
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2010

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 001-16503

**WILLIS GROUP HOLDINGS PUBLIC
LIMITED COMPANY**

(Exact name of registrant as specified in its charter)

Ireland
*(Jurisdiction of
incorporation or organization)*

98-0352587
*(I.R.S. Employer
Identification No.)*

c/o Willis Group Limited
51 Lime Street, London, EC3M 7DQ, England
(Address of principal executive offices)

(011) 44-20-3124-6000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of 'large accelerated filer', 'accelerated filer' and 'smaller reporting company' in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 30, 2010, there were outstanding 169,509,601 ordinary shares, nominal value \$0.000115 per share and 40,000 ordinary shares, nominal value €1, of the Registrant.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY

QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED MARCH 31, 2010

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Certain Definitions

The following definitions apply throughout this quarterly report unless the context requires otherwise:

'We', 'Us', 'Company', 'Group', 'Willis' or 'Our'	Willis-Ireland and its subsidiaries and, prior to the effective time of the redomicile of the parent company discussed in Note 2 to the Notes to the Condensed Consolidated Financial Statements, Willis-Bermuda and its subsidiaries
'Willis Group Holdings' or 'Willis-Ireland'	Willis Group Holdings Public Limited Company, a company organized under the laws of Ireland
'Willis-Bermuda'	Willis Group Holdings Limited, a company organized under the laws of Bermuda
'shares'	The ordinary shares of Willis-Ireland, nominal value \$0.000115 per share
'HRH'	Hilb Rogal & Hobbs Company

INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

We have included in this document ‘forward-looking statements’ within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbors created by those laws. These forward-looking statements include information about possible or assumed future results of our operations. All statements, other than statements of historical facts, included in this document that address activities, events or developments that we expect or anticipate may occur in the future, including such things as our outlook, future capital expenditures, growth in commissions and fees, business strategies, competitive strengths, goals, the benefits of new initiatives, growth of our business and operations, plans, and references to future successes are forward-looking statements. Also, when we use the words such as ‘anticipate’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘plan’, ‘probably’, or similar expressions, we are making forward-looking statements.

There are important uncertainties, events and factors that could cause our actual results or performance to differ materially from those in the forward-looking statements contained in this document, including the following:

- the impact of any regional, national or global political, economic, business, competitive, market and regulatory conditions on our global business operations;
 - the impact of current financial market conditions on our results of operations and financial condition, including as a result of any insolvencies or other difficulties experienced by our clients, insurance companies or financial institutions;
 - our ability to continue to manage our significant indebtedness;
 - our ability to compete effectively in our industry;
 - our ability to implement or realize anticipated benefits of the Shaping Our Future, Right Sizing Willis, Funding for Growth initiatives or any other new initiatives;
 - material changes in commercial property and casualty markets generally or the availability of insurance products or changes in premiums
- resulting from a catastrophic event, such as a hurricane, or otherwise;
 - the volatility or declines in other insurance markets and the premiums on which our commissions are based, but which we do not control;
 - our ability to retain key employees and clients and attract new business;
 - the timing or ability to carry out share repurchases or take other steps to manage our capital and the limitations in our long-term debt agreements that may restrict our ability to take these actions;
 - any fluctuations in exchange and interest rates that could affect expenses and revenue;
 - rating agency actions that could inhibit ability to borrow funds or the pricing thereof;
 - a significant decline in the value of investments that fund our pension plans or changes in our pension plan funding obligations;
 - our ability to achieve the expected strategic benefits of transactions;
 - changes in the tax or accounting treatment of our operations;
 - any potential impact from the new US healthcare reform legislation;
 - the potential costs and difficulties in complying with a wide variety of foreign laws and regulations and any related changes, given the global scope of our operations;
 - our involvements in and the results of any regulatory investigations, legal proceedings and other contingencies;
 - underwriting and advisory risks we assume in connection with our non-core capital markets and advisory operations;
 - our exposure to potential liabilities arising from errors and omissions and other potential claims against us; and
 - the interruption or loss of our information processing systems or failure to maintain secure information systems.

The foregoing list of factors is not exhaustive and new factors may emerge from time to time that could also affect actual performance and results.

For more information see Part I, Item 1A 'Risk Factors' included in Willis' Form 10-K for the year ended December 31, 2009. Copies of the 10-K are available online at <http://www.sec.gov> or www.willis.com.

Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of these assumptions, and therefore also the forward-looking statements based on these assumptions, could themselves prove to be

inaccurate. In light of the significant uncertainties inherent in the forward-looking statements included in this document, our inclusion of this information is not a representation or guarantee by us that our objectives and plans will be achieved.

Our forward-looking statements speak only as of the date made and we will not update these forward-looking statements unless the securities laws require us to do so. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document may not occur, and we caution you against unduly relying on these forward-looking statements.

PART I — FINANCIAL INFORMATION

Item 1 — Financial Statements

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three months ended	
	March 31,	
	2010	2009
	(millions, except per share data)	
REVENUES		
Commissions and fees	\$ 963	\$ 915
Investment income	9	13
Other income	—	2
Total revenues	<u>972</u>	<u>930</u>
EXPENSES		
Salaries and benefits (including share based compensation of \$12 million in 2010 and \$5 million in 2009 (Note 3))	(486)	(480)
Other operating expenses	(149)	(138)
Depreciation expense	(15)	(14)
Amortization of intangible assets	(21)	(24)
Total expenses	<u>(671)</u>	<u>(656)</u>
OPERATING INCOME	301	274
Interest expense	(43)	(38)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	258	236
Income taxes	(67)	(62)
INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	191	174
Interest in earnings of associates, net of tax	20	26
INCOME FROM CONTINUING OPERATIONS	211	200
Discontinued operations, net of tax (Note 4)	—	1
NET INCOME	211	201
Less: Net income attributable to noncontrolling interests	(7)	(8)
NET INCOME ATTRIBUTABLE TO WILLIS GROUP HOLDINGS	<u>\$ 204</u>	<u>\$ 193</u>
AMOUNTS ATTRIBUTABLE TO WILLIS GROUP HOLDINGS SHAREHOLDERS		
Income from continuing operations, net of tax	\$ 204	\$ 192
Income from discontinued operations, net of tax	—	1
NET INCOME ATTRIBUTABLE TO WILLIS GROUP HOLDINGS	<u>\$ 204</u>	<u>\$ 193</u>
EARNINGS PER SHARE — BASIC AND DILUTED (Note 5)		
BASIC EARNINGS PER SHARE		
— Continuing operations	<u>\$ 1.21</u>	<u>\$ 1.15</u>
DILUTED EARNINGS PER SHARE		
— Continuing operations	<u>\$ 1.20</u>	<u>\$ 1.15</u>
CASH DIVIDENDS DECLARED PER SHARE	<u>\$ 0.26</u>	<u>\$ 0.26</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2010	December 31, 2009
	(millions, except share data)	
ASSETS		
Cash and cash equivalents	\$ 196	\$ 191
Fiduciary funds — restricted	1,675	1,683
Accounts receivable, net of allowance for doubtful accounts of \$17 million in 2010 and \$20 million in 2009	10,528	8,638
Fixed assets, net of accumulated depreciation of \$259 million in 2010 and \$257 million in 2009	352	352
Goodwill (Note 10)	3,272	3,277
Other intangible assets, net of accumulated amortization of \$198 million in 2010 and \$179 million in 2009 (Note 11)	551	572
Investments in associates	172	156
Deferred tax assets	88	82
Pension benefits asset	95	69
Other assets	686	603
TOTAL ASSETS	\$ 17,615	\$ 15,623
LIABILITIES AND EQUITY		
Accounts payable	\$ 11,494	\$ 9,686
Deferred revenue and accrued expenses	248	301
Deferred tax liabilities	27	29
Income taxes payable	82	46
Short-term debt (Note 12)	193	209
Long-term debt (Note 12)	2,204	2,165
Liability for pension benefits	179	187
Other liabilities	789	771
Total liabilities	15,216	13,394
COMMITMENTS AND CONTINGENCIES (Note 7)		
EQUITY		
Shares, \$0.000115 nominal value; Authorized: 4,000,000,000; Issued and outstanding, 169,379,615 shares in 2010 and 168,661,172 shares in 2009. Shares, €1 nominal value; Authorized: 40,000; Issued and outstanding, 40,000 shares in 2010 and 2009	—	—
Additional paid-in capital	927	918
Retained earnings	2,019	1,859
Accumulated other comprehensive loss, net of tax (Note 14)	(594)	(594)
Treasury shares, at cost, 54,310 shares, \$0.000115 nominal value, and 40,000 shares, €1 nominal value, in 2010 and 2009	(3)	(3)
Total Willis Group Holdings stockholders' equity	2,349	2,180
Noncontrolling interests	50	49
Total equity	2,399	2,229
TOTAL LIABILITIES AND EQUITY	\$ 17,615	\$ 15,623

The accompanying notes are an integral part of these condensed consolidated financial statements.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended	
	March 31,	
	2010	2009
	(millions)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 211	\$ 201
Adjustments to reconcile net income to total net cash provided by operating activities:		
Income from discontinued operations	—	(1)
Net gain on disposal of operations, fixed and intangible assets and short-term investments	—	(2)
Depreciation expense	15	14
Amortization of intangible assets	21	24
Release of provision for doubtful accounts	—	(1)
Benefit for deferred income taxes	(10)	(9)
Excess tax deficit from share-based payment arrangements	1	—
Share-based compensation (Note 3)	12	5
Undistributed earnings of associates	(20)	(26)
Changes in operating assets and liabilities, net of effects from purchase of subsidiaries:		
Fiduciary funds — restricted	(25)	14
Accounts receivable	(1,997)	(647)
Accounts payable	1,936	653
Additional funding of UK and US pension plans	(8)	—
Other assets	(97)	(159)
Other liabilities	21	7
Non-cash Venezuela currency devaluation	12	—
Effect of exchange rate changes on net income	1	13
Net cash provided by continuing operating activities	73	86
Net cash used in discontinued operating activities	—	(2)
Total net provided by operating activities	73	84
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on disposal of fixed and intangible assets	2	6
Additions to fixed assets	(29)	(17)
Acquisitions of subsidiaries, net of cash acquired	(13)	(2)
Acquisition of investments in associates	(1)	(39)
Proceeds on sale of short-term investments	—	4
Net cash used in continuing investing activities	(41)	(48)
Net cash used in discontinued investing activities	—	—
Total net cash used in investing activities	(41)	(48)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from draw down of revolving credit facility	65	150
Proceeds from issue of short-term debt, net of debt issuance costs	—	1
Repayments of debt	(43)	(647)
Senior notes issued, net of debt issuance costs	—	482
Proceeds from issue of shares	11	2
Excess tax deficit from share-based payment arrangements	(1)	—
Dividends paid	(44)	(43)
Acquisition of noncontrolling interests	(4)	(2)
Dividends paid to noncontrolling interests	(1)	(1)
Net cash used in continuing financing activities	(17)	(58)
Net cash used in discontinued financing activities	—	—
Total net cash used in financing activities	(17)	(58)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15	(22)
Effect of exchange rate changes on cash and cash equivalents	(10)	(4)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	191	176
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 196	\$ 150
Cash and cash equivalents — reported as discontinued operations	—	(3)
Cash and cash equivalents — continuing operations	\$ 196	\$ 147

The accompanying notes are an integral part of these condensed consolidated financial statements.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. NATURE OF OPERATIONS

Willis Group Holdings plc ('Willis Group Holdings') and subsidiaries (collectively, the 'Company' or the 'Group') provide a broad range of insurance and reinsurance broking and risk management consulting services to its clients worldwide, both directly and indirectly through its associates. The Company provides both specialized risk management advisory and consulting services on a global basis to clients engaged in specific industrial and commercial activities, and services to small, medium and major corporates through its retail operations.

In its capacity as an advisor and insurance broker, the Company acts as an intermediary between clients and insurance carriers by advising clients on risk management requirements, helping clients determine the best means of managing risk, and negotiating and placing insurance risk with insurance carriers through the Company's global distribution network.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The accompanying condensed consolidated financial statements ('Interim Financial Statements') have been prepared in accordance with accounting principles generally accepted in the United States of America ('US GAAP').

The Interim Financial Statements are unaudited but include all adjustments (consisting of normal recurring adjustments) which the Company's management considers necessary for a fair presentation of the financial position as of such dates and the operating results and cash flows for those periods. Certain information and footnote disclosures normally included in financial statements prepared in accordance with US GAAP have been condensed or omitted. However, the Company believes that the disclosures are adequate to make the information presented not misleading. The results of operations for the three month period ended March 31, 2010 may not necessarily be indicative of the operating results for the entire fiscal year.

These Interim Financial Statements should be read in conjunction with the Company's consolidated balance sheets as of December 31, 2009 and 2008, and the related consolidated statements of operations, cash flows and changes in equity for each of the three years in the period ended December 31, 2009 included in the Current Report on Form 10-K filed with the Securities and Exchange Commission on February 26, 2010.

Redomicile to Ireland

On September 24, 2009, Willis Group Holdings was incorporated in Ireland, in order to effectuate the change of the place of incorporation of the parent company of the Group. Willis Group Holdings operated as a wholly-owned subsidiary of Willis-Bermuda until December 31, 2009, when the outstanding common shares of Willis-Bermuda were canceled and Willis Group Holdings issued ordinary shares with substantially the same rights and preferences on a one-for-one basis to the holders of the Willis-Bermuda common shares that were canceled. Upon completion of this transaction, Willis Group Holdings replaced Willis-Bermuda as the ultimate parent company and Willis-Bermuda became a wholly-owned subsidiary of Willis Group Holdings.

This transaction was accounted for as a merger between entities under common control; accordingly, the historical financial statements of Willis-Bermuda for periods prior to this transaction are considered to be the historical financial statements of Willis Group Holdings. No changes in capital structure, assets or liabilities resulted from this transaction, other than Willis Group Holdings has provided a guarantee of amounts due under certain borrowing arrangements of two of its subsidiaries as described in notes 17 and 18.

Devaluation of Venezuelan currency

With effect from January 1, 2010, the Venezuelan economy was designated as hyper-inflationary. The Venezuelan government also devalued the Bolivar Fuerte in January 2010. As a result of these actions, the Company recorded a \$12 million charge in other expenses to reflect the re-measurement of its net assets denominated in Venezuelan Bolivar Fuerte at January 1, 2010.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements

Variable Interest Entities

In June 2009, the FASB issued new accounting guidance which amends the evaluation criteria to identify the primary beneficiary of a Variable Interest Entity ("VIE") and requires ongoing reassessment of whether an enterprise is the primary beneficiary of the VIE. This analysis identifies the primary beneficiary of a VIE as the enterprise that has both of the following characteristics:

- the power to direct the activities of a VIE that most significantly impact the entity's economic performance; and
- the obligation to absorb losses of the entity that could potentially be significant to the VIE or the right to receive benefits from the entity that could potentially be significant to the VIE.

This new accounting guidance became effective January 1, 2010. The implementation of this guidance did not have a material effect on the Company's financial position or results of operations.

3. SALARIES AND BENEFITS

Severance costs

The Company incurred severance costs of \$8 million in the three months ended March 31, 2010 (2009: \$16 million). These costs relate to approximately 240 positions that have been or will be eliminated as part of the Company's continuing focus on managing expense. Severance costs for these employees were recognized pursuant to the terms of their existing benefit arrangements or employment agreements.

Cash retention awards

The Company makes annual cash retention awards to its employees. Employees must repay a proportionate amount of these awards if they voluntarily leave the Company's employ (other than in the event of retirement or permanent disability) before a certain time period, currently three years. The Company makes cash payments to its employees in the year it grants these retention awards and recognizes these payments ratably over the period they are subject to repayment, beginning in the quarter in which the award is made. The unamortized portion of cash retention awards is recorded within Other assets.

During the three months ended March 31, 2010 the Company made \$169 million (2009: \$111 million) of cash retention awards. Salaries and benefits for the three months ended March 31, 2010 included \$28 million (2009: \$18 million) of amortization of cash retention awards made on or before March 31, 2010. Unamortized cash retention awards totaled \$233 million as of March 31, 2010 (December 31, 2009: \$98 million; March 31, 2009: \$127 million).

Share-based compensation

The Company incurred share-based compensation, reported within salaries and benefits, of \$12 million in the three months ended March 31, 2010 (2009: \$5 million).

During the three months ended March 31, 2009, the Company recorded a \$5 million credit relating to the accumulated compensation expense for certain 2008 awards which were dependent upon performance targets which the Company no longer expects to achieve.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

4. DISCONTINUED OPERATIONS

On April 15, 2009, the Company disposed of Bliss & Glennon, a US-based wholesale insurance operation acquired as part of the HRH acquisition. Gross proceeds were \$41 million, of which \$3 million is held in escrow for potential indemnification claims until second quarter 2010.

Bliss & Glennon's net assets at April 15, 2009 were \$39 million, of which \$34 million related to identifiable intangible assets and goodwill. In addition, there were costs and income taxes relating to the transaction of \$2 million. No gain or loss was recognized on this disposal.

On September 1, 2009, the Company disposed of Managing Agency Group ('MAG'), another US-based wholesale insurance operation acquired as part of the HRH acquisition. MAG achieved a breakeven result in the first quarter of 2009.

	Three months ended March 31, 2009 (millions)
Revenues	\$ 7
Income before income taxes	1
Income taxes	—
Income from discontinued operations	\$ 1
Gain on disposal of discontinued operations, net of tax	—
Discontinued operations, net of tax	<u>\$ 1</u>

Net assets and liabilities of discontinued operations consist of the following:

	April 15, 2009 (millions)
Assets	
Cash and cash equivalents	\$ 1
Fiduciary funds — restricted	9
Accounts receivable	17
Fixed assets	1
Intangible assets	34
Other assets	2
Total assets	<u>\$ 64</u>
Liabilities	
Accounts payable	\$ 24
Other liabilities	1
Total liabilities	<u>\$ 25</u>
Net assets of discontinued operations	<u>\$ 39</u>

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

5. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing net income attributable to Willis Group Holdings by the average number of shares outstanding during each period. The computation of diluted earnings per share reflects the potential dilution that could occur if dilutive securities and other contracts to issue shares were exercised or converted into shares or resulted in the issue of shares that then shared in the net income of the Company. At March 31, 2010, time-based and performance-based options to purchase 12.7 million and 8.6 million (2009: 15.9 million and 5.7 million) shares, respectively, and 1.9 million (2009: 1.3 million) restricted shares, were outstanding.

Basic and diluted earnings per share are as follows:

	Three months ended March 31,	
	2010	2009
	(millions, except per share data)	
Net income attributable to Willis Group Holdings	\$ 204	\$ 193
Basic average number of shares outstanding	169	167
Dilutive effect of potentially issuable shares	1	—
Diluted average number of shares outstanding	170	167
Basic earnings per share:		
Continuing operations	\$ 1.21	\$ 1.15
Discontinued operations	—	0.01
Net income attributable to Willis Group Holdings shareholders	\$ 1.21	\$ 1.16
Dilutive effect of potentially issuable shares	(0.01)	—
Diluted earnings per share:		
Continuing operations	\$ 1.20	\$ 1.15
Discontinued operations	—	0.01
Net income attributable to Willis Group Holdings shareholders	\$ 1.20	\$ 1.16

Options to purchase 14.2 million shares were not included in the computation of the dilutive effect of stock options for the three months ended March 31, 2010 because the effect was antidilutive (three months ended March 31, 2009: 21.2 million).

6. PENSION PLANS

The components of the net periodic benefit cost of the UK, US and international defined benefit plans are as follows:

	Three months ended March 31,					
	UK pension benefits		US pension benefits		Intl pension benefits	
	2010	2009	2010	2009	2010	2009
	(millions)					
Components of net periodic benefit cost (income):						
Service cost	\$ 9	\$ 5	\$ —	\$ 6	\$ 1	\$ 1
Interest cost	25	22	10	10	2	2
Expected return on plan assets	(36)	(29)	(11)	(9)	(2)	(2)
Amortization of unrecognized prior service gain	(1)	(1)	—	2	—	—
Amortization of unrecognized actuarial loss	9	8	1	—	—	1
Net periodic benefit cost	\$ 6	\$ 5	\$ —	\$ 9	\$ 1	\$ 2

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

6. PENSION PLANS (Continued)

As of March 31, 2010, the Company had made contributions of \$20 million, \$8 million and \$2 million to the UK, US and international defined benefit pension plans (2009: \$20 million, \$nil and \$1 million), respectively. The Company expects to contribute approximately \$87 million to the UK defined benefit pension plan, \$30 million to the US plan and \$8 million to the international plans for the full year 2010.

7. COMMITMENTS AND CONTINGENCIES

Claims, Lawsuits and Other Proceedings

The Company is subject to various actual and potential claims, lawsuits and other proceedings relating principally to alleged errors and omissions in connection with the placement of insurance and reinsurance in the ordinary course of business. Similar to other corporations, the Company is also subject to a variety of other claims, including those relating to the Company's employment practices. Some of the claims, lawsuits and other proceedings seek damages in amounts which could, if assessed, be significant.

Errors and omissions claims, lawsuits and other proceedings arising in the ordinary course of business are covered in part by professional indemnity or other appropriate insurance. The terms of this insurance vary by policy year and self-insured risks have increased significantly in recent years. In respect of self-insured risks, the Company has established provisions which are believed to be adequate in the light of current information and legal advice, and the Company adjusts such provisions from time to time according to developments.

On the basis of current information, the Company does not expect that the actual claims, lawsuits and other proceedings, to which the Company is subject, or potential claims, lawsuits and other proceedings relating to matters of which it is aware will ultimately have a material adverse effect on the Company's financial condition, results of operations or liquidity. Nonetheless, given the large or indeterminate amounts sought in certain of these actions, and the inherent unpredictability of litigation and disputes with insurance companies, it is possible that an adverse outcome in certain matters could, from time to time, have a material adverse effect on the Company's results of operations or cash flows in particular quarterly or annual periods.

The material actual or potential claims, lawsuits and other proceedings, of which the Company is currently aware, are:

Inquiries and Investigations

In connection with the investigation commenced by the New York State Attorney General in April 2004 concerning, among other things, contingent commissions paid by insurers to insurance brokers, in April 2005, the Company entered into an Assurance of Discontinuance ("Original AOD") with the New York State Attorney General and the Superintendent of the New York Insurance Department and paid \$50 million to eligible customers. As part of the Original AOD, the Company also agreed not to accept contingent compensation and to disclose to customers any compensation the Company will receive in connection with providing policy placement services to the customer. The Company also resolved similar investigations commenced by the Minnesota Attorney General, the Florida Attorney General, the Florida Department of Financial Services and the Florida Office of Insurance Regulation for amounts that were not material to the Company.

Similarly, in August 2005 HRH entered into an agreement with the Attorney General of the State of Connecticut (the 'CT Attorney General') and the Insurance Commissioner of the State of Connecticut to resolve all issues related to their investigations into certain insurance brokerage and insurance agency practices and to settle a lawsuit brought in August 2005 by the CT Attorney General alleging violations of the Connecticut Unfair Trade Practices Act and the Connecticut Unfair Insurance Practices Act. As part of this

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

7. COMMITMENTS AND CONTINGENCIES (Continued)

settlement, HRH agreed to take certain actions including establishing a \$30 million national fund for distribution to certain clients, enhancing disclosure practices for agency and broker clients, and declining contingent compensation on brokerage business. The Company has co-operated fully with other similar investigations by the regulators and/or attorneys general of other jurisdictions, some of which have been concluded with no indication of any finding of wrongdoing.

On February 16, 2010, the Company entered into the Amended and Restated Assurance of Discontinuance with the Attorney General of the State of New York and the Amended and Restated Stipulation with the Superintendent of Insurance of the State of New York (the 'Amended and Restated AOD') on behalf of itself and its subsidiaries named therein. The Amended and Restated AOD was effective February 11, 2010 and supersedes and replaces the Original AOD.

The Amended and Restated AOD specifically recognizes that the Company has substantially met its obligations under the Original AOD and ends many of the requirements previously imposed. It relieves the Company of a number of technical compliance obligations that have imposed significant administrative and financial burdens on its operations. The Amended and Restated AOD no longer limits the types of compensation the Company can receive and has lowered the compensation disclosure requirements to clients that the AOD originally imposed.

The Amended and Restated AOD requires the Company to: (i) in New York, and each of the other 49 states of the United States, the District of Columbia and U.S. territories, provide compensation disclosure that will, at a minimum, comply with the terms of the applicable regulations, as may be amended from time to time, or the provisions of the AOD that existed prior to the adoption of the Amended and Restated AOD; and (ii) maintain its compliance programs and continue to provide appropriate training to relevant employees in business ethics, professional obligations, conflicts of interest and antitrust and trade practices compliance. In addition, in placing, renewing, consulting on or servicing any insurance policy, it prohibits the Company from directly or indirectly (a) accepting from or requesting of any insurer any promise or commitment to use any of the Company's brokerage, agency, producing or consulting services in exchange for production of business to such insurer or (b) knowingly place, renew or consult on or service a client's insurance business through a wholesale broker in a manner that is contrary to the client's best interest.

In 2006, the European Commission issued questionnaires pursuant to its Sector Inquiry or, in respect of Norway, the European Free Trade Association Surveillance Authority, related to insurance business practices, including compensation arrangements for brokers, to at least 150 European brokers including our operations in nine European countries. The Company responded to the European Commission questionnaires and has filed responses with the European Free Trade Association Surveillance Authority for two of its Norwegian entities. The European Commission reported on a final basis on September 25, 2007, expressing concerns over potential conflicts of interest in the industry relating to remuneration and binding authorities when assuming a dual role for clients and insurers and also over the nature of the coinsurance market. The Company continues to co-operate with both the European Commission and the European Free Trade Association Surveillance Authority.

Since August 2004, the Company and HRH (along with various other brokers and insurers) have been named as defendants in purported class actions in various courts across the United States. All of these actions have been consolidated into a single action in the US District Court for the District of New Jersey ('MDL'). There are two amended complaints within the MDL, one that addresses employee benefits ('EB Complaint') and one that addresses all other lines of insurance ('Commercial Complaint'). HRH was a named defendant in the EB Complaint, but has since been voluntarily dismissed. HRH is a named defendant in the Commercial Complaint. The Company is a named defendant in both MDL complaints. Each of the EB Complaint and the Commercial Complaint seeks monetary damages, including punitive damages, and equitable relief and makes

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7. COMMITMENTS AND CONTINGENCIES (Continued)

allegations regarding the practices and conduct that have been the subject of the investigation of state attorneys general and insurance commissioners, including allegations that the brokers have breached their duties to their clients by entering into contingent compensation agreements with either no disclosure or limited disclosure to clients and participated in other improper activities. The complaints also allege the existence of a conspiracy among insurance carriers and brokers and allege violations of federal antitrust laws, the federal Racketeer Influenced and Corrupt Organizations ('RICO') statute and the Employee Retirement Income Security Act of 1974 ('ERISA'). In separate decisions issued in August and September 2007, the antitrust and RICO Act claims were dismissed with prejudice and the state claims were dismissed without prejudice from the Commercial Complaint.

In January 2008, the Judge dismissed the ERISA claims with prejudice from the EB Complaint and the state law claims without prejudice. Plaintiffs filed a notice of appeal regarding the dismissal of the antitrust and RICO claims and oral arguments on this appeal were heard in April 2009 but there is no indication when a ruling will be issued. Additional actions could be brought in the future by individual policyholders. The Company disputes the allegations in all of these suits and has been and intends to continue to defend itself vigorously against these actions. The outcomes of these lawsuits, however, including any losses or other payments that may occur as a result, cannot be predicted at this time.

Reinsurance Market Dispute

Various legal proceedings are pending, have concluded or may commence between reinsurers, reinsureds and in some cases their intermediaries, including reinsurance brokers, relating to personal accident excess of loss reinsurance for the years 1993 to 1998. The proceedings principally concern allegations by reinsurers that they have sustained substantial losses due to an alleged abnormal 'spiral' in the market in which the reinsurance contracts were placed, the existence and nature of which, as well as other information, was not disclosed to them by the reinsureds or their reinsurance broker. A 'spiral' is a market term for a situation in which reinsureds and reinsurers reinsure each other with the effect that the same loss or portion of that loss moves through the market multiple times.

The reinsurers concerned have taken the position that, despite their decisions to underwrite risks or a group of risks, they are no longer bound by their reinsurance contracts. As a result, they have stopped settling claims and are seeking to recover claims already paid. The Company also understands that there have been at least two arbitration awards in relation to a 'spiral', among other things, in which the reinsurer successfully argued that it was no longer bound by parts of its reinsurance program. Willis Limited, the Company's principal insurance brokerage subsidiary in the United Kingdom, acted as the reinsurance broker or otherwise as intermediary, but not as an underwriter, for numerous personal accident reinsurance contracts, including two contracts that were involved in one of the arbitrations. Due to the small number of reinsurance brokers generally, Willis Limited also utilized other brokers active in this market as sub-agents, including brokers who are parties to the legal proceedings described above, for certain contracts and may be responsible for any errors and omissions they may have made. In July 2003, one of the reinsurers received a judgment in the English High Court against certain parties, including a sub-broker Willis Limited used to place two of the contracts involved in this trial. Although neither the Company nor any of its subsidiaries were a party to this proceeding or any arbitration, Willis Limited entered into tolling agreements with certain of the principals to the reinsurance contracts tolling the statute of limitations pending the outcome of proceedings between the reinsureds and reinsurers.

Two former clients of Willis Limited, American Reliable Insurance Company and one of its associated companies (collectively, 'ARIC'), and CNA Insurance Company Limited and two of its associated companies ('CNA') terminated their respective tolling agreements with Willis Limited and commenced litigation in September 2007 and January 2008, respectively, in the English Commercial Court against Willis Limited.

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7. COMMITMENTS AND CONTINGENCIES (Continued)

ARIC alleged conspiracy between a former Willis Limited employee and the ARIC underwriter as well as negligence and CNA alleged deceit and negligence by the same Willis Limited employee both in connection with placements of personal accident reinsurance in the excess of loss market in London and elsewhere. ARIC asserted a claim of approximately \$257 million (plus unspecified interest and costs). On June 9, 2009, Willis Limited entered into a settlement agreement pursuant to which Willis Limited agreed to pay a total of \$139 million to ARIC in two installments. All installments have been paid by the Company. Each party has also released and waived all claims it may have against any of the other parties arising out of or in connection with the subject matter of the litigation. The settlement includes no admission of wrongdoing by any party. The \$139 million required to fund the settlement agreement was covered by errors and omissions insurance.

On September 11, 2009, Willis Limited entered into a settlement agreement pursuant to which Willis Limited agreed to pay a total of \$130 million to CNA in two instalments which were paid in 2009. Each party has also released and waived all claims it may have against any of the other parties arising out of or in connection with the subject-matter of the litigation. The settlement includes no admission of wrongdoing by any party. The Company has partially collected and believes it will collect in full the \$130 million required to fund the settlement agreement from errors and omissions insurers.

Various arbitrations relating to reinsurance continue to be active and from time to time the principals request co-operation from the Company and suggest that claims may be asserted against the Company. Such claims may be made against the Company if reinsurers do not pay claims on policies issued by them. The Company cannot predict at this time whether any such claims will be made or the damages that may be alleged.

Gender Discrimination Class Action

In March 2008, the Company settled an action in the United States District Court for the Southern District of New York commenced against the Company in 2001 on behalf of an alleged nationwide class of present and former female officer and officer equivalent employees alleging that the Company discriminated against them on the basis of their gender and seeking injunctive relief, money damages, attorneys' fees and costs. Although the Court had denied plaintiffs' motions to certify a nationwide class or to grant nationwide discovery, it did certify a class of approximately 200 female officers and officer equivalent employees based in the Company's offices in New York, New Jersey and Massachusetts. The settlement agreement provides for injunctive relief and a monetary payment, including the amount of attorney fees plaintiffs' counsel are entitled to receive, which was not material to the Company. In December 2006, a former female employee, whose motion to intervene in the class action was denied, filed a purported class action in the United States District Court, Southern District of New York, with almost identical allegations as those contained in the suit that was settled in 2008, except seeking a class period of 1998 to the time of trial (the class period in the settled suit was 1998 to the end of 2001). The Company's motion to dismiss this suit was denied and the Court did not grant the Company permission to immediately file an appeal from the denial of its motion to dismiss. The parties are in the discovery phase of the litigation. The suit was amended to include one additional plaintiff and another has filed an arbitration demand that includes a class allegation. The Court has decided that, to the extent a class is ever certified, the class period will end at the end of 2007 and not up to the time of trial as plaintiffs had sought. The Company cannot predict at this time what, if any, damages might result from this action.

World Trade Center

The Company acted as the insurance broker, but not as an underwriter, for the placement of both property and casualty insurance for a number of entities which were directly impacted by the September 11, 2001, destruction of the World Trade Center complex, including Silverstein Properties LLC, which acquired a 99-year leasehold interest in the twin towers and related facilities from the Port Authority of New York and

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7. COMMITMENTS AND CONTINGENCIES (Continued)

New Jersey in July 2001. Although the World Trade Center complex insurance was bound at or before the July 2001 closing of the leasehold acquisition, consistent with standard industry practice, the final policy wording for the placements was still in the process of being finalized when the twin towers and other buildings in the complex were destroyed on September 11, 2001. There have been a number of lawsuits in the United States between the insured parties and the insurers for several placements and other disputes may arise in respect of insurance placed by us which could affect the Company including claims by one or more of the insureds that the Company made culpable errors or omissions in connection with our brokerage activities. However, the Company does not believe that our role as broker will lead to liabilities which in the aggregate would have a material adverse effect on our results of operations, financial condition or liquidity.

Stanford Financial Group

On July 2, 2009, a putative class action complaint, captioned *Troice, et al. v. Willis of Colorado, Inc., et al.*, C.A. No. 3:09-CV-01274-N, was filed in the U.S. District Court for the Northern District of Texas against Willis Group Holdings, Willis of Colorado, Inc. and a Willis associate, among others, relating to the collapse of The Stanford Financial Group ("Stanford"), for which Willis of Colorado, Inc. acted as broker of record on certain lines of insurance. The complaint generally alleged that the defendants actively and materially aided Stanford's alleged fraud by providing Stanford with certain letters regarding coverage that they knew would be used to help retain or attract actual or prospective Stanford client investors. The complaint alleged that these letters, which contain statements about Stanford and the insurance policies that the defendants placed for Stanford, contained untruths and omitted material facts and were drafted in this manner to help Stanford promote and sell its allegedly fraudulent certificates of deposit. The putative class consisted of Stanford investors in Mexico and the complaint asserted various claims under Texas statutory and common law and sought actual damages in excess of \$1 billion, punitive damages and costs. On August 12, 2009, the plaintiffs filed an amended complaint, which, notwithstanding the addition of certain factual allegations and Texas common law claims, largely mirrored the original and sought the same relief.

On July 17, 2009, a putative class action complaint, captioned *Ranni v. Willis of Colorado, Inc., et al.*, C.A. No. 09-22085, was filed against Willis Group Holdings and Willis of Colorado, Inc. in the U.S. District Court for the Southern District of Florida, relating to the same alleged course of conduct as the Troice complaint described above. Based on substantially the same allegations as the Troice complaint, but on behalf of a putative class of Venezuelan and other South American Stanford investors, the Ranni complaint asserts a claim under Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, as well as various claims under Florida statutory and common law, and seeks damages in an amount to be determined at trial and costs.

On or about July 24, 2009, a motion was filed by certain individuals (collectively, the 'Movants') with the U.S. Judicial Panel on Multidistrict Litigation (the 'JPML') to consolidate and coordinate in the Northern District of Texas nine separate putative class actions — including the Troice and Ranni actions described above, as well as other actions against various Stanford-related entities and individuals and the Commonwealth of Antigua and Barbuda — relating to Stanford and its allegedly fraudulent certificates of deposit.

On August 6, 2009, a putative class action complaint, captioned *Canabal, et al. v. Willis of Colorado, Inc., et al.*, C.A. No. 3:09-CV-01474-D, was filed against Willis Group Holdings, Willis of Colorado, Inc. and the same Willis associate, among others, also in the Northern District of Texas, relating to the same alleged course of conduct as the Troice complaint described above. Based on substantially the same allegations as the Troice complaint, but on behalf of a putative class of Venezuelan investors, the Canabal complaint asserted various claims under Texas statutory and common law and sought actual damages in excess of \$1 billion, punitive damages, attorneys' fees and costs.

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7. COMMITMENTS AND CONTINGENCIES (Continued)

On or about August 10, 2009, the Movants filed with the JPML a Notice of Related Action that referred the Canabal action to the JPML. On October 6, 2009, the JPML ruled on the transfer motion, transferring seven of the subject actions (including the Troice and Ranni actions) — i.e., the original nine actions minus two that had since been dismissed — for consolidation or coordination in the Northern District of Texas. On October 27, 2009, the parties to the Canabal action stipulated to the designation of that action as an ‘xyz case’ properly part of the new Stanford MDL proceeding in the Northern District of Texas.

On September 14, 2009, a complaint, captioned *Rupert, et al. v. Winter, et al., Case No. 2009C115137*, was filed on behalf of 97 Stanford investors against Willis Group Holdings, Willis of Colorado, Inc. and the same Willis associate, among others, in Texas state court (Bexar County). Based on substantially the same allegations as the Troice complaint, the Rupert complaint asserts claims under the Securities Act of 1933, as well as various Texas statutory and common law claims, and seeks rescission, damages, special damages and consequential damages of \$79.1 million, treble damages of \$237.4 million under the Texas Insurance Code, attorneys’ fees and costs. On October 20, 2009, certain defendants, including Willis of Colorado, Inc., (i) removed the Rupert action to the U.S. District Court for the Western District of Texas, (ii) notified the JPML of the pendency of this additional ‘tag-along’ action and (iii) moved to stay the action pending a determination by the JPML as to whether it should be transferred to the Northern District of Texas for consolidation or coordination with the other Stanford-related actions. In November 2009, the JPML issued a conditional transfer order (the ‘CTO’) for the transfer of the Rupert action to the Northern District of Texas. On December 22, 2009, the plaintiffs filed a motion to vacate, or alternatively stay, the CTO, to which Willis of Colorado, Inc. responded on January 4, 2010. That motion is also currently pending. On April 1, 2010, the JPML denied the plaintiffs motion to vacate the CTO and issued a final transfer order for the transfer of the Rupert action to the U.S. District Court for the Northern District of Texas.

On December 18, 2009, the parties to the Troice and Canabal actions stipulated to the consolidation of those actions and, on December 31, 2009, the plaintiffs therein, collectively, filed a Second Amended Class Action Complaint, which largely mirrors the Troice and Canabal predecessor complaints, but seeks relief on behalf of a worldwide class of Stanford investors. Also on December 31, 2009, the plaintiffs in the Canabal action filed a Notice of Dismissal, dismissing the Canabal action without prejudice. On February 25, 2010, the defendants filed motions to dismiss the Second Amended Class Action Complaint in the consolidated Troice/Canabal action.

The defendants have not yet responded to the Ranni or Rupert complaints.

Additional actions could be brought in the future by other investors in certificates of deposit issued by Stanford and its affiliates. The Company disputes these allegations and intends to defend itself vigorously against these actions. The outcomes of these actions, however, including any losses or other payments that may occur as a result, cannot be predicted at this time.

Commitments

In December 2009, the Company made a capital commitment of \$25 million to Trident V, LP, an investment fund managed by Stone Point Capital. As at March 31, 2010 there had been no capital calls. The first call was made and met in April 2010 and was for \$1 million.

8. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Accounting for derivative financial instruments

In addition to the note below, see Note 9 for information about the fair value hierarchy for derivatives.

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8. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES (Continued)

Primary risks managed by derivative financial instruments

The Company uses derivative financial instruments to manage exposures arising from its operating activities. The Company is exposed to market risk from changes in interest rates and foreign currency exchange rates.

Interest rate risk

As a result of its operating activities, the Company receives cash for premiums and claims which it deposits in short-term investments denominated in US dollars and other currencies. The Company earns interest on these funds, which is included in the financial statements as investment income. These funds are regulated in terms of access and the instruments in which they may be invested, most of which are short-term in maturity. In order to manage interest rate risk arising from these financial assets, the Company enters into interest rate swaps to receive a fixed rate of interest and pay a variable rate of interest in the significant currencies of these short-term investments. The use of interest rate contracts essentially converts groups of short-term variable rate investments to fixed rates.

The fair value of these contracts is recorded in other assets and other liabilities. For contracts that qualify as accounting hedges, changes in fair value are recorded as a component of other comprehensive income. Amounts are reclassified from other comprehensive income into earnings when the hedged exposure affects earnings. If contracts are deemed not to qualify for hedge accounting, changes in fair value are recorded in other operating expenses.

At March 31, 2010, the Company had the following derivative financial instruments that were designated as cash flow hedges of interest rate risk:

		Notional amount(t)	Fair value
		(millions)	
US dollar	Receive fixed — pay variable	\$ 550	\$ 15
Pound sterling	Receive fixed — pay variable	159	7
Euro	Receive fixed — pay variable	99	2

(i) Notional amounts represent US dollar equivalents translated at the spot rate as of March 31, 2010.

During the three months ended March 31, 2010, the Company entered into a series of interest rate swaps for a total notional amount of \$350 million to receive a fixed rate and pay a variable rate on a semi-annual basis, with a maturity date of July, 15, 2015. The Company has designated and accounts for these instruments as fair value hedges against its \$350 million 5.625% senior notes due 2015. The fair values of the interest rate swaps are included within other assets or the liabilities and the fair value of the hedged element of the senior notes is included within the principal amount of the debt.

At March 31, 2010 and December 31, 2009 the Company's interest rate swaps were designated as hedging instruments.

Foreign currency risk

The Company's primary foreign exchange risks arise:

- from changes in the exchange rate between US dollars and pounds sterling as its London market operations earn the majority of their revenues in US dollars and incur expenses predominantly in pounds sterling, and may also hold a significant net sterling asset or liability position on the balance sheet. In addition, the London market operations earn significant revenues in euros and Japanese yen; and

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8. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES (Continued)

Foreign currency risk (Continued)

- from the translation into US dollars of the net income and net assets of its foreign subsidiaries, excluding the London market operations which are US dollar denominated.

The foreign exchange risks in its London market operations are hedged as follows:

- To the extent that forecast pound sterling expenses exceed pound sterling revenues, the Company limits its exposure to this exchange rate risk by the use of forward contracts matched to specific, clearly identified cash outflows arising in the ordinary course of business;
- To the extent the UK operations earn significant revenues in euros and Japanese yen, the Company limits its exposure to changes in the exchange rate between the US dollar and these currencies by the use of forward contracts matched to a percentage of forecast cash inflows in specific currencies and periods; and
- To the extent that the net sterling asset or liability position in its London market operations relate to short-term cash flows, the Company limits its exposure by the use of forward purchases and sales. These forward purchases and sales are not effective hedges for accounting purposes.

The Company does not hedge net income earned within foreign subsidiaries outside of the UK.

The fair value of foreign currency contracts is recorded in other assets and other liabilities. For contracts that qualify as accounting hedges, changes in fair value resulting from movements in the spot exchange rate are recorded as a component of other comprehensive income whilst changes resulting from a movement in the time value are recorded in interest expense. If contracts are deemed not to qualify for hedge accounting, the total change in fair value is recorded in interest expense. Amounts held in comprehensive income are reclassified into earnings when the hedged exposure affects earnings.

At March 31, 2010 and December 31, 2009 the Company did not have any foreign currency contracts not designated as hedging instruments.

The table below summarizes by major currency the contractual amounts of the Company's forward contracts to exchange foreign currencies for pounds sterling at March 31, 2010:

	Sell ⁽ⁱ⁾	Fair value
	(millions)	
US dollar	\$ 337	\$ (18)
Euro	157	6
Japanese yen	68	—

⁽ⁱ⁾ Foreign currency notional amounts are reported in US dollars translated at spot rates at March 31, 2010.

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8. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES (Continued)

Foreign currency risk (Continued)

The table below presents the fair value of the Company's derivative financial instruments and their balance sheet classification at March 31, 2010:

	Balance sheet classification	Fair value	
		March 31, 2010	December 31, 2009
(millions)			
Derivative financial instruments designated as hedging instruments:			
Assets:			
Interest rate swaps	Other assets	\$ 26	\$ 27
Forward exchange contracts	Other assets	12	8
Total derivatives designated as hedging instruments		<u>\$ 38</u>	<u>\$ 35</u>
Liabilities:			
Interest rate swaps	Other liabilities	\$ —	\$ (1)
Forward exchange contracts	Other liabilities	(24)	(22)
Total derivatives designated as hedging instruments		<u>\$ (24)</u>	<u>\$ (23)</u>

The table below presents the effects of derivative financial instruments in cash flow hedging relationships on the consolidated statements of operations and the consolidated statements of equity for the three months ended March 31, 2010 and 2009:

	Amount of gain (loss) recognized in OCI ⁽ⁱ⁾ on derivative (Effective element) (millions)	Location of gain (loss) reclassified from accumulated OCI ⁽ⁱ⁾ into income (Effective element)	Amount of (gain) loss reclassified from accumulated OCI ⁽ⁱ⁾ into income (Effective element) (millions)	Location of gain (loss) recognized in income on derivative (Ineffective hedges and ineffective element of effective hedges)	Amount of gain (loss) recognized in income on derivative (Ineffective hedges and ineffective element of effective hedges) (millions)
Derivatives in cash flow hedging relationships					
Three months ended March 31, 2010					
Interest rate swaps	\$ 5	Investment income	\$ (7)	Other expenses	\$ —
Forward exchange contracts	(3)	Other expenses	5	Interest expense	—
Total	<u>\$ 2</u>		<u>\$ (2)</u>		<u>\$ —</u>
Three months ended March 31, 2009					
Interest rate swaps	\$ 6	Investment income	\$ (5)	Other expenses	\$ (1)
Forward exchange contracts	6	Other expenses	17	Interest expense	—
Total	<u>\$ 12</u>		<u>\$ 12</u>		<u>\$ (1)</u>

(i) OCI means other comprehensive income. Amount above shown gross of tax.

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8. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES (Continued)

Foreign currency risk (Continued)

For interest rate swaps all components of each derivative's gain or loss were included in the assessment of hedge effectiveness. For foreign exchange contracts only the changes in fair value resulting from movements in the spot exchange rate are included in this assessment.

Fair value hedge

For the three months ended March 31, 2010, the Company recognized \$1 million of gains within interest expense for its interest rate swap (2009: \$nil) All components of each derivative's gain or loss were included in the assessment of hedge effectiveness.

At March 31, 2010, the Company estimates that there will be no material reclassification of net derivative gains or losses from other comprehensive income to earnings within the next twelve months.

9. FAIR VALUE MEASUREMENT

The following table presents, for each of the fair value hierarchy levels, the Company's assets and liabilities that are measured at fair value on a recurring basis:

	March 31, 2010			
	Quoted prices in active markets for identical assets	Significant other observable inputs	Significant other unobservable inputs	Total
	Level 1	Level 2	Level 3	Total
	(millions)			
Assets at fair value:				
Cash and cash equivalents	\$ 196	\$ —	\$ —	\$ 196
Fiduciary funds — restricted	1,675	—	—	1,675
Derivative financial instruments	—	38	—	38
Total assets	\$ 1,871	\$ 38	\$ —	\$ 1,909
Liabilities at fair value:				
Derivative financial instruments	\$ —	\$ 24	\$ —	\$ 24
Change in fair value of hedged debt ⁽ⁱ⁾	\$ —	\$ 2	\$ —	\$ 2
Total liabilities	\$ —	\$ 26	\$ —	\$ 26

⁽ⁱ⁾ Changes in the fair value of the underlying hedged debt instrument since inception of the hedging relationship are included in long-term debt.

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9. FAIR VALUE MEASUREMENT (Continued)

	December 31, 2009			
	Quoted prices in active markets for identical assets	Significant other observable inputs	Significant other unobservable inputs	Total
	Level 1	Level 2	Level 3	Total
	(millions)			
Assets at fair value:				
Cash and cash equivalents	\$ 191	\$ —	\$ —	\$ 191
Fiduciary funds — restricted	1,683	—	—	1,683
Derivative financial instruments	—	35	—	35
Total assets	\$ 1,874	\$ 35	\$ —	\$ 1,909
Liabilities at fair value:				
Derivative financial instruments	\$ —	\$ 23	\$ —	\$ 23
Total liabilities	\$ —	\$ 23	\$ —	\$ 23

The estimated fair value of the Company's financial instruments is summarized below. Certain estimates and judgments were required to develop the fair value amounts. The fair value amounts shown below are not necessarily indicative of the amounts that the Company would realize upon disposition nor do they indicate the Company's intent or ability to dispose of the financial instrument.

	March 31, 2010		December 31, 2009	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	(millions)			
Assets:				
Cash and cash equivalents	\$ 196	\$ 196	\$ 191	\$ 191
Fiduciary funds — restricted	1,675	1,675	1,683	1,683
Derivative financial instruments	38	38	35	35
Liabilities:				
Short-term debt	\$ 193	\$ 194	\$ 209	\$ 211
Long-term debt	2,204	2,480	2,165	2,409
Derivative financial instruments	24	24	23	23

The following methods and assumptions were used by the Company in estimating its fair value disclosure for financial instruments:

Cash and Cash Equivalents — The estimated fair value of these financial instruments approximates their carrying values due to their short maturities.

Fiduciary Funds — Restricted — Fair values are based on quoted market values.

Short-Term Debt and Long-Term Debt — Fair values are based on quoted market values.

Derivative Financial Instruments — Market values have been used to determine the fair value of interest rate swaps and forward foreign exchange contracts based on estimated amounts the Company would receive or have to pay to terminate the agreements, taking into account the current interest rate

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9. FAIR VALUE MEASUREMENT (Continued)

environment, current foreign currency forward rates and counterparty risk. The fair value of the Company's derivative financial instruments is computed based on an income approach using appropriate valuation techniques including discounting future cash flows and other methods that are consistent with accepted methodologies for pricing financial instruments.

10. GOODWILL

Goodwill represents the excess of the cost of businesses acquired over the fair market value of identifiable net assets at the dates of acquisition. Goodwill is not amortized but is subject to impairment testing annually and whenever facts or circumstances indicate that the carrying amounts may not be recoverable. As part of the evaluation the estimated future discounted cash flows associated with the underlying business operation are compared to the carrying amount of goodwill to determine if a write-down is required. If such an assessment indicates that the discounted future cash flows are not sufficient, the carrying amount is reduced to the estimated fair value.

When a business entity is sold, goodwill is allocated to the disposed entity based on the fair value of that entity compared to the fair value of the reporting unit in which it is included.

The changes in the carrying amount of goodwill by operating segment for the three months ended March 31, 2010 and the year ended December 31, 2009 are as follows:

	Global	North America	International	Total
	(millions)			
Balance at December 31, 2008	\$ 1,046	\$ 1,810	\$ 419	\$ 3,275
Goodwill acquired during 2009	4	1	14	19
Purchase price allocation adjustments	24	(4)	—	20
Goodwill disposed of during 2009	—	(27)	(1)	(28)
Foreign exchange	(9)	—	—	(9)
Balance at December 31, 2009	\$ 1,065	\$ 1,780	\$ 432	\$ 3,277
Other movements ⁽ⁱ⁾	—	(1)	—	(1)
Foreign exchange	(4)	—	—	(4)
Balance at March 31, 2010	<u>\$ 1,061</u>	<u>\$ 1,779</u>	<u>\$ 432</u>	<u>\$ 3,272</u>

⁽ⁱ⁾ Tax benefit arising on the exercise of fully vested HRH stock options which were issued as part of the acquisition of HRH in 2008.

11. OTHER INTANGIBLE ASSETS

Other intangible assets are classified into the following categories:

- 'Customer and Marketing related' includes
 - Client Relationships,
 - Client Lists,
 - Non-compete Agreements,
 - Trade Names; and
- 'Contract based, Technology and Other' includes all other purchased intangible assets.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

11. OTHER INTANGIBLE ASSETS (Continued)

The major classes of amortizable intangible assets are as follows:

	March 31, 2010			December 31, 2009		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
	(millions)					
Customer and Marketing Related:						
Client Relationships	\$ 689	\$ (154)	\$ 535	\$ 691	\$ (138)	\$ 553
Client Lists	9	(6)	3	9	(6)	3
Non-compete Agreements	36	(26)	10	36	(23)	13
Trade Names	11	(10)	1	11	(10)	1
Total Customer and Marketing Related	745	(196)	549	747	(177)	570
Contract based, Technology and Other	4	(2)	2	4	(2)	2
Total amortizable intangible assets	<u>\$ 749</u>	<u>\$ (198)</u>	<u>\$ 551</u>	<u>\$ 751</u>	<u>\$ (179)</u>	<u>\$ 572</u>

The aggregate amortization of intangible assets for the three months ended March 31, 2010 was \$21 million (2009: \$24 million). The total amortizable intangible assets are expected to be amortized over the following periods:

	Remainder of 2010	2011	2012	2013	2014	Thereafter	Total
	(millions)						
Amortization of intangible assets	<u>\$ 62</u>	<u>\$ 68</u>	<u>\$ 61</u>	<u>\$ 56</u>	<u>\$ 51</u>	<u>\$ 253</u>	<u>\$ 551</u>

12. DEBT

Short-term debt consists of the following:

	March 31, 2010	December 31, 2009
	(millions)	
Current portion of 5-year term loan facility	\$ 110	\$ 110
5.125% senior notes due 2010	83	90
6.000% loan notes due 2010	—	9
	<u>\$ 193</u>	<u>\$ 209</u>

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

12. DEBT (Continued)

Long-term debt consists of the following:

	March 31, 2010	December 31, 2009
	(millions)	
5-year term loan facility	\$ 383	\$ 411
Revolving credit facility	65	—
6.000% senior notes due 2012	4	4
5.625% senior notes due 2015	352	350
12.875% senior notes due 2016	500	500
6.200% senior notes due 2017	600	600
7.000% senior notes due 2019	300	300
	<u>\$ 2,204</u>	<u>\$ 2,165</u>

During the three months ended March 31, 2010, the Company entered into a series of interest rate swaps for a total notional amount of \$350 million to receive a fixed rate and pay a variable rate on a semi-annual basis, with a maturity date of July, 15, 2015. The Company has designated and accounts for these instruments as fair value hedges against its \$350 million 5.625% senior notes due 2015. The fair values of the interest rate swaps are included within other assets or the liabilities and the fair value of the hedged element of the senior notes is included within the principal amount of the debt.

The 5-year term loan facility bears interest at LIBOR plus 2.250% and is repayable \$27 million per quarter, with a final payment of \$116 million due in the fourth quarter of 2013. Drawings under the revolving credit facility also bear interest at LIBOR plus 2.250% and the facility also expires on October 1, 2013.

13. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental disclosures regarding cash flow information and non-cash flow investing and financing activities are as follows:

	Three months ended March 31,	
	2010	2009
	(millions)	
Supplemental disclosures of cash flow information:		
Cash payments (receipts) for income taxes, net of cash received	\$ 29	\$ (9)
Cash payments for interest	<u>61</u>	<u>48</u>
Supplemental disclosures of non-cash flow investing and financing activities:		
Issue of stock on acquisitions of noncontrolling interests	<u>\$ —</u>	<u>\$ 5</u>
Acquisitions:		
Fair value of assets acquired	\$ 1	\$ —
Less: Liabilities assumed	—	(23)
Net assets (liabilities) acquired, net of cash acquired	<u>\$ 1</u>	<u>\$ (23)</u>

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

14. COMPREHENSIVE INCOME

a) The components of comprehensive income are as follows:

	Three months ended	
	2010	2009
	March 31,	
	(millions)	
Net income	\$ 211	\$ 201
Other comprehensive income, net of tax:		
Foreign currency translation adjustment (net of tax of \$nil and \$nil)	(6)	1
Pension funding adjustment (net of tax of \$3 million and \$3 million)	6	6
Net gain on derivative instruments (net of tax of \$nil and \$7 million)	—	17
Other comprehensive income (net of tax of \$3 million and \$10 million)	—	24
Comprehensive income	211	225
Noncontrolling interest	(7)	(8)
Comprehensive income attributable to Willis Group Holdings	<u>\$ 204</u>	<u>\$ 217</u>

b) The components of accumulated other comprehensive loss, net of tax, are as follows:

	March 31,	December 31,
	2010	2009
	(millions)	
Net foreign currency translation adjustment	\$ (52)	\$ (46)
Net unrealized holding loss	(2)	(2)
Pension funding adjustment	(548)	(554)
Net unrealized gain on derivative instruments	8	8
Accumulated other comprehensive loss, attributable to Willis Group Holdings	<u>\$ (594)</u>	<u>\$ (594)</u>

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

15. STOCKHOLDERS' EQUITY AND NONCONTROLLING INTERESTS

The components of stockholders' equity and noncontrolling interests are as follows:

	March 31, 2010			March 31, 2009		
	Willis Group Holdings stockholders	Noncontrolling interests	Total equity	Willis Group Holdings stockholders	Noncontrolling interests	Total equity
	(millions)					
Balance at beginning of period	\$ 2,180	\$ 49	\$ 2,229	\$ 1,845	\$ 50	\$ 1,895
Comprehensive income:						
Net income	204	7	211	193	8	201
Other comprehensive income, net of tax	—	—	—	24	—	24
Comprehensive income	204	7	211	217	8	225
Dividends	(44)	(1)	(45)	(42)	(1)	(43)
Additional paid-in capital	9	—	9	7	—	7
Purchase of subsidiary shares from noncontrolling interests	—	(4)	(4)	—	(2)	(2)
Foreign currency translation	—	(1)	(1)	—	(2)	(2)
Balance at end of period	<u>\$ 2,349</u>	<u>\$ 50</u>	<u>\$ 2,399</u>	<u>\$ 2,027</u>	<u>\$ 53</u>	<u>\$ 2,080</u>

The effects of changes in Willis Group Holdings ownership interest in its subsidiaries on equity are as follows:

	March 31, 2010	March 31, 2009
	(millions)	
Net income attributable to Willis Group Holdings	\$ 204	\$ 193
Transfers from noncontrolling interest:		
Decrease in Willis Group Holdings paid-in capital for purchase of noncontrolling interests	(13)	(5)
Net transfers to noncontrolling interests	(13)	(5)
Change from net income attributable to Willis Group Holdings and transfers from noncontrolling interests	<u>\$ 191</u>	<u>\$ 188</u>

16. SEGMENT INFORMATION

During the periods presented, the Company operated through three segments: Global, North America and International. Global provides specialist brokerage and consulting services to clients worldwide for specific industrial and commercial activities and is organized by specialism. North America and International predominantly comprise our retail operations which provide services to small, medium and major corporates, accessing Global's specialist expertise when required.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

16. SEGMENT INFORMATION (Continued)

The Company evaluates the performance of its operating segments based on organic revenue growth and operating income. For internal reporting and segmental reporting, the following includes items for which segmental management are not held accountable and are excluded from segmental expenses:

- i) costs of the holding company;
- ii) foreign exchange loss from the devaluation of the Venezuelan currency;
- iii) foreign exchange hedging activities and foreign exchange movements on the UK pension plan asset;
- iv) amortization of intangible assets;
- v) gains and losses on the disposal of operations and major properties;
- vi) significant legal and regulatory settlements which are managed centrally;
- vii) integration costs associated with the acquisition of HRH; and
- viii) costs associated with the redomicile of the Company's parent company from Bermuda to Ireland.

The accounting policies of the operating segments are consistent with those described in Note 2 — Basis of Presentation and Significant Accounting Policies to the Company's current Report on Form 10-K for the year ended December 31, 2009. There are no inter-segment revenues, with segments operating on a revenue-sharing basis equivalent to that used when sharing business with other third-party brokers.

Selected information regarding the Company's operating segments is as follows:

	Three months ended March 31, 2010						
	<u>Commissions and Fees</u>	<u>Investment Income</u>	<u>Other Income</u>	<u>Total Revenues (millions)</u>	<u>Depreciation and Amortization</u>	<u>Operating Income</u>	<u>Interest in Earnings of Associates, net of tax</u>
Global	\$ 301	\$ 2	\$ —	\$ 303	\$ 4	\$ 138	\$ —
North America	361	4	—	365	6	93	—
International	301	3	—	304	5	103	20
Total Retail	662	7	—	669	11	196	20
Total Operating Segments	963	9	—	972	15	334	20
Corporate and Other(i)	—	—	—	—	21	(33)	—
Total Consolidated	<u>\$ 963</u>	<u>\$ 9</u>	<u>\$ —</u>	<u>\$ 972</u>	<u>\$ 36</u>	<u>\$ 301</u>	<u>\$ 20</u>

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

16. SEGMENT INFORMATION (Continued)

	Three Months Ended March 31, 2009						
	Commissions and Fees	Investment Income	Other Income	Total Revenues (millions)	Depreciation and Amortization	Operating Income	Interest in Earnings of Associates, net of tax
Global	\$ 275	\$ 3	\$ —	\$ 278	\$ 3	\$ 127	\$ —
North America	371	4	2	377	5	94	—
International	269	6	—	275	6	96	26
Total Retail	640	10	2	652	11	190	26
Total Operating Segments	915	13	2	930	14	317	26
Corporate and Other ⁽ⁱ⁾	—	—	—	—	24	(43)	—
Total Consolidated	\$ 915	\$ 13	\$ 2	\$ 930	\$ 38	\$ 274	\$ 26

(i) Corporate and Other includes the costs of the holding company, foreign exchange loss from the devaluation of the Venezuelan currency, foreign exchange hedging activities, foreign exchange on the UK pension plan asset, amortization of intangible assets, net gains and losses on disposal of operations, certain legal costs, integration costs associated with the acquisition of HRH and the costs associated with the redomicile of the Company's parent company from Bermuda to Ireland.

The following table reconciles total consolidated operating income, as disclosed in the operating segment tables above, to consolidated income from continuing operations before income taxes and interest in earnings of associates:

	Three months ended March 31,	
	2010	2009
	(millions)	
Total consolidated operating income	\$ 301	\$ 274
Interest expense	(43)	(38)
Income from continuing operations before income taxes and interest in earnings of associates	\$ 258	\$ 236

The Company does not routinely evaluate the total asset position by segment, and the following allocations have been made based on reasonable estimates and assumptions:

	March 31,	December 31,
	2010	2009
	(millions)	
Total assets:		
Global	\$ 11,780	\$ 9,542
North America	4,167	4,408
International	1,927	2,246
Total Retail	6,094	6,654
Total Operating Segments	17,874	16,196
Corporate and Other	(259)	(573)
Total Consolidated	\$ 17,615	\$ 15,623

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

17. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES

On July 1, 2005, Willis North America Inc. ('Willis North America') issued senior notes totaling \$600 million under its February 2004 registration statement. On March 28, 2007, Willis North America issued further senior notes totaling \$600 million under its June 2006 registration statement. On September 29, 2009, Willis North America issued senior notes totaling \$300 million under its June 2009 registration statement. The debt securities are jointly and severally, irrevocably and fully and unconditionally guaranteed by Willis Group Holdings, Willis Netherlands Holdings B.V., Willis Investment UK Holdings Limited, Willis Group Limited, Trinity Acquisition plc, TA I Limited, TA II Limited, TA III Limited and TA IV Limited.

Presented below is unaudited condensed consolidating financial information for:

- i) Willis Group Holdings, which is a guarantor, on a parent company only basis;
- ii) the Other Guarantors, which are all 100 percent directly or indirectly owned subsidiaries of the parent;
- iii) the Issuer, Willis North America;
- iv) Other, which are the non-guarantor subsidiaries, on a combined basis;
- v) Eliminations; and
- vi) Consolidated Company.

The equity method has been used for all investments in subsidiaries in the unaudited condensed consolidating balance sheets of Willis Group Holdings, the Other Guarantors and the Issuer. Investments in subsidiaries in the unaudited condensed consolidating balance sheet for Other represents the cost of investment in subsidiaries recorded in the parent companies of the non-guarantor subsidiaries.

The entities included in the Other Guarantors column are Willis Netherlands Holdings B.V., Willis Investment UK Holdings Limited, Trinity Acquisition plc, TA I Limited, TA II Limited, TA III Limited, TA IV Limited and Willis Group Limited.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

17. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Statement of Operations

	Three months ended March 31, 2010					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
REVENUES						
Commissions and fees	\$ —	\$ —	\$ —	\$ 963	\$ —	\$ 963
Investment income	—	3	1	5	—	9
Other income	—	—	—	—	—	—
Total revenues	<u>—</u>	<u>3</u>	<u>1</u>	<u>968</u>	<u>—</u>	<u>972</u>
EXPENSES						
Salaries and benefits	—	—	—	(491)	5	(486)
Other operating expenses	196	(34)	2	(294)	(19)	(149)
Depreciation expense	—	—	(2)	(13)	—	(15)
Amortization of intangible assets	—	—	—	(21)	—	(21)
Gain on disposal of operations	—	—	—	2	(2)	—
Total expenses	<u>196</u>	<u>(34)</u>	<u>—</u>	<u>(817)</u>	<u>(16)</u>	<u>(671)</u>
OPERATING INCOME (LOSS)	196	(31)	1	151	(16)	301
Investment income from Group undertakings	—	333	56	423	(812)	—
Interest expense	—	(132)	(42)	(57)	188	(43)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	196	170	15	517	(640)	258
Income taxes	—	3	(7)	(74)	11	(67)
INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	196	173	8	443	(629)	191
Interest in earnings of associates, net of tax	—	—	—	20	—	20
INCOME FROM CONTINUING OPERATIONS	196	173	8	463	(629)	211
Discontinued operations, net of tax	—	—	—	—	—	—
NET INCOME	196	173	8	463	(629)	211
Less: Net income attributable to noncontrolling interests	—	—	—	(3)	(4)	(7)
EQUITY ACCOUNT FOR SUBSIDIARIES	8	35	5	—	(48)	—
NET INCOME ATTRIBUTABLE TO WILLIS GROUP HOLDINGS	\$ 204	\$ 208	\$ 13	\$ 460	\$ (681)	\$ 204

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

17. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Statement of Operations

	Three months ended March 31, 2009					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
REVENUES						
Commissions and fees	\$ —	\$ —	\$ —	\$ 915	\$ —	\$ 915
Investment income	—	—	2	114	(103)	13
Other income	—	—	—	2	—	2
Total revenues	—	—	2	1,031	(103)	930
EXPENSES						
Salaries and benefits	—	—	—	(483)	3	(480)
Other operating expenses	(1)	(10)	11	(145)	7	(138)
Depreciation expense	—	—	(2)	(12)	—	(14)
Amortization of intangible assets	—	—	—	(21)	(3)	(24)
Total expenses	(1)	(10)	9	(661)	7	(656)
OPERATING (LOSS) INCOME						
Investment income from Group undertakings	22	93	116	6	(237)	—
Interest expense	—	(86)	(38)	(152)	238	(38)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES						
	21	(3)	89	224	(95)	236
Income taxes	—	—	1	(61)	(2)	(62)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES						
	21	(3)	90	163	(97)	174
Interest in earnings of associates, net of tax	—	—	—	26	—	26
INCOME (LOSS) FROM CONTINUING OPERATIONS						
	21	(3)	90	189	(97)	200
Discontinued operations, net of tax	—	—	—	1	—	1
NET INCOME (LOSS)						
	21	(3)	90	190	(97)	201
Less: Net income attributable to noncontrolling interests	—	—	—	(2)	(6)	(8)
EQUITY ACCOUNT FOR SUBSIDIARIES						
	172	175	(103)	—	(244)	—
NET INCOME (LOSS) ATTRIBUTABLE TO WILLIS GROUP HOLDINGS						
	\$ 193	\$ 172	\$ (13)	\$ 188	\$ (347)	\$ 193

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

17. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Balance Sheet

	As at March 31, 2010					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
ASSETS						
Cash and cash equivalents	\$ —	\$ —	\$ 83	\$ 113	\$ —	\$ 196
Fiduciary funds — restricted	—	—	—	1,675	—	1,675
Accounts receivable	3,757	5,809	4,282	14,019	(17,339)	10,528
Fixed assets	—	—	41	313	(2)	352
Goodwill	—	—	—	1,718	1,554	3,272
Other intangible assets	—	—	—	521	30	551
Investments in associates	—	—	—	247	(75)	172
Deferred tax assets	—	—	—	106	(18)	88
Pension benefits asset	—	—	—	95	—	95
Other assets	8	118	89	704	(233)	686
Investments in subsidiaries	2,679	3,780	1,036	3,847	(11,342)	—
TOTAL ASSETS	\$ 6,444	\$ 9,707	\$ 5,531	\$ 23,358	\$ (27,425)	\$ 17,615
LIABILITIES AND EQUITY						
Accounts payable	\$ 4,048	\$ 10,515	\$ 3,167	\$ 11,261	\$ (17,497)	\$ 11,494
Deferred revenue and accrued expenses	—	—	—	337	(89)	248
Deferred tax liabilities	—	—	18	27	(18)	27
Income taxes payable	45	100	—	23	(86)	82
Short-term debt	—	—	193	—	—	193
Long-term debt	—	500	1,698	6	—	2,204
Liability for pension benefits	—	—	—	179	—	179
Other liabilities	2	13	41	590	143	789
Total liabilities	4,095	11,128	5,117	12,423	(17,547)	15,216
Total Willis Group Holdings stockholders' equity	2,349	(1,421)	414	10,928	(9,921)	2,349
Noncontrolling interests	—	—	—	7	43	50
Total equity	2,349	(1,421)	414	10,935	(9,878)	2,399
TOTAL LIABILITIES AND EQUITY	\$ 6,444	\$ 9,707	\$ 5,531	\$ 23,358	\$ (27,425)	\$ 17,615

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

17. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Balance Sheet

	As at December 31, 2009					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
ASSETS						
Cash and cash equivalents	\$ —	\$ —	\$ 104	\$ 87	\$ —	\$ 191
Fiduciary funds — restricted	—	—	—	1,683	—	1,683
Accounts receivable	—	4,428	4,185	9,294	(9,269)	8,638
Fixed assets	—	—	35	317	—	352
Goodwill	—	—	—	1,722	1,555	3,277
Other intangible assets	—	—	—	542	30	572
Investments in associates	—	—	—	76	80	156
Deferred tax assets	—	—	—	97	(15)	82
Pension benefits asset	—	—	—	69	—	69
Other assets	—	99	35	909	(440)	603
Investments in subsidiaries	2,180	3,693	1,132	3,867	(10,872)	—
TOTAL ASSETS	\$ 2,180	\$ 8,220	\$ 5,491	\$ 18,663	\$ (18,931)	\$ 15,623
LIABILITIES AND EQUITY						
Accounts payable	\$ —	\$ 6,887	\$ 3,169	\$ 9,042	\$ (9,412)	\$ 9,686
Deferred revenue and accrued expenses	—	—	—	324	(23)	301
Deferred tax liabilities	—	—	15	29	(15)	29
Income taxes payable	—	86	—	205	(245)	46
Short-term debt	—	—	200	9	—	209
Long-term debt	—	500	1,661	4	—	2,165
Liability for pension benefits	—	—	—	187	—	187
Other liabilities	—	—	40	715	16	771
Total liabilities	—	7,473	5,085	10,515	(9,679)	13,394
Total Willis Group Holdings stockholders' equity	2,180	747	406	8,144	(9,297)	2,180
Noncontrolling interests	—	—	—	4	45	49
Total equity	2,180	747	406	8,148	(9,252)	2,229
TOTAL LIABILITIES AND EQUITY	\$ 2,180	\$ 8,220	\$ 5,491	\$ 18,663	\$ (18,931)	\$ 15,623

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

17. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Statement of Cash Flows

	Three months ended March 31, 2010					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 198	\$ (15)	\$ (35)	\$ (74)	\$ (1)	\$ 73
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds on disposal of fixed and intangible assets	—	—	—	2	—	2
Additions to fixed assets	—	—	(8)	(21)	—	(29)
Acquisitions of subsidiaries, net of cash acquired	—	—	—	(13)	—	(13)
Acquisitions of investments in associates	—	—	—	(1)	—	(1)
Net cash used in investing activities	—	—	(8)	(33)	—	(41)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from draw down of revolving credit facility	—	—	65	—	—	65
Repayments of debt	—	—	(34)	(9)	—	(43)
Proceeds from issue of shares	11	—	—	—	—	11
Amounts owed by and to Group undertakings	(209)	15	(9)	203	—	—
Excess tax benefits from share-based payment arrangements	—	—	—	(1)	—	(1)
Dividends paid	—	—	—	(45)	1	(44)
Acquisition of noncontrolling interests	—	—	—	(4)	—	(4)
Dividends paid to noncontrolling interests	—	—	—	(1)	—	(1)
Net cash (used in) provided by financing activities	(198)	15	22	143	1	(17)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	—	—	(21)	36	—	15
Effect of exchange rate changes on cash and cash equivalents	—	—	—	(10)	—	(10)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	—	—	104	87	—	191
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ —	\$ —	\$ 83	\$ 113	\$ —	\$ 196
Cash and cash equivalents reported as discontinued operations	—	—	—	—	—	—
Cash and cash equivalents reported as continuing operations	\$ —	\$ —	\$ 83	\$ 113	\$ —	\$ 196

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

17. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Statement of Cash Flows

	Three months ended March 31, 2009					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 22	\$ (13)	\$ 150	\$ (69)	\$ (6)	\$ 84
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds on disposal of fixed and intangible assets	—	—	—	6	—	6
Additions to fixed assets	—	—	(3)	(14)	—	(17)
Acquisitions of subsidiaries, net of cash acquired	—	—	—	(2)	—	(2)
Acquisitions of investments in associates	—	—	—	(39)	—	(39)
Proceeds on sale of short-term investments	—	—	—	4	—	4
Net cash used in investing activities	—	—	(3)	(45)	—	(48)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from draw down of revolving credit facility	—	—	150	—	—	150
Proceeds from issue of short-term debt, net of debt issuance costs	—	—	—	1	—	1
Repayments of debt	—	—	(647)	—	—	(647)
Senior notes issued, net of debt issuance costs	—	482	—	—	—	482
Proceeds from issue of shares	2	—	—	—	—	2
Amounts owed by and to Group undertakings	19	(469)	381	69	—	—
Dividends paid	(43)	—	—	(6)	6	(43)
Acquisition of noncontrolling interests	—	—	—	(2)	—	(2)
Dividends paid to noncontrolling interests	—	—	—	(1)	—	(1)
Net cash (used in) provided by financing activities	(22)	13	(116)	61	6	(58)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	—	—	31	(53)	—	(22)
Effect of exchange rate changes on cash and cash equivalents	—	—	—	(4)	—	(4)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	—	—	—	176	—	176
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ —	\$ —	\$ 31	\$ 119	\$ —	\$ 150
Cash and cash equivalents — reported as discontinued operations	—	—	—	(3)	—	(3)
Cash and cash equivalents — continuing operations	\$ —	\$ —	\$ 31	\$ 116	\$ —	\$ 147

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

18. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES

In March 2009, Trinity Acquisition plc issued senior notes totaling \$500 million in a private transaction. The debt securities are jointly and severally, irrevocably and fully and unconditionally guaranteed by Willis Group Holdings, Willis Netherlands B.V., Willis Investment UK Holdings Limited, TA I Limited, TA II Limited, TA III Limited, TA IV Limited, Willis Group Limited and Willis North America. This debt has not been registered with the Securities Exchange Commission. If and when registered, any necessary financial statements will be provided.

The Company filed a shelf registration on Form S-3 under which Willis Group Holdings may offer debt securities, preferred stock, ordinary stock and other securities. In addition, Trinity Acquisition plc may offer debt securities ('the Subsidiary Debt Securities'). The Subsidiary Debt Securities, if issued, will be guaranteed by certain of the Company's subsidiaries.

Presented below is unaudited condensed consolidating financial information required under the existing shelf registration for:

- i) Willis Group Holdings, which will be a guarantor, on a parent company only basis;
- ii) the Other Guarantors, which are all 100 percent directly or indirectly owned subsidiaries of the parent;
- iii) the Issuer, Trinity Acquisition plc;
- iv) Other, which are the non-guarantor subsidiaries, on a combined basis;
- v) Eliminations; and
- vi) Consolidated Company.

The equity method has been used for investments in subsidiaries in the unaudited condensed consolidating balance sheets of Willis Group Holdings, the Other Guarantors and the Issuer. Investments in subsidiaries in the unaudited condensed consolidating balance sheet for Other, represents the cost of investment in subsidiaries recorded in the parent companies of the non-guarantor subsidiaries.

The entities included in the Other Guarantors column are Willis Netherlands Holdings B.V., Willis Investment UK Holdings Limited, TA I Limited, TA II Limited and TA III Limited.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

18. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Statement of Operations

	Three months ended March 31, 2010					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
REVENUES						
Commissions and fees	\$ —	\$ —	\$ —	\$ 963	\$ —	\$ 963
Investment income	—	3	—	6	—	9
Other income	—	—	—	—	—	—
Total revenues	<u>—</u>	<u>3</u>	<u>—</u>	<u>969</u>	<u>—</u>	<u>972</u>
EXPENSES						
Salaries and benefits	—	—	—	(491)	5	(486)
Other operating expenses	196	4	17	(347)	(19)	(149)
Depreciation expense	—	—	—	(15)	—	(15)
Amortization of intangible assets	—	—	—	(21)	—	(21)
Gain on disposal of operations	—	—	—	2	(2)	—
Total expenses	<u>196</u>	<u>4</u>	<u>17</u>	<u>(872)</u>	<u>(16)</u>	<u>(671)</u>
OPERATING INCOME	196	7	17	97	(16)	301
Investment income from Group undertakings	—	30	81	701	(812)	—
Interest expense	—	(40)	(52)	(139)	188	(43)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	196	(3)	46	659	(640)	258
Income taxes	—	—	(12)	(66)	11	(67)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	196	(3)	34	593	(629)	191
Interest in earnings of associates, net of tax	—	—	—	20	—	20
INCOME (LOSS) FROM CONTINUING OPERATIONS	196	(3)	34	613	(629)	211
Discontinued operations, net of tax	—	—	—	—	—	—
NET INCOME (LOSS)	196	(3)	34	613	(629)	211
Less: Net income attributable to noncontrolling interests	—	—	—	(3)	(4)	(7)
EQUITY ACCOUNT FOR SUBSIDIARIES	8	211	173	—	(392)	—
NET INCOME ATTRIBUTABLE TO WILLIS GROUP HOLDINGS	\$ 204	\$ 208	\$ 207	\$ 610	\$ (1,025)	\$ 204

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

18. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Statement of Operations

	Three months ended March 31, 2009					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
REVENUES						
Commissions and fees	\$ —	\$ —	\$ —	\$ 915	\$ —	\$ 915
Investment income	—	—	—	116	(103)	13
Other income	—	—	—	2	—	2
Total revenues	—	—	—	1,033	(103)	930
EXPENSES						
Salaries and benefits	—	—	—	(483)	3	(480)
Other operating expenses	(1)	—	2	(146)	7	(138)
Depreciation expense	—	—	—	(14)	—	(14)
Amortization of intangible assets	—	—	—	(21)	(3)	(24)
Total expenses	(1)	—	2	(664)	7	(656)
OPERATING (LOSS) INCOME						
Investment income from Group undertakings	22	8	38	169	(237)	—
Interest expense	—	(40)	(7)	(229)	238	(38)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES						
	21	(32)	33	309	(95)	236
Income taxes	—	9	(9)	(60)	(2)	(62)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES						
	21	(23)	24	249	(97)	174
Interest in earnings of associates, net of tax	—	—	—	26	—	26
INCOME (LOSS) FROM CONTINUING OPERATIONS						
	21	(23)	24	275	(97)	200
Discontinued operations, net of tax	—	—	—	1	—	1
NET INCOME (LOSS)						
	21	(23)	24	276	(97)	201
Less: Net income attributable to noncontrolling interests	—	—	—	(2)	(6)	(8)
EQUITY ACCOUNT FOR SUBSIDIARIES						
	172	195	148	—	(515)	—
NET INCOME ATTRIBUTABLE TO WILLIS GROUP HOLDINGS						
	\$ 193	\$ 172	\$ 172	\$ 274	\$ (618)	\$ 193

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

18. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Balance Sheet

	As at March 31, 2010					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
ASSETS						
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ 196	\$ —	\$ 196
Fiduciary funds — restricted	—	—	—	1,675	—	1,675
Accounts receivable	3,757	2,059	2,528	19,523	(17,339)	10,528
Fixed assets	—	—	—	354	(2)	352
Goodwill	—	—	—	1,718	1,554	3,272
Other intangible assets	—	—	—	521	30	551
Investments in associates	—	—	—	247	(75)	172
Deferred tax assets	—	—	—	106	(18)	88
Pension benefits asset	—	—	—	95	—	95
Other assets	8	44	16	851	(233)	686
Equity accounted subsidiaries	2,679	3,298	2,539	2,880	(11,396)	—
TOTAL ASSETS	\$ 6,444	\$ 5,401	\$ 5,083	\$ 28,166	\$ (27,479)	\$ 17,615
LIABILITIES AND EQUITY						
Accounts payable	\$ 4,048	\$ 6,816	\$ 1,283	\$ 16,844	\$ (17,497)	\$ 11,494
Deferred revenue and accrued expenses	—	—	—	337	(89)	248
Deferred tax liabilities	—	—	—	45	(18)	27
Income taxes payable	45	8	42	73	(86)	82
Short-term debt	—	—	—	193	—	193
Long-term debt	—	—	500	1,704	—	2,204
Liability for pension benefits	—	—	—	179	—	179
Other liabilities	2	—	—	644	143	789
Total liabilities	4,095	6,824	1,825	20,019	(17,547)	15,216
Total Willis Group Holdings stockholders' equity	2,349	(1,423)	3,258	8,140	(9,975)	2,349
Noncontrolling interests	—	—	—	7	43	50
Total equity	2,349	(1,423)	3,258	8,147	(9,932)	2,399
TOTAL LIABILITIES AND EQUITY	\$ 6,444	\$ 5,401	\$ 5,083	\$ 28,166	\$ (27,479)	\$ 17,615

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

18. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Balance Sheet

	As at December 31, 2009					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
ASSETS						
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ 191	\$ —	\$ 191
Fiduciary funds — restricted	—	—	—	1,683	—	1,683
Accounts receivable	—	698	2,489	14,720	(9,269)	8,638
Fixed assets	—	—	—	352	—	352
Goodwill	—	—	—	1,722	1,555	3,277
Other intangible assets	—	—	—	542	30	572
Investments in associates	—	—	—	76	80	156
Deferred tax assets	—	—	—	97	(15)	82
Pension benefits asset	—	—	—	69	—	69
Other assets	—	37	17	989	(440)	603
Equity accounted subsidiaries	2,180	3,051	2,366	2,882	(10,479)	—
TOTAL ASSETS	\$ 2,180	\$ 3,786	\$ 4,872	\$ 23,323	\$ (18,538)	\$ 15,623
LIABILITIES AND EQUITY						
Accounts payable	\$ —	\$ 3,040	\$ 1,289	\$ 14,769	\$ (9,412)	\$ 9,686
Deferred revenue and accrued expenses	—	—	—	324	(23)	301
Deferred tax liabilities	—	—	—	44	(15)	29
Income taxes payable	—	1	32	258	(245)	46
Short-term debt	—	—	—	209	—	209
Long-term debt	—	—	500	1,665	—	2,165
Liability for pension benefits	—	—	—	187	—	187
Other liabilities	—	—	—	755	16	771
Total liabilities	—	3,041	1,821	18,211	(9,679)	13,394
Total Willis Group Holdings stockholders' equity	2,180	745	3,051	5,108	(8,904)	2,180
Noncontrolling interests	—	—	—	4	45	49
Total equity	2,180	745	3,051	5,112	(8,859)	2,229
TOTAL LIABILITIES AND EQUITY	\$ 2,180	\$ 3,786	\$ 4,872	\$ 23,323	\$ (18,538)	\$ 15,623

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

18. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Statement of Cash Flows

	Three months ended March 31, 2010					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 198	\$ (27)	\$ 45	\$ (142)	\$ (1)	\$ 73
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds on disposal of fixed and intangible assets	—	—	—	2	—	2
Additions to fixed assets	—	—	—	(29)	—	(29)
Acquisitions of subsidiaries, net of cash acquired	—	—	—	(13)	—	(13)
Acquisitions of investments in associates	—	—	—	(1)	—	(1)
Net cash used in investing activities	—	—	—	(41)	—	(41)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from draw down of revolving credit facility	—	—	—	65	—	65
Repayments of debt	—	—	—	(43)	—	(43)
Proceeds from issue of shares	11	—	—	—	—	11
Amounts owed by and to Group undertakings	(209)	27	(45)	227	—	—
Excess tax benefits from share-based payment arrangements	—	—	—	(1)	—	(1)
Dividends paid	—	—	—	(45)	1	(44)
Acquisition of noncontrolling interests	—	—	—	(4)	—	(4)
Dividends paid to noncontrolling interests	—	—	—	(1)	—	(1)
Net cash (used in) provided by financing activities	(198)	27	(45)	198	1	(17)
INCREASE IN CASH AND CASH EQUIVALENTS	—	—	—	15	—	15
Effect of exchange rate changes on cash and cash equivalents	—	—	—	(10)	—	(10)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	—	—	—	191	—	191
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ —	\$ —	\$ —	\$ 196	\$ —	\$ 196
Cash and cash equivalents reported as discontinued operations	—	—	—	—	—	—
Cash and cash equivalents reported as continuing operations	\$ —	\$ —	\$ —	\$ 196	\$ —	\$ 196

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

18. FINANCIAL INFORMATION FOR PARENT GUARANTOR, OTHER GUARANTOR SUBSIDIARIES AND NON-GUARANTOR SUBSIDIARIES (Continued)

Condensed Consolidating Statement of Cash Flows

	Three months ended March 31, 2009					
	Willis Group Holdings	The Other Guarantors	The Issuer	Other	Eliminations	Consolidated
	(millions)					
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 22	\$ (31)	\$ 19	\$ 80	\$ (6)	\$ 84
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds on disposal of fixed and intangible assets	—	—	—	6	—	6
Additions to fixed assets	—	—	—	(17)	—	(17)
Acquisitions of subsidiaries, net of cash acquired	—	—	—	(2)	—	(2)
Investments in associates	—	—	—	(39)	—	(39)
Proceeds on sale of short-term investments	—	—	—	4	—	4
Net cash used in investing activities	—	—	—	(48)	—	(48)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from draw down of revolving credit facility	—	—	—	150	—	150
Proceeds from issue of short-term debt, net of debt issuance costs	—	—	—	1	—	1
Repayments of debt	—	—	—	(647)	—	(647)
Senior notes issued, net of debt issuance costs	—	—	482	—	—	482
Proceeds from issue of shares	2	—	—	—	—	2
Amounts owed by and to Group undertakings	19	31	(501)	451	—	—
Dividends paid	(43)	—	—	(6)	6	(43)
Acquisition of noncontrolling interests	—	—	—	(2)	—	(2)
Dividends paid to noncontrolling interests	—	—	—	(1)	—	(1)
Net cash (used in) provided by financing activities	(22)	31	(19)	(54)	6	(58)
DECREASE IN CASH AND CASH EQUIVALENTS	—	—	—	(22)	—	(22)
Effect of exchange rate changes on cash and cash equivalents	—	—	—	(4)	—	(4)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	—	—	—	176	—	176
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ —	\$ —	\$ —	\$ 150	\$ —	\$ 150
Cash and cash equivalents — reported as discontinued operations	—	—	—	(3)	—	(3)
Cash and cash equivalents — continuing operations	\$ —	\$ —	\$ —	\$ 147	\$ —	\$ 147

Item 2 — Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion includes references to non-GAAP financial measures as defined in Regulation G of the rules of the Securities and Exchange Commission ('SEC'). We present such non-GAAP financial measures, as we believe such information is of interest to the investment community because it provides additional meaningful methods of evaluating certain aspects of the Company's operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis. Organic revenue growth and organic growth in commissions and fees exclude the impact of acquisitions and disposals, period-over-period movements in foreign currency translation, legacy contingent commissions assumed as part of the HRH acquisition, and investment and other income from growth in revenues and commissions and fees. We believe organic revenue growth and organic growth in commissions and fees provide measures that the investment community may find helpful in

assessing the performance of operations that were part of our operations in both the current and prior periods, and provide a measure against which our businesses may be assessed in the future. These financial measures should be viewed in addition to, not in lieu of, the unaudited condensed consolidated financial statements for the three months ended March 31, 2010.

This discussion includes forward-looking statements, including under the headings 'Executive Summary', 'Operating Results — Group, Interest in Earnings of Associates', 'Operating Results — Segments' and 'Liquidity and Capital Resources'. Please see 'Information Concerning Forward-Looking Statements' for certain cautionary information regarding forward-looking statements and a list of factors that could cause actual results to differ materially from those predicted in the forward-looking statements.

BUSINESS OVERVIEW AND MARKET OUTLOOK

We provide a broad range of insurance broking, risk management and consulting services to our clients worldwide. Our core specialty businesses include Aerospace; Energy; Marine; Construction; Financial and Executive Risks; Fine Art, Jewelry and Specie; Special Contingency Risks; and Reinsurance. Our retail operations provide services to small, medium and major corporations and the employee benefits practice, our largest product-based practice group, provides health, welfare and human resources consulting and brokerage services. Our Willis Capital Markets & Advisory division ('WCMA') acts as a financial advisor on mergers and acquisitions and capital markets products, primarily focusing on the insurance and reinsurance sector, and may place or underwrite securities.

In our capacity as advisor and insurance broker, we act as an intermediary between our clients and insurance carriers by advising our clients on their risk management requirements, helping clients determine the best means of managing risk, and negotiating and placing insurance risk with insurance carriers through our global distribution network.

We derive most of our revenues from commissions and fees for brokerage and consulting services and do not determine the insurance premiums on which our commissions are generally based. Fluctuations

in these premiums charged by the insurance carriers have a direct and potentially material impact on our results of operations. Commission levels generally follow the same trend as premium levels as they are derived from a percentage of the premiums paid by the insureds. Due to the cyclical nature of the insurance market and the impact of other market conditions on insurance premiums, they may vary widely between accounting periods. Reductions in premium rates, leading to downward pressure on commission revenues (a 'soft' market), can have a potentially material impact on our commission revenues and operating margin.

A 'hard' market occurs when premium uplifting factors, including a greater than anticipated loss experience or capital shortages, more than offset any downward pressures on premiums. This usually has a favorable impact on our commission revenues and operating margin.

From 2000 through 2003, we benefited from a hard market with premium rates stable or increasing. During 2004, we saw a rapid transition from a hard market to a soft market, with premium rates falling in most markets. Rates continued to decline in most sectors through 2005 and 2006, with the exception of catastrophe-exposed markets. In 2007, the market softened further with decreases in many of the market sectors in which we operated and this

continued into 2008 with further premium rate declines averaging 10% across our markets.

In 2009, the benefit of rate increases in the reinsurance market and stabilization in some specialty markets was offset by the continuing soft market in other sectors and the adverse impact of the weakened economic environment across the globe.

Our North America and UK and Ireland retail operations have been particularly impacted by the weakened economic climate and continued soft market with no material improvement in rates across most sectors. This resulted in declines in 2009 revenues in these operations, particularly amongst our smaller clients who are especially vulnerable to the economic downturn.

EXECUTIVE SUMMARY

Overview

Despite the difficult trading conditions, we reported 5 percent growth in total revenues and 3 percent organic growth in commissions and fees for the first quarter of 2010 compared with the same period in 2009. All our business segments reported positive organic growth in commissions and fees: Global achieved 7 percent growth, International 3 percent and North America 1 percent.

Operating margin for first quarter 2010 was 31 percent compared with 29 percent in first quarter 2009. This improvement was the product of organic growth in commissions and fees and continuing control of costs, partly offset by a \$12 million charge relating to the devaluation of the Venezuelan currency — see ‘Venezuela currency devaluation’ below.

Results from continuing operations for first quarter 2010

Net income from continuing operations in first quarter 2010 was \$204 million, or \$1.21 per diluted share, compared with \$192 million, or \$1.15 per diluted share, in first quarter 2009. This increase reflected the benefit of:

- increased revenues and a higher margin;

partly offset by:

- increased interest costs reflecting the higher interest rate of 12.875% on the senior unsecured notes issued in March 2009; and

The difficult market conditions have continued into first quarter 2010 and we expect the market to remain challenging throughout 2010.

In 2010, our main priorities are to:

- reinforce our sales and revenue culture to drive growth;
- continue to execute our Shaping Our Future initiatives, creating incremental savings to fund growth and leveraging growth opportunities from our global footprint; and
- continue to strengthen the balance sheet and reduce our debt to EBITDA (earnings before interest, tax, and depreciation and amortization) ratio.

- a reduction in earnings from associates, mainly reflecting our reduced interest in Gras Savoye.

Total revenues from continuing operations at \$972 million for first quarter 2010 were \$42 million, or 5 percent higher than in first quarter 2009. This was driven by organic revenue growth of 3 percent and a 3 percent benefit from foreign currency translation, partly offset by a 1 percent decrease attributable to contingent commissions assumed as part of the HRH acquisition.

Organic revenue growth of 3 percent was comprised of 5 percent net new business growth from first quarter 2009 (which constitutes the revenue growth from business won over the course of the quarter, net of the revenue from existing business lost) offset by a 2 percent negative impact from declining premium rates and other market factors.

Operating margin at 31 percent was 2 percentage points higher than in first quarter 2009 with the increase mainly reflecting:

- 3 percent organic growth in commissions and fees;
- an \$8 million reduction in severance costs due to fewer positions being eliminated;
- a favorable period-over-period impact from foreign currency translation, excluding the impact from the devaluation of the Venezuelan currency;
- a \$9 million reduction in pension charges in first quarter 2010 compared with 2009, primarily from

the closure of our US defined benefit pension plan to future accrual in May 2009; partly offset by

- a \$12 million charge relating to the devaluation of the Venezuelan currency in January;
- a \$12 million reduction in legacy contingent commissions assumed on the acquisition of HRH partially offset by approximately \$2 million of higher standard commissions, see 'Operating Results — Segment Information, North America';
- an increased charge for share-based compensation, largely due to the non-recurrence of a \$5 million credit in first quarter 2009; and
- a \$4 million reduction in investment income driven by lower interest rates in first quarter 2010 compared with 2009.

Discontinued operations

No operations were discontinued during first quarter 2010. Net income in first quarter 2009 included \$1 million from our Bliss & Glennon and Managing Agency Group US-based wholesale insurance operations, both of which were disposed of during 2009.

Venezuela currency devaluation

With effect from January 1, 2010 the Venezuelan economy was designated as hyper-inflationary. The Venezuelan government also devalued the Bolivar Fuerte in January 2010. As a result of these actions, we recorded a \$12 million charge in other expenses to reflect the re-measurement of our net assets denominated in Venezuelan Bolivar Fuerte at January 1, 2010.

Shaping Our Future and Funding for Growth

Our Shaping Our Future and Funding for Growth strategy is a series of initiatives designed to deliver profitable growth. These initiatives focus on three key areas:

- an organic growth program designed to drive revenue growth. This program includes achieving retention and new business metrics across our businesses; increasing the productivity and effectiveness of our revenue-generating employees and recruiting the best talent in the industry; and continued development in key markets and

potential growth areas such as China, Brazil, Employee Benefits, Facultative and WCMA;

- Shaping Our Future which is driving our efficiency and profitability and includes longer term initiatives designed to enhance our infrastructure and processes, and make optimal use of our locations, including our support centers such as the offshore center in Mumbai; and
- Funding for Growth is the initiative we recently began to manage our cost base. In 2010, we have identified performance management and corporate savings that, as we execute on, will enable us to fund investments such as further investments in technology and new key hires.

Cash and financing

Cash at March 31, 2010 was \$196 million, \$5 million higher than at December 31, 2009.

Total cash generated from operating activities in first quarter 2010 was \$73 million compared with \$84 million in the same period in 2009. Net cash generated from operating activities in first quarter 2010 is after the payment of incentive awards of which \$169 million were paid as cash retention awards (2009: \$111 million), for details of which see below under: 'Operating Results — General and administrative expenses — Salaries and benefits — Cash retention awards'.

In first quarter 2010, we made a \$27 million mandatory repayment against the 5-year term loan, thereby reducing the outstanding balance to \$493 million. We also repurchased \$7 million of our 5.125% senior notes due July 2010 and repaid a \$9 million fixed rate loan due 2010.

At March 31, 2010, we have \$65 million outstanding under our revolving credit facility, compared with \$150 million at March 31, 2009 and nil at December 31, 2009. Drawings under the facility are typically higher in the first half of the year due to the timing of incentive awards. We expect to repay the outstanding balance before the end of 2010.

Total debt, total equity and the capitalization ratio at March 31, 2010 were as follows:

	March 31, 2010	December 31, 2009
	(millions, except percentages)	
Long-term debt	\$ 2,204	\$ 2,165
Short-term debt	193	209
Total debt	\$ 2,397	\$ 2,374
Total equity	\$ 2,399	\$ 2,229
Capitalization ratio	50%	52%

OPERATING RESULTS — GROUP

Revenues

Three months ended March 31,	2010	2009	% Change	Change attributable to:			
				Foreign currency translation	Acquisitions and disposals	Contingent commissions(b)	Organic revenue growth(a)
	(millions)						
Global	\$ 301	\$ 275	9%	3%	(1)%	—%	7%
North America	361	371	(3)%	—%	—%	(4)%	1%
International	301	269	12%	7%	2%	—%	3%
Commissions and fees	\$ 963	\$ 915	5%	3%	—%	(1)%	3%
Investment income	9	13	(31)%				
Other income	—	2	(100)%				
Total revenues	\$ 972	\$ 930	5%				

(a) Organic commissions and fees growth excludes: (i) the impact of foreign currency translation; (ii) the first twelve months of net commission and fee revenues generated from acquisitions; (iii) the net commission and fee revenues related to operations disposed of in each period presented; (iv) in North America, legacy contingent commissions assumed as part of the HRH acquisition and that had not been converted into higher standard commission; and (v) investment income and other income from reported revenues.

(b) Included in North America reported commissions and fees were legacy HRH contingent commissions of \$8 million in the first quarter of 2010 compared with \$20 million in the first quarter of 2009. Our methods of calculating these measures may differ from those used by other companies and therefore comparability may be limited.

Revenues for the first quarter of 2010, at \$972 million, were \$42 million, or 5 percent higher than 2009. The increase reflects 3 percent organic growth in commissions and fees and a 3 percent favorable period-over-period impact from foreign currency translation, offset by a 1 percent reduction in contingent commissions, together with smaller reductions in investment and other income.

Investment income in first quarter 2010 was \$4 million lower than 2009, with the decrease reflecting lower average interest rates in first quarter 2010 compared with 2009. The impact of rate decreases on our investment income is partially mitigated by our forward hedging program, from

Liquidity

Our principal sources of liquidity are cash from operations, cash and cash equivalents of \$196 million at March 31, 2010 and \$235 million remaining availability under our revolving credit facility.

Based on current market conditions and information available to us at this time, we believe that we have sufficient liquidity to meet our cash needs for at least the next 12 months.

which we expect to generate additional income in 2010 compared to current LIBOR based rates.

Our International and Global operations earn a significant portion of their revenues in currencies other than the US dollar. In the three months ended March 31, 2010, reported revenues were favorably impacted by the period-over-period effect of foreign currency translation, in particular due to the strengthening of the euro and pound sterling against the dollar, compared with first quarter 2009.

Organic growth in commissions and fees was 3 percent for the first quarter of 2010 with positive organic growth in each of our segments. Global achieved 7 percent growth, which included high

single digit growth in Reinsurance. Growth in International was 3 percent including, or 5 percent excluding the recession impacted UK and Ireland businesses. North America reported 1 percent organic revenue growth.

Organic revenue growth by segment is discussed further in 'Operating Results — Segment Information' below.

General and administrative expenses

	Three months ended March 31,	
	2010	2009
	(millions, except percentages)	
Salaries and benefits	\$ 486	\$ 480
Other	149	138
General and administrative expenses	<u>\$ 635</u>	<u>\$ 618</u>
Salaries and benefits as a percentage of revenues	50%	52%
Other as percentage of revenues	15%	15%

Salaries and benefits

Salaries and benefits were 50 percent of first quarter 2010 revenues, compared with 52 percent in 2009 reflecting:

- an \$8 million reduction in severance costs. In first quarter 2010 we identified approximately 240 positions that have been or will be eliminated as part of our continued focus on managing expense, this compares with some 300 positions that were eliminated in first quarter 2009;
 - a \$9 million net savings in pensions costs mainly reflecting the closure of our US defined benefit pension plan to future accrual in May 2009;
 - strict controls over new hires and replacements, letting go of poor performers and savings from actions taken in prior years, including Shaping Our Future and Right Sizing Willis initiatives in 2008 and 2009 respectively; and
 - a small improvement in productivity per full time equivalent employee ('FTE') to \$189,000 in the 12 month period to March 31, 2010 compared with \$188,000 for full year 2009;
- partly offset by
- a \$7 million increase in share-based compensation mainly reflecting the non-recurrence of a \$5 million credit in first quarter 2009. The credit in 2009 related to accumulated compensation expense for certain 2008 awards which were dependent upon performance targets which the Company did not achieve; and

- a \$4 million increase in incentive expenses comprising a \$10 million increase in the amortization of cash retention awards — see below — and a \$6 million decrease in the accrual for bonuses.

Cash retention awards

We have a cash retention award program in place. We started making cash retention awards in 2005 to a small number of people. With the success of the program, we have expanded it over time to include more staff and we believe it is a contributing factor to the reduction in employee turnover we have seen in recent years.

Salaries and benefits do not reflect the unamortized portion of annual cash retention awards made to employees. Employees must repay a proportionate amount of these cash retention awards if they voluntarily leave our employ (other than in the event of retirement or permanent disability) before a certain time period, currently three years. We make cash payments to our employees in the year we grant these retention awards and recognize these payments ratably over the period they are subject to repayment, beginning in the quarter in which the award is made.

During the first quarter of 2010, we made \$169 million of cash retention payments compared with \$111 million in the first quarter of 2009. Salaries and benefits in the first quarter of 2010

include \$28 million of amortization of cash retention payments made on or before March 31, 2010 compared with \$18 million in the first quarter of 2009. As of March 31, 2010, December 31, 2009 and March 31, 2009, we included \$233 million,

\$98 million and \$127 million, respectively, in other assets on the balance sheet, which represented the unamortized portion of cash retention payments made on or before those dates.

Other expenses

Other expenses were 15 percent of revenues in first quarter 2010 compared with 15 percent in 2009, despite the \$12 million charge relating to the devaluation of the Venezuelan currency. Increases in

travel and entertaining expenses in support of our revenue growth initiatives were offset by smaller savings elsewhere and the benefit of lower losses on forward rate contracts.

Amortization of intangible assets

Amortization of intangible assets for first quarter 2010 was \$21 million compared with \$24 million in 2009. The period-over-period decrease reflects the declining charge for the amortization of the HRH

customer acquisition intangible which is being depreciated in line with the underlying discounted cash flows.

Operating income and margin (operating income as a percentage of revenues)

	Three months ended March 31,	
	2010	2009
	(millions, except percentages)	
Revenues	\$ 972	\$ 930
Operating income	301	274
Operating margin or operating income as a percentage of revenues	31%	29%

Operating margin at 31 percent was 2 percentage points higher than in first quarter 2009 with the increase mainly reflecting:

- 3 percent organic growth in commissions and fees;
- a favorable period-over-period impact from foreign currency translation of \$13 million, excluding the impact from the devaluation of the Venezuelan currency. This reflects the net benefit of: a stronger period on period Euro which benefits both our net Euroland income and Euro revenues earned in the London market; and lower losses on our forward rate hedging program; partly offset by a negative impact due to the impact of a stronger period on period Pound Sterling on our net sterling expense base;
- an \$8 million reduction in severance costs due to fewer positions being eliminated; and
- a \$9 million reduction in pension charges in first quarter 2010 compared with 2009, mainly from the closure of our US defined benefit pension plan to future accrual in May 2009;

partly offset by

- a charge of \$12 million relating to the devaluation of the Venezuelan currency in January;
- a \$12 million reduction in legacy contingent commissions assumed on the acquisition of HRH;
- an increased charge for share-based compensation, largely due to the non-recurrence of a \$5 million credit in first quarter 2009; and
- a \$4 million reduction in investment income driven by lower interest rates in first quarter 2010 compared with 2009.

Operating segment margins are discussed in 'Operating Results — Segment Information' below.

Interest expense

Interest expense in first quarter 2010 of \$43 million was \$5 million higher than in 2009. The increase primarily reflects the higher coupon on the \$500 million of 12.875% senior unsecured notes

issued in March 2009 to refinance part of the lower coupon interim credit facility relating to the HRH acquisition.

Income taxes

	Three months ended March 31,	
	2010	2009
	(millions, except percentages)	
Income before taxes and interest in earnings of associates	\$ 258	\$ 236
Income tax charge	67	62
Effective tax rate	26%	26%

The effective tax rate for first quarter 2010 at 26 percent was consistent with first quarter 2009 as the benefit of a \$3 million prior year tax credit was offset by the \$12 million charge relating to the

devaluation of the Venezuelan currency for which there is no corresponding tax credit. Excluding these items, the underlying tax rate at 26 percent remains in line with full year 2009.

Interest in earnings of associates

Interest in earnings of associates, net of tax, was \$20 million in first quarter 2010, \$6 million lower than in 2009. This fall is primarily driven by the reduction from 49 percent to 31 percent in our ownership interest in Gras Savoye, as part of the reorganization of their capital structure in December 2009. Interest receivable on the vendor financing we

provided as part of the capital reorganization is also recorded under this caption. As previously advised, we continue to expect that the reduction in our ownership of Gras Savoye will reduce the 2010 interest in earnings of associates by approximately \$10 million compared with 2009.

Net income and diluted earnings per share from continuing operations

	Three months ended March 31,	
	2010	2009
	(millions, except per share data)	
Net income from continuing operations	\$ 204	\$ 192
Diluted earnings per share from continuing operations	\$ 1.20	\$ 1.15
Average diluted number of shares outstanding	170	167

Net income from continuing operations for first quarter 2010 was \$204 million compared with \$192 million in 2009. This increase reflected the benefit of:

- increased revenues and a higher margin;
- partly offset by:
- increased interest costs reflecting the higher coupon on the \$500 million of 12.875% senior unsecured notes issued in March 2009; and
- a reduction in earnings from associates, mainly reflecting our reduced interest in Gras Savoye.

Diluted earnings per share from continuing operations, for first quarter 2010, increased to \$1.20 compared to \$1.15 in 2009.

Foreign currency translation, excluding the impact of the Venezuelan currency devaluation, had a \$0.06 favorable impact on earnings per diluted share. This was off set by \$0.07 per diluted share in respect of the Venezuelan currency devaluation.

Diluted share count in 2010 was 170 million compared with 167 million in 2009 which had a negative \$0.02 impact on earnings per diluted share.

OPERATING RESULTS — SEGMENT INFORMATION

We organize our business into three segments: Global, North America and International. Our Global business provides specialist brokerage and consulting services to clients worldwide for risks arising from specific industries and activities. North America and International comprise our retail

operations and provide services to small, medium and major corporations.

The following table is a summary of our operating results by segment for the quarters ended March 31, 2010 and 2009:

	Three months ended March 31, 2010			Three months ended March 31, 2009		
	Revenues	Operating income	Operating margin	Revenues	Operating income	Operating margin
	(millions)			(millions)		
Global	\$ 303	\$ 138	46%	\$ 278	\$ 127	46%
North America	365	93	26%	377	94	25%
International	304	103	34%	275	96	35%
Total Retail	669	196	29%	652	190	29%
Corporate & Other ⁽ⁱ⁾	—	(33)	n/a	—	(43)	n/a
Total Consolidated	\$ 972	\$ 301	31%	\$ 930	\$ 274	29%

(i) Corporate & Other comprises the following:

	Three months ended March 31,	
	2010	2009
Amortization of intangible assets	\$ (21)	\$ (24)
Foreign exchange hedging	—	(14)
HRH integration costs	—	(3)
Venezuelan currency devaluation	(12)	—
Other	—	(2)
	<u>\$ (33)</u>	<u>\$ (43)</u>

Global

Our Global operations comprise Global Specialties, Reinsurance, Faber & Dumas and as of 2010 WCMA. Faber & Dumas includes Glencairn, our London-based wholesale brokerage operation and our Fine Art, Jewelry and Specie; Special Contingency Risk and Hughes-Gibb units. WCMA provides financial advice on mergers and

acquisitions and capital markets products and may place or underwrite securities.

The following table sets out revenues, organic revenue growth and operating income and margin for the quarters ended March 31, 2010 and 2009:

	Three months ended March 31,	
	2010	2009
	(millions, except percentages)	
Commissions and fees	\$ 301	\$ 275
Investment income	2	3
Total revenues	\$ 303	\$ 278
Operating income	\$ 138	\$ 127
Organic revenue growth ^(a)	7%	5%
Operating margin	46%	46%

(a) Organic commissions and fees growth excludes: (i) the impact of foreign currency translation; (ii) the first twelve months of net commission and fee revenues generated from acquisitions; (iii) the net commission and fee revenues related to operations disposed of in each period presented; and (iv) investment income and other income from reported revenues.

Revenues

Commissions and fees of \$301 million were \$26 million, or 9 percent, higher in first quarter 2010 compared with first quarter 2009. Of this increase, 7 percent was attributable to organic revenue growth and 3 percent to a foreign currency translation benefit, offset by a 1 percent reduction in respect of acquisitions and disposals.

Net new business growth was 9 percent and there was a 2 percent adverse impact from rates and other market factors.

Reinsurance continued to drive the growth with high single digit growth in the quarter driven by strong new business generation in North America together with strong growth in Europe and Asia. The growth in North America was partly driven by the team recruited from Carvill in first quarter 2009. As a result of strong reinsurance underwriting profits in 2009, there has been a general but disciplined softening of rates which remain a significant headwind for growth. Loss activity in the quarter was high, but insured losses are not yet sufficient to change pricing.

Global Specialties organic growth was low single digit in first quarter 2010, with good net new business in a difficult environment offset by further declines in rates and other market factors as premium rates for the majority of specialty classes remain soft. Strong growth in financial and

North America

Our North America business provides risk management, insurance brokerage, related risk services and employee benefits brokerage and consulting to a wide array of industry and client segments in the United States and Canada.

executive risks, Construction and Marine was offset by reductions elsewhere. The Faber & Dumas businesses also recorded positive growth in first quarter 2010, led by the Fine Art, Jewelry and Specie unit, with other units remaining flat.

WCMA continues to establish its presence as an advisor on an array of insurance related capital markets products and mergers and acquisitions.

Client retention levels remained steady at 90 percent for the first three months of 2010.

Productivity continued to improve with a small rise in revenues per FTE employee to \$360,000 for the 12 month period to March 31, 2010 compared with \$358,000 for full year 2009.

Operating margin

Operating margin was 46 percent in first quarter 2010, consistent with the same period in 2009. The benefits of good organic revenue growth, disciplined cost control and a positive impact from foreign currency translation were offset by: costs associated with selective recruitment, including the team recruited from Carvill late in first quarter 2009; and higher share-based compensation, in part due to the non-recurrence of a credit in first quarter 2009, relating to the release of accumulated compensation expense for certain 2008 awards which were dependent upon performance targets that were not achieved.

The following table sets out revenues, organic revenue growth and operating income and margin for the quarters ended March 31, 2010 and 2009:

	Three months ended March 31,	
	2010	2009
	(millions, except percentages)	
Commissions and fees	\$ 361	\$ 371
Investment income	4	4
Other income	—	2
Total revenues	\$ 365	\$ 377
Operating income	\$ 93	\$ 94
Organic revenue growth ^(a)	1%	(5)%
Operating margin	26%	25%

^(a) Organic commissions and fees growth excludes: (i) the impact of foreign currency translation; (ii) the first twelve months of net commission and fee revenues generated from acquisitions; (iii) the net commission and fee revenues related to operations disposed of

in each period presented; (iv) in North America, legacy contingent commissions assumed as part of the HRH acquisition and that had not been converted into higher standard commission; and (v) investment income and other income from reported revenues.

Included in North America reported commissions and fees were legacy HRH contingent commissions of \$8 million in the first quarter of 2010 compared with \$20 million in the first quarter of 2009.

Revenues

Commissions and fees of \$361 million were \$10 million, or 3 percent, lower for the three months ended March 31, 2010 compared with 2009 which was primarily attributable to a \$12 million decrease in legacy contingent commissions assumed as part of the HRH acquisition. Organic revenue growth, which excludes the impact of contingent commissions, was 1 percent for the first quarter and was achieved despite a significant level of one-off business in first quarter 2009.

The 1 percent organic revenue growth in first quarter 2010 compared with 2009, was driven by net new business growth of 4 percent, offset by a 3 percent adverse impact from rates and other market factors compared with a negative 6 percent in fourth quarter 2009. However, the rate environment remains very soft and we believe that the reported decrease mainly reflects a change in business mix rather than a significant improvement in the market.

Net new business growth was driven by some of our specialist businesses, with healthcare, financial institutions, personal lines and real estate/hospitality businesses all reporting strong growth in the first quarter. However, the weak US economy and high unemployment continue to adversely impact our North America operations, especially our construction and employee benefits business. In construction, declines in fees and commissions were single digits in first quarter 2010 compared with the double digit declines in 2009. In our employee benefits business, which represents some 20 percent of our North America revenues, commissions and fees were relatively flat as rising premium rates were offset by lower headcount and exposures. Although we currently believe the new US healthcare legislation could be beneficial for our business, at this time, its potential impact is uncertain.

Net new business growth also includes the benefit of higher standard commissions where these have been negotiated in lieu of legacy HRH contingent commissions. We include this because higher standard commissions may not have been negotiated at the same level or be received in the same periods as the related legacy HRH contingent commissions. Furthermore, the business to which the legacy HRH contingent commissions related may not have been renewed. We estimate that first quarter 2010 includes approximately \$2 million of these higher standard commissions.

Client retention levels remained stable at 92 percent for the first three months of 2010.

Despite the decline in revenues, our productivity measured in terms of revenue per FTE employee remained high, showing a small improvement to \$230,000 for the 12 month period to March 31, 2010 compared with \$226,000 for full year 2009.

Operating margin

Operating margin in North America was 26 percent in first quarter 2010 compared with 25 percent in 2009. The higher margin reflected the benefit of:

- HRH merger synergies realized since first quarter 2009 and disciplined expense management;
- lower pension charges following the closure of the US defined benefit scheme to accrual in May 2009; and
- the benefit of organic revenue growth;

partly offset by

- the \$12 million reduction in legacy HRH contingent commissions.

International

Our International business comprises our retail operations in Eastern and Western Europe, the United Kingdom and Ireland, Asia-Pacific, Russia, the Middle East, South Africa and Latin America. The services provided are focused according to the characteristics of each market and vary across

offices, but generally include direct risk management and insurance brokerage and employee benefits consulting.

The following table sets out revenues, organic revenue growth and operating income and margin for the quarters ended March 31, 2010 and 2009:

	Three months ended	
	2010	2009
	March 31,	
	(millions, except percentages)	
Commissions and fees	\$ 301	\$ 269
Investment income	3	6
Total revenues	<u>\$ 304</u>	<u>\$ 275</u>
Operating income	\$ 103	\$ 96
Organic revenue growth ^(a)	3%	5%
Operating margin	34%	35%

^(a) Organic commissions and fees growth excludes: (i) the impact of foreign currency translation; (ii) the first twelve months of net commission and fee revenues generated from acquisitions; (iii) the net commission and fee revenues related to operations disposed of in each period presented; and (iv) investment income and other income from reported revenues.

Revenues

Commissions and fees of \$301 million were \$32 million, or 12 percent, higher for the three months ended March 31, 2010 compared with 2009 of which 7 percent was attributable to foreign currency translation, 2 percent to acquisitions and disposals and 3 percent to organic revenue growth. Net new business growth was 8 percent and there was a negative 1 percent impact from rates and other market factors.

A significant part of International's revenues are earned in currencies other than the US dollar. The US dollar has weakened against a number of these currencies in first quarter 2010 compared with the same period in 2009, most notably the euro, pound sterling, Danish kroner and Australian dollar. Consequently revenues have increased by 7 percent in first quarter 2010 compared with the same period in 2009, when reported in US dollars, on a period on period basis.

Organic revenue growth was strongest in emerging markets with Latin America, Asia and Eastern Europe, primarily due to Russia, all reporting strong growth. Continental Europe faces a more

challenging economic environment and growth levels were consequently muted. Our UK and Irish retail operations declined by 3 percent but the rate of decline has moderated since 2009 and we have seen signs of an improving economy in the United Kingdom and some signs that the Irish economy has bottomed out. Our employee benefits practice, which represents approximately 10 percent of International commissions and fees, continued to perform well with growth in the mid single digits.

Client retention levels remained high at 92 percent for the first three months of 2010.

Productivity in International continues to improve with revenues per FTE employee increasing marginally to \$157,000 in the 12 month period to March 31, 2010 compared with to \$156,000 in full year 2009.

Operating margin

Operating margin in International was 34 percent in first quarter 2010 compared with 35 percent in first quarter 2009 with the reduction mainly reflecting increased spending on long term initiatives.

CRITICAL ACCOUNTING ESTIMATES

The accounting estimates or assumptions that management considers to be the most important to the presentation of our financial condition or operating performance are discussed in our Annual Report on

Form 10-K for the year ended December 31, 2009. There were no significant additions or changes to these assumptions in first quarter 2010.

NEW ACCOUNTING STANDARDS

There were no new accounting standards issued during first quarter 2010 that would have a significant impact on the Company's reporting.

LIQUIDITY AND CAPITAL RESOURCES

In the short term, our capital management priority is debt reduction. Total debt as of March 31, 2010 at \$2.4 billion was in line with December 31, 2009.

In first quarter 2010, we made a \$27 million mandatory repayment against the 5-year term loan, thereby reducing the outstanding balance to \$493 million. We also repurchased \$7 million of 5.125% senior notes due July 2010 and repaid in full a \$9 million fixed rate loan due 2010.

At March 31, 2010, we have \$65 million outstanding under our \$300 million revolving credit facility, compared with \$150 million at March 31, 2009 and \$nil at December 31, 2009. Drawings under the facility are typically higher in the first half of the year due to incentive award payments in the first quarter. We expect to repay the outstanding balance before the end of 2010.

Once the remaining \$83 million of the 5.125% senior notes due July 2010 are repaid, the only mandatory repayments over the next 5 years are the scheduled repayments on our \$700 million 5-year term loan and \$4 million due on a fixed rate loan note due 2012.

Fiduciary funds

As an intermediary, we hold funds generally in a fiduciary capacity for the account of third parties, typically as the result of premiums received from clients that are in transit to insurers and claims due to clients that are in transit from insurers. We report premiums, which are held on account of, or due from, clients as assets with a corresponding liability due to the insurers. Claims held by, or due to, us which are due to clients are also shown as both assets and liabilities. All these balances due or payable are included in accounts receivable and accounts payable on the balance sheet. We earn interest on these funds during the time between the receipt of the cash and the time the cash is paid out.

Fiduciary cash must be kept in certain regulated bank accounts subject to guidelines, which generally emphasize capital preservation and liquidity, and is not generally available to service our debt or for other corporate purposes.

Own funds

As of March 31, 2010, we had cash and cash equivalents of \$196 million, compared with \$191 million at December 31, 2009 and \$235 million of our \$300 million revolving credit facility remained available to draw.

Operating activities

Total cash generated from operating activities in first quarter 2010 was \$73 million compared with \$84 million in the same period in 2009. Cash generated from operating activities in first quarter 2010 is after the payment of incentive awards of which \$169 million were paid as cash retention awards (2009: \$111 million).

Investing activities

Total net cash used in investing activities was \$41 million in the three months ended March 31, 2010 compared with \$48 million in the same period of 2009.

The decrease in cash used in investing activities of \$7 million was mainly attributable to:

- the payment in first quarter 2009 of \$39 million in respect of an additional 5 percent interest in Gras Savoye;

offset by

- an increase of \$16 million in the net investment in tangible fixed assets in first quarter 2010 compared with the same period in 2009 mainly

- reflecting increased spend on infrastructure projects; and
- an \$11 million increase in acquisitions of subsidiaries, primarily comprising cash payments for the deferred consideration relating to previous acquisitions.

Financing activities

Net cash used in financing activities was \$17 million in the three months ended March 31, 2010 compared with \$58 million in the same period of 2009.

The decrease in cash used in financing activities of \$41 million was mainly attributable to:

- a \$165 million net outflow in 2009 relating to the repayment/refinancing of \$647 million of the then outstanding interim credit facility. As part of the refinancing we issued \$500 million of 12.875% senior unsecured notes issued in March 2009 and received net proceeds of \$482 million;

offset by

- a \$85 million reduction in the drawdown against our revolving credit facility from \$150 million in

CONTRACTUAL OBLIGATIONS

There have been no material changes to our contractual obligations since December 31, 2009, except for contractual, planned payments.

OFF-BALANCE SHEET TRANSACTIONS

Apart from commitments, guarantees and contingencies, as disclosed in Note 7 to the Condensed Consolidated Financial Statements, the Company has no off-balance sheet arrangements

first quarter 2009 to \$65 million in first quarter 2010; and

- first quarter 2010 debt repayments of \$43 million comprising: the \$27 million mandatory repayment against the 5-year term loan; a repurchase of \$7 million of 5.125% senior notes due July 2010; and the repayment of a \$9 million fixed rate loan due 2010;

Share buybacks

There have been no share buybacks in first quarter 2010. There remains \$925 million under the current buyback authorization.

Dividends

Cash dividends paid in the first quarter 2010 were \$44 million compared with \$43 million in the same period in 2009. The \$1 million change reflects a small increase in the number of shares as a result of share option exercises during 2009. In April 2010, we declared a quarterly cash dividend of \$0.26 per share, which is unchanged from the prior year.

that have, or are reasonably likely to have, a material effect on the Company's financial condition, results of operations or liquidity.

Item 3 — Quantitative and Qualitative Disclosures about Market Risk

There has been no material change with respect to market risk from that described in the Company's

Annual Report on Form 10-K for the year ended December 31, 2009.

Item 4 — Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of March 31, 2010, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Chairman and Chief Executive Officer and the Interim Chief Financial Officer and Global Group Financial Controller, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(e). Based upon that evaluation, the Chief Executive Officer and the Interim Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective in ensuring that the information required to

be included in the Company's periodic SEC filings is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and that such information is accumulated and communicated to them as appropriate to allow for timely decisions regarding required disclosure.

There have been no changes in the Company's internal controls over financial reporting during the quarter ended March 31, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION**Item 1 — Legal Proceedings**

Information regarding legal proceedings is set forth in Note 7 — 'Commitments and Contingencies' to the Condensed Consolidated Financial Statements (Unaudited) appearing in Part I, Item 1 of this report.

Item 1A — Risk Factors

There have been no material changes to the risk factors described in Part I, Item 1A 'Risk Factors' included in the Form 10-K for the year ended December 31, 2009.

Item 2 — Unregistered Sales of Equity Securities and Use of Proceeds

During the quarter ended March 31, 2010, the Company issued a total of 13,864 shares without registration under the Securities Act of 1933, as amended, in reliance upon the exemption under Section 4(2) of such Act relating to sales by an issuer not involving a public offering, none of which involved the sale of more than 1% of the outstanding common stock of the Company.

The following sales of shares related to part consideration for the acquisition of interest in the following companies:

Date of Sale	Number of Shares	Consideration (\$)	Acquisition
March 31, 2010	1,683	60,201	Willis A/S Denmark
March 31, 2010	12,181	427,795	Eyl & Gordon Insurance Brokers Inc

The Company may purchase shares, from time to time in the open market or through negotiated trades with persons who are not affiliates of the Company, at an aggregate purchase price of up to \$1 billion under an open-ended program approved by the Board of Directors. The Company did not repurchase any of its own shares during the quarter covered by this report.

Item 3 — Defaults Upon Senior Securities

None.

Item 4 — (Removed and Reserved)**Item 5 — Other Information**

None.

Item 6 — Exhibits

- 10.1 The Willis Group Holdings Irish Share Plan
- 10.2 Form of Performance Based Option Agreement under the Willis Group Holdings 2001 Share Purchase and Option Plan
- 10.3 Form of Performance Based Option Agreement under the Willis Group Holdings 2008 Share Purchase and Option Plan
- 10.4 Form of RSU Agreement for Non-Employee Directors under the Willis Group Holdings 2001 Share Purchase and Option Plan
- 31.1 Certification Pursuant to Rule 13a-14(a)
- 31.2 Certification Pursuant to Rule 13a-14(a)
- 32.1 Certification Pursuant to 18 U.S.C. Section 1350
- 32.2 Certification Pursuant to 18 U.S.C. Section 1350

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WILLIS GROUP HOLDINGS PLC
(REGISTRANT)

By: /s/ STEPHEN WOOD

Stephen Wood
Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

Dated: May 10, 2010

THE WILLIS GROUP HOLDINGS
IRISH SHARESAVE PLAN

AS ASSUMED BY WILLIS GROUP HOLDINGS PUBLIC
LIMITED COMPANY ON [INSERT DATE]

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1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Plan, unless the context otherwise requires:

“**3-Year Option**”, “**5-Year Option**” and “**7-Year Option**” have the meanings given in Rule 4.2 below;

“**Act**” means the Taxes Consolidation Act 1997;

“**Associated Company**” means an associated company within the meaning given to that expression in paragraph 1(1) of Schedule 12A;

“**the Board**” means the board of directors of the Company or a committee appointed by them;

“**Bonus Date**”, in relation to an option, means:

1.1.1 in the case of a 3-Year Option, the earliest date on which the bonus is payable,

1.1.2 in the case of a 5-Year Option, the earliest date on which the bonus is payable,

1.1.3 in the case of a 7-Year Option, the earliest date on which the maximum bonus is payable,

and for this purpose “payable” means payable under the Savings Contract made in connection with the option;

“**the Company**” means Willis Group Holdings Public Limited Company, a company incorporated in Ireland under registered number 475616;

“**Constitution**” means the Company’s memorandum and articles of association;

“**Eligible Employee**” means an employee or director of a Participating Company eligible to be granted an option by virtue of satisfying the conditions in Rule 2;

“**the Grant Date**” shall mean the date on which an option is granted in accordance with Rule 3.1;

“**Group Member**” means the Company or any Subsidiary or any Associated Company or any other company nominated by the Board and approved in writing by the Revenue Commissioners for this purpose;

“**Participant**” means a person who holds an option granted under this Plan;

“**Participating Company**” means the Company or any Subsidiary of the Company to which the Board has resolved that this Plan shall for the time being extend;

“**the Plan**” means this Plan, being the Willis Group Holdings Irish Sharesave Plan a sub-plan to the Willis Group Holdings 2001 Share Purchase and Option Plan, as amended from time to time;

“**Rule**” means a rule of this Plan;

“**Savings Body**” means any building society or other institution as defined in section 519(C)(1) of the Act as being a qualifying savings institution with which a Savings Contract can be made;

“**Savings Contract**” means an agreement to pay monthly contributions under the terms of a certified contractual savings scheme within the meaning of Schedule 12B;

“**Schedule 12A**” means Schedule 12A to the Act;

“**Schedule 12B**” means Schedule 12B to the Act;

“**Shares**” means the ordinary shares of the Company, nominal value US\$0.000115, which satisfy the conditions of paragraphs 11 to 15 of Schedule 12A;

“**Specified Age**” means 65 years of age or any other age at which a Participant is bound to retire provided it is not less than 60 or more than pensionable age (within the meaning of section 2 of the Social Welfare (Consolidation) Act 1993);

“**Specified Percentage**” is 75 per cent or such other percentage as may be specified in the Act.

“**Subsidiary**” means a body corporate which is a subsidiary of the Company (within the meaning of section 155 of the Irish Companies Act 1963) and over which the Company has control (within the meaning of section 432 of the Act);

“**Tax Liability**” means a Participant’s liability to account for any tax, pay related social insurance, or similar levies in respect of the exercise of an option, where the Participant’s employer or former employer is liable to make a payment to the appropriate authorities on account of that liability including, for the avoidance of doubt, any liability arising after the termination of the Participant’s employment and which may arise or be incurred in any jurisdiction whatsoever.

1.2 Any reference in this Plan to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.

2. **ELIGIBILITY**

2.1 Subject to Rule 2.5 below, an individual is eligible to be granted an option on any day (“**the Grant Date**”) if (and only if):-

2.1.1 he is on the Grant Date an employee or director of a company which is a Participating Company; and

2.1.2 he either satisfies the conditions specified in Rule 2.2 below or is nominated by the Board for this purpose.

2.2 The conditions referred to in Rule 2.1.2 above are that the individual:-

2.2.1 shall at all times during the qualifying period have been an employee (but not a director) or a full-time director of the Company or a company which was for the time being a Subsidiary; and

2.2.2 was at the relevant time chargeable to Irish tax in respect of his employment or office under Schedule E of the Act.

2.3 For the purposes of Rule 2.2 above, **the qualifying period** is such period falling within the 3-year period ending on the Grant Date as the Board may determine; and an individual shall be treated as a **full-time director** of a company if he is obliged to devote to the performance of the duties of his office or employment with the company not less than 25 hours a week.

2.4 Any determination of the Board under paragraph 2.3 above shall have effect in relation to every individual for the purpose of ascertaining whether he is eligible to be granted an option on the Grant Date.

2.5 An individual is not eligible to be granted an option at any time if he is at that time ineligible to participate in this Scheme by virtue of paragraph 8 of Schedule 12A (*eligibility*).

3. INVITATIONS AND APPLICATIONS

3.1 The Board shall ensure that, in relation to the grant of options on any day:

3.1.1 every individual who is eligible to be granted an option on that day has been given an invitation;

3.1.2 the invitation specifies a period of not less than 14 days in which an application for an option may be made; and

3.1.3 every eligible individual who has applied for an option as mentioned in Rule 4.1 is in fact granted an option on that day.

3.2 An invitation to apply for an option may be given at any time as the Board may determine once the Plan has been approved by the Irish Revenue Commissioners under Schedule 12A.

4. GRANT OF OPTIONS

4.1 Subject to Rule 5, the Board may grant an option to acquire Shares upon the terms set out in this Plan to any Eligible Employee who has submitted a valid application for an option and proposed to make a Savings Contract in connection with it (with a Savings Body approved by the Board) in the form and manner prescribed by the Board and for this purpose an option to acquire includes an option to purchase and an option to subscribe.

4.2 The type of option to be granted to an individual, that is to say a 3-Year Option, a 5-Year Option or a 7-Year Option, shall be determined by the Board or, if the Board so permits, by the individual; and for this purpose:-

4.2.1 a **3-Year Option** is an option in connection with which a three year Savings Contract is to be made and in respect of which, subject to Rule 5.2.2, the repayment is to be taken as including the bonus;

4.2.2 a **5-Year Option** is an option in connection with which a five year Savings Contract is to be made and in respect of which, subject to Rule 5.2.2, the repayment is to be taken as including a bonus other than the maximum bonus; and

4.2.3 a **7-Year Option** is an option in connection with which a five year Savings Contract is to be made and in respect of which, subject to Rule 5.2.2, the repayment is to be taken as including the maximum bonus.

Where the type of option to be granted to an individual is determined by the Board, each individual shall be treated on similar terms.

4.3 The number of Shares in respect of which an option may be granted to any individual shall be the maximum number which can be paid for, at the price determined under Rule 4.5 below, with monies equal to the repayment due including the bonus payable on the Bonus Date under the Savings Contract to be made in connection with the option.

4.4 The amount of the monthly contribution under the Savings Contract to be made in connection with an option granted to an individual shall, subject to Rule 5 below, be the amount which the individual shall have specified in his application for the option that he is willing to pay or, if lower, the maximum permitted amount, that is to say, the maximum amount which:

4.4.1 when aggregated with the amount of his monthly contributions under any other Savings Contract linked to this Plan or to any other savings-related share option plan approved under Schedule 12A, does not exceed €500 but exceeds a minimum of €12 or such other maximum or minimum amounts as may for the time being be permitted by paragraph 25(a) or (b) of Schedule 12A;

4.4.2 does not exceed the maximum amount for the time being permitted under the terms of the Savings Contract; and

4.4.3 when aggregated with the amount of his monthly contributions under any other Savings Contract linked to this Plan, does not exceed any maximum amount determined by the Board.

4.5 The price at which Shares may be acquired by the exercise of options granted on any day shall be determined by the Board, provided that:

4.5.1 if shares of the same class as those Shares are listed on the New York Stock Exchange, the price shall not be less than the Specified Percentage of :

(a) the closing price of the Shares quoted in the Wall Street Journal on such dealing day as the Board may choose provided that such day shall fall prior to the date on which applications for options must be received by the Company; or

(b) if that dealing day does not fall within the period of 30 days (or where Rule 5 applies, 42 days) ending with Date of Grant, the closing price of the Shares quoted

in the Wall Street Journal on the dealing day prior to the Date of Grant or such other dealing day as may be agreed in writing with the Revenue Commissioners;

4.5.2 and where Rule 4.5.1 does not apply, the price shall not be less than the Specified Percentage of the market value (within the meaning of section 548 of the Act) of the Shares as agreed in advance with the Revenue Commissioners;

4.6 If the Board so decides, it may convert the US dollar price determined under Rule 4.5 above into a price denominated in Euros in accordance with the closing mid-point spot rate of the US dollar against the Euro as quoted in the Financial Times or from such reasonable source as the Board may select and agree in advance with the Revenue Commissioners from time to time for the dealing day in relation to which the price is set.

4.7 An option granted to any person:

4.7.1 shall not, except as provided in Rule 6.3, be capable of being transferred by him; and

4.7.2 shall lapse forthwith if he is adjudged bankrupt.

5. **LIMITS AND SCALING DOWN**

5.1 No options shall be granted to acquire a number of shares which exceeds any number determined by the Board for this purpose.

5.2 If valid applications are received for a total number of shares in excess of any maximum number of shares determined by the Board pursuant to Rule 5.1 above, the Board shall scale down applications by taking, at its absolute discretion, any one or more of the following steps until the number of shares available equals or exceeds such total number of shares applied for:

5.2.1 by treating an application for a 7 year option as an application for a 5-year option and then, so far as necessary, by reducing the proposed monthly contributions pro rata to the excess over such amount as the Board shall determine for this purpose being not less than € 12 or such other minimum amount as may be permitted by paragraph 25 (b) of Schedule 12A from time to time; or

5.2.2 for the purposes of Rule 4.3, the repayment due shall be taken as not including a bonus and then, so far as necessary, by reducing the proposed monthly contribution pro rata to the excess over such amount as the Board shall determine for this purpose being not less than € 12 or such other minimum amount as may be permitted by paragraph 25 (b) of Schedule 12A from time to time; or

5.2.3 by reducing the proposed monthly contributions pro rata to the excess over such amount as the Board shall determine for this purpose being not less than € 12 or such other minimum amount as may be permitted by paragraph 25(b) of Schedule 12A from time to time and then, so far as necessary.

- 5.3 If the number of shares available is insufficient to enable an option based on monthly contributions of €12 a month or such other minimum amount as may be permitted by paragraph 25(b) of Schedule 12A from time to time to be granted to each Eligible Employee making a valid application, the Board may determine in its absolute discretion that no options shall be granted.
- 5.4 If the Board so determines, the provisions of Rule 5.2 may be modified or the Board may apply an alternative method for scaling down, provided such modification or alternative method has been agreed in advance with the Revenue Commissioners.
6. **EXERCISE OF OPTIONS**
- 6.1 The exercise of any option granted under this Plan shall be effected in the form and manner prescribed by the Board, provided that the monies paid for Shares on such exercise shall not exceed the amount of the repayment (including any bonus) made and any interest paid under the Savings Contract made in connection with the option.
- 6.2 Subject to Rules 6.3, 6.4, 6.6 and 7, an option granted under this Plan shall not be capable of being exercised before the Bonus Date.
- 6.3 Subject to Rule 6.8:
- 6.3.1 if any Participant dies before the Bonus Date, any option granted to him may (and must, if at all) be exercised by his personal representatives within 12 months after the date of his death provided that the monies paid for Shares on such exercise shall not exceed the amount of the repayment made and any interest paid under the Savings Contract in connection with the option; and
- 6.3.2 if he dies on or within 6 months after the Bonus Date, any option granted to him may (and must, if at all) be exercised by his personal representatives within 12 months after the Bonus Date provided that the monies paid for Shares on such exercise shall not exceed the amount of the repayment made and any interest paid under the Savings Contract in connection with the option; provided in either case that his death occurs at a time when he either holds the office or employment by virtue of which he is eligible to participate in this Plan or is entitled to exercise the option by virtue of Rule 6.4.
- 6.4 Subject to Rule 6.8, if any Participant ceases to hold the office or employment by virtue of which he is eligible to participate in this Plan (otherwise than by reason of his death), the following provisions apply in relation to any option granted to him:
- 6.4.1 if he so ceases by reason of injury, disability, redundancy within the meaning of the Redundancy Payments Act 1967 to 2007, or retirement on reaching the Specified Age, the option may (and subject to Rule 6.3 must, if at all) be exercised within 6 months of his so ceasing provided that the monies paid for Shares on such exercise shall not exceed the amount of the repayment made and any interest paid under the Savings Contract in connection with the option;

- 6.4.2 if he so ceases by reason only that the office or employment is in a company of which the Company ceases to have control, or relates to a business or part of a business which is transferred to a person who is neither an Associated Company of the Company nor a company of which the Company has control, the option may (and subject to Rule 6.3 must, if at all) be exercised within 6 months of his so ceasing provided that the monies paid for Shares on such exercise shall not exceed the amount of the repayment made and any interest paid under the Savings Contract in connection with the option;
- 6.4.3 if he so ceases by reason of retirement at early retirement with the agreement of the employer, or pregnancy, but in each case only if such cessation of office or employment is more than three years after the Grant Date, the option may (and subject to Rule 6.3 must if at all) be exercised within 6 months of his so ceasing provided that the monies paid for Shares on such exercise shall not exceed the amount of the repayment made and any interest paid under the Savings Contract in connection with the option;
- 6.4.4 if he so ceases for any other reason within three years of the Grant Date, the option may not be exercised at all.

A Participant shall not be treated for the purposes of Rules 6.3 and 6.4 above as ceasing to hold the office or employment by virtue of which he is eligible to participate in this Scheme until he ceases to hold an office or employment in the Company or any Associated Company or company of which the Company has control, and a female Participant who ceases to hold the office or employment by virtue of which she is eligible to participate in this Scheme by reason of pregnancy or confinement and who exercises her right to return to work under The Maternity Protection Acts 1994 and 2004 before exercising her option shall be treated for the purposes of Rule 6.4 above as not having ceased to hold that office or employment.

- 6.5 Subject to Rule 6.8, if, at the Bonus Date, a Participant holds an office or employment with a company which is not a Participating Company but which is an Associated Company or a company of which the Company has control, any option granted to him may (and subject to Rule 6.3 must, if at all) be exercised within 6 months of the Bonus Date.
- 6.6 Subject to Rule 6.8, where any Participant continues to hold the office or employment by virtue of which he is eligible to participate in this Plan after the date on which he reaches the Specified Age, he may exercise any option within 6 months of that date to the extent of the repayment due under the Savings Contract on the date on which he reaches the Specified Age.
- 6.7 Subject to Rule 6.3, an option shall not be capable of being exercised later than 6 months after the Bonus Date.
- 6.8 Where, before an option has become capable of being exercised, the Participant gives notice that he intends to stop paying monthly contributions under the Savings Contract made in connection with the option, or is deemed under its terms to have given such notice, or makes an application for repayment of the monthly contributions paid under it, the option may not be exercised at all.
- 6.9 An option shall not be capable of being exercised more than once.

- 6.10 A Participant shall not be eligible to exercise an option at any time:
- 6.10.1 unless, subject to Rules 6.3, 6.4, 6.5 and 6.6 above, he is at that time a director or employee of a Participating Company;
 - 6.10.2 if he is not at that time eligible to participate in this Plan by virtue of paragraph 8 of Schedule 12A (*eligibility*).
- 6.11 Within 30 days after an option has been exercised by any person, the Board shall allot to him (or a nominee for him) or, as appropriate, procure the transfer to him (or a nominee for him) of the number of Shares in respect of which the option has been exercised, provided that the Board considers that the issue or transfer of those Shares would be lawful.
- 6.12 All Shares allotted under this Plan shall rank equally in all respects with Shares of the same class then in issue except for any rights attaching to such Shares by reference to a record date before the date of the allotment.
- 6.13 If the Company or a Participating Company is obliged to account for any Tax Liability for which the Participant in question is liable in respect of an option and neither the Company or any other Participating Company is able to withhold the appropriate amount from the Participant's remuneration, or alternatively, if the Company has not received a payment from the Participant in satisfaction of the whole Tax Liability then the Company shall be entitled to discharge such tax liability as has not been so satisfied by selling, with the consent in writing of the Participant, such number of Shares in respect of which the option has been validly exercised as are required to satisfy the remaining Tax Liability and transfer the balance of the Shares to the Participant.
7. **TAKE-OVER, RECONSTRUCTION AND AMALGAMATION, AND LIQUIDATION**
- 7.1 If any person obtains control of the Company as a result of making a general offer to acquire the whole of the issued ordinary share capital of the Company which is made on a condition such that if it is satisfied the person making the offer will have control of the Company or to acquire all the shares in the Company which are of the same class as the Shares, subject to Rules 6.3, 6.4, 6.7 and 6.8, any option may be exercised within 6 months after that person has obtained control of the Company and any condition subject to which the offer is made has been satisfied.
- 7.2 For the purposes of Rule 7.1, a person shall be deemed to have obtained control of the Company if he and others acting in concert with him have together obtained control of it.
- 7.3 If under section 201 of the Companies Act 1963 (or any other relevant legislation) the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, subject to Rules 6.3, 6.4, 6.7 and 6.8, any option may be exercised within six months of the court sanctioning the compromise or arrangement but to the extent that it is not exercised within that period shall (notwithstanding any other provision of this Plan) lapse on expiration of that period.

- 7.4 If a resolution for the voluntary winding-up of the Company is passed, subject to Rules 6.3, 6.4, 6.7 and 6.8, any option may be exercised within 6 months from the date of the passing of the resolution but to the extent that it is not exercised within that period shall (notwithstanding any other provision of this Plan) lapse on expiration of that period.
- 7.5 If any person becomes bound or entitled to acquire Shares under section 204 of the Companies Act 1963 (or any other equivalent legislation) subject to Rules 6.3, 6.4, 6.5, 6.6, 6.7, and 6.8, any option may be exercised at any time when that person remains so bound or entitled but to the extent that it is not exercised within that period shall (notwithstanding any other provision of this Plan) lapse on the expiration of that period.
- 7.6 If any company ("the Acquiring Company"):
- 7.6.1 obtains control of the Company as a result of making-
- (a) a general offer to acquire the whole of the issued ordinary share capital of the Company which is made on a condition such that if it is satisfied the acquiring company will have control of the Company, or
 - (b) a general offer to acquire all the Shares in the Company which are of the same class as the Shares which may be acquired by the exercise of options granted under this Plan, or
- 7.6.2 obtains control of the Company in pursuance of a compromise or arrangement sanctioned by the court under section 201 of the Companies Act 1963 (or under any other equivalent legislation), or
- 7.6.3 becomes bound or entitled to acquire Shares in the Company under section 204 of the Companies Act 1963 (or under any other equivalent legislation),
- any Participant may at any time within the appropriate period (which expression shall be construed in accordance with paragraph 16(2) of Schedule 12A), by agreement with the Acquiring Company, release any option which has not lapsed ("the old option") in consideration of the grant to him of an option ("the new option") which (for the purposes of that paragraph) is equivalent to the old option but relates to Shares in a different company (whether the Acquiring Company itself or some other company falling within paragraph 11(b) or (c) of Schedule 12A). Where a Participant does not withdraw his savings or exercise his options and continues to make Monthly Contributions to his savings contract in the period following the Acquiring Company's acquisition of control of the Company he shall be deemed to have agreed to the exchange of options immediately prior to the end of the earlier of (i) six months following the Acquiring Company's acquisition of control of the Company and (ii) two months from the date the resolution for a voluntary winding up of the Company is passed.
- 7.7 The new option shall not be regarded for the purposes of Rule 7.6 above as equivalent to the old option unless the conditions set out in paragraph 16(3) of Schedule 12A are satisfied, but so that the provisions of this Plan shall for this purpose be construed as if:

- 7.7.1 the new option were an option granted under this Plan at the same time as the old option;
- 7.7.2 except for the purposes of the definitions of "Participating Company" and "Subsidiary" in Rules 1.1, 6.4.2, 6.5 and 6.4.4, the expression "the Company" were defined as "a company whose Shares may be acquired by the exercise of options granted under this Plan";
- 7.7.3 the Savings Contract made in connection with the old option had been made in connection with the new option;
- 7.7.4 the Bonus Date in relation to the new option were the same as that in relation to the old option.

8. **ADJUSTMENT OF OPTIONS**

8.1 In the event of any variation of the share capital of the Company, the Board may make such adjustments as it considers appropriate under Rule 8.2.

8.2 An adjustment made under this Rule shall be to one or more of the following:

- 8.2.1 the number of Shares in respect of which any option may be exercised;
- 8.2.2 the price at which Shares may be acquired by the exercise of any option;
- 8.2.3 where any option has been exercised but no Shares have been allotted or transferred pursuant to the exercise, the number of Shares which may be allotted or transferred and the price at which they may be acquired.

8.3 At a time when this Plan is approved by the Revenue Commissioners under Schedule 12A, no adjustment under Rule 8.2 above shall be made without the prior written approval of the Revenue Commissioners.

9. **ALTERATIONS**

9.1 Subject to Rule 9.2 below the Board may at any time alter or add to all or any of the provisions of the Plan provided that no alteration shall be made at a time when this Plan is approved by the Revenue Commissioners under Schedule 12A without the prior written approval of the Revenue Commissioners.

9.2 No alteration or addition shall be made under Rule 9.1 which would abrogate or adversely affect the subsisting rights of a Participant, unless it is made:

- (i) with the consent in writing of such number of Participants as hold options to acquire not less than 75 per cent of the Shares which would be issued or transferred if all options granted and subsisting were exercised in respect of the maximum of Shares the subject thereof; or
- (ii) by a resolution at a meeting of Participants passed by not less than 75 per cent of the Participants who attend and vote either in person or by proxy,

and for the purposes of this Rule 9.2 the Participants shall be treated as the holders of a separate class of share capital and the provisions of the Constitution of the Company (from time to time in force) relating to class meetings shall apply mutatis mutandis.

9.3 Rule 9.2 shall not apply to any alteration or addition which:

- (i) is necessary or desirable in order to comply with or take account of the provisions of any proposed or existing legislation or law, to take advantage of any changes to the legislation or law, to take account of any of the events mentioned in Rule 7, or to obtain or maintain favourable taxation treatment of the Company, any Subsidiary or any Participant; and
- (ii) does not affect the basic principles of the Plan, the calculation of the price payable per share under an option.

10. **MISCELLANEOUS**

10.1 The rights and obligations of any individual under the terms of his office or employment with the Company or a Subsidiary shall not be affected by his participation in this Plan or any right which he may have to participate in it, and an individual who participates in it shall waive all and any rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever insofar as those rights arise or may arise from his ceasing to have rights under or be entitled to exercise any option as a result of such termination.

10.2 In the event of any dispute or disagreement as to the interpretation of this Plan, or as to any question or right arising from or related to this Plan, the decision of the Board shall be final and binding upon all persons.

10.3 Any notice or other communication under or in connection with this Plan may be given by such method as the Board may determine to be appropriate which may include but shall not be limited to:-

10.3.1 personal delivery or by sending it by post, in the case of a company to its registered office, and in the case of an individual to his last known address, or, where he is a director or employee of the Company or a Subsidiary, either to his last known home address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment;

10.3.2 electronic communication; or

10.3.3 affixing notices in staff areas of the employee's place of work.

10.4 Unless the Board determines otherwise, any notice of exercise shall take effect only when received by the Company.

10.5 This Plan and all the options granted under it shall be governed by and construed in accordance with the law of Ireland.

WILLIS GROUP HOLDINGS
2001 SHARE PURCHASE AND OPTION PLAN
(AS AMENDED AND RESTATED ON DECEMBER 30, 2009 BY WILLIS GROUP
HOLDINGS LIMITED AND AS AMENDED AND RESTATED AND ASSUMED BY
WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
ON DECEMBER 31, 2009)

FORM OF PERFORMANCE BASED OPTION AGREEMENT

THIS OPTION AGREEMENT (this "Agreement"), effective as of [INSERT DATE] is made by and between Willis Group Holdings Public Limited Company, and any successor thereto, (hereinafter referred to as the "Company") and the individual (the "Optionee") who has duly completed, executed and delivered the Option Acceptance Form, a copy of which is set out in Schedule A attached hereto and deemed to be a part hereof and; if applicable the Agreement of Restrictive Covenants and Other Obligations, a copy of which is set out in Schedule C attached hereto and deemed to be a part hereof.

WHEREAS, the Company wishes to carry out the Plan (as hereinafter defined), the terms of which are hereby incorporated by reference and made a part of this Agreement; and

WHEREAS, the Committee (as hereinafter defined) has determined that it would be to the advantage and best interest of the Company and its shareholders to grant the Option (as hereinafter defined) provided for herein to the Optionee as an incentive for increased efforts on the part of the Optionee during the Optionee's employment with the Company or its Subsidiaries, and has advised the Company thereof and instructed the undersigned officer to prepare said Option.

NOW, THEREFORE, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Whenever the following terms are used in this Agreement, they shall have the meaning specified in the Plan or below unless the context clearly indicates to the contrary.

Section 1.1 - Act

"Act" shall mean the Companies Act 1963 of Ireland.

Section 1.2 - Adjusted Earnings Per Share

"Adjusted Earnings Per Share" shall mean the adjusted earnings per share as stated by the Company in its annual financial results as issued by the Company.

Section 1.3 - Adjusted Operating Margin

“Adjusted Operating Margin” shall mean the adjusted operating margin as stated by the Company in its annual financial results as issued by the Company.

Section 1.4 - Board

“Board” shall mean the board of directors of the Company.

Section 1.5 - Cause

“Cause” shall mean (i) the Optionee’s continued and/or chronic failure to adequately and/or competently perform his material duties with respect to the Company or its Subsidiaries after having been provided reasonable notice of such failure and a period of at least ten days after the Optionee’s receipt of such notice to cure and/or correct such performance failure, (ii) willful misconduct by the Optionee in connection with the Optionee’s employment which is injurious to the Company or its Subsidiaries (willful misconduct shall be understood to include, but not be limited to, any breach of the duty of loyalty owed by the Optionee to the Company or its Subsidiaries), (iii) conviction of any criminal act (other than minor road traffic violations not involving imprisonment), (iv) any breach of the Optionee’s restrictive covenants and other obligations as provided in Schedule C to this Agreement (if applicable), in the Optionee’s employment agreement (if any), or any other non-compete agreement and/or confidentiality agreement entered into between the Optionee and the Company or any of its Subsidiaries (other than an insubstantial, inadvertent and non-recurring breach), or (v) any material violation of any written Company policy after reasonable notice and an opportunity to cure such violation within ten (10) days after the Optionee’s receipt of such notice.

Section 1.6 - Committee

“Committee” shall mean the Compensation Committee of the Board (or if no such committee is appointed, the Board provided that a majority of the Board are “independent directors” for the purpose of the rules and regulations of the New York Stock Exchange).

Section 1.7 - Earned Date

“Earned Date” shall mean the date that the annual financial results of the Company are issued by the Company.

Section 1.8 - Earned Performance Shares

“Earned Performance Shares” shall mean Shares subject to the Option in respect of which the applicable performance conditions, as set out in Section 3.1 or as otherwise determined by the Committee, have been achieved and shall become exercisable as set out in Section 3.2.

Section 1.9 - Grant Date

“Grant Date” shall mean [INSERT DATE].

Section 1.10 - Option

“Option” shall mean the option to purchase Ordinary Shares of the Company granted in accordance with this Agreement and the Plan.

Section 1.11 - Exercise Price

“Exercise Price” shall mean the exercise price of the Option set forth in Schedule A to this Agreement.

Section 1.12 - Permanent Disability

Optionee shall be deemed to have a “Permanent Disability” if Optionee meets the requirements of the definition of such term, or of an equivalent term, as defined in the Company’s or Subsidiary’s long-term disability plan applicable to Optionee or, if no such plan is applicable, in the event Optionee is unable by reason of physical or mental illness or other similar disability, to perform the material duties and responsibilities of his job for a period of 180 consecutive business days out of 270 business days.

Section 1.13 - Plan

“Plan” shall mean the Willis Group Holdings 2001 Share Purchase and Option Plan, as amended from time to time.

Section 1.14 - Pronouns

The masculine pronoun shall include the feminine and neuter, and the singular the plural, where the context so indicates.

Section 1.15 - Secretary

“Secretary” shall mean the Secretary of the Company.

Section 1.16 - Shares or Ordinary Shares

“Shares” or “Ordinary Shares” means ordinary shares of the Company, which may be authorised but unissued.

Section 1.17 - Subsidiary

“Subsidiary” shall mean with respect to the Company, any subsidiary of the Company within the meaning of Section 155 of the Act. For purposes of granting share options or any other “stock rights,” within the meaning of Section 409A of the Code, an entity shall not be considered a Subsidiary if granting any such share right would result in the share right becoming subject to Section 409A of the Code. For purposes of granting U.S. incentive stock options, an entity shall not be considered a Subsidiary if it does not also meet the requirements of Section 424(f) of the Code.

Section 1.18 - - Willis Group

“Willis Group” shall mean the Company and its Subsidiaries collectively.

ARTICLE II
GRANT OF OPTIONS

Section 2.1 - Grant of Options

On and as of the Grant Date, the Company grants to the Optionee an Option to purchase any part or all of an aggregate number of Shares, as stated in Schedule A to this Agreement, upon the terms and conditions set forth in this Agreement and the Plan, including any country-specific terms and conditions set forth in Schedule B to this Agreement. In circumstances where Optionee is required to enter into the Agreement of Restrictive Covenants and Other Obligations set forth in Schedule C, the Optionee agrees that the grant of an Option pursuant to this Agreement is sufficient consideration for the Optionee entering into such agreement.

Optionee acknowledges and agrees that the Company may provide grants of an Option and/or Shares pursuant to this Plan in lieu of any grants the Company is obligated to make under any pre-existing plans, agreements or letters and that such grants when made pursuant to this Plan shall fully discharge the Company's obligations to make any such grant under any pre-existing plan, agreement or letter.

Section 2.2 - Exercise Price

Subject to Section 2.4, the Exercise Price of each Share subject to the Option shall be as stated in Schedule A to this Agreement.

Section 2.3 - Employment Rights

Subject to the terms of the Agreement of Restrictive Covenants and Other Obligations where applicable, the rights and obligations of the Optionee under the terms of his office or employment with the Company or any Subsidiary shall not be affected by his participation in this Plan or any right which he may have to participate in it. The Option and the Optionee's participation in the Plan will not be interpreted to form an employment agreement with the Company or any Subsidiary. The Optionee hereby waives any and all rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever insofar as those rights arise or may arise from his ceasing to have rights under or be entitled to vest in or exercise any Option as a result of such termination. If, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Optionee shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claims.

Section 2.4 - Adjustments in Options Pursuant to Merger, Consolidation, etc.

Subject to Sections 8 and 9 of the Plan, in the event that the outstanding Shares subject to an Option are, from time to time, changed into or exchanged for a different number or kind of Shares or other securities, by reason of a share split, spin-off, shares or extraordinary cash dividend, share combination or reclassification, recapitalization or merger, Change of Control, or similar event, the Committee shall, in its absolute discretion, make an appropriate and equitable adjustment in the number and kind of Shares and/or the amount of consideration as to which or for which, as the case may be. The Committee, in its sole discretion, may make an

appropriate and equitable adjustment to the Shares underlying such Option, and/or portions thereof then unexercised, shall be exercisable. Any such adjustment or determination made by the Committee shall be final and binding upon the Optionee, the Company and all other interested persons.

ARTICLE III
PERIOD OF EXERCISABILITY

Section 3.1 - Commencement of Earning

(a) Subject to 3.1(b) and 3.2(a), the Shares subject to Option shall become Earned Performance Shares subject to the Optionee being in the employment of the Company or any Subsidiary at each respective vesting date and provided the performance conditions applicable are achieved.

(b) Shares subject to the Option shall become Earned Performance Shares with effect from the Earned Date for the year ending [INSERT DATE] if in respect of the year ending [INSERT DATE], the Company achieves an Adjusted Earnings Per Share of not less than \$[INSERT VALUE] and an Adjusted Operating Margin of not less than [INSERT PERCENTAGE].

(c) Optionee understands and agrees that the terms under which the Option shall become Earned Performance Shares as described in Section 3.1(b) above is confidential and the Optionee agrees not to disclose, reproduce or distribute such confidential information concerning the Company, except as required in the course of the Optionee's employment with the Company or one of its Subsidiaries, without the prior written consent of the Company. The Optionee's failure to abide by this condition may result in the immediate cancellation of the Option.

(d) All Shares subject to the Option shall be forfeited if and immediately upon the Company failing to meet any of the performance conditions set out in 3.1(b) above.

Section 3.2 - Commencement of Vesting and Exercisability

(a) The Earned Performance Shares shall vest and become exercisable as follows:

<u>Vesting Date</u>	<u>Percentage of Earned Performance Shares</u>
Second anniversary of Grant Date [INSERT DATE]	[]%
Third anniversary of Grant Date [INSERT DATE]	[]%
Fourth anniversary of Grant Date [INSERT DATE]	[]%
Fifth anniversary of Grant Date [INSERT DATE]	[]%

(b) In the event of a termination of the Optionee's employment as a result of death or Permanent Disability, then (i) the Earned Performance Shares and the Option in respect thereof shall become immediately vested and exercisable with respect to all of the Shares underlying such Option through the time period set forth in Section 3.3 (b) below, and (ii) as of the date of termination of employment, any portion of the Option which then has not become vested and an Earned Performance Share shall immediately terminate and will at no time be exercisable.

(c) Notwithstanding anything herewith to the contrary, at the discretion of the Committee, the Option over Earned Performance Shares that have not yet vested shall immediately terminate and will at no time become exercisable, except that the Committee may, for termination of employment for reasons other than Cause, determine in its discretion that the Option over the Earned Performance Shares that have not yet vested and become exercisable, shall become vested and exercisable.

(d) In the event of a termination of the Optionee's employment for any reason other than death or Permanent Disability, then the Earned Performance Shares that have vested and become exercisable and the Option in respect thereof shall remain exercisable through the time period set forth in Section 3.3 (b) below.

Section 3.3 - Expiration of Options

(a) The Option shall immediately lapse upon the termination of the Optionee's employment, subject to, and except as otherwise specified within, the terms and conditions of Section 3.2 above.

(b) The Option over Earned Performance Shares that has become vested and exercisable in accordance with Section 3.2 will cease to be exercisable by Optionee upon the first to occur of the following events:

(i) The eighth anniversary of the Grant Date; or

(ii) The first anniversary of the date of the Optionee's termination of employment by reason of death or Permanent Disability; or

(iii) Ninety days after the date of any termination of the Optionee's employment by the Company or its Subsidiary for any reason other than (A) death or Permanent Disability or (B) where the Committee has exercised its discretion in accordance with Section 3.2(c) above; or

(iv) Six calendar months after the date of termination provided the Committee has exercised its discretion pursuant to Section 3.2(c) above and termination is other than for Cause; or

(v) If the Committee so determines pursuant to Sections 8 or 9 of the Plan and Section 2.4 of this Agreement, the effective date of a Change of Control, merger, amalgamation pursuant to Irish law, or other consolidation of the Company or group of

companies collectively known as Willis Group, or other similar event, as provided in the Plan, so long as Optionee has a reasonable opportunity to exercise his Options prior to such effective date.

(c) The Optionee agrees to execute and deliver the following agreements or other documents in connection with the grant of the Option within the period set forth below:

(i) the Optionee must execute the Agreement of Restrictive Covenants and Other Obligations pursuant to Article VII below, if applicable, and deliver it to the Company within 45 days of the receipt of this Agreement;

(ii) the Optionee must execute the Option Acceptance Form and deliver it to the Company within 45 days of the receipt of this Agreement; and

(iii) the Optionees who are resident in the United Kingdom must execute the form of joint election as described in terms set forth in Schedule B for the United Kingdom and deliver it to their employing company within 45 days of the receipt of this Agreement.

(d) The Committee may, in its sole discretion, cancel the Option, if the Optionee fails to execute and deliver the agreements and documents within the period set forth in Section 3.3(c) or fails to meet the requirements set forth in Section 3.1(e).

ARTICLE IV

EXERCISE OF OPTION

Section 4.1 - Person Eligible to Exercise

During the lifetime of the Optionee, only he may exercise an Option or any portion thereof. After the death of the Optionee, any exercisable portion of an Option may, prior to the time when an Option becomes unexercisable under Section 3.3, be exercised by any person empowered to do so under the Optionee's will or under then applicable laws of inheritance.

Section 4.2 - Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3; provided, however, that any partial exercise shall be for whole Shares only.

Section 4.3 - Manner of Exercise

An Option, or any exercisable portion thereof, may be exercised solely by delivering to the Secretary or his office or the Company's agent if so directed all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.3:

(a) Notice in writing signed by the Optionee or the other person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby

exercised, such notice complying with all applicable rules established by the Committee and made available to the Optionee (or such other person then entitled to exercise the Option);

(b) Full payment (in cash, by cheque, electronic transfer, by way of a cashless exercise as approved by the Company, by way of surrender of Shares to the Company or by a combination thereof) of the Exercise Price for the Shares with respect to which such Option or portion thereof is exercised;

(c) Full payment to the Company or any Subsidiary by which the Optionee is employed (the "Employer"), of all income tax, payroll tax, payment on account, and social insurance contributions amounts ("Tax") which, under federal, state, local or foreign law, it is required to withhold upon exercise of the Option; and

(d) In a case where any Employer is obliged to (or would suffer a disadvantage if it were not to) account for any Tax (in any jurisdiction) for which the Optionee is liable by virtue of the Optionee's participation in the Plan and/or any social security contributions recoverable from and legally applicable to the Optionee (the "Tax-Related Items"), the Optionee has either:

(i) made full payment to the Employer of an amount equal to the Tax-Related Items, or

(ii) entered into arrangements acceptable to the Employer or another Subsidiary to secure that such a payment is made (whether by withholding from the Optionee's wages or other cash compensation paid to the Optionee or from the proceeds of the sale of Shares acquired at exercise of the Option either through a voluntary sale or through a mandatory sale arranged by the Company (on the Optionee's behalf pursuant to this authorization));

(e) In the event the Option or any portion thereof shall be exercised pursuant to Section 4.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the Option.

Without limiting the generality of the foregoing, the Committee may prior to exercise require an opinion of counsel reasonably acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of an Option does not violate the U.S. Securities Exchange Act of 1934, as amended, and may issue stop-transfer orders in the U.S. covering such Shares.

Section 4.4 - Conditions to Issuance of Shares

The Shares deliverable upon the exercise of an Option, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares held by any other person. Such Shares shall be fully paid. The Company shall not be required to issue or deliver any certificates representing such Shares or their electronic equivalents granted upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

(a) The obtaining of approval or other clearance from any state, federal, local or foreign governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable; and

(b) The lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience.

Section 4.5 - Rights as Shareholder

The Optionee shall not be, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Shares that may be received upon the exercise of the Option or any portion thereof unless and until certificates representing such Shares or their electronic equivalent shall have been issued by the Company to the Optionee.

ARTICLE V

ADDITIONAL TERMS AND CONDITIONS OF OPTION

Section 5.1 - Nature of Grant

In accepting the Option, the Optionee acknowledges, understands and agrees that:

- (a) the Plan is established voluntarily by the Company, is discretionary in nature and may be amended, suspended or terminated by the Company at any time;
- (b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future options, or benefits in lieu of options, even if options have been granted repeatedly in the past;
- (c) all decisions with respect to future Option grants, if any, will be at the sole discretion of the Company;
- (d) the Optionee's participation in the Plan is voluntary;
- (e) the Option and any Shares acquired under the Plan are not intended to replace any pension rights or compensation under any pension arrangement;
- (f) the Option and any Shares acquired under the Plan are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, dismissal, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to past services for, the Employer, the Company or a Subsidiary;
- (g) the future value of the Shares underlying the Option is unknown and cannot be predicted with certainty; and
- (h) if the Optionee exercises the Option and acquires Shares, the value of such Shares may increase or decrease in value, even below the Exercise Price.

Section 5.2 - - No Advice Regarding Grant

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Optionee's participation in the Plan, or the issuance of Shares upon exercise of the Option or sale of the Shares. The Optionee is hereby advised to

consult with his own personal tax, legal and financial advisors regarding his participation in the Plan before taking any action related to the Plan.

ARTICLE VI

DATA PRIVACY NOTICE AND CONSENT

Section 6 - Data Privacy

(a) The Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Optionee's personal data as described in this Agreement and any other Option grant materials by and among, as applicable, the Employer, the Company and its Subsidiaries for the exclusive purpose of implementing, administering and managing the Optionee's participation in the Plan.

(b) The Optionee understands that the Company and the Employer may hold certain personal information about the Optionee, including, but not limited to, the Optionee's name, home address, telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Data").

(c) The Optionee understands that Data will be transferred to Morgan Stanley SmithBarney or to any other third party assisting in the implementation, administration and management of the Plan. The Optionee understands that the recipients of the Data may be located in the Optionee's country or elsewhere, and that the recipients' country (e.g., Ireland) may have different data privacy laws and protections from the Optionee's country. The Optionee understands that he may request a list with the names and addresses of any potential recipients of the Data by contacting his local human resources representative. The Optionee authorizes the Company, Morgan Stanley SmithBarney and any other recipients of Data which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his participation in the Plan. The Optionee understands that Data will be held only as long as is necessary to implement, administer and manage the Optionee's participation in the Plan. The Optionee understands that he may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his local human resources representative. The Optionee understands, however, that refusing or withdrawing his consent may affect the Optionee's ability to participate in the Plan. For more information on the consequences of the Optionee's refusal to consent or withdrawal of consent, the Optionee understands that he may contact his local human resources representative.

ARTICLE VII

AGREEMENT OF RESTRICTIVE COVENANTS AND OTHER OBLIGATIONS

Section 7 - Restrictive Covenants and Other Obligations

In consideration of the grant of an Option, the Optionee shall enter into the Agreement of Restrictive Covenants and Other Obligations, a copy of which is attached hereto as Schedule C. In the event the Optionee does not sign and return the Agreement of Restrictive Covenants and Other Obligations within 45 days of the receipt of this Agreement, the Committee may, in its sole discretion, cancel the Option. If no such agreement is required, Schedule C shall state none or not applicable.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 - Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Options. In its absolute discretion, the Committee may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 8.2 - Options Not Transferable

Neither the Options nor any interest or right therein or part thereof shall be subject to the debts, contracts or engagements of the Optionee or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that this Section 8.2 shall not prevent transfers made solely for estate planning purposes or under a will or by the applicable laws of inheritance.

Section 8.3 - Binding Effect

The provisions of this Agreement shall be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

Section 8.4 - Notices

Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company at the following address:

Willis Group Holdings Public Limited Company
c/o Willis Group Limited.
51 Lime Street
London
EC3M 7DQ
Attention: Company Secretary

and any notice to be given to the Optionee shall be at the address set forth in the Option Acceptance Form.

By a notice given pursuant to this Section 8.4, either party may hereafter designate a different address for notices to be given to him. Any notice that is required to be given to the Optionee shall, if the Optionee is then deceased, be given to the Optionee's personal representatives if such representatives have previously informed the Company of their status and address by written notice under this Section 8.4. Any notice shall have been deemed duly given when sent by facsimile or enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service or the United Kingdom's Post Office or in the case of a notice given by an Optionee resident outside the United States of America or the United Kingdom, sent by facsimile or by a recognized international courier service.

Section 8.5 - - Titles

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

Section 8.6 - - Applicability of Plan

The Options shall be subject to all of the terms and provisions of the Plan, to the extent applicable to the Options. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control.

Section 8.7 - - Amendment

This Agreement may be amended only by a document executed by the parties hereto, which specifically states that it is amending this Agreement.

Section 8.8 - Governing Law

This Agreement shall be governed by, and construed in accordance with the laws of Ireland without regards to conflicts of laws; provided, however, that the Agreement of Restrictive Covenants and Other Obligations, if applicable, shall be governed by and construed in accordance with the laws specified in that agreement.

Section 8.9 - Jurisdiction

The courts of Ireland shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any disputes which may arise out of or in connection with this Agreement and, for such purposes, the parties hereto irrevocably submit to the jurisdiction of such courts; provided, however, where applicable, that with respect to the Agreement of

Restrictive Covenants and Other Obligations the courts specified in such agreement shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any disputes which may arise out of or in connection with that agreement.

Section 8.10 - Electronic Delivery.

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Section 8.11 - Language

If the Optionee has received this Agreement, or any other document related to the Option and/or the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control.

Section 8.12 - Severability.

The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Section 8.13 - - Schedule B

The Option shall be subject to any special provisions set forth in Schedule B for the Optionee's country of residence, if any. If the Optionee relocates to one of the countries included in Schedule B during the life of the Option, the special provisions for such country shall apply to the Optionee, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Schedule B constitutes part of this Agreement.

Section 8.14 - Imposition of Other Requirements

The Company reserves the right to impose other requirements on the Option and the Shares acquired upon exercise of the Option, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require the Optionee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Section 8.15 - Counterparts

This Agreement may be executed in any number of counterparts (including by facsimile), each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.
IN WITNESS WHEREOF the Company and the Optionee have each executed this Agreement.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY

By: _____
Name:
Title:

WILLIS GROUP HOLDINGS
2008 SHARE PURCHASE AND OPTION PLAN
(AS AMENDED AND RESTATED ON DECEMBER 30, 2009 BY WILLIS GROUP
HOLDINGS LIMITED AND AS AMENDED AND RESTATED AND ASSUMED BY
WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY ON DECEMBER 31, 2009)

FORM OF PERFORMANCE-BASED OPTION AGREEMENT

THIS OPTION AGREEMENT (this "Agreement"), effective as of [INSERT DATE] is made by and between Willis Group Holdings Public Limited Company, and any successor thereto (hereinafter referred to as the "Company") and the individual (the "Optionee") who has duly completed, executed and delivered the Option Acceptance Form, a copy of which is set out in Schedule A attached hereto and deemed to be a part hereof and; if applicable the Agreement of Restrictive Covenants and Other Obligations, a copy of which is set out in Schedule C attached hereto and deemed to be a part hereof.

WHEREAS, the Company wishes to carry out the Plan (as hereinafter defined), the terms of which are hereby incorporated by reference and made a part of this Agreement; and

WHEREAS, the Committee (as hereinafter defined) has determined that it would be to the advantage and best interest of the Company and its shareholders to grant the Option (as hereinafter defined) provided for herein to the Optionee as an incentive for increased efforts on the part of the Optionee during the Optionee's employment with the Company or its Subsidiaries, and has advised the Company thereof and instructed the undersigned officer to prepare said Option.

NOW, THEREFORE, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Whenever the following terms are used in this Agreement, they shall have the meaning specified in the Plan or below unless the context clearly indicates to the contrary.

Section 1.1 - Act

"Act" shall mean the Companies Act 1963 of Ireland.

Section 1.2 - Adjusted Earnings Per Share

"Adjusted Earnings Per Share" shall mean the adjusted earnings per share as stated by the Company in its annual financial results as issued by the Company.

Section 1.3 - Adjusted Operating Margin

“Adjusted Operating Margin” shall mean the adjusted operating margin as stated by the Company in its annual financial results as issued by the Company.

Section 1.4 - Board

“Board” shall mean the board of directors of the Company.

Section 1.5 - Cause

“Cause” shall mean (i) the Optionee’s continued and/or chronic failure to adequately and/or competently perform his material duties with respect to the Company or its Subsidiaries after having been provided reasonable notice of such failure and a period of at least ten days after the Optionee’s receipt of such notice to cure and/or correct such performance failure, (ii) willful misconduct by the Optionee in connection with the Optionee’s employment which is injurious to the Company or its Subsidiaries (willful misconduct shall be understood to include, but not be limited to, any breach of the duty of loyalty owed by the Optionee to the Company or its Subsidiaries), (iii) conviction of any criminal act (other than minor road traffic violations not involving imprisonment), (iv) any breach of the Optionee’s restrictive covenants and other obligations as provided in Schedule C to this Agreement (if applicable), in the Optionee’s employment agreement (if any), or any other non-compete agreement and/or confidentiality agreement entered into between the Optionee and the Company or any of its Subsidiaries (other than an insubstantial, inadvertent and non-recurring breach), or (v) any material violation of any written Company policy after reasonable notice and an opportunity to cure such violation within ten days after the Optionee’s receipt of such notice.

Section 1.6 - Committee

“Committee” shall mean the Compensation Committee of the Board (or if no such committee is appointed, the Board provided that a majority of the Board are “independent directors” for the purpose of the rules and regulations of the New York Stock Exchange).

Section 1.7 - Earned Date

“Earned Date” shall mean the date that the annual financial results of the Company are issued by the Company.

Section 1.8 - Earned Performance Shares

“Earned Performance Shares” shall mean Shares subject to the Option in respect of which the applicable performance conditions, as set out in Section 3.1 or as otherwise determined by the Committee, have been achieved and shall become exercisable as set out in Section 3.2.

Section 1.9 - Grant Date

“Grant Date” shall mean [INSERT DATE].

Section 1.10 - Option

“Option” shall mean the option to purchase Ordinary Shares of the Company granted in accordance with this Agreement and the Plan.

Section 1.11 - Option Price

“Option Price” shall mean the option price of the Option set forth in Schedule A to this Agreement. The Option Price per Share shall not be less than 100% of the Fair Market Value of one Share on the Grant Date.

Section 1.12 - Permanent Disability

Optionee shall be deemed to have a “Permanent Disability” if Optionee meets the requirements of the definition of such term, or of an equivalent term, as defined in the Company’s or Subsidiary’s long-term disability plan applicable to Optionee or, if no such plan is applicable, in the event Optionee is unable by reason of physical or mental illness or other similar disability, to perform the material duties and responsibilities of his job for a period of 180 consecutive business days out of 270 business days.

Section 1.13 - Plan

“Plan” shall mean the Willis Group Holdings 2008 Share Purchase and Option Plan, as amended from time to time.

Section 1.14 - Pronouns

The masculine pronoun shall include the feminine and neuter, and the singular the plural, where the context so indicates.

Section 1.15 - Secretary

“Secretary” shall mean the Secretary of the Company.

Section 1.16 - Shares or Ordinary Shares

“Shares” or “Ordinary Shares” means ordinary shares of the Company, which may be authorised but unissued.

Section 1.17 - Subsidiary

“Subsidiary” shall mean with respect to the Company, any subsidiary of the Company within the meaning of Section 155 of the Act. For purposes of granting share options or any other “stock rights,” within the meaning of Section 409A of the Code, an entity shall not be considered a Subsidiary if granting any such share right would result in the share right becoming subject to Section 409A of the Code. For purposes of granting U.S. incentive stock options, an entity shall not be considered a Subsidiary if it does not also meet the requirements of Section 424(f) of the Code.

Section 1.18 - - Willis Group

“Willis Group” shall mean the Company and its Subsidiaries collectively.

ARTICLE II
GRANT OF OPTIONS

Section 2.1 - Grant of Options

On and as of the Grant Date, the Company grants to the Optionee an Option to purchase any part or all of an aggregate number of Shares, as stated in Schedule A to this Agreement, upon the terms and conditions set forth in this Agreement and the Plan, including any country-specific terms and conditions set forth in Schedule B to this Agreement. In circumstances where Optionee is required to enter into the Agreement of Restrictive Covenants and Other Obligations set forth in Schedule C, the Optionee agrees that the grant of an Option pursuant to this Agreement is sufficient consideration for the Optionee entering into such agreement.

Section 2.2 - Option Price

Subject to Section 2.4, the Option Price of each Share subject to the Option shall be as stated in Schedule A to this Agreement.

Section 2.3 - Employment Rights

Subject to the terms of the Agreement of Restrictive Covenants and Other Obligations where applicable, the rights and obligations of the Optionee under the terms of his office or employment with the Company or any Subsidiary shall not be affected by his participation in this Plan or any right which he may have to participate in it. The Option and the Optionee’s participation in the Plan will not be interpreted to form an employment agreement with the Company or any Subsidiary. The Optionee hereby waives any and all rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever insofar as those rights arise or may arise from his ceasing to have rights under or be entitled to earn, vest in or exercise any Option as a result of such termination. If, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Optionee shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claims.

Section 2.4 - Adjustments in Options Pursuant to Merger, Consolidation, etc.

Subject to Sections 9 and 10 of the Plan, in the event that the outstanding Shares subject to an Option are, from time to time, changed into or exchanged for a different number or kind of Shares or other securities, by reason of a share split, spin-off, share or extraordinary cash dividend, share combination or reclassification, recapitalization or merger, Change of Control, or similar event, the Committee shall in its absolute discretion, make an appropriate and equitable adjustment in the number and kind of Shares, the Option Price, the grant of dividends and/or other value determinations applicable to the Plan or outstanding Options, in all events in order to allow Optionee to participate to such event in an equitable manner. Notwithstanding Section 10

of the Plan, in the event of a Change of Control, and regardless of whether the Option is assumed or substituted by a successor company, the Option shall not immediately vest and become exercisable unless the Committee so determines at the time of the Change of Control, in its absolute discretion, on such terms and conditions that the Committee deems appropriate. Any such adjustment or determination made by the Committee shall be final and binding upon the Optionee, the Company and all other interested persons.

ARTICLE III

PERIOD OF EXERCISABILITY

Section 3.1 - Commencement of Earning

- (a) Subject to Sections 3.1(b) and 3.2(a), the Shares subject to Option shall become Earned Performance Shares subject to the Optionee being in the employment of the Company or any Subsidiary at each respective vesting date and provided the performance conditions applicable are achieved.
- (b) Shares subject to the Option shall become Earned Performance Shares with effect from the Earned Date for the year ending [INSERT DATE] if in respect of the year ending [INSERT DATE], the Company achieves an Adjusted Earnings Per Share of not less than [INSERT VALUE] and an Adjusted Operating Margin of not less than [INSERT PERCENTAGE].
- (c) Optionee understands and agrees that the terms under which the Option shall become Earned Performance Shares as described in Section 3.1(b) above is confidential and the Optionee agrees not to disclose, reproduce or distribute such confidential information concerning the Company, except as required in the course of the Optionee's employment with the Company or one of its Subsidiaries, without the prior written consent of the Company. The Optionee's failure to abide by this condition may result in the immediate cancellation of the Option.
- (d) All Shares subject to the Option shall be forfeited if and immediately upon the Company failing to meet any of the performance conditions set out in 3.1(b) above.

Section 3.2 - Commencement of Vesting and Exercisability

- (a) The Earned Performance Shares shall vest and become exercisable as follows:

<u>Vesting Date</u>	<u>Percentage of Earned Performance Shares</u>
Second anniversary of Grant Date [INSERT DATE]	[]%
Third anniversary of Grant Date [INSERT DATE]	[]%

Vesting Date
Fourth anniversary of Grant Date
[INSERT DATE]

Percentage of Earned
Performance Shares
[]%

Fifth anniversary of Grant Date
[INSERT DATE]

[]%

(b) In the event of a termination of the Optionee's employment as a result of death or Permanent Disability, then (i) the Earned Performance Shares and the Option in respect thereof shall become immediately vested and exercisable with respect to all of the Shares underlying such Option through the time period set forth in Section 3.3 (b) below, and (ii) as of the date of termination of employment, any portion of the Option which then has not become an Earned Performance Share shall immediately terminate and will at no time be exercisable.

(c) Notwithstanding anything herewith to the contrary, at the discretion of the Committee, the Option over Earned Performance Shares that have not yet vested shall immediately terminate and will at no time become exercisable, except that the Committee may, for termination of employment for reasons other than Cause, determine in its discretion that the Option over the Earned Performance Shares that have not yet vested and become exercisable, shall become vested and exercisable.

(d) In the event of a termination of the Optionee's employment for any reason other than death or Permanent Disability, then the Earned Performance Shares that have vested and become exercisable and the Option in respect thereof shall remain exercisable through the time period set forth in Section 3.3 (b) below.

Section 3.3 - Expiration of Options

(a) The Option shall immediately lapse upon the termination of the Optionee's employment, subject to, and except as otherwise specified within, the terms and conditions of Section 3.2 above.

(b) The Option over Earned Performance Shares that has become vested and exercisable in accordance with Section 3.2 will cease to be exercisable by the Optionee upon the first to occur of the following events:

(i) The eighth anniversary of the Grant Date; or

(ii) The first anniversary of the date of the Optionee's termination of employment by reason of death or Permanent Disability; or

(iii) Ninety days after the date of any termination of the Optionee's employment by the Company or its Subsidiary for any reason other than (A) death or Permanent Disability or (B) where the Committee has exercised its discretion in accordance with Section 3.2(c) above; or

(iv) Six calendar months after the date of termination provided the Committee has exercised its discretion pursuant to Section 3.2(c) above and termination is other than for Cause; or

(v) If the Committee so determines pursuant to Sections 9 or 10 of the Plan and 2.4 of this Agreement, the effective date of a Change of Control, merger, amalgamation pursuant to Irish law, or other consolidation of the Company or group of companies collectively known as Willis Group, or other similar event, as provided in the Plan, so long as the Optionee has a reasonable opportunity to exercise his Options prior to such effective date.

(c) The Optionee agrees to execute and deliver the following agreements or other documents in connection with the grant of the Option within the period set forth below:

(i) the Optionee must execute the Agreement of Restrictive Covenants and Other Obligations pursuant to Article VII below, if applicable, and deliver it to the Company within 45 days of the receipt of this Agreement;

(ii) the Optionee must execute the Option Acceptance Form and deliver it to the Company within 45 days of the receipt of this Agreement; and

(iii) the Optionees who are resident in the United Kingdom must execute the form of joint election as described in terms set forth in Schedule B for the United Kingdom and deliver it to their employing company within 45 days of the receipt of this Agreement.

(d) The Committee may, in its sole discretion, cancel the Option, if the Optionee fails to execute and deliver the agreements and documents within the period set forth in Section 3.3(c) or fails to meet the requirements set forth in Section 3.1(e).

ARTICLE IV

EXERCISE OF OPTION

Section 4.1 - Person Eligible to Exercise

During the lifetime of the Optionee, only he may exercise an Option or any portion thereof. After the death of the Optionee, any exercisable portion of an Option may, prior to the time when an Option becomes unexercisable under Section 3.3, be exercised by any person empowered to do so under the Optionee's will or under then applicable laws of inheritance.

Section 4.2 - Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3; provided, however, that any partial exercise shall be for whole Shares only.

Section 4.3 - Manner of Exercise

An Option, or any exercisable portion thereof, may be exercised solely by delivering to the Secretary or his office or the Company's agent if so directed all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.3:

(a) Notice in writing signed by the Optionee or the other person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee and made available to the Optionee (or such other person then entitled to exercise the Option);

(b) Full payment (in cash, by cheque, electronic transfer, by way of a cashless exercise as approved by the Company, by way of surrender of Shares to the Company or by a combination thereof) of the Option Price for the Shares with respect to which such Option or portion thereof is exercised;

(c) Full payment to the Company or any Subsidiary by which the Optionee is employed (the "Employer"), of all income tax, payroll tax, payment on account, and social insurance contributions amounts ("Tax") which, under federal, state, local or foreign law, it is required to withhold upon exercise of the Option; and

(d) In a case where any Employer is obliged to (or would suffer a disadvantage if it were not to) account for any Tax (in any jurisdiction) for which the Optionee is liable by virtue of the Optionee's participation in the Plan and/or any social security contributions recoverable from and legally applicable to the Optionee (the "Tax-Related Items"), the Optionee has either:

(i) made full payment to the Employer of an amount equal to the Tax-Related Items, or

(ii) entered into arrangements acceptable to the Employer or another Subsidiary to secure that such a payment is made (whether by withholding from the Optionee's wages or other cash compensation paid to the Optionee or from the proceeds of the sale of Shares acquired at exercise of the Option either through a voluntary sale or through a mandatory sale arranged by the Company (on the Optionee's behalf pursuant to this authorization)).

(e) In the event the Option or any portion thereof shall be exercised pursuant to Section 4.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the Option.

Without limiting the generality of the foregoing, the Committee may prior to exercise, require an opinion of counsel reasonably acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of an Option does not violate the U.S. Securities Exchange Act of 1934, as amended, and may issue stop-transfer orders in the U.S. covering such Shares.

Section 4.4 - Conditions to Issuance of Shares

The Shares deliverable upon the exercise of an Option, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares held by any other person. Such Shares shall be fully paid. The Company shall not be required to issue or deliver any certificates representing such Shares or their electronic equivalent granted upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

- (a) The obtaining of approval or other clearance from any state, federal, local or foreign governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable; and
- (b) The lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience.

Section 4.5 - Rights as Shareholder

The Optionee shall not be, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Shares that may be received upon the exercise of the Option or any portion thereof unless and until certificates representing such Shares or their electronic equivalent shall have been issued by the Company to the Optionee.

ARTICLE V

ADDITIONAL TERMS AND CONDITIONS OF OPTION

Section 5.1 - Nature of Grant

In accepting the Option, the Optionee acknowledges, understands and agrees that:

- (a) the Plan is established voluntarily by the Company, is discretionary in nature and may be amended, suspended or terminated by the Company at any time;
- (b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future options, or benefits in lieu of options, even if options have been granted repeatedly in the past;
- (c) all decisions with respect to future Option grants, if any, will be at the sole discretion of the Company;
- (d) the Optionee's participation in the Plan is voluntary;
- (e) the Option and any Shares acquired under the Plan are not intended to replace any pension rights or compensation under any pension arrangement;
- (f) the Option and any Shares acquired under the Plan are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, dismissal, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to past services for, the Employer, the Company or a Subsidiary;
- (g) the future value of the Shares underlying the Option is unknown and cannot be predicted with certainty; and
- (h) if the Optionee exercises the Option and acquires Shares, the value of such Shares may increase or decrease in value, even below the Option Price.

Section 5.2 - - No Advice Regarding Grant

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Optionee's participation in the Plan, or the issuance of Shares upon exercise of the Option or sale of the Shares. The Optionee is hereby advised to consult with his own personal tax, legal and financial advisors regarding his participation in the Plan before taking any action related to the Plan.

ARTICLE VI

DATA PRIVACY NOTICE AND CONSENT

Section 6 - Data Privacy

(a) The Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Optionee's personal data as described in this Agreement and any other Option grant materials by and among, as applicable, the Employer, the Company and its Subsidiaries for the exclusive purpose of implementing, administering and managing the Optionee's participation in the Plan.

(b) The Optionee understands that the Company and the Employer may hold certain personal information about the Optionee, including, but not limited to, the Optionee's name, home address, telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Data").

(c) The Optionee understands that Data will be transferred to Morgan Stanley SmithBarney or to any other third party assisting in the implementation, administration and management of the Plan. The Optionee understands that the recipients of the Data may be located in the Optionee's country or elsewhere, and that the recipients' country (e.g., Ireland) may have different data privacy laws and protections from the Optionee's country. The Optionee understands that he may request a list with the names and addresses of any potential recipients of the Data by contacting his local human resources representative. The Optionee authorizes the Company, Morgan Stanley SmithBarney and any other recipients of Data which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his participation in the Plan. The Optionee understands that Data will be held only as long as is necessary to implement, administer and manage the Optionee's participation in the Plan. The Optionee understands that he may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his local human resources representative. The Optionee understands, however, that refusing or withdrawing his consent may affect the Optionee's ability to participate in the Plan. For more information on the consequences of the Optionee's refusal to consent or withdrawal of

consent, the Optionee understands that he may contact his local human resources representative.

ARTICLE VII

AGREEMENT OF RESTRICTIVE COVENANTS AND OTHER OBLIGATIONS

Section 7 - Restrictive Covenants and Other Obligations

In consideration of the grant of an Option, the Optionee shall enter into the Agreement of Restrictive Covenants and Other Obligations, a copy of which is attached hereto as Schedule C. In the event the Optionee does not sign and return the Agreement of Restrictive Covenants and Other Obligations within 45 days of the receipt of this Agreement, the Committee may, in its sole discretion, cancel the Option. If no such agreement is required, Schedule C shall state none or not applicable.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 - Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Options. In its absolute discretion, the Committee may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 8.2 - Options Not Transferable

Neither the Options nor any interest or right therein or part thereof shall be subject to the debts, contracts or engagements of the Optionee or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that this Section 8.2 shall not prevent transfers made solely for estate planning purposes or under a will or by the applicable laws of inheritance.

Section 8.3 - Binding Effect

The provisions of this Agreement shall be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

Section 8.4 - Notices

Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company at the following address:

Willis Group Holdings Public Limited Company
c/o Willis Group Limited.
51 Lime Street
London
EC3M 7DQ
Attention: Company Secretary

and any notice to be given to the Optionee shall be at the address set forth in the Option Acceptance Form.

By a notice given pursuant to this Section 8.4, either party may hereafter designate a different address for notices to be given to him. Any notice that is required to be given to the Optionee shall, if the Optionee is then deceased, be given to the Optionee's personal representatives if such representatives have previously informed the Company of their status and address by written notice under this Section 8.4. Any notice shall have been deemed duly given when sent by facsimile or enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service or the United Kingdom's Post Office or in the case of a notice given by an the Optionee resident outside the United States of America or the United Kingdom, sent by facsimile or by a recognized international courier service.

Section 8.5 - - Titles

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

Section 8.6 - - Applicability of Plan

The Options shall be subject to all of the terms and provisions of the Plan, to the extent applicable to the Options. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control.

Section 8.7 - - Amendment

The Committee shall have authority to make such amendments to this Agreement as are consistent with the Plan.

Section 8.8 - Governing Law

This Agreement shall be governed by, and construed in accordance with the laws of Ireland; without regards to conflicts of laws, provided, however, that the Agreement of Restrictive Covenants and Other Obligations, if applicable, shall be governed by and construed in accordance with the laws specified in that agreement.

Section 8.9 - Jurisdiction

The courts of Ireland shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any disputes, which may arise out of or in connection with this Agreement and, for such purposes, the parties hereto irrevocably submit to the jurisdiction of such courts; provided, however, where applicable, that with respect to the Agreement of Restrictive Covenants and Other Obligations the courts specified in such agreement shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any disputes which may arise out of or in connection with that agreement.

Section 8.10 - Electronic Delivery

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Section 8.11 - Language

If the Optionee has received this Agreement, or any other document related to the Option and/or the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control.

Section 8.12 - Severability

The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Section 8.13 - Schedule B

The Option shall be subject to any special provisions set forth in Schedule B for the Optionee's country of residence, if any. If the Optionee relocates to one of the countries included in Schedule B during the life of the Option, the special provisions for such country shall apply to the Optionee, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Schedule B constitutes part of this Agreement.

Section 8.14 - Imposition of Other Requirements

The Company reserves the right to impose other requirements on the Option and the Shares acquired upon exercise of the Option, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require the Optionee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Section 8.15 - Counterparts

This Agreement may be executed in any number of counterparts (including by facsimile), each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.
IN WITNESS WHEREOF the Company and the Optionee have each executed this Agreement.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY

By: _____
Name:
Title:

**WILLIS GROUP HOLDINGS
2001 SHARE PURCHASE AND OPTION PLAN
(AS AMENDED AND RESTATED ON DECEMBER 30, 2009 BY WILLIS GROUP
HOLDINGS LIMITED AND AS AMENDED AND RESTATED AND ASSUMED BY
WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
ON DECEMBER 31, 2009)**

**FORM OF RESTRICTED SHARE UNITS AWARD AGREEMENT
FOR NON-EMPLOYEE DIRECTORS**

THIS AGREEMENT, effective as of [INSERT DATE] is made by and between Willis Group Holdings Public Limited Company, hereinafter referred to as the "Company", and the individual (the "Director") who has duly completed, executed and delivered the Award Acceptance Form, a copy of which is set out in Schedule hereto and deemed to be part hereof.

WHEREAS, the Company wishes to carry out the Plan (as hereinafter defined), the terms of which are hereby incorporated by reference and made a part of this Agreement; and

WHEREAS, the Committee (as hereinafter defined) has determined that it would be to the advantage and best interest of the Company and its shareholders to grant an Award of Restricted Stock Units (as hereinafter defined) provided for herein to the Director as an incentive for increased efforts during his or her term as a member of the Board (as defined below), and has advised the Company thereof and instructed the undersigned officer to issue a Restricted Stock Unit Award Agreement;

NOW, THEREFORE, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Whenever the following terms are used in this Agreement, they shall have the meaning specified in the Plan or below unless the context clearly indicates to the contrary.

Section 1.1 - Act

"Act" shall mean the Companies Act 1963 of Ireland.

Section 1.2 - Board

"Board" shall mean the board of directors of the Company.

Section 1.3 - Change of Control

"Change of Control" shall mean (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Exchange Act and the rules of the U.S. Securities and Exchange Commission there under as in effect on the date

hereof) of the ordinary shares of the Company representing more than 50% of the aggregate voting power represented by the issued and outstanding ordinary shares of the Company; or (b) occupation of a majority of the seats (other than vacant seats) on the Board by Persons who were neither (i) nominated by the Company's Board nor (ii) appointed by directors so nominated. For the avoidance of doubt, a transaction shall not constitute a Change of Control or other consolidating event described in Section 9 of the Plan (i) if effected for the purpose of changing the place of incorporation or form of organization of the ultimate parent entity of the Willis Group (including where the Company is succeeded by an issuer incorporated under the laws of another state, country or foreign government for such purpose and whether or not the Company remains in existence following such transaction) and (ii) where all or substantially all of the Person(s) who are the beneficial owners of the outstanding voting securities of the Company immediately prior to such transaction will beneficially own, directly or indirectly, all or substantially all of the combined voting power of the outstanding voting securities entitled to vote generally in the election of directors of the ultimate parent entity resulting from such transaction in substantially the same proportions as their ownership, immediately prior to such transaction, of such outstanding securities of the Company. The Committee, in its sole discretion, may make an appropriate and equitable adjustment to the Shares underlying a grant to take into account such transaction, including to substitute or provide for the issuance of shares of the resulting ultimate parent entity in lieu of Shares of the Company.

Section 1.4 - Committee

"Committee" shall mean the Compensation Committee of the Board (or if no such committee is appointed, the Board).

Section 1.5 - Grant Date

"Grant Date" shall be [INSERT DATE].

Section 1.6 - Permanent Disability

"Permanent Disability" shall mean the Director meets the requirements of the definition of such term as defined in the Company's long-term disability plan applicable to the Director or, if no such plan is applicable, in the event the Director is unable by reason of physical or mental illness or other similar disability, to perform the material duties and responsibilities of his position for a period of 180 consecutive business days out of 270 business days.

Section 1.7 - Plan

"Plan" shall mean the Willis Group Holdings 2001 Share Purchase and Option Plan, as amended from time to time.

Section 1.8 - Pronouns

The masculine pronoun shall include the feminine and neuter, and the singular the plural, where the context so indicates.

Section 1.9 - Restricted Share Units

“Restricted Share Units” shall mean a conditional right to receive ordinary shares, par value of \$0.000115 each in the Company (the “Ordinary Shares” or “Shares”) pursuant to the terms of the Plan upon vesting, as set forth in Section 3.1 of this Agreement.

Section 1.10 - Secretary

“Secretary” shall mean the Secretary of the Company.

Section 1.11 - Subsidiary

“Subsidiary” shall mean with respect to the Company, any subsidiary of the Company within the meaning of Section 155 of the Act.

Section 1.12 - Willis Group

“Willis Group” shall mean the Company and the Subsidiaries, collectively.

ARTICLE II

GRANT OF RESTRICTED SHARE UNITS

Section 2.1 - Grant of the Restricted Share Units

Subject to the terms and conditions of the Plan and the additional terms and conditions set forth in this Agreement, the Company hereby grants Restricted Share Units (hereinafter called “RSUs”) to the Director, over a number of Shares as stated in Schedule A to this Agreement.

Section 2.2 - RSU Payment

Subject to Section 5 of the Plan, the Shares to be issued upon vesting of the RSU must be fully paid up prior to vesting of the RSU by payment of the nominal value (US\$0.000115) per Share. The Committee shall ensure that payment of the nominal value for any Shares underlying the RSU is received by it on behalf of the Director prior to the vesting date from a non-Irish Subsidiary or other source and shall establish any procedures or protocols necessary to ensure that payment is timely received.

Section 2.3 - Director's Service

The rights and obligations of the Director as a member of the Board of the Company shall not be affected by his participation in this Plan or right to participate in the Plan, and the Director hereby waives any and all rights to compensation or damages in consequence of his termination as a member of the Board for any reason whatsoever insofar as those rights arise or may arise from his ceasing to have rights under or be entitled to vest his RSUs following cessation of service. If, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Director shall be deemed irrevocably to have

agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claims.

Section 2.4 - Adjustments in RSUs Pursuant to Merger, Consolidation, etc.

Subject to Sections 8 and 9 of the Plan, in the event that the outstanding Shares subject to RSUs are, from time to time, changed into or exchanged for a different number or kind of Shares or other securities, by reason of a share split, spin-off, shares or extraordinary cash dividend, share combination or reclassification, recapitalization or merger, Change of Control, or similar event, the Committee shall, in its absolute discretion, make an appropriate and equitable adjustment in the number and kind of Shares. In the event of a Change of Control and regardless of whether the RSUs are assumed or substituted by a successor company, the RSUs shall not immediately vest unless the Committee so determines at the time of the Change of Control, in its absolute discretion, on such terms and conditions that the Committee deems appropriate. Any such adjustment or determination made by the Committee shall be final and binding upon the Director, the Company and all other interested persons. An adjustment may have the effect of reducing the price at which Shares may be acquired to less than their nominal value (the "Shortfall"), but only if and to the extent that the Committee shall be authorized to capitalize from the reserves of the Company a sum equal to the Shortfall and to apply that sum in paying up that amount on the Shares.

Section 2.5 - Director Costs

The Director must make full payment to the Company by which the Director is providing service of all income tax, payroll tax, payment on account, and social insurance contribution amounts ("Tax"), which under federal, state, local or foreign law, the Company or any Subsidiary is required to withhold upon vesting or other tax event of the RSUs. In a case where the Company is obliged to (or would suffer a disadvantage if it were not to) account for any Tax (in any jurisdiction) for which the Director is liable by virtue of the Director's participation in the Plan or any social insurance contributions legally applicable to the Director (the "Tax-Related Items"), the Director shall make full payment to the Company or any Subsidiary of an amount equal to the Tax-Related Items, or otherwise enter into arrangements acceptable to the Company or any Subsidiary to secure that such a payment is made (whether by withholding from cash compensation paid to the Director or from the proceeds of the sale of Shares acquired at vesting of the RSUs).

In the event that the Director has not made payment of an amount equal to the Tax-Related Items liability, or entered into arrangements to secure that such a payment is made by the date of vesting or shortly thereafter as agreed by the Company, the Director hereby authorizes and empowers the Company to act on his behalf and procure and effect the sale of a sufficient number of the Shares arising from the RSUs to vest and pay out of the sale proceeds the Tax-Related Items liability to the Company or any Subsidiary.

ARTICLE III
PERIOD OF VESTING

Section 3.1 - Commencement of Vesting

(a) Provided the Director continues as a member of the Board through the vesting date, the RSUs shall become vested as follows:

Vesting Date	Percentage of Shares as to which RSUs Become Vested
[INSERT DATE]	100%

(b) In the event the Director ceases to be a member of the Board as a result of Death or Permanent Disability, the RSUs shall become fully vested with respect to all Ordinary Shares underlying such RSU Award at the time services end.

(c) The RSUs may immediately vest, if the Committee, in its sole discretion, so determines subject to Section 2.4 of the Agreement, upon the effective date of a Change of Control or other similar event.

Section 3.2 - Conditions to Issuance of Share Certificates

The Shares to be delivered within one month of each vesting date of the RSUs, as set out in 3.1(a) above, may be either previously authorized but unissued shares or issued Shares held by any other person. Such Shares shall be fully paid. The Company shall not be required to issue or deliver any certificate or certificates (or their electronic equivalent) for Shares allotted and issued upon the applicable vesting date of the RSUs prior to fulfillment of all of the following conditions:

- (a) The obtaining of approval or other clearance from any state, federal, local or foreign governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable; and
- (b) The Director has paid or made arrangements to pay the Tax-Related Items Liability in accordance with Section 2.5.

Without limiting the generality of the foregoing, the Committee may in the case of U.S. resident directors of the Company require an opinion of counsel reasonably acceptable to it to the effect that any subsequent transfer of Shares acquired on the vesting of RSUs does not violate the Exchange Act and may issue stop-transfer orders in the U.S. covering such Shares.

Section 3.3 - Rights as Shareholder

The Director shall not be, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Shares that may be received upon the vesting of the RSUs unless and until certificates representing such Shares (or their electronic equivalent) shall have been issued by the Company to the Director. No dividend equivalent payments shall be made on the RSUs.

Section 3.4 - Limitation on Obligations

The Company's obligation with respect to the RSUs granted hereunder is limited solely to the delivery to the Director of Shares within the period when such Shares are due to be delivered hereunder, and in no way shall the Company become obligated to pay cash in respect of such obligation. This RSU Award shall not be secured by any specific assets of the Company or any of its Subsidiaries, nor shall any assets of the Company or any of its Subsidiaries be designated as attributable or allocated to the satisfaction of the Company's obligations under this Agreement. In addition, the Company shall not be liable to the Director for damages relating to any delays in issuing the share certificates or its electronic equivalent to him (or his designated entities), any loss of the certificates, or any mistakes or errors in the issuance of the certificates or in the certificates themselves.

ARTICLE IV

ADDITIONAL TERMS AND CONDITIONS OF THE RSUs

Section 4.1 - Nature of Award

In accepting the RSUs, the Director acknowledges, understands and agrees that:

- (a) the Plan is established voluntarily by the Company, is discretionary in nature and may be amended, suspended or terminated by the Company at any time;
- (b) the RSU award is voluntary and occasional and does not create any contractual or other right to receive future RSU awards, or benefits in lieu of a RSU award, even if RSU awards have been granted repeatedly in the past;
- (c) all decisions with respect to future RSUs, if any, will be at the sole discretion of the Company;
- (d) the Director's participation in the Plan is voluntary;
- (e) the RSUs and any Shares acquired under the Plan are not intended to replace any pension rights or compensation under any pension arrangement;
- (f) the RSUs and any Shares acquired under the Plan are not part of normal or expected compensation for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, dismissal, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be

considered as compensation for, or relating in any way to past services to the Company or any Subsidiary; and

(g) the future value of the Shares underlying the RSUs is unknown and cannot be predicted with certainty.

Section 4.2 - No Advice Regarding Grant

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Director's participation in the Plan, the issuance of Shares upon vesting of the RSUs or sale of the Shares. The Director is hereby advised to consult with his own personal tax, legal and financial advisors regarding his participation in the Plan before taking any action related to the Plan.

Section 4.3 - Director Reporting Obligation

Directors of the Company are subject to certain notification requirements under the Act. Directors must notify the company for which the Director is providing service of the Director's interest in the Company and the number and class of Shares or rights to which the interest relates within five days of the issuance or disposal of Shares or within five days of becoming aware of the event giving rise to the notification by submitting a Form 53. This disclosure requirement also applies to any rights or Shares acquired by the Director's spouse or children (under the age of 18).

ARTICLE V

DATA PRIVACY NOTICE AND CONSENT

Section 5 - Data Privacy

(a) The Director hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Director's personal data as described in this Agreement and any other RSU materials by and among, as applicable, the Company and its Subsidiaries for the exclusive purpose of implementing, administering and managing the Director's participation in the Plan.

(b) The Director understands that the Company and its Subsidiaries may hold certain personal information about the Director, including, but not limited to, the Director's name, home address, telephone number, date of birth, social insurance number or other identification number, compensation, nationality, job title, any Shares or directorships held in the Company, details of all RSUs or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Director's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Data").

(c) The Director understands that Data will be transferred to Morgan Stanley Smith Barney or to any other third party assisting in the implementation, administration and management of the Plan. The Director understands that the recipients of the Data may be located in the Director's country or elsewhere, and that the recipients' country (e.g., Ireland)

may have different data privacy laws and protections from the Director's country. The Director understands that he may request a list with the names and addresses of any potential recipients of the Data by contacting his local human resources representative. The Director authorizes the Company, Morgan Stanley SmithBarney and any other recipients of Data which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his participation in the Plan. The Director understands that Data will be held only as long as is necessary to implement, administer and manage the Director's participation in the Plan. The Director understands that he may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his local human resources representative. The Director understands, however, that refusing or withdrawing his consent may affect the Director's ability to participate in the Plan. For more information on the consequences of the Director's refusal to consent or withdrawal of consent, the Director understands that he may contact his local human resources representative.

ARTICLE VI

MISCELLANEOUS

Section 6.1 - Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be final and binding upon the Director, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the RSUs. In its absolute discretion, the Committee may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 6.2 - RSUs Not Transferable

Neither the RSUs nor any interest or right therein or part thereof shall be subject to the debts, contracts or engagements of the Director or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that this Section 6.2 shall not prevent transfers made solely for estate planning purposes or under a will or by the applicable laws of inheritance.

Section 6.3 - Binding Effect

The provisions of this Agreement shall be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

Section 6.4 - Notices

Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company at the following address:

Willis Group Holdings Public Limited Company
c/o Willis Group Limited
51 Lime Street
London England EC3M 7DQ
Attention: Company Secretary

and any notice to be given to the Director shall be addressed to her at the address given beneath her signature hereto.

By a notice given pursuant to this Section 6.4, either party may hereafter designate a different address for notices to be given to him. Any notice that is required to be given to the Director shall, if the Director is then deceased, be given to the Director's personal representatives if such representatives have previously informed the Company of their status and address by written notice under this Section 6.4. Any notice shall have been deemed duly given when sent by facsimile or enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service or the United Kingdom's Post Office or in the case of a notice given by an Director resident outside the United States of America or the United Kingdom, sent by facsimile or by a recognized international courier service.

Section 6.5 - Titles

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

Section 6.6 - Applicability of Plan

The RSUs Award shall be subject to all of the terms and provisions of the Plan, to the extent applicable to the RSUs Award. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control.

Section 6.7 - Amendment

This Agreement may be amended only by a document executed by the parties hereto, which specifically states that it is amending this Agreement.

Section 6.8 - Governing Law

This Agreement shall be governed by, and construed in accordance with the laws of Ireland, without regard to conflicts of law principles.

Section 6.9 - Jurisdiction: Arbitration

Each party hereto hereby consents to the jurisdiction of the federal and state courts in the State of New York, irrevocably waives any objection it may now or hereafter have to laying of the venue of any suit, action, or proceeding in connection with this Agreement in any such court, and hereby irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in any inconvenient forum. No suit, action or proceeding against the Company or the Director with respect to this Agreement may be brought in any court, domestic or foreign, or before any similar domestic or foreign authority other than in a court of competent jurisdiction in the State of New York, and the Company and the Director hereby irrevocably waive any right which he may otherwise have had to bring such action in any other court, domestic or foreign, or before any similar domestic or foreign authority. The Company and the Director hereby submit accordingly to the jurisdiction of such courts for the purpose of any such suit, action or proceeding, and further agrees that service upon it shall be sufficient if made by registered mail; provided, however, with respect to the provisions of this Agreement governed by the laws of the State of New York, any dispute hereunder or with regard to any document or agreement referred to herein, shall be resolved by arbitration before the American Arbitration Association in New York City, New York. The determination of the arbitrator shall be final and binding on the parties hereto and may be entered in any court of competent jurisdiction. In the event of any arbitration or other disputes with regard to this Agreement or any other document or agreement referred to herein, the Company shall pay the Directors legal fees and disbursements promptly upon presentation of invoices thereof, subject to an obligation of the Director to repay such amounts if an arbitrator finds the Directors positions in such arbitration or dispute to have been frivolous or made in bad faith.

Section 6.10 - Electronic Delivery

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Director hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Section 6.11 - Schedule B

The RSUs shall be subject to any special provisions set forth in Schedule B for the Director's country of residence, if any. If the Director relocates to one of the countries included in Schedule B during prior to the vesting of the RSUs, the special provisions for such country shall apply to the Director, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Schedule B constitutes part of this Agreement.

Section 6.12 - Severability

The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Section 6.13 - Imposition of Other Requirements

The Company reserves the right to impose other requirements on the RSUs and the Shares acquired upon vesting of the RSUs, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require the Director to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Section 6.14 - Code Section 409A

For purposes of U.S. taxpayers, the grant and settlement of the RSUs is intended to be exempt from Section 409A of the Code under the "short-term deferral" exception, and in any event in compliance with Section 409A of the Code, and this Agreement will be interpreted, operated and administered in a manner that is consistent with this intent. In furtherance of this intent, the Committee may, at any time and without the Director's consent, modify the terms of the RSU as it determines appropriate to comply with the requirements of Section 409A of the Code and the related U.S. Department of Treasury guidance. The Company makes no representation or covenant to ensure that the RSUs, settlement of the RSUs or other payment hereunder are exempt from or compliant with Section 409A of the Code, and will have no liability to the Director or any other party if the settlement of the RSUs or other payment hereunder that is intended to be exempt from, or compliant with, Section 409A of the Code, is not so exempt or compliant or for any action taken by the Committee with respect thereto.

Section 6.15 - Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Company and the Director have each executed this Agreement.

WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY

By: _____
Name:
Title:

SCHEDULE A

**WILLIS GROUP HOLDINGS
2001 SHARE PURCHASE AND OPTION PLAN**

**(AS AMENDED AND RESTATED ON DECEMBER 30, 2009 BY WILLIS GROUP
HOLDINGS LIMITED AND AS AMENDED AND RESTATED AND ASSUMED BY
WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
ON DECEMBER 31, 2009)**

**RESTRICTED SHARE UNITS AWARD AGREEMENT- ACCEPTANCE FORM FOR
NON-EMPLOYEE DIRECTORS**

Name

Number of RSUs Granted

Grant Date [INSERT DATE]

I accept the grant of Restricted Share Units (RSUs) under the Willis Group Holdings 2001 Share Purchase and Option Plan, as amended from time to time and I agree to be bound by the terms and conditions of the Restricted Share Units Award Agreement dated [INSERT DATE].

Signature:

Address:

Once completed, please return one copy of this form to:

Company Secretary
Willis Group Holdings Public Limited Company
c/o Willis Group Limited
51 Lime Street
London
EC3M 7DQ
United Kingdom

SCHEDULE B
WILLIS GROUP HOLDINGS
2001 SHARE PURCHASE AND OPTION PLAN
(AS AMENDED AND RESTATED ON DECEMBER 30, 2009 BY WILLIS GROUP
HOLDINGS LIMITED AND AS AMENDED AND RESTATED AND ASSUMED BY
WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY
ON DECEMBER 31, 2009)
APPENDIX TO
RESTRICTED SHARES UNITS AWARD AGREEMENT FOR NON-EMPLOYEE
DIRECTORS

Terms and Conditions

This Schedule B includes additional terms and conditions that govern the RSU Award granted to the Director under the Plan if the Director resides in one of the countries listed below. This Schedule B forms part of the Agreement. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement or the Plan.

Notifications

This Schedule B also includes information based on the securities, exchange control and other laws in effect in the Director's country as of April 2010. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Director not rely on the information noted herein as the only source of information relating to the consequences of the Director's participation in the Plan because the information may be out of date at the time the RSUs vest under the Plan.

In addition, the information is general in nature. The Company is not providing the Director with any tax advice with respect to the RSUs. The information is provided below may not apply to the Director's particular situation, and the Company is not in a position to assure the Director of any particular result. *Accordingly, the Director is strongly advised to seek appropriate professional advice as to how the tax or other laws in the Director's country apply to the Director's situation.*

If the Director is a citizen or resident of a country other than the one the Director is providing service in or transfers his or her service after the Grant Date the information contained in this Schedule B may not be applicable the Director.

IRELAND

There are no country-specific provisions.

UNITED KINGDOM

Terms and Conditions

Director Costs. This provision supplements Section 2.5 of the Agreement:

The Director understands and agrees that it is his obligation to satisfy the full amount of Tax-Related Items that the Grantee owes at vesting of the RSUs, or the release or assignment of the RSUs for consideration, or the receipt of any other benefit in connection with the RSUs (the "Taxable Event") within 90 days after the Taxable Event, or such other period specified in section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003. Notwithstanding the foregoing, where the Company is obliged to (or would suffer a disadvantage if it were not to) account for any income tax or National Insurance Contributions ("NICs") for which the Director is liable by virtue of the Director's participation in the Plan, the Director shall make full payment to the Company or any Subsidiary of an amount equal to the Tax-Related Items, or otherwise enter into arrangements acceptable to the Company or any Subsidiary to secure that such a payment by any method set forth in Section 2.5 of the Agreement within 90 days after the Taxable Event although the Director acknowledges that he ultimately will be responsible for reporting any income tax or NICs due on the RSU income directly to the HMRC under the self-assessment regime.

UNITED STATES OF AMERICA

Notifications

Exchange Control Information. If the Director hold assets (*i.e.*, RSUs, shares) or other financial assets in an account outside of the United States and the aggregate amount of said assets is US\$10,000 or more, the Director is required to submit a report of Foreign Bank and Financial Account ("FBAR") with the United States Internal Revenue Service by June 30 of the year following the year in which the assets in your account meet the US\$10,000 threshold.

CERTIFICATION PURSUANT TO RULE 13a-14(a)

I, Stephen Wood, certify that:

- 1. I have reviewed this quarterly report on Form 10-Q of Willis Group Holdings plc;
- 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2010

By: _____ /s/ STEPHEN WOOD
 Stephen Wood
 Interim Chief Financial Officer
 (Principal Financial and Accounting Officer)

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, of Willis Group Holdings plc (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen E. Wood, Interim Chief Financial Officer and Global Group Financial Controller of the Company, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, certify that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2010

By: _____ /s/ STEPHEN WOOD
Stephen Wood
Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to Willis Group Holdings plc and will be retained by Willis Group Holdings plc and furnished to the Securities and Exchange Commission or its staff upon request.