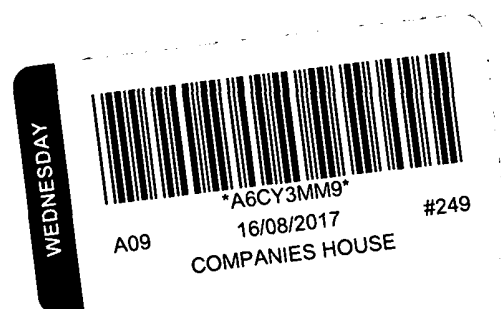


MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2016



MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

STRATEGIC REPORT

The directors present their Strategic Report for Marsh & McLennan Companies Acquisition Funding Limited ('the Company') for the year ended 31 December 2016. The Company's registration number is 09409135.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company acts as an intermediate holding company of a group of companies engaged primarily in insurance broking, reinsurance broking and employee benefits.

The Company's key financial and other performance indicators during the year were as follow:

	2016 \$'000	2015 \$'000
Interest payable and similar charges	(2,051)	(113)
Loss after tax	(2,051)	(113)
Shareholders' funds	308,438	39,889

The Company took out a loan on 10 December 2015 with another group Company. There was only 22 days interest in 2015 but a whole year of interest in 2016.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are those listed below:

Impairment risk

The Company's principal assets are shares in subsidiary undertakings. There is a risk of loss if the valuations of these subsidiary undertakings were to be impaired for any reason. Factors that may indicate the need for such impairment include changes in financial performance, the loss of business or the loss of key staff.

Availability of IT systems

The Company has a number of Information Technology (IT) systems in order to carry on its day-to-day business. There is a risk that any of these systems as part of the overall IT infrastructure could fail, individually or collectively, with an adverse effect on the Company's operations. The Company is part of the group's global IT structure and there are business continuity plans in place.

Competitive risks

The nature of the current market combined with some very aggressive strategies from competitors puts significant pressure on the Company's operating investments to retain existing business. These businesses mitigate risk by continuing to enhance their value proposition to clients.

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main areas where the Company is exposed to credit risk are amounts due from other group companies and cash.

The Company mitigates its credit risk for cash by only depositing money in institutions with a sufficiently high credit rating. The credit rating required is that demanded by our ultimate parent company. In addition, the Company has investment guidelines that restrict the amount of the investment portfolio that can be placed with a single institution.

The Company mitigates its credit risk in respect of inter-company items by monitoring the debts created and ability to pay.

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

STRATEGIC REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Currency risk

The Company is exposed to currency risk in respect of investment income (which includes dividends received) as well as assets and liabilities denominated in currencies other than US dollar. The most significant currency to which the Company is exposed is the Great British Pound. The Company seeks to mitigate the risk as far as possible by matching the estimated foreign currency denominated liabilities with assets denominated in the same currency.

Interest rate risk

The interest rate risk of the Company is managed by treasury staff, in line with guidelines issued by its ultimate parent company.

In managing interest rate and currency risks the Company aims to reduce the impact of short-term fluctuations on the Company's earnings. Over the longer term, however, permanent changes in interest rates would have an impact on earnings.

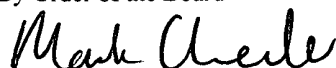
Liquidity/cash flow risk

Liquidity and cash flow risk is the risk that cash may not be available to pay obligations when due. The Company has group support to enable it to meet its cash requirements. The Company engages with central treasury and finance functions working for the Marsh & McLennan Companies, Inc. Group to monitor and control its cash flows and working capital requirements.

Outsourcing risk

The Company outsources a number of its services to third party organisations. The ability of the Company to perform efficiently is directly impacted by the services of the third party providers. Outsourcing contracts and providers are respectively reviewed against performance expectations and key performance indicators.

By Order of the Board



Director

8 August 2017

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

DIRECTORS' REPORT

The directors present their annual report and audited financial statements of Marsh & McLennan Companies Acquisition Funding Limited (the Company) for the year ended 31 December 2016.

DIRECTORS

The directors who served throughout the year under review are as follows:

M C Chessher
P F Clayden

RESULTS AND DIVIDENDS

The loss for the year is \$2,051,000 (27 January 2015 to 31 December 2015: loss of \$113,000).

No interim dividend was paid (2015: \$nil). The directors do not recommend the payment of a final dividend (2015: \$nil).

FUTURE DEVELOPMENTS

The activities of the Company as an intermediate holding company are expected to continue for the foreseeable future.

GOING CONCERN

The directors acknowledge the latest guidance on going concern. The Company continues to monitor the uncertainty in the current economic and business environment. The Company also has a letter of support from its ultimate parent company to provide adequate liquid resources to settle its obligations for the next twelve months. Accordingly, the directors have considered the above and continue to adopt the going concern basis in preparing the annual report and financial statements.

INDEMNITY

The Company has put in place an indemnity clause in its Articles of Association to indemnify directors and officers of the Company against losses or liabilities sustained in the execution of their duties of office. The indemnity is a qualifying third party indemnity provision under s232 and s234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

In the case of each of the persons who are directors of the Company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- each of the directors 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s 418 of the Companies Act 2006.

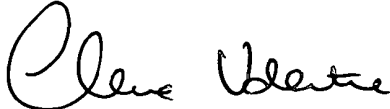
MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

DIRECTORS' REPORT (continued)

AUDITOR

~~Deloitte LLP have been appointed as auditor of the Company.~~

Approved by the Board of Directors and signed on its behalf by:



Company Secretary

8 August 2017

Marsh & McLennan Companies Acquisition Funding Limited
1 Tower Place West
Tower Place
London
EC3R 5BU

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgements and accounting estimates that are reasonable and prudent; 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

We have audited the financial statements of Marsh & McLennan Companies Acquisition Funding Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 13. 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) including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

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 Statement of Directors' Responsibilities, 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 (United Kingdom 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 and of its loss 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED (continued)

Opinion on other matter prescribed by the Companies Act 2006

~~In our opinion, based on the work undertaken in the course of the audit:~~

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

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.



Colin Rawlings, FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

14 Aug

2017

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2016

	Notes	2016	27 January to 31 December 2015
		\$'000	\$'000
Interest payable and similar charges	3	<u>(2,051)</u>	<u>(113)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,051)	(113)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		<u>(2,051)</u>	<u>(113)</u>

All transactions derive from continuing operations.

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2016

	Notes	Called up share capital \$'000	Share premium \$'000	Profit & loss account \$'000	Total \$'000
AT 1 JANUARY 2016		3	39,999	(113)	39,889
Issue of shares		11	-	-	11
Premium on issue of shares		-	270,589	-	270,589
Loss for the year	9	-	-	(2,051)	(2,051)
AT 31 DECEMBER 2016		14	310,588	(2,164)	308,438

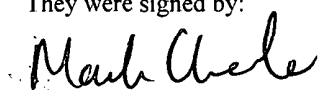
MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

STATEMENT OF FINANCIAL POSITION At 31 December 2016

	Notes	2016 \$'000	2015 \$'000
FIXED ASSETS			
Investments	5	523,502	105,002
CURRENT ASSETS			
Debtors: Amounts falling due within one year	6	2	2
Cash at bank and in hand		77	-
		79	2
TOTAL ASSETS		523,581	105,004
CREDITORS: Amounts falling due after more than one year	7	(215,143)	(65,115)
NET ASSETS		308,438	39,889
CAPITAL AND RESERVES			
Called up share capital	8	14	3
Share premium	9	310,588	39,999
Profit & loss account	9	(2,164)	(113)
SHAREHOLDER'S FUNDS		308,438	39,889

The financial statements of Marsh & McLennan Companies Acquisition Funding Limited (registered number 09409135) were approved by the Board of Directors and authorised for issue on 8 August 2017.

They were signed by:



M C Chesser
Director

8 August, 2017

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1. SIGNIFICANT ACCOUNTING POLICIES

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

General information and basis of accounting

Marsh & McLennan Companies Acquisition Funding Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 4. Marsh & McLennan Companies Acquisition Funding Limited is a private company limited by shares. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1 to 2.

The financial statements have been prepared under the historical cost convention, modified where applicable to include certain items at fair value and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Marsh & McLennan Companies Acquisition Funding Limited is considered to be US Dollars because this is the currency of the primary economic environment in which the Company operates.

Marsh & McLennan Companies Acquisition Funding Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to cash flow statement, intra-group transactions and remuneration of key management personnel.

Shareholders have been notified in writing and do not object to the disclosure exemptions and the group consolidated financial statements of Marsh & McLennan Companies Inc. can be obtained from the address listed in note 13.

Going Concern

The directors acknowledge the latest guidance on going concern. The Company continues to monitor the uncertainty in the current economic and business environment. The Company also has a letter of support from its ultimate parent company to provide adequate liquid resources to settle its obligations for the next twelve months. Accordingly, the directors have considered the above and continue to adopt the going concern basis in preparing the annual report and financial statements.

Revenue

(i) Interest income

Interest income is recognised on an accruals basis.

(ii) Investment income

Dividends from subsidiary undertakings are accounted for when declared.

Interest payable

Interest payable is recognised on an accruals basis using the effective interest rate method.

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2016

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Current tax, including UK corporation tax and foreign 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 reporting date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the rates of exchange ruling at the balance sheet date. Foreign currency transactions are translated into US Dollars at the rates of exchange at the dates the transactions occurred. Non-monetary assets are translated into US Dollars at the rate prevailing at the date of the transaction and are not subsequently revalued and are held at the historical rate.

All gains and losses arising from foreign exchange transactions are recognised in the statement of comprehensive income.

Investments

Fixed asset investments are shown at cost less provisions for any impairment. Impairment and impairment reversals are measured by comparing the carrying value of the asset with its future discounted cash flow. Any impairments that have subsequently been reversed are capped to their historical acquisition cost.

Critical accounting judgements and key source of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following is the critical judgement that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment review of fixed assets investments

The Company has an annual process of reviewing its fixed asset investments for indicators of impairment. Areas of critical judgement include estimates of future discount rates, future earnings and consideration of whether there is a willing buyer in the market for these investments.

Impairment and impairment reversals are measured by comparing the carrying value of the asset with its future discounted cash flow. Any impairments that have subsequently been reversed are capped to their historical acquisition cost.

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

2. INFORMATION REGARDING DIRECTORS, EMPLOYEES AND AUDIT FEES

No remuneration was paid or is payable to the directors of Marsh & McLennan Companies Acquisition Funding Limited in respect of their services to the Company during the year or the previous year. The directors are remunerated for their services to other companies in the Marsh & McLennan Companies, Inc. Group and their remuneration is dealt with in the financial statements of those companies. The Company had no other employees during the current or prior years.

Where the Company's directors are in receipt of share-based payments and awards as part of their overall remuneration, these are disclosed in the financial statements of Marsh Services Limited, the group's principal employing company.

The audit fee and annual filing fees were borne by a fellow subsidiary undertaking during the year. The audit fee attributable to the Company is \$3,700 (2015: \$3,000). No other services were provided to the Company by the Company's auditor in the current year or prior period.

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	27 January to 31 December 2015
	\$'000	\$'000
Interest payable to group undertakings	2,051	113

4. TAX CHARGE ON LOSS ON ORDINARY ACTIVITIES

The tax charge (2015: charge) for the year of £nil (2015: £nil) is higher (2015: higher) than that resulting from applying the standard tax rate of corporation tax in the United Kingdom of 20.00% (2015: 20.25%).

	2016	27 January to 31 December 2015
	\$'000	\$'000
Loss on ordinary activities before tax	2,051	113
Expected tax credit for the period, calculated at standard rates of the	(410)	(23)
Effects of:		
Current period group relief for nil consideration	410	23
Current tax result for the period	-	-

The rate of corporation tax reduced from 21% to 20% from 1 April 2015, and will reduce from 20% to 19% from 1 April 2017 and from 19 % to 17 % from 1 April 2020.

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2016

5. FIXED ASSET INVESTMENTS

	Shares in Subsidiary Undertakings 2016 \$'000	Shares in subsidiary undertakings 2015 \$'000
Cost and net book value		
At 1 January	105,002	-
Additions	418,500	105,002
Transfer from other group undertakings	5,600	-
Transfer to other group undertakings	(5,600)	-
At 31 December	<u>523,502</u>	<u>105,002</u>

In December 2016, the Company acquired additional shares in Marsh & McLennan Companies Acquisition Limited for consideration of \$418.5 million in order that its subsidiary had sufficient funds to make acquisitions.

In December 2016, the Company acquired the entire share capital of Jinviata Limited from another group undertaking for consideration of \$5.6 million. The Company subsequently transferred the entire issued share capital of Jinviata Limited to another group company for consideration of \$5.6 million.

In the opinion of the directors the aggregate value of investments in the Company's subsidiaries are not less than the amount at which they are included in the balance sheet.

Details of subsidiary undertakings at 31 December 2016 are shown below:

	Principal Activity	Class of Share and % held and voting rights (directly* and/or indirectly)	Registered Office Address
A Wills & Co Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Alliance Insurance Holdings Limited	Holding Company	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
BBPS Limited	Regulated Company	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Beaumont Investments Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Beaumonts (Leeds) Limited	Insurance Broker	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Beaumonts Bradford Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Beaumonts Guiseley Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2016

5. FIXED ASSET INVESTMENTS (continued)

	Principal Activity	Class of Share and % held and voting rights (directly* and/or indirectly)	Registered Office Address
Beaumonts Insurance Brokers Limited	Insurance Broker	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Beaumonts Insurance Group Limited	Holding Company	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Bluefin Insurance Group Limited	Holding Company	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Bluefin Insurance Services Limited	Regulated Company	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Bluefin Underwriting Limited	Dormant	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Clarke Roxburgh Insurance Brokers Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Cronin & Co. Corporate Insurance Brokers Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Exchange Insurance Services Limited	Regulated	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Ferguson Oliver Insurance Limited	Dormant	Ordinary 100%	Ground Floor North, Leven House, 10 Lochside Place, Edinburgh, EH12 9DF, United Kingdom
HAE Insurance Services Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Hamilton Bond (North) Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Hamilton Bond Group Limited	Holding Company	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Hamilton Bond Limited	Chartered Loss Adjuster	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Hamilton Bond Midlands Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2016

5. FIXED ASSET INVESTMENT (continued)

	Principal Activity	Class of Share and % held and voting rights (directly* and/or indirectly)	Registered Office Address
Health Insurance Brokers Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Howell Shone Insurance Brokers Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Jelf Commercial Finance Limited	Commercial Finance	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Jelf Financial Planning Limited	Financial Planning	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Jelf Group Plc	Holding Company	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Jelf Insurance Brokers Limited	Insurance Broker	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Jelf Risk Management Limited	Risk Management Consultants	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Jelf Wellbeing Limited	Healthcare and Employee Benefits	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Jinvicta Limited	Non-Trading	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
John Lampier & Son Ltd	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Laterlife.com Limited	Later life and Retirement Workshops	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Lemac No.7 Limited	Dormant	Ordinary 100%	Ground Floor North, Leven House, 10 Lochside Place, Edinburgh, EH12 9DF, United Kingdom
Libra Insurance Services Limited	Insurance Broker	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Lomond Macdonald Limited	Dormant	Ordinary 100%	Ground Floor North, Leven House, 10 Lochside Place, Edinburgh, EH12 9DF, United Kingdom

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2016

5. FIXED ASSET INVESTMENT (continued)

	Principal Activity	Class of Share and % held and voting rights (directly* and/or indirectly)	Registered Office Address
Manson Insurance Brokers Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
Marchant McKechnie Insurance Brokers Limited	Non Trading	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Marsh & McLennan Companies Acquisition Limited*	Holding Company	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Northern Alliance Brokers Limited	Regulated	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Obamadrama Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
OKD Insurance Brokers Limited	Non Trading	Ordinary 100%	Ground Floor North, Leven House, 10 Lochside Place, Edinburgh, EH12 9DF, United Kingdom
Osbornes Insurances Oxford Limited	Regulated	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
R G Ford Brokers (Essex) Limited	Dormant	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
R G Ford Brokers Limited	Dormant	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Regional Insurance Group Limited	Non Trading	Ordinary 100%	Ground Floor North, Leven House, 10 Lochside Place, Edinburgh, EH12 9DF, United Kingdom
Riverside Insurance Brokers Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
SBJ Holdings Limited	Holding Company	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
SBJ Stephenson Group Limited	Dormant	Ordinary 100%	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
The Insurance Partnership Commercial Finance Limited	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
The Insurance Partnership Holdings Limited	Holding Company	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2016

5. FIXED ASSET INVESTMENT (continued)

	Principal Activity	Class of Share and % held and voting rights (directly* and/or indirectly)	Registered Office Address
The Insurance Partnership Inspection Services Limitedd	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
The Insurance Partnership Services Limitedd	Dormant	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom
The Pruple Partnership Limitedd	Insurance Broker	Ordinary 100%	Hillside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX, United Kingdom

6. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 \$'000	2015 \$'000
Amounts owed by group undertakings	<u>2</u>	<u>2</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 \$'000	2015 \$'000
Amounts owed to group undertakings	<u>215,143</u>	<u>65,115</u>

8. CALLED UP SHARE CAPITAL

	2016 \$'000	2015 \$'000
Allotted, called up and fully paid 14,000 (2015: 3,000) ordinary shares of \$1 each	<u>14</u>	<u>3</u>

The share capital of the Company consists of fully paid ordinary shares with a par value of \$1 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

9. RESERVES

The share premium reserve represents the additional consideration received for the issue of shares during the year.

The profit and loss reserves represents cumulative profit and losses and other adjustments.

MARSH & McLENNAN COMPANIES ACQUISITION FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) **For the year ended 31 December 2016**

10. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS 102 Section 33 "Related Party Disclosures" not to disclose transactions between entities within the Marsh & McLennan Companies, Inc. Group (the "Group"), where no less than 100% of voting rights are controlled within the Group, whose consolidated financial statements are publicly available. There are no other transactions requiring disclosure.

11. CONTINGENT LIABILITY

The Company participates in a notional cash pooling arrangement with a bank. Each member of the pool guarantees against all losses incurred as a result of the failure of any other pool member. The maximum exposure to the Company is the total amount of its pooled funds at any point in time. As at 31 December 2016 the Company had a total amount of £0.1 million (2015: £nil) in the pool. All other members of the pooling arrangements are companies owned ultimately by Marsh & McLennan Companies, Inc.

12. GROUP FINANCIAL STATEMENTS

Group financial statements are not prepared in line with s401 of the Companies Act 2006 as the Company is itself a wholly-owned subsidiary and is included in the consolidated financial statements of Marsh & McLennan Companies, Inc., its ultimate parent company. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

13. IMMEDIATE AND ULTIMATE PARENT COMPANIES

The Company's immediate parent company is Marsh & McLennan Companies Finance Center (Luxembourg) S.a.r.l., registered in Luxembourg. The Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., incorporated in the state of Delaware, USA.

The smallest and largest group in which the results of Marsh & McLennan Companies Acquisition Funding Limited are consolidated is that headed by Marsh & McLennan Companies, Inc. The consolidated financial statements of Marsh & McLennan Companies, Inc. are available to the public and may be obtained from:

Companies House
Crown Way
Cardiff
CF14 3UZ

and also from:

The Company Secretary
MMC Treasury Holdings (UK) Limited
1 Tower Place West
Tower Place
London
EC3R 5BU