TRINITY ACQUISITION PLC
(Registered Number 3588435)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Directors

SE Wood
SP Hearn (appointed 1 January 2012)
OHW Goodinge (appointed 22 March 2012)

Secretary

AC Peel (appointed 3 September 2012)

Registered Office

51 Lime Street
London EC3M 7DQ

Auditor

Deloitte LLP
London

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2012

Principal activities and review of developments

The Company acts as a holding company and is a subsidiary of Willis Group Holdings plc ('the Group') The Group 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 2012 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

On 30 March 2012 the Company became a guarantor, with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself, of a schedule of contributions agreed with the UK pension scheme Trustee Further details are shown in note 17 to the financial statements on page 16

Results

The profit on ordinary activities after taxation amounted to $698 million (2011 loss of $59 million) as shown in the profit and loss account on page 6 The increase in profit of $757 million is attributable to

- $616 million increase in dividend income from subsidiary undertakings,
- $158 million early redemption fees in 2011 as a result of the redemption of the Goldman senior notes not recurring in 2012,
- $13 million of debt costs written off in 2011 in respect of the redemption of the Goldman senior notes not recurring in 2012,
- $14 million increase in interest receivable from Group undertakings,
- $2 million decrease in interest payable to Group undertakings, and
- $7 million decrease in interest payable on other loans,

partly offset by

- $50 million increase in tax charge, and
- $3 million adverse foreign exchange movement

Dividends received in 2012 were part of a series of transactions whereby a number of Group undertakings paid dividends and repaid intercompany loans

Going concern

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 financial statements Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements on page 9

Dividends

Interim dividends of $165 million, $347 million and $557 million were paid on 15 March 2012, 11 July 2012 and 30 September 2012 respectively (2011 $nil) The Directors do not recommend the payment of a final dividend (2011 $nil)

Balance sheet

The balance sheet on page 7 of the financial statements shows the Company's financial position at the year end Net assets have decreased by $371 million as a result of

- $366 million increase in net intercompany creditors, and
- $15 million increase in the group relief creditor,

partly offset by

- $11 million decrease on the amount outstanding on other loans

Principal activities and review of developments (continued)

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 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

The Company has intercompany balances with fellow Group undertakings in currencies other than US dollars, its functional currency, and is therefore exposed to movements in exchange rates The Group's treasury function takes out contracts to manage this risk at a Group level

The Company is potentially exposed to credit risk from its investments in its subsidiary undertakings An impairment allowance would be made if there were to be an identified loss event which would evidence a potential reduction in the recoverability of the cash flows No such event has been identified

This Company is also exposed to additional risks by virtue of being part of the wider Group, including those relating to the current Eurozone situation These risks have been 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 and its impact on the environment on a location by location basis, 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 (2011 none)

Directors

The current Directors of the Company are shown on page 1, which forms part of this report SP Hearn and OHW Goodinge were appointed as Directors on 1 January 2012 and 22 March 2012 respectively There were no other changes in Directors during the year or after the year end

Statement of Directors' responsibilities in relation to the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year Under that law 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) Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

Statement of Directors' responsibilities in relation to the financial statements (continued)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 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 the auditor

Each of the persons who is a Director at the date of approval of this report confirms that

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term At the Annual General Meeting at which this report and these financial statements will be presented, Shareholders will be requested to approve their reappointment until the conclusion of the following Annual General Meeting

By Order of the Board

SE Wood
Director
51 Lime Street
London EC3M 7DQ

25 June 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY ACQUISITION PLC

We have audited the financial statements of Trinity Acquisition plc for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 18 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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 auditor's 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 auditor
As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have ~~not~~ received all the information and explanations we require for our audit

David Rush (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom
25 June 2013

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 $m	2011 $m
Turnover	2	663	47
Operating income – foreign exchange gain		1	4
Operating profit	3	664	51
Finance income, net	6	45	22
Expenses on redemption of other loans	7	-	(171)
Profit/(loss) on ordinary activities before taxation		709	(98)
Tax (charge)/credit on profit/(loss) on ordinary activities	8	(11)	39
Profit/(loss) on ordinary activities after taxation		698	(59)

All activities derive from continuing operations

There are no recognised gains or losses in either 2012 or 2011 other than the profit and loss for those years

BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 $m	2011 $m
Fixed assets			
Investments	10	**5,975**	5,975
Current assets			
Debtors			
Amounts falling due within one year	12	**826**	308
Amounts falling due after one year	12	**3**	486
		829	794
Current liabilities			
Creditors amounts falling due within one year	13	**(676)**	(255)
Net current assets		**153**	539
Total assets less current liabilities		**6,128**	6,514
Creditors amounts falling due after more than one year	14	**(697)**	(712)
Net assets		**5,431**	5,802
Capital and reserves			
Called up share capital	15	**44**	44
Share premium	16	**2,624**	2,624
Profit and loss account	16	**2,763**	3,134
Shareholders' funds		**5,431**	5,802

The financial statements of Trinity Acquisition plc, registered company number 3588435, were approved by the Board of Directors and authorised for issue on 25 June 2013 and signed on its behalf by

SE Wood
Director

MOVEMENTS IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 DECEMBER 2012

Movements in shareholders' funds	Notes	2012 $m	2011 $m
Profit/(loss) on ordinary activities after taxation		**698**	(59)
Dividends paid	9	**(1,069)**	-
New ordinary shares issued	15	**-**	784
Net movement in shareholders' funds for the year		**(371)**	725
Shareholders' funds at beginning of year		**5,802**	5,077
Shareholders' funds at end of year		**5,431**	5,802

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. Accountıng polıcıes

Basıs of preparation

The prıncıpal accountıng polıcıes are summarısed below They have all been applıed consıstently throughout the year and the precedıng year

The financıal statements have been prepared

- under the hıstorıcal cost conventıon, and
- ın accordance wıth applıcable law and accountıng standards ın the Unıted Kıngdom

After makıng enquırıes, the Dırectors have a reasonable expectatıon that the Company has adequate resources to contınue ın operatıonal exıstence for the foreseeable future The expectatıon ıs based on the followıng reasons

- the Company ıs an ıntermedıate holdıng company wıthın the Wıllıs Group and ındırectly owns substantıally all of the tradıng companıes ın the Wıllıs Group,
- the Company has net current assets of $153 mıllıon (2011 $539 mıllıon), and
- the Dırectors belıeve the Wıllıs Group ıs a goıng concern

For these reasons, the Dırectors contınue to adopt the goıng concern basıs ın preparıng the accounts

Parent undertakıng and controllıng party

The Company's

- ımmedıate parent company and controllıng undertakıng ıs TA I Lımıted, and
- ultımate parent company ıs Wıllıs Group Holdıngs plc, a company ıncorporated ın Ireland

In accordance wıth Sectıon 400 of the Companıes Act 2006, the Company ıs exempt from the requırement to produce group financıal statements

The largest and smallest group ın whıch the results of the Company are consolıdated ıs Wıllıs Group Holdıngs plc, whose financıal statements are avaılable to members of the publıc from the Company Secretary, 51 Lıme Street, London EC3M 7DQ

Revenue recognıtıon

Fınal dıvıdend ıncome from subsıdıary undertakıngs ıs recognısed when the subsıdıary undertakıng has a legally bındıng oblıgatıon to make the dıstrıbutıon Interım dıvıdend ıncome from subsıdıary undertakıngs ıs accounted for on a receıvable basıs

Finance ıncome

Interest receıvable and ınterest payable are accounted for on an accruals basıs

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

1. Accounting policies (continued)

Foreign currency translation

These financial statements are presented in US dollars which is the currency of the primary economic environment in which the Company operates (the 'functional currency')

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account

Fixed asset investments

Investments in subsidiaries are carried at cost less provision for impairment

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 the Company is a 90 per cent or more owned subsidiary undertaking and the consolidated cash flow statement that is prepared at Group level is publicly available

2 Turnover

Turnover comprises income from shares in a subsidiary undertaking The table below analyses turnover by the accounting address of the subsidiary from whom it is derived

Income from shares in a subsidiary undertaking	2012 $m	2011 $m
United Kingdom	**663**	47

3 Operating profit

Auditor's remuneration of £2,700 ($4,280) (2011 £2,700 ($4,330)) was borne by another Group company

4. Employee costs

The Company employed no staff during the year (2011 none)

5. Directors' remuneration

The Directors of the Company received no remuneration for services rendered to the Company during the year (2011 $nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

6. Finance income, net	2012 $m	2011 $m
Interest and investment income		
Interest receivable from Group undertakings	79	65
Interest payable and similar charges		
Interest payable to Group undertakings	(27)	(29)
Other loans	(7)	(14)
	(34)	(43)
Finance income, net	45	22

7 Expenses on redemption of other loans	2012 $m	2011 $m
Fees on early redemption of Goldman senior notes	-	(158)
Write off of unamortised debt issuance costs	-	(13)
	-	(171)

On 17 March 2011 the Company entered into an agreement with Goldman to redeem $465 million principal amount of its $500 million 12 875% senior notes due 2016, which required a contractual early redemption fee of $146 million

On 18 April 2011 the Company redeemed the remaining $35 million, which required a contractual early redemption fee of $12 million

Following the redemption of the notes the Company wrote off $13 million of unamortised debt issuance costs

8. Tax on profit/(loss) on ordinary activities	2012 $m	2011 $m
(a) Analysis of charge/(credit) for the year		
Current tax:		
UK corporation tax on profit/(loss) at 24 5% (2011 26 5%)	11	(4)
Adjustments in respect of prior periods	-	(35)
Total current tax (note 8(b))	11	(39)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

8. Tax on profit/(loss) on ordinary activities (continued)	2012 $m	2011 $m

(b) Factors affecting current tax for the year

The tax assessed for the year is lower (2011 lower) than the standard rate of corporation tax in the UK (24 5%) (2011 26 5%) The differences are explained below

	2012 $m	2011 $m
Profit/(loss) on ordinary activities before taxation	709	(98)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24 5% (2011 26 5%)	173	(26)
Effects of		
Loss carried back to prior periods	-	34
Intra-group dividends which are non-taxable	(162)	(12)
Adjustments to tax charge in respect of prior years	-	(35)
Total current tax charge/(credit) for the year (note 8(a))	11	(39)

(c) Circumstances affecting current and future tax charges

The Government announced on 23 March 2011 that it intended to reduce the rate of UK corporation tax from 28% to 23% over four years Consequently the Finance Act 2011, which was substantively enacted on 5 July 2011, included provisions to reduce the rate of UK corporation tax to 26% with effect from 1 April 2011 and to 25% with effect from 1 April 2012

On 21 March 2012, the Government proposed further legislation to reduce the rate of UK corporation tax to 22% by 2014 Consequently, the Finance Act 2012 which was substantively enacted on 3 July 2012, included provisions to reduce the rate of UK corporation tax to 24% with effect from 1 April 2012 and 23% from 1 April 2013 The rate reduction to 23% had been substantively enacted prior to 31 December 2012 and therefore has been reflected in the financial statements

The Government has subsequently proposed that from 1 April 2014 the rate will be 21% rather than the previously announced 22% and that the rate will be further reduced to 20% from 1 April 2015 These changes to the main tax rate have not been substantively enacted at the Balance Sheet date, and, therefore, are not included in these financial statements

9. Dividends paid	2012 $m	2011 $m
First interim paid 15 March 2012 (2011 $nil)	165	-
Second interim paid 11 July 2012 (2011 $nil)	347	-
Third interim paid 30 September 2012 (2011 $nil)	557	-
	1,069	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

10. Investments held as fixed assets

	Subsidiary undertakings $m
Cost and net book value 1 January and 31 December 2012	5,975

In the opinion of the Directors, the value of the shares in the subsidiary undertakings is not less than the amount shown in the balance sheet

11. Shares in subsidiary undertakings

The principal subsidiary undertakings at 31 December 2012 were

	Percentage of share capital held	Class of share	Country of incorporation
Insurance Broking			
Willis Limited	100%	Ordinary of £1 each	United Kingdom
Holding Company			
Willis Group Limited*	100%	Ordinary of 12 5p each Ordinary of $1 each	United Kingdom
Willis North America Inc	100%	Common	USA
Willis International Limited	100%	Ordinary of £1 each	United Kingdom
Willis Faber Limited	100%	Ordinary of £1 each	United Kingdom
Willis Europe BV	100%	Ordinary of €454 each	Netherlands
Management Services Company			
Willis Group Services Limited	100%	Ordinary of £1 each	United Kingdom

* Owned directly by Trinity Acquisition plc, all other undertakings are indirectly held All undertakings operate principally in the country of their incorporation

The Company is exempt from the obligation to prepare group financial statements in accordance with Section 400 of the Companies Act 2006 as the Company is a wholly-owned subsidiary of Willis Group Holdings plc, in whose financial statements it is consolidated These financial statements relate to the Company only and not to its Group

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

12. Debtors	2012 $m	2011 $m
Amounts falling due within one year.		
Amounts owed by Group undertakings	**825**	303
Amounts owed by Group undertakings in respect of UK corporation tax group relief	**-**	4
Other debtors	**1**	1
	826	308
Amounts falling due after more than one year·		
Amounts owed by Group undertakings	**-**	482
Other debtors	**3**	4
	3	486
	829	794

Amounts falling due within one year

Included in amounts falling due within one year by Group undertakings are 3 loans as follows

Promissory note 1 An interest bearing loan of $300 million due from Willis North America Inc was granted on 16 December 2011 and was repayable on demand by the Company Interest was payable on the unpaid principal amount at a rate per annum as agreed upon by the Company and Willis North America Inc This loan was refinanced with effect from 1 September 2012 with a promissory note of $300 million repayable on demand with interest payable on the unpaid principle at a rate of 7 24% per annum

Promissory note 2 An interest bearing loan of $241 million due from Willis North America Inc was granted on 1 September 2012 The loan is repayable on demand with interest payable on the unpaid principle at a rate of 7 24% per annum

Promissory note 3 An interest bearing loan of $241 million due from Willis North America Inc was granted on 1 September 2012 The loan is repayable on demand with interest payable on the unpaid principle at a rate of 7 38% per annum

Promissory notes 2 and 3 were used to refinance a long term loan, details of which are below

Amounts falling due after more than one year

The amount due after more than one year by Group undertakings as at 31 December 2011 represented an interest bearing loan of $482 million due from Willis North America Inc The loan was granted on 6 March 2009 and was repayable on 1 December 2016 Interest was payable on the principal amount on 15 March, 15 June, 15 September and 15 December of each year to the date of repayment at a rate of 13 275% per annum This loan was refinanced on 1 September 2012 by promissory notes 2 and 3 as detailed above

13. Creditors: amounts falling due within one year	2012 $m	2011 $m
Amounts owed to Group undertakings	650	244
Amounts owed to Group undertakings in respect of UK corporation tax group relief	11	-
Other loan	15	11
	676	255

During the year the Company borrowed $557 million from Willis Group Limited, its subsidiary undertaking

The $15 million other loan represents the amount falling due within one year of a term loan of $300 million ('Barclays Loan') provided by a syndicate of 14 banks led by Barclays Capital and SunTrust Robinson Humphrey The loan was executed on 16 December 2011 The $15 million is repayable in consecutive instalments in 2013 of $3 75 million on 31 March, 30 June, 30 September and 31 December Interest is set at each quarter based on LIBOR plus a margin and is payable quarterly

14. Creditors: amounts falling due after more than one year	2012 $m	2011 $m
Amounts owed to Group undertakings	423	423
Other loan	274	289
	697	712

The 2012 amount owed to Group undertakings falling due after more than one year represents a loan of $423 million ('Eurobond') from Willis Netherlands Holdings BV on which interest is payable at a fixed rate of 6 12% per annum The Eurobond is repayable on 1 July 2015 and is registered on the Channel Island Stock Exchange

The $274 million other loan represents the amount falling due after more than one year of the Barclays Loan and is repayable in consecutive instalments of $3 75 million on each 31 March, 30 June, 30 September and 31 December between 31 March 2014 and 30 September 2015, and then in consecutive instalments of $5 625 million on 31 December 2015 and 31 March 2016, 30 June 2016 and 30 September 2016 All remaining amounts are due on 16 December 2016 Interest is set at each quarter based on LIBOR plus a margin and is payable quarterly

15. Called up share capital	2012 $m	2011 $m
Allotted, called up and fully paid		
207,858,858 (2011 207,858,858) ordinary shares of 10 pence each	34	34
10,010,000 (2011 10,010,000) ordinary shares of $1 each	10	10
	44	44

On 17 March 2011 the Company revoked the provision of its memorandum of association concerning the share capital of the Company

On the same day the Company issued 10,000 ordinary shares of $1 each to its immediate parent company, TA I Limited, for total consideration of $783,886,000 The shares were issued at a premium of $783,876,000

16. Reserves and shareholders' funds	Share capital $m	Share premium $m	Profit and loss account $m	Total $m
1 January 2012	44	2,624	3,134	5,802
Profit on ordinary activities after taxation	-	-	698	698
Dividends paid	-	-	(1,069)	(1,069)
31 December 2012	44	2,624	2,763	5,431

17. Contingent liabilities

The Company guarantees, on a joint and several basis with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself, the following debt securities issued by Willis North America Inc , also a fellow subsidiary undertaking of Willis Group Holdings plc

$350 million 5 625% senior notes due 2015
$600 million 6 200% senior notes due 2017
$300 million 7 000% senior notes due 2019

On 17 March 2011 the Company became a guarantor with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself of $300 million 4 125% senior notes due 15 March 2016 and $500 million 5 75% senior notes due 15 March 2021 issued by Willis Group Holdings plc

The Company is also a guarantor of 260 cumulative redeemable preference shares with an aggregate subscription price of R26 million ($3 5 million) in the preference share capital of Clorpique 149 (Proprietary) Limited, a company registered in the Republic of South Africa The shares are redeemable on 1 December 2014 The Company is not a guarantor for the initial dividend

17. Contingent liabilities (continued)

On 30 March 2012 the Company became a guarantor, with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself, of a schedule of contributions agreed with the UK pension scheme Trustee This schedule sets out contributions payable by Willis Group Holdings plc for the six year period from 1 January 2012 to 31 December 2017 as follows

1 on-going contributions at 15 9% of active plan members' pensionable salary – approximately £15 million per annum (paid monthly),

2 deficit funding contributions of £36 million per annum (paid monthly),

3 profit share contribution equal to 20% of EBITDA in excess of $900 million per annum (payable within three months of the end of each year unless otherwise agreed with the Trustee), and

4 additional deficit funding contributions of 10% of any exceptional returns to shareholders, including share buybacks (payable within two months of the end of each year in which the returns are made)

The aggregate contributions under 2 and 3, above, are capped at £312 million over the six years 2012 through 2017 All contributions set out above are payable in pounds sterling using the spot rate at the date of payment

During 2012 Willis Group Holdings plc met its obligations under the schedule of contributions to the Trustee Consequently no liability arose to the Company in respect of 2012

18. Related party transactions

FRS8 (paragraph 3(c)) exempts the reporting of transactions between group companies in the financial statements of companies that are wholly owned within the group The Company has taken advantage of this exemption There are no other transactions requiring disclosure