in exchange for a single current payment.

CREDIT AND SURETY INSURANCE
Credit insurance provides insurance coverage against loss to a supplier caused by customer failure to pay for goods or services supplied. Surety insurance relates to sureties and guarantees issued to third parties for the fulfilment of contractual liabilities.

D

DECENNIAL INSURANCE
Decennial insurance provides insurance coverage to building owners and construction companies against losses caused by structural defects in new buildings resulting from inherent defects in design, construction or the materials employed. In a number of countries, including France, such coverage is required as a matter of law. It is generally granted for a period of ten years after construction is completed.

DEFERRED ACQUISITION COSTS (DAC)
Costs associated with the acquisition of new contracts, mainly commissions, are recorded as assets and amortised on the basis of the residual term of the contracts for Non Life business and on the basis of the recognition of future margins for Life contracts. DAC is subject to impairment resting conducted within the liability adequacy test.

DEPOSIT, FUNDS WITHHELD
Amounts which may be deposited with the ceding company to guarantee the reinsurer's liability. Income from securities deposited accrues to the reinsurer.

DERIVATIVE FINANCIAL INSTRUMENT
A financial instrument or other contract the three following characteristics: a) value changes in response to a change in the underlying (e.g. interest rate, price, foreign exchange rate); b) requires no or minimal net investment, and c) is settled at a future date.

DIRECT INSURANCE
A policy taken out with an insurer by an individual or a company to cover a risk (property, service or person). This policy can either be underwritten directly with one of the insurer's agents or via a broker who receives a commission.

E

EMBEDDED VALUE
Frequently used measure of the value of expected future cash flows in life insurance and life reinsurance from the shareholder's point of view, expressed as the value of net assets plus the present value of expected profits on the insurance portfolio less cost of capital and administrative expenses.

ENTERPRISE RISK MANAGEMENT (ERM)
Enterprise Risk Management is a process, effected by an entity's Board of Directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risks to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives.

EVENT
Aggregation of claims having a common origin and affecting either a single insured under more than one policy, or more than one insured.

F

FACULTATIVE REINSURANCE
Reinsurance on an item-by-item or risk-by risk basis. Facultative reinsurance is usually written for very large-line risks. It may be either proportional or non proportional.

FAIR VALUE
The price for which an asset could be exchanged between knowledgeable, willing parties in an arm's-length transaction.

G

GOODWILL
Goodwill comprises the residual difference between the identifiable assets of an acquired entity and the purchase price paid in a business combination. Goodwill is recognised as an asset in the balance sheet, and represents future economic benefits expected to be generated from assets that are not capable of being individually identified and separately recognised. Goodwill is tested for impairment on a yearly basis.

GROSS WRITTEN PREMIUMS
Actual and estimated premiums to be received for the period from the ceding companies. Gross premiums represent the turnover for the accounting period.

GROUP POLICY
A single insurance policy that provides insurance coverage for several persons forming a homogeneous group, and generally belonging to the same company or association, against certain risks such as death, accident, sickness.

I

IMPAIRMENT EXPENSE
The write down which is recorded when the current fair value of the asset is less than its accounted book value.

INCURRED BUT NOT REPORTED (IBNR)
Provision for claims which have already occurred but have not yet been reported to the insurer at the balance sheet date.

L

LEADING INSURER
Primary insurer and first signatory of an insurance policy for co-insurance. The leading insurer defines the clauses and the conditions of the policy.

LIABILITY ADEQUACY TEST (LAT)
An assessment of whether the carrying amount of an insurance liability needs to be increased (or the carrying amount of related deferred acquisition costs or related intangible assets, such as VOBA, decreased), based on a review of future cash flows.

LIFE AND HEALTH REINSURANCE
Collective term for the lines of business in connection with the insurance of persons, i.e. life, pension, health critical illness, long-term care and personal accident insurance.

LIQUIDATION BONUS
Profit earned on liquidation of technical reserves on settlement of a claim or expiration of a Treaty.

LOSS
Event that triggers insurance cover and reserves recognition.

LOW OR WORKING LAYER EXCESS OF LOSS REINSURANCE
Reinsurance that absorbs the losses immediately above the reinsured's retention layer. A low layer excess of loss reinsurer will pay up to a certain monetary amount at which point a higher layer reinsurer or the ceding company will be liable for additional losses. Also known as working layer reinsurance.

M

MARINE AND AVIATION INSURANCE ALSO REFERRED TO AS OFFSHORE/SPACE AND TRANSPORTATION INSURANCE
Insurance covering damage occasioned during carriage (by sea, river, land, or air) to the means of transport ("hull"), excluding motor-driven land vehicles, and to the goods carried ("cargo"), and third party liability incurred by the carrier.

MATHEMATICAL RESERVE
Amount that a Life insurance or capitalisation company must set aside and capitalise in order to meet its commitments to the insured.

MORBIDITY
The probability that an individual in a given group will develop a certain disease or disorder.

MORTALITY
The relative incidence of death of Life insureds or annuitants holding a Life insurance policy.

N

NET WRITTEN PREMIUM
Gross premiums less the portion of premiums paid for retrocession.

NON-PROPORTIONAL (EXCESS OF LOSS) REINSURANCE
Reinsurance contract written to protect the ceding company from all or part of claims in excess of a specified amount retained (priority). This generally takes the form of Excess of Loss (or XL) or excess of annual loss reinsurance.

NON-TRADITIONAL REINSURANCE
Initially, this concerned a multi-year, multiline form of reinsurance whose contract terms included an aggregate limit of liability and loss sensitive features (e.g. profit sharing or additional premium). Currently, it also encompasses technical and investment accounts within a single cover, securitisation of insurance risks, credit derivatives, and climate derivatives.

P

POLITICAL RISK
All political or administrative events, actions or decisions that could lead to losses for companies contracting or investing abroad.

PREMIUMS EARNED
Premiums an insurance company has recorded as revenues during a specific accounting period.

PREMIUMS NET OF CANCELLATIONS
Premium written by an insurer after deduction of cancelled premiums.

PRIMARY INSURER
An insurance company that issues insurance contracts to the public generally or to certain non-insurance entities.

PROBABLE MAXIMUM LOSS (“PML”)
The estimated anticipated maximum loss, taking into account ceding company and contract limits, caused by a single catastrophe affecting a broad contiguous geographic area, such as that caused by a hurricane or earthquake of such a magnitude that it is expected to recur once during a given return period, such as every 50, 100 or 200 years.

PROPERTY & CASUALTY (P&C) CLASSES
All insurance classes other than Life. For SCOR, the Life segment includes all business underwritten by SCOR Global Life (including for example, health insurance).

PROPERTY INSURANCE
Insurance that provides coverage to a person with an insurable interest in tangible property for that person’s property loss, damage or loss of use.

PROPORTIONAL (PRO RATA) REINSURANCE
Reinsurer’s share of claims carried by the insurer in proportion to its share of premiums received. Proportional reinsurance is generally written as a quota share of business or as surplus reinsurance.

PROVISION FOR CLAIMS PAYABLE
Reserve for claims reported but not yet settled. These are estimated by ceding companies and communicated to the reinsurer.

PURE PREMIUM
Premium equal to the technical estimate of the risk covered by the insurer.

R

RATE
Scale showing the various premium rates applied to risks belonging to a given category of insurance (as in motor rates, fire rates).

REINSTATEMENT
A provision in an excess of loss reinsurance contract, particularly catastrophe and clash covers, that provides for reinstatement of a limit that had been reduced by the occurrence of a loss or losses. The number of times that the limit can be reinstated varies, as does the cost of the reinstatement.

REINSTATEMENT PREMIUMS
Additional premiums charged under certain excess of loss reinsurance contracts to restore coverage amounts after a loss.

REINSURANCE
Procedure whereby an insurance company in turns insures itself with an outside company (the reinsurer) for part or all of the risks covered by him, in return for payment of a premium.

REINSURANCE COMMISSION
Percentage of premiums paid by the reinsurer to the insurer in quota-share or facultative treaties as a contribution to the acquisition and administrative costs relating to the business ceded.

REINSURANCE CONDITIONS
All the clauses included in the reinsurance treaty. In economic terms, “reinsurance conditions” cover the rates established for the commission, the share in profits, the frequency of presentation of accounts and payment of interest on the deposits, or on the absence of deposits, which together determine the reinsurers’ probable profit margin.

REINSURANCE PORTFOLIO
The total reinsurance business (Treaty and Facultative) written and managed by a reinsurance company.

REINSURANCE PREMIUM
Amount received by the reinsurer as a consideration for covering a risk.

REINSURANCE TREATY
Reinsurance convention between an insurer and a reinsurer defining the terms under which the risks covered by the convention are ceded and accepted. The two main categories of treaty reinsurance are proportional and non-proportional.

REINSURER
Company that undertakes to cover the portion of a risk ceded to it by the insurer.

REQUIRED INTERNAL RISK CAPITAL
The amount of capital, calculated by the internal capital model, required to cover all of the Group’s known risk exposures. The amount is calculated with reference to a risk measure at a selected threshold (e.g. 99% Tail Value at Risk).

RESERVE FOR UNEXPIRED RISKS
Reserves intended to cover the portion of the cost of claims not covered by the unearned premiums reserve, for the period between the accounts closing date and the contract expiration date.

RETENTION
Share of the risk retained by the insurer or reinsurer for its own account.

RETROCESSION
Transaction in which the reinsurer transfers (or cedes) all or part of the risks it has assumed to another reinsurer, in return for payment of a premium.

RETROCESSIONAIRE
Company that accepts a retroceded risk.

RISK
Property or person insured.

RUN OFF
The cessation of all underwriting of new business on a risk portfolio. As a result, all reserves are “run off” over time until their complete extinction. Run off may take up to several decades depending on the class of business.

S

SCOR GLOBAL LIFE (SGL) AND SCOR GLOBAL LIFE SE
SCOR Global Life refers to the operating segment recording all business underwritten by entities in the life operating segment. SCOR Global Life SE refers to the legal entity.

SCOR GLOBAL P&C (SGP&C) AND SCOR GLOBAL P&C SE.
SCOR Global P&C refers to the operating segment and all business transacted by entities in this segment . SCOR Global P&C SE refers to the legal entity.

SCOR SE AND SCOR GROUP
SCOR SE refers to the legal entity SCOR SE, the issuer. SCOR SE and its consolidated subsidiaries are referred to as SCOR, SCOR Group or the Group.

SPECIAL PURPOSE ENTITY (SPE) OR SPECIAL PURPOSE VEHICLE (SPV):
A legal entity created to fulfil specific or temporary objectives (conduct defined activities or hold assets etc.). SPE's are typically used by companies to isolate the firm from financial risk.

T

TAIL

The period of time that elapses between either the writing of the applicable insurance or reinsurance policy or the loss event (or the insurer's or reinsurer's knowledge of the loss event) and the payment in respect thereof. A "short-tail" product is one where ultimate losses are known comparatively quickly; ultimate losses under a "long-tail" product are sometimes not known for many years.

TECHNICAL (OR UNDERWRITING) RESERVES

Amounts that an insurer or reinsurer must place in reserves in order to pay out on claims insured, and on liabilities arising from policies written.

TECHNICAL RESULT

The balance of income and expenses allocated to the insurance business and shown in the technical statement of income.

U

UNDERWRITING

Decision by an insurer or a reinsurer to accept to cover a risk upon collection of a premium.

UNDERWRITING CAPACITY

The maximum amount that an insurance or reinsurance company can underwrite. The limit is generally determined by the company's retained earnings and investment capital. Reinsurance serves to increase a company's underwriting capacity by reducing its exposure to particular risks.

UNDERWRITING CYCLE

Pattern in which Property and Casualty insurance and reinsurance premiums, profits and availability of coverage rise and fall over time.

UNDERWRITING EXPENSES

The aggregate of policy acquisition costs, including commissions, and that portion of administrative, general and other expenses attributable to underwriting activities.

UNDERWRITING YEAR

The year commencing with the effective date of a policy or with the renewal date of that policy, to be distinguished from the Accounting year. For example, a claim may occur during the current accounting year, but which relates to a policy commencing in a prior underwriting year.

UNEARNED PREMIUM RESERVES

For each reinsurance contract, these cover the portion of premiums written during the year relating to the period between the balance sheet closing date and the date at which the reinsurance contract expires.

UNIT-LINKED CONTRACT

Life insurance contract or capitalisation certificate for which the amount guaranteed and bonus amounts are expressed, not in a specific Euro amount, but by reference to one or more units of account such as mutual fund units or real estate investment trust units. Contractual guarantees are directly linked to upward or downward variations in a security listed on a regulated market or in the value of a real estate asset.

V

VALUE OF BUSINESS ACQUIRED (VOBA)

This refers to life reinsurance portfolios acquired in a business combination. It is calculated as the present value of the stream of expected future cash flows including estimates of the future technical results, the future investment income less future administration expenses. The present value calculation is based on assumptions and risk discount factors relevant at the date of acquisition. VOBA is amortised over the lifetime of the underlying reinsurance portfolio and is subject to impairment testing as part of the LAT.

VALUE OF IN-FORCE BUSINESS (VIF)

Present value of expected future income flows from the portfolio of in-force business, discounted by a currency-specific risk discount rate and determined in accordance with local accounting principles.

Appendix E: Management report

APENDIX E: MANAGEMENT REPORT

APPENDIX E: MANAGEMENT REPORT

In accordance with the AMF *Guide d'élaboration des documents de référence* as of December 10, 2009, statements and information pertaining to the management report on the Company's and on the Group's activities in 2009, as approved by the Board of Directors on March 2, 2010 (the "**Report**"), are included and presented in the Registration Document 2009 which will be submitted as such to the Shareholders' Meeting convened to approve the financial statements of the financial year ended on December 31, 2009.

Therefore, the Registration Document's sections referred to in the table of compliance set forth under Section 4 hereafter, are fully incorporated to this Report of which they are deemed to be an integral part.
Statements and information relating:

- to the resolutions submitted to the Shareholders' Meeting, pursuant to the provisions of Articles R.225-83, 4° of the French Commercial Code;
- to the 2009 stock-option plans and stock purchase plans; and
- to the 2009 free shares allocation plans,

are presented in separate reports of the Board of Directors.

1. OPERATING AND FINANCIAL REVIEW OF SCOR SE

1.1. Year 2009

OPERATING AND FINANCIAL REVIEW OF SCOR SE IN 2009

The balance sheet of SCOR SE as at December 31, 2009 amounts to EUR 6,264,098,933 compared to EUR 6,028,662,240 at the end of 2008.

The total of financial assets of SCOR SE is EUR 4,188,596,791.

The shareholders' equity of SCOR SE is amounting to EUR 2,437,998,687 and other equities are amounting to EUR 319,637,084. The debts amounted to EUR 1,557,052,434 including other loans of EUR 1,289,008,495 and the convertible bonds of EUR 191,615,423.

The net amount of reinsurance reserves rose to EUR 1,828,153,228.

The reinsurance result of SCOR SE as at December 31, 2009 is EUR 64,490,497 while the financial result is EUR 216,280,682.

SCOR SE's net income reached EUR 199,335,650 in 2009.

For additional information on the operating and financial situation of SCOR SE and its subsidiaries, as well as on their activities' development in 2009, please refer to Section 9, Section 20 and Appendix A of the Registration Document.

ADDITIONAL INFORMATION

1.1.1.1 LIABILITIES DUE TO SUPPLIERS

Pursuant to the provisions of Article L. 441-6-1 of the French Commercial Code, specific situations excepted (as, notably, litigations on invoices received), the suppliers' invoices are paid at 30-days end of month or cash.

1.1.1.2 TOTAL AMOUNT OF EXCEPTIONAL EXPENDITURES

Pursuant to Article 223 *quater* of the French General Tax Code, we remind you that the amount of the expenses and charges referred to in Article 39.4 of said Code totals EUR 112,392 for the previous fiscal year and the amount of taxation borne by the Company due to the non-deductibility of such charges should amount to a total of EUR 38,697.

1.1.1.3 REINTEGRATION OF GENERAL EXPENDITURES

None of the expenses referred to in paragraph 5 of Article 39 of the French General Tax Code is considered as non-deductible for tax income 2009.

1.2. Operating results of SCOR SE during the last financial years

OPERATING RESULTS OF SCOR SE DURING THE LAST FIVE FINANCIAL YEARS

Pursuant to the provisions of Article R.225-102 of the French Commercial Code, the following table presents a summary of SCOR SE operating results during each of the last five financial years:

RATIO NATURE	2005	2006	2007	2008	2009
I. - Financial position at the end of the year :					
a) Social Capital	763	933	1,439	1,451	1,459
b) Number of issued shares	968,769,070	1,184,051,084	182,726,994(1)	184,246,437	185,213,031
c) Number of convertible bonds to shares.		10,470,000	10,470,000	10,470,000	10,765,428
II. - Global Profit and loss of effectives transactions :					
a) Turnover without taxes	977	1,263	1,075	981	942
b) Net Profit before taxes, depreciations and reserves.	146	(3)	(88)	(62)	(258)
c) Current income tax.	23	103	77	11	13
d) Net Profit after taxes, depreciations and reserves.	57	68	28	(64)	199
e) Allocated Net Profit amount (2).	48	92	147	148	185
III. - Profit and loss per share :					
a) Turnover without taxes	0.19	0.1	(0.07)	(0.28)	(1.33)
b) Net Profit before taxes, depreciations and reserves.	0.06	0.07	0.19	(0.35)	1.08
c) Paid dividend per share	0.05(3)	0.80(4)	0.80	0.80	1.00(2)
IV. - Salaries :					
a) Number of salaries.	450	190	204	535	503
b) Gross wages amount.	27	17	16	44	44
c) Amount of paid employees benefits (Healthy contribution, others benefits, etc.) (2).	13	7	6	11	13

(1) Accumulated shares as at December 31, 2007
(2) Could be adjusted according to the shareholders' meeting of April 28, 2010,
(3) Allocated net dividend per non accumulated share
(4) Allocated net dividend per accumulated shares after the accumulation of shares at 3 January 2007

DIVIDENDS DISTRIBUTED BY SCOR SE OVER THE LAST THREE FINANCIAL YEARS

We remind you that, over the three (3) previous fiscal years, the amounts distributed by SCOR SE as dividends were as follows:

Fiscal year ended on:	31/12/2006	31/12/2007	31/12/2008
Number of shares (*)	136,242,318	182,726,994	184,150,539
Net dividend per share	EUR 0.8	EUR 0.8	EUR 0.8
Amount eligible for the deduction allowance specified by Article 158-3 of the French General Tax Code (**)	EUR 0.8	EUR 0.8	EUR 0.8

(*) Number of shares of the Company, with a nominal par value of EUR 7.8769723, existing at the moment of distribution of the related dividend, including treasury shares (*actions auto-détenues*).

(**) For natural persons only : the dividend paid in 2007, 2008 and 2009 for the fiscal years 2006, 2007 and 2008 gave entitlement to a 40% deduction (except for dividends received after January 1st, 2008, if the beneficiary has opted for fixed-rate taxation on dividends (*prélèvement libératoire forfaitaire*).

2. FLUCTUATION OF SCOR SE QUOTATION THROUGHOUT 2009

The following statements present the volume of transactions and the fluctuation of SCOR SE quotation on the Euronext Paris stock market by Euronext NYSE throughout the financial year 2009:

		TOTAL OF TRANSACTIONS		EXTREME MARKET PRICE	
			Value	Higher	Lower
Year	Month	Volume	(millions EUR)	(In EUR)	(In EUR)
2009	January	14 176 491	223	16.98	14.72
	February	10 560 382	163	16.67	14.05
	March	13 803 148	197	15.55	14.27
	April	12 744 474	201	16.49	14.77
	May	12 820 045	198	16.45	14.60
	June	11 998 457	177	15.12	14.33
	July	13 483 404	209	16.85	14.57
	August	10 857 136	193	18.45	17.22
	September	14 708 384	270	18.73	18.00
	October	10 283 016	186	18.96	17.14
	November	9 915 270	167	17.50	16.24
	December	8 767 428	151	17.74	16.57

3. SOCIAL CONSEQUENCES OF SCOR'S ACTIVITIES

(Information pertaining to article R.225-104 of the French Commercial Code)

3.1. Group's personnel in France and abroad

The total number of personnel members increased from 1,770 employees on December 31, 2008 to 1,790 on December 31, 2009. The personnel distribution is uniform between the different geographical zones, in keeping with the Group's strategic orientations.

The following table presents the geographical and per entity distribution of the Group's employees (1):

Distribution by geographical zone

	2009	2008	2007
France	512	524	523
Europe (excluding France)	748	755	833
North America	307	289	282
Asia / Australia	181	145	159
Rest of the world	42	57	43
TOTAL	**1,790**	**1,770**	**1,840**

Distribution by entity

	2009	2008	2007
SCOR Global P&C	905	905	527
SCOR Global Life	510	517	469
SCOR Global Investment(2)	25	-	-
Group Support Functions (3)	171	194	206
ReMark (4)	179	154	164
Ex-Converium	0	0 (5)	474
TOTAL	**1,790**	**1,770**	**1,840**

(1) The personnel breakdown is on the basis of the registered personnel on December 31, 2009.
(2) SCOR Global Investments (100% subsidiary of SCOR SE) was created in February 2009 after the transfer of the employees dedicated to asset management.
(3) Includes the finance, human resources, IT, management control, audit, legal and risk management departments.
(4) SCOR Global Life SE holds 100% of the ReMark capital. Remark acquired ESG in May 2009. Given its specific activity, Remark human resources are managed independently from the Group.
(5) The Converium employees were integrated into the Group during fiscal year 2008.

3.2. Distribution of the personnel in France by type of contract

In terms of contract types, the Group's personnel members in France are divided as follows:

Key figures		**2009**
	Total	**Of which women**
Total personnel on 31 December	519	249
Of which FTC	3	1
Temporary (in person/years)		**2009**
FTC		8.33
Training / work experience contracts		14.08
Trainees pursuant to agreements		16.58

3.3. Information concerning plans to reduce the number of employees and protect jobs, reclassification efforts, reemployment, and support measures

Further to the announcement made in 2008 regarding the implementation of an “R3” plan to reduce the workforce(*), the Group’s Executive Committee agreed to the voluntary redundancy of 75 employees, among which 33 in France. These redundancies were by and large spread over 2009. An Advice and Information Point was set up right from the outset of the Job Protection Plan, which was subsequently changed into a Jobs Unit designed to offer support, for a maximum of 9 months, to employees who had left and who were looking for a job. The Job Protection Plan also provided for a range of measures aimed at encouraging internal reclassification, training, geographic mobility and the creation of companies as well as a partnership agreement with the *Association Paritaire pour l’Emploi dans les Sociétés d’Assurances*.

(*) Plan created by SCOR in order to ensure that the Group is more efficient, more responsive and that its cost structure is more competitive.

3.4. Information related to equality between men and women

The SCOR Group strives to ensure equal treatment of applications from men and women.

With equivalent skills, experience and profiles, men and women must have the same career advancement and mobility possibilities, and the same access to management positions. The assessment of female employees must be based on objective criteria (technical, managerial and behavioural skills), thereby excluding any consideration related to sex. In terms of professional mobility, in the presence of the equivalent skills, experience and profiles, female employees will have the same chances of being hired for a position as a male employee.

Moreover, in an effort to promote balance between professional and family life, as far back as 1991, the Group negotiated a company agreement on part-time work that would allow for various types of schedule arrangements. The fact of working part time must not result in any professional discrimination, notably in terms of compensation, training, advancement or professional development of the employees.

3.5. Information related to Group employees in France

NEW HIRES

		2009
	Total	Of which women
CDI	48	22
FTC	12	5
Training / work experience contracts		20
Trainees pursuant to agreements		47

LAYOFFS

		2009
	Total	Of which women
Economic redundancies	-	-
Job saving plan	29	16
Other layoffs	6	3

DIRECT COMPENSATION

Direct compensation	2009 In EUR thousands
Annual payroll (gross taxable)	40,549
Average monthly compensation actually paid (*) (in twelfths)	6.588

(*) prorated for the presence time and including bonuses, individual incentives and collective incentives not saved.

DEFERRED COMPENSATION

Deferred compensation	2009 In EUR thousands
Profit sharing (*)	3,003
Collective incentive (*)	-
Gross employer matching contribution paid	480

(*) the indicated figures are the gross amounts, and they relate to the earnings from the previous fiscal year.

SOCIAL CHARGES

Company	Amount of employer social charges 2009 (in EUR thousands)
SCOR	9,701
SCOR Global Life	4,391
SCOR Global P&C	7,577
SCOR Gestion Financière	289
SCOR Global Investments	466
Total	**22,424**

MANPOWER OUTSIDE THE COMPANY / SUBCONTRACTING

Temporary (in person / years)	2009
Temp workers	18.62
External service providers	59

Temp workers	2009
Number of temp workers	57
Monthly average number	20.58
Average duration of the contracts (in days)	62.22
Payments to temporary work companies (in EUR thousands)	1,945

PROFESSIONAL TRAINING

Cognizant of the importance of the human capital and of its development, and while constantly striving for competitiveness, the Group continues to devote very significant resources to training and skills development.

Emphasis is placed both on individual and collective training, in the company's core business domains but also in cross-functional activities such as management, leadership and project management. In this regard, close ties have been established with major figures in the university and professional training worlds, notably with regard to insurance.

EMPLOYMENT AND PLACEMENT OF HANDICAPPED WORKERS

Handicap / Disability (on 31 December)	2009
Number of people	5

ARRANGEMENT OF WORKING TIMES

Key figures on 31 December	2009	
	Total	Of which women
Part-time employees	47	42
Employees using mobile scheduling	145	109
Average number of days of annual holidays		27.03
Average number of RWD days		15.89
Number of public holidays		13
Overtime hours		301.7 727.3 with supplementary hours

ABSENTEEISM

Absenteeism (in business days)	2009 Total	2009 Of which women
Illness	1,910	1,513
Long-term illness	592	559
Workplace and commuting accidents	29	29
Maternity		1,852
Authorised leave [19]	559	291
Total	**4,942**	**4,244**
Total in % of the personnel		**3.86**
Unpaid leave		629

COMPENSATION PERIPHERALS

Real estate loans and 1% Investments	2009 In EUR thousands
Amounts lent	980
Realisations & 1% Investments	
Works loans (“*pass travaux*”)	19.2
Rental reservations	46.6
Social spending	
Sports association	42
Inter-Company Restaurant (employer's share)	325.5
Topping-up of "holiday cheques"	7
Mutual plan (employer's share)	227.2
Labour medals	400.8
Marriage and birth bonuses	41.8
Additional services	
Maternity leave (1 additional month)	58.3
Retirement leave	3.2
Retirement benefits (IDR and IFC)	414.22

[19] Authorised leave includes holidays and exceptional absences as a result of family events (marriage, baptism, communion, death, moving, back-to-school period, care for sick children, paternity leave).

PROFESSIONAL RELATIONSHIPS AND COLLECTIVE AGREEMENTS

Number of meetings of the bodies	2009
Works Council	15
Personnel Delegates	5
CHSCT (Health and Safety)	6
Theoretical time credits	**2009**
Works Council	1,920
Personnel Delegates	1,980
Trade union delegates	720
Trade union representatives	720
CHSCT (Health and Safety)	1,800
Beneficiaries of labourer education or trade union training leave	3
Participation in elections	**2009**
Personnel Delegates	-
executives panel	-
non-executives panel	-
Works Council	-
executives panel	-
non-executives panel	-
Procedures	**2009**
Recourse to non-judicial solutions	4
Judicial proceedings initiated	2
Formal notice and reports from the Inspection	-

HEALTH AND SAFETY CONDITIONS

Activity of the medical service	2009
Clinical examinations	293
Employees declared unfit	-
Orientation ACMS social service (Ile de France regional inter-professional association of medical and social centres)	4
	In EUR thousands
Occupational healthcare enrolment	70.2
Infirmary treatment requests	895
Infirmary expenses	2
Workplace or commuting accident	**2009**
Workplace accidents with sick leave	2
of which executives	-
Commuting accidents with sick leave	5
of which executives	2
Number of sick leave days (business days)	42
of which executives	10
Partial or total disablements	-
Accidents declared to the Social Security department	9
related to falling	8
resulting from machines	-
during handling	-
Others	1
Safety and working conditions	**2009**
Personnel with safety training	135
	In EUR thousands
Spending on safety	137.9
Expenses for improving working conditions	99.8

EMPLOYEE BENEFITS

Works Council	2009
Operating budget (in EUR thousands)	4
Employee benefits (in EUR thousands)	403
Children's holidays (in EUR thousands)	110
Total (in EUR thousands)	**517**
Average per employee (in EUR)	986,6

3.6. List of agreements signed in 2009 in France

Agreements relative to compensation and payroll savings

- Amendment to the incentive agreement signed on 29 May 2009
- Amendment to the profit sharing agreement signed on 29 May 2009
- Amendment to the agreement relative to the payroll savings plan at the SCOR company signed on 21 December 2009
- Agreement relative to the employee profit sharing agreement at the UES SCOR signed on 21 December 2009

Agreement relative to elderly personnel

- Agreement promoting the employment of elderly personnel signed on 21 December 2009

Agreement relative to the UES SCOR

- Amendment to the agreement signed on June 21, 2004 for the purpose of integrating SCOR Global Investments SE into the UES SCOR, signed on May 29, 2009

3.7. Manner in which SCOR takes into account the territorial impact of its activities in terms of employment and regional development

Irrelevant.

3.8. Relations between the company and integration associations, teaching establishments, environmental defence associations, consumer associations and neighbouring residents

Particular efforts are made in favour of training establishments or ones promoting the integration of handicapped people. The Group also uses protected workshops.

SCOR is a regular partner of educational establishments or integration associations. This collaboration is intended to promote integration and access to jobs.

The SCOR Group participates in the financing of establishments through the apprenticeship tax, namely institutes or establishments that provide apprenticeship training. Each year, SCOR accommodates apprentices or young people on professionalization contracts, who are assigned to technical or administrative functions.

3.9. How SCOR SE promotes the provisions and basic agreements of the organisation of work with its sub-contractors and ensures that its subsidiaries comply with these provisions and basic agreements / How the Company’s foreign subsidiaries take into account the impact that their activities have on regional development and local populations

With regard to its worldwide activities, SCOR endeavours to adopt best practices in each of its locations.

Any employee who deals with a supplier must, before concluding a contractual partnership, ensure that such supplier gives an undertaking to comply with the requirements of the Code of Conduct established in 2010 by the SCOR Group and which apply to all its employees.

4. ADDITIONAL INFORMATION RELATING TO THE MANAGEMENT REPORT OF THE COMPANY AND THE GROUP – TABLE OF COMPLIANCE

Are fully incorporated into this Report, of which they are integral part, the information and statements set forth in the various sections of the Registration Document referred to in the table of compliance below:

MANAGEMENT REPORT	REGISTRATION DOCUMENT
STATEMENTS DEALING WITH THE MANAGEMENT OF THE GROUP IN 2009	
■ Analysis of the Group business development, results and financial situation	Sections 3, 9 and 20
■ 2009 fiscal year's important events for the Group and SCOR SE	Section 5.1.5, 6 and Appendix A. § 1.1
■ Research and development activities within the Group and the Company	Section 11
■ Main risk factors exposure for the Group and the Company	Section 4
STATEMENTS DEALING WITH THE MANAGEMENT OFSCOR SE IN 2009 :	
■ Company's securities	
- Amount of issued capital, capital increase and additional information	Section 21.1.1 and Appendix A
- Operations performed by the Company on its own shares	Section 21.1.3
- Issuance of bonds and similar securities	Appendix A and Section 20.1.6.14
- Share capital ownership and structure	Section 18.1
- Cross shareholdings	-[2]
- Elements which could have an impact in case of a tender offer	-[3]
- Fluctuation of quotation related risks	Section 4
- Employees' shareholding in SCOR SE	Section 17 and 18.1
- Adjustment of the conversion basis for securities granting access to the share capital	Section 20.1.6.14
■ Board of Directors	
- Composition	Section 14.1.1
- List of the other functions and offices held by the Board Members	Section 14.1.1
- Delegation of competences / powers granted to the Board	Section 21.1
■ Compensation and benefits granted to SCOR SE's officers and executives	Section 15
■ Securities held by the Board Members	Section 17.2.1
■ Environmental impacts of the Company's activities	Appendix C
■ Recent development and prospects	Sections 12 and Appendix A -Note 16
SUBSIDIARIES AND AFFILIATES :	
■ Group Chart	Section 7
■ Subsidiaries' business overview in 2009	Sections 6, 7, 9 and Appendix A § 2.3
■ Purchase of shareholdings in 2009	Sections 20.1.6.3 and 4.1.11
REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS ON THE CONDITIONS FOR THE PREPARATION AND ORGANISATION OF THE WORK OF THE BOARD OF DIRECTORS AND THE INTERNAL CONTROL PROCEDURES SET UP BY THE ISSUER	**Appendix B**

[2] The Company did not hold any cross shareholding in 2009.

[3] To our knowledge, there is no element which could have an impact in the event of a tender offer. In this respect, the 2010-2011 stock buyback program submitted to the Shareholders' Meeting convened to approve the financial statements of the financial year 2009 expressively excludes its use in the event of a tender offer, pursuant to applicable laws and regulations.