WILLIS CORROON LICENSING LIMITED
(Registered Number 3285932)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

Directors

Willis Corporate Director Services Limited
Willis Corporate Secretarial Services Limited
SK Bryant (appointed 22 September 2008)

Secretary

Willis Corporate Secretarial Services Limited

Registered Office

51 Lime Street
London EC3M 7DQ

Auditors

Deloitte LLP
London

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2008.

Principal activities and review of developments

The principal activity of the Company is the collection of royalty payments from wholly owned subsidiary undertakings within the Willis Group to whom the use of certain trademarks have been sub-licensed. The Company is a subsidiary of Willis Group Holdings Limited ('the Group'), which is one of the world's leading professional service providers of risk management solutions, risk transfer expertise through insurance and reinsurance broking, and related specialised consultancy services.

There have been no significant changes in the Company's principal activities in 2008. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

The profit on ordinary activities after taxation amounted to £2 million (2007: £1 million). As shown in the profit and loss account on page 6, the Company reported an operating profit of £3 million (2007: operating profit £2 million). This increase in profit is a result of the percentage charged for royalty fees increasing from 3% to 5% of relevant turnover with effect from 1 January 2008. The Company engaged the independent accounting firm of Ernst & Young to perform a study of the royalty rates being utilized by companies comparable to the Group. This study concluded that an increase of the royalty fee percentage from 3% to 5% was reasonable in light of the Group's current use of the trademark.

No interim dividend was paid during the year (2007: £nil). The Directors do not recommend the payment of a final dividend (2007: £nil).

The balance sheet on page 7 of the financial statements shows the Company's financial position at the year end. The company's net assets have increased by £2 million as the result of the increase in royalty fees.

The Group manages its operations on a divisional basis. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Global division of the Group, which includes the Company, is discussed in the Group's financial statements which do not form part of this report.

Principal risks and uncertainties

Group risks, including those relating to this Company, are discussed in the Group's financial statements which do not form part of this report.

Environment

The Group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Group's activities.

Employees

The Company employed no staff during the year (2007: none).

Directors

The current Directors of the Company are shown on page 1, which forms part of this report. SK Bryant was appointed as a Director of the Company with effect from 22 September 2008. There were no other changes in Directors during the year or after the year end.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

Statement of Directors' responsibilities in relation to the financial statements

The Directors are responsible for preparing their annual report and the financial statements in accordance with applicable law and regulations for each financial year. The Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each current Director of the Company confirms that:

- so far as he is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the Company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985

Auditors

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte LLP shall be deemed to be re-appointed as auditors for a further term.

By order of the Board

SK Bryant,
Authorised Signatory of
Willis Corporate Secretarial Services Limited
14th September 2009

51 Lime Street
London EC3M 7DQ

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLIS CORROON LICENSING LIMITED

We have audited the financial statements of Willis Corroon Licensing Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Movement in Shareholders' Funds and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements therein.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLIS CORROON LICENSING LIMITED (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
London
United Kingdom
16 September 2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	2008 £m	2007 £m
Turnover	2	57	31
Operating expenses		(54)	(29)
Operating profit and profit on ordinary activities before taxation	3	**3**	2
Tax charge on profit on ordinary activities	6	**(1)**	(1)
Profit on ordinary activities after taxation		**2**	1

All activities derive from continuing operations.

RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2008

There are no recognised gains or losses in either 2008 or 2007 other than the profit for those years.

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	2008 £m	2007 £m
Current assets			
Debtors: amounts falling due within one year	7	15	10
Current liabilities			
Creditors: amounts falling due within one year	8	(8)	(5)
Net assets		7	5
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	10	7	5
Shareholders' funds		7	5

The financial statements were approved by the Board of Directors and authorised for issue on 14th September 2009 and signed on its behalf by:

SK Bryant,
Director

MOVEMENT IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDING 31 DECEMBER 2008

Movement in shareholders' funds	2008 £m	2007 £m
Profit on ordinary activities after taxation	**2**	1
Net movement in shareholders' funds for the year	**2**	1
Shareholders' funds at beginning of year	**5**	4
Shareholders' funds at end of year	**7**	5

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. Accounting policies

Basis of preparation

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

The financial statements have been prepared:

- under the historical cost convention; and
- in accordance with applicable law and accounting standards in the United Kingdom.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Parent undertaking and controlling party

The Company's:

- immediate parent company and controlling undertaking is Willis Faber Limited; and
- ultimate parent and controlling company is Willis Group Holdings Limited, a company incorporated in Bermuda.

The largest and smallest group in which the results of the Company are consolidated is Willis Group Holdings Limited, whose financial statements are available to members of the public from the Company Secretary, 51 Lime Street, London EC3M 7DQ.

Revenue recognition

Revenue includes royalties received from subsidiary companies and is recognised as earned.

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Cash flow statement

Under FRS1 'Cash flow statements' the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a consolidated cash flow statement is prepared at Group level.

2. Turnover

The table below analyses the Company's fees by the accounting address of the client from whom the business is derived. This does not necessarily reflect the original source or location of the business. Fees are attributable to continuing operations.

Fees	2008 £m	2007 £m
United Kingdom	**26**	14
North America	**23**	14
Rest of the World	**8**	3
	57	31

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

3. Operating profit

Auditors' remuneration of £2,700 (2007: £2,700) was borne by another Group company.

4. Employee costs

The Company employed no staff during the year (2007: none).

5. Directors' remuneration

The Directors of the Company received no remuneration for services rendered to the Company during the year (2007: £nil).

6. Tax charge on profit on ordinary activities	2008 £m	2007 £m
(a) Analysis of charge for the year		
Current tax:		
UK corporation tax on profit at 28.5% (2007: 30%)	1	1
Current tax charge on profit on ordinary activities (note 6(b))	1	1

(b) Factors affecting tax (credit)/charge for the year

The tax assessed for the year is equal (2007: equal) to the standard rate of corporation tax in the UK (28.5%) (2007: 30%).

(c) Circumstances affecting current and future tax charges.

Following the Finance Act 2007, the UK corporation tax rate changed from 30% to 28% on 1 April 2008.

7. Debtors	2008 £m	2007 £m
Amounts falling due within one year:		
Amounts owed by Group undertakings	15	10

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

8. Creditors: amounts falling due within one year	2008 £m	2007 £m
Amounts owed to Group undertaking	7	4
Corporation tax	1	1
	8	5

9. Called up share capital	2008 Number (thousand)	2007 Number (thousand)
Authorised share capital		
Ordinary shares of £1 each	1	1
	2008 £m	**2007 £m**
Allotted, called up and fully paid		
2 (2007: 2) ordinary shares of £1 each	-	-

10. Reserves and shareholders' capital	Profit and loss account £m
1 January 2008	5
Profit on ordinary activities after taxation	2
31 December 2008	7

11. Related party transactions

FRS8 (paragraph 3(c)) exempts the reporting of transactions between Group companies in the financial statements of companies 90% or more of whose voting rights are controlled within the Group. The Company has taken advantage of this exemption. There are no other transactions requiring disclosure.