

Aon plc
Form 10-K
February 18, 2014

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

FORM 10-K
(Mark One)

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

For the fiscal year ended December 31, 2013

OR

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

Commission file number: 1-7933

Aon plc
(Exact name of registrant as specified in its charter)

ENGLAND AND WALES

(State or Other Jurisdiction of
Incorporation or Organization)

98-1030901

(I.R.S. Employer
Identification No.)

8 DEVONSHIRE SQUARE,
LONDON, ENGLAND

(Address of principal executive offices)

+44 20 7623 5500

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

Class A Ordinary Shares, \$0.01 nominal value

Securities registered pursuant to Section 12(g) of the Act: NONE

Name of Each Exchange
on Which Registered

New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
YES NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the
Exchange Act. YES NO

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 Web site, 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained
herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements
incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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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 June 30, 2013, the aggregate market value of the registrant's Class A Ordinary Shares held by non-affiliates of the registrant was \$19,785,131,502 based on the closing sales price as reported on the New York Stock Exchange — Composite Transaction Listing.

Number of Class A Ordinary Shares of Aon plc, \$0.01 nominal value, outstanding as of January 31, 2014:
301,100,416.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Aon plc's Proxy Statement for the 2014 Annual General Meeting of Shareholders to be held on June 24, 2014 are incorporated by reference in this Form 10-K in response to Part III, Items 10, 11, 12, 13 and 14.

PART I

Item 1. Business.

OVERVIEW

Aon plc's strategy is to be the preeminent professional service firm in the world, focused on the topics of risk and people. Aon plc (which may be referred to as "Aon," "the Company," "we," "us," or "our") is the leading global provider of risk management services, insurance and reinsurance brokerage, and human resource consulting and outsourcing, delivering distinctive client value via innovative and effective risk management and workforce productivity solutions. Our predecessor, Aon Corporation, was incorporated in 1979 under the laws of Delaware. On April 2, 2012, we completed the change of our jurisdiction of incorporation from Delaware to the U.K. and moved our corporate headquarters to London. Additionally, we completed a reorganization of our corporate structure pursuant to which Aon Corporation merged with one of its indirect, wholly-owned subsidiaries and Aon plc became the publicly-held parent company of Aon Corporation and the rest of the Aon group. We sometimes refer to this transaction herein as the Redomestication. Moving our global headquarters to the U.K. has enhanced our focus on growth, product and broking innovations at Aon Broking, talent development and financial flexibility. The transaction is expected to continue to support our strategy and to deliver significant value to our shareholders.

We have approximately 66,000 employees and conduct our operations through various subsidiaries in more than 120 countries and sovereignties.

We serve clients through the following reportable segments:

Risk Solutions acts as an advisor and insurance and reinsurance broker, helping clients manage their risks via consultation, as well as negotiation and placement of insurance risk with insurance carriers through our global distribution network.

HR Solutions partners with organizations to solve their most complex benefits, talent and related financial challenges. We are dedicated to improve business performance by designing, implementing, communicating and administering a wide range of human capital, retirement, investment consulting, health care, compensation and talent management strategies.

Our clients are globally diversified and include all segments of the economy (individuals through personal lines, mid-market companies and large global companies) and almost every industry in the economy in over 120 countries globally. This diversification of our customer base provides stability in different economic scenarios that may affect specific industries, customer segments or geographies.

Over the last five years we have continued to focus our portfolio on higher margin, capital light professional services businesses that have high recurring revenue streams and strong free cash flow generation. Aon drives its capital allocation decision making process around return on invested capital ("ROIC"). This focus on ROIC, measured on a cash-on-cash basis, led to a number of significant portfolio changes:

In April 2008, we completed the sale of our Combined Insurance Company of America ("CICA") and Sterling Insurance Company ("Sterling") subsidiaries, which represented the majority of the operations of our former Insurance Underwriting segment.

In August 2009, we completed the sale of our remaining property and casualty insurance underwriting operations that were in run-off.

In November 2008, we expanded our Risk Solutions product offerings through the acquisition of Benfield Group Limited ("Benfield"), a leading independent reinsurance intermediary. Benfield products have been integrated with our existing reinsurance products.

In October 2010, we completed the acquisition of Hewitt Associates, Inc. ("Hewitt"), one of the world's leading human resource consulting and outsourcing companies. Hewitt operates globally together with Aon's existing consulting and outsourcing operations under the Aon Hewitt brand in our HR Solutions segment.

Following the acquisitions of Benfield in 2008 and Hewitt in 2010, the Company has successfully repositioned the portfolio towards higher-margin, capital light professional services businesses such that, in 2013, 66% of our consolidated total revenues were in Risk Solutions and 34% of our consolidated total revenues were in HR Solutions, resulting in higher-margin recurring revenue streams and stronger free cash flow.

BUSINESS SEGMENTS

Risk Solutions

The Risk Solutions segment generated approximately 66% of our consolidated total revenues in 2013, and has approximately 31,000 employees worldwide. We provide risk and insurance, as well as reinsurance, brokerage and related services in this segment.

Principal Products and Services

We operate in this segment through two similar transactional product lines: retail brokerage and reinsurance brokerage. In addition, a key component of this business is our risk consulting services.

Retail brokerage encompasses our retail brokerage services, affinity products, managing general underwriting, placement, and captive management services. The Americas' operations provide products and services to clients in North, Central and South America, the Caribbean, and Bermuda. Our International operations in the United Kingdom; Europe, Middle East and Africa; and Asia Pacific offer similar products and services to clients throughout the rest of the world.

Our employees draw upon our global network of resources, industry-leading data and analytics, and specialized expertise to deliver value to clients ranging from small and mid-sized businesses to multi-national corporations. We work with clients to identify their business needs and help them assess and understand their total cost of risk. Once we have gained an understanding of our clients' risk management needs, we are able to leverage our global network and implement a customized risk approach with local Aon resources. The outcome is a comprehensive risk solution provided locally and personally. The Aon Client Promise® enables our colleagues around the globe to describe, benchmark and price the value we deliver to clients in a unified approach, based on the ten most important criteria that our clients believe are critical to managing their total cost of risk.

Knowledge and foresight, unparalleled benchmarking and carrier knowledge are the qualities at the heart of our professional services excellence. Delivering superior value to clients and differentiation from competitors will be driven through key Aon Broking initiatives, which uniquely positions us to provide our clients and insurers with additional market insight as well as new product offerings and facilities.

As a retail broker, we serve as an advisor to clients and facilitate a wide spectrum of risk management solutions for property liability, general liability, professional and directors' and officers' liability, workers' compensation, various healthcare products, as well as other exposures. Our business is comprised of several specialty areas structured around specific product and industry needs.

We deliver specialized advice and services in such industries as technology, financial services, agribusiness, aviation, construction, health care and energy, among others. Through our global affinity business, we provide products for professional liability, life, disability income and personal lines for individuals, associations and businesses around the world.

In addition, we are a major provider of risk consulting services, including captive management, that provide our clients with alternative vehicles for managing risks that would be cost-prohibitive or unavailable in traditional insurance markets.

Our health and benefits consulting practice advises clients about structuring, funding, and administering employee benefit programs, which attract, retain, and motivate employees. Benefits consulting and brokerage includes health and welfare, executive benefits, workforce strategies and productivity, absence management, data-driven health, compliance, employee commitment, and elective benefits services.

Reinsurance brokerage offers sophisticated advisory services in program design and claim recoveries that enhance the risk/return characteristics of insurance policy portfolios, improve capital utilization, and evaluate and mitigate catastrophic loss exposures worldwide. An insurance or reinsurance company may seek reinsurance or other risk-transfer solutions on all or a portion of the risks it insures. To accomplish this, our reinsurance brokerage services use dynamic financial analysis and capital market alternatives, such as transferring catastrophe risk through securitization. Reinsurance brokerage also offers capital management transaction and advisory services.

We act as a broker or intermediary for all classes of reinsurance. We place two main types of property and casualty reinsurance: treaty reinsurance, which involves the transfer of a portfolio of risks, and facultative reinsurance, which entails the transfer of part or all of the coverage provided by a single insurance policy. We also place specialty lines

such as professional liability, workers' compensation, accident, life and health.

We also provide actuarial, enterprise risk management, catastrophe management and rating agency advisory services. We have developed tools and models that help our clients understand the financial implications of natural and man-made

catastrophes around the world. Aon Benfield Securities provides global capital management transaction and advisory services for insurance and reinsurance clients. In this capacity, Aon Benfield Securities is recognized as a leader in: the structuring, underwriting and trading of insurance-linked securities;

the arrangement of financing for insurance and reinsurance companies, including Lloyd's syndicates; and

providing advice on strategic and capital alternatives, including mergers and acquisitions.

In addition, our Inpoint business is a leading provider of consulting services to the insurance and reinsurance industry, helping carriers improve their performance to achieve growth and profitability.

Compensation

Our Risk Solutions segment generates revenues through commissions, fees from clients, and compensation from insurance and reinsurance companies for services we provide to them. Commission rates and fees vary depending upon several factors, which may include the amount of premium, the type of insurance or reinsurance coverage provided, the particular services provided to a client, insurer or reinsurer, and the capacity in which we act. Payment terms are consistent with current industry practice.

We typically hold funds on behalf of clients as a result of premiums received from clients and claims due to clients that are in transit to and from insurers. These funds held on behalf of clients are generally invested in interest-bearing premium trust accounts and can fluctuate significantly depending on when we collect cash from our clients and when premiums are remitted to the insurance carriers. We earn interest on these accounts; however, the principal is segregated and not available for general operating purposes.

Competition

The Risk Solutions business is highly competitive and very fragmented, and we compete with two other global insurance brokers, Marsh & McLennan Companies, Inc. and Willis Group Holdings Ltd., as well as numerous specialists, regional and local firms in almost every area of our business. We also compete with insurance and reinsurance companies that market and service their insurance products without the assistance of brokers or agents; and with other businesses that do not fall into the categories above, including commercial and investment banks, accounting firms, and consultants that provide risk-related services and products.

Seasonality

The Risk Solutions segment typically experiences higher revenues in the first and fourth calendar quarters of each year, primarily due to the timing of policy renewals.

HR Solutions

The HR Solutions segment generated approximately 34% of our consolidated total revenues in 2013, and has approximately 30,000 employees worldwide with operations in the U.S., Canada, the U.K., Europe, South Africa, Latin America, and the Asia Pacific region.

Principal Products and Services

We provide products and services in this segment primarily under the Aon Hewitt brand, which was formed in connection with the acquisition of Hewitt.

The HR Solutions segment works to maximize the value of clients' human resources spending, increase employee productivity, and improve employee performance. Our approach addresses a trend towards more diverse workforces (demographics, nationalities, cultures and work/lifestyle preferences) that require more choices and flexibility among employers — so that they can provide benefit options suited to individual needs.

We work with our clients to identify options in human resource outsourcing and process improvements. The primary areas where companies choose to use outsourcing services include benefits administration, core human resource processes, workforce and talent management.

HR Solutions offers a broad range of human capital services in the following practice areas:

Retirement specializes in providing global actuarial services, defined contribution consulting, pension de-risking, tax and ERISA consulting, and pension administration.

Compensation focuses on compensation advisory/counsel including: compensation planning design, executive reward strategies, salary survey and benchmarking, market share studies and sales force effectiveness assessments, with special expertise in the financial services and technology industries.

Strategic Human Capital delivers advice to complex global organizations on talent, change and organizational effectiveness issues, including talent strategy and acquisition, executive on-boarding, performance management, leadership assessment and development, communication strategy, workforce training and change management.

Investment consulting advises public and private companies, other institutions and trustees on developing and maintaining investment programs across a broad range of plan types, including defined benefit plans, defined contribution plans, endowments and foundations.

Benefits Administration applies our HR expertise primarily through defined benefit (pension), defined contribution (401(k)), and health and welfare administrative services. Our model replaces the resource-intensive processes once required to administer benefit plans with more efficient, effective, and less costly solutions.

Exchanges is building and operating health care exchanges that provide employers with a cost effective alternative to traditional employee and retiree healthcare, while helping individuals select the insurance that best meets their needs. Human Resource Business Process Outsourcing ("HR BPO") provides market-leading solutions to manage employee data; administer benefits, payroll and other human resources processes; and record and manage talent, workforce and other core HR process transactions as well as other complementary services such as absence management, flexible spending, dependent audit and participant advocacy.

Compensation

HR Solutions revenues are principally derived from fees paid by clients for advice and services. In addition, insurance companies pay us commissions for placing individual and group insurance contracts, primarily life, health and accident coverage, and pay us fees for consulting and other services that we provide to them. Payment terms are consistent with current industry practice.

Competition

Our HR Solutions business faces strong competition from other worldwide and national consulting companies, including Marsh & McLennan Companies, Inc. and Towers Watson & Co. as well as regional and local firms. Competitors include independent consulting firms and consulting organizations affiliated with accounting, information systems, technology, and financial services firms, large financial institutions, and pure play outsourcers. Some of our competitors provide administrative or consulting services as an adjunct to other primary services. We believe that we are one of the leading providers of human capital services in the world.

Seasonality

Due to buying patterns and delivery of certain products in the markets we serve, revenues tend to be highest in the fourth quarter of each fiscal year.

Licensing and Regulation

Our business activities are subject to licensing requirements and extensive regulation under the laws of countries in which we operate, as well as U.S. federal and state laws. See the discussion contained in the "Risk Factors" section in Part I, Item 1A of this report for information regarding how actions by regulatory authorities or changes in legislation and regulation in the jurisdictions in which we operate may have an adverse effect on our business.

Risk Solutions

General

Regulatory authorities in the states or countries in which the operating subsidiaries of our Risk Solutions segment conduct business may require individual or company licensing to act as producers, brokers, agents, third party administrators, managing general agents, reinsurance intermediaries, or adjusters.

Under the laws of most states in the U.S. and most foreign countries, regulatory authorities have relatively broad discretion with respect to granting, renewing and revoking producers', brokers' and agents' licenses to transact business in the state or country. The operating terms may vary according to the licensing requirements of the particular state or country, which may require, among other things that a firm operates in the state or country through a local corporation. In a few states and

countries, licenses may be issued only to individual residents or locally owned business entities. In such cases, our subsidiaries either have such licenses or have arrangements with residents or business entities licensed to act in the state or country.

Our subsidiaries must comply with laws and regulations of the jurisdictions in which they do business. These laws and regulations are enforced by federal and state agencies in the U.S., by the Financial Conduct Authority ("FCA") in the U.K., and by various regulatory agencies and other supervisory authorities in other countries through the granting and revoking of licenses to do business, licensing of agents, monitoring of trade practices, policy form approval, limits on commission rates, and mandatory remuneration disclosure requirements.

Insurance authorities in the U.S. and certain other jurisdictions in which our subsidiaries operate, including the FCA in the U.K., also have enacted laws and regulations governing the investment of funds, such as premiums and claims proceeds, held in a fiduciary capacity for others. These laws and regulations generally require the segregation of these fiduciary funds and limit the types of investments that may be made with them.

Further, certain of our business activities within the Risk Solutions segment are governed by other regulatory bodies, including investment, securities and futures licensing authorities. In the U.S., we use Aon Benfield Securities, Inc., a U.S.-registered broker-dealer and investment advisor, member of the Financial Industry Regulatory Authority ("FINRA") and Securities Investor Protection Corporation, and an indirect, wholly owned subsidiary of Aon, for capital management transaction and advisory services and other broker-dealer activities.

Reportable Regulatory Matter

Set forth below is a description of a matter reported pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 and Section 13(r) of the Exchange Act. Concurrently with this annual report, we are filing a notice pursuant to Section 13(r) of the Exchange Act that the matter has been disclosed in this annual report.

On September 25, 2013, a person designated as a Specially Designated National pursuant to Executive Order No. 13224 purchased travel insurance at a post office in the United Kingdom for travel within Europe from September 26 to October 1, 2013 through a program administered by a subsidiary of the Company in the United Kingdom. Through this program, individuals may purchase travel insurance at a United Kingdom post office with immediate coverage, with the Company receiving information on the individual purchasing insurance after placement. The Company services this program by operating a call center, providing account reconciliation services and handling funds transfers. The Company identified the individual as a potential Specially Designated National after the individual's trip was already underway at the end of September 2013. On October 29, 2013, the post office transmitted funds to the Company, including funds received from the Specially Designated National for his travel insurance. The Company has frozen the funds associated with the Specially Designated National, in accordance with Company policy. The total cost of the policy was £22.50, of which £2.61 would have been income to the Company.

The subsidiary of the Company in the U.K. has no ongoing relationship or activity with the Specially Designated National as a result of this placement.

HR Solutions

Certain of the retirement-related consulting services provided by Aon Hewitt and its subsidiaries and affiliates are subject to the pension and financial laws and regulations of applicable jurisdictions, including oversight and/or supervision by the Securities and Exchange Commission ("SEC") in the U.S., the FCA in the U.K., and regulators in other countries. Aon Hewitt subsidiaries that provide investment advisory services are regulated by various U.S. federal authorities including the SEC and FINRA, as well as authorities on the state level. In addition, other services provided by Aon Hewitt and its subsidiaries and affiliates, such as trustee services, and retirement and employee benefit program administrative services, are subject in various jurisdictions to pension, investment, and securities and/or insurance laws and regulations and/or supervision by national regulators.

Clientele

Our clients operate in many businesses and industries throughout the world. No one client accounted for more than 1% of our consolidated total revenues in 2013. Additionally, we place insurance with many insurance carriers, none of which individually accounted for more than 10% of the total premiums we placed on behalf of our clients in 2013.

Segmentation of Activity by Type of Service and Geographic Area of Operation

Financial information relating to the types of services provided by us and the geographic areas of our operations is incorporated herein by reference to Note 17 "Segment Information" of the Notes to Consolidated Financial Statements in Part II, Item 8 of this report.

Employees

At December 31, 2013, we employed approximately 66,000 employees, of which approximately 23,000 worked in the U.S.

Information Concerning Forward-Looking Statements

This report contains certain statements related to future results, or states our intentions, beliefs and expectations or predictions for the future which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to expectations or forecasts of future events. They use words such as "anticipate," "believe," "estimate," "expect," "forecast," "project," "intend," "plan," "potential," and other similar terms, and future or conditional tense verbs like "could," "may," "might," "should," "will" and "would." You can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. For example, we may use forward-looking statements when addressing topics such as: market and industry conditions, including competitive and pricing trends; changes in our business strategies and methods of generating revenue; the development and performance of our services and products; changes in the composition or level of our revenues; our cost structure and the outcome of cost-saving or restructuring initiatives; the outcome of contingencies; dividend policy; the expected impact of acquisitions and dispositions; pension obligations; cash flow and liquidity; future actions by regulators; and the impact of changes in accounting rules. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from either historical or anticipated results depending on a variety of factors. Potential factors that could impact results include:

- general economic conditions in different countries in which Aon does business around the world, including conditions in emerging markets and in the European Union relating to sovereign debt and the continued viability of the Euro;

- changes in the competitive environment;

- changes in global equity and fixed income markets that could influence the return on invested assets;

- changes in the funding status of our various defined benefit pension plans and the impact of any increased pension funding resulting from those changes;

- rating agency actions that could affect our ability to borrow funds;

- fluctuations in exchange and interest rates that could impact revenue and expense;

- the impact of class actions and individual lawsuits including client class actions, securities class actions, derivative actions and ERISA class actions;

- the impact of any investigations brought by regulatory authorities in the U.S., U.K. and other countries;

- the cost of resolution of other contingent liabilities and loss contingencies, including potential liabilities arising from errors and omission claims against us;

- failure to retain and attract qualified personnel;

- the impact of, and potential challenges in complying with, legislation and regulation in the jurisdictions in which we operate, particularly given the global scope of our business and the possibility of conflicting regulatory requirements

across jurisdictions in which we do business;

the effect of the Redomestication on our operations and financial results, including the reaction of our clients, employees and other constituents, the effect of compliance with applicable U.K. regulatory regimes or the failure to realize some or all of the anticipated benefits;

• the extent to which we retain existing clients and attract new businesses and our ability to incentivize and retain key employees;

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the extent to which we manage certain risks created in connection with the various services, including fiduciary and advisory services, among others, that we currently provide, or will provide in the future, to clients;

our ability to implement restructuring initiatives and other initiatives intended to yield cost savings, and the ability to achieve those cost savings;

the potential of a system or network breach or disruption resulting in operational interruption or improper disclosure of client information or personal data;

any inquiries relating to compliance with the U.S. Foreign Corrupt Practices Act ("FCPA") and non-U.S. anti-corruption laws and with U.S. and non-U.S. trade sanctions regimes;

failure to protect intellectual property rights or allegations that we infringe on the intellectual property rights of others;

the damage to our reputation among clients, markets or other third parties;

the actions taken by third parties that perform aspects of our business operations and client services; and

our ability to grow and develop companies that we acquire or new lines of business.

Any or all of our forward-looking statements may turn out to be inaccurate, and there are no guarantees about our performance. The factors identified above are not exhaustive. Aon and its subsidiaries operate in a dynamic business environment in which new risks may emerge frequently. Accordingly, readers should not place undue reliance on forward-looking statements, which speak only as of the dates on which they are made. We are under no obligation (and expressly disclaim any obligation) to update or alter any forward-looking statement that we may make from time to time, whether as a result of new information, future events or otherwise. Further information about factors that could materially affect Aon, including our results of operations and financial condition, is contained in the "Risk Factors" section in Part I, Item 1A of this report.

Website Access to Reports and Other Information

Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports are made available free of charge through our website (<http://www.aon.com>) as soon as practicable after such material is electronically filed with or furnished to the SEC. Also posted on our website are the charters for our Audit, Compliance, Organization and Compensation, Governance/Nominating and Finance Committees, our Governance Guidelines and our Code of Business Conduct. Within the time period required by the SEC and the New York Stock Exchange ("NYSE"), we will post on our website any amendment to or waiver of the Code of Business Conduct applicable to any executive officer or director. The information provided on our website is not part of this report and is therefore not incorporated herein by reference.

Item 1A. Risk Factors.

The risk factors set forth below reflect certain risks associated with existing and potential lines of business and contain "forward-looking statements" as discussed in the "Business" Section of Part I, Item 1 of this report. Readers should consider them in addition to the other information contained in this report as our business, financial condition or results of operations could be adversely affected if any of these risks were to actually occur.

The following are certain risks related to our businesses specifically and the industries in which we operate generally that could adversely affect our business, financial condition and results of operations and cause our actual results to differ materially from those stated in the forward-looking statements in this document and elsewhere. These risks are not presented in order of importance or probability of occurrence.

Risks Relating to the Company Generally

Competitive Risks

An overall decline in economic activity could have a material adverse effect on the financial condition and results of operations of our businesses.

The demand for property and casualty insurance generally rises as the overall level of economic activity increases and generally falls as such activity decreases, affecting both the commissions and fees generated by our Risk Solutions business.

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The economic activity that impacts property and casualty insurance is most closely correlated with employment levels, corporate revenue and asset values. Downward fluctuations in the year-over-year insurance premium charged by insurers to protect against the same risk, referred to in the industry as softening of the insurance market, could adversely affect our Risk Solutions business as a significant portion of the earnings are determined as a percentage of premium charged to our clients. A growing number of insolvencies associated with an economic downturn, especially insolvencies in the insurance industry, could adversely affect our brokerage business through the loss of clients, by hampering our ability to place insurance and reinsurance business or by exposing us to errors and omissions claims, referred to here as E&O claims.

The results of our HR Solutions business are generally affected by the level of business activity of our clients, which in turn is affected by the level of economic activity in the industries and markets these clients serve. Economic downturns in some markets may cause reductions in technology and discretionary spending by our clients, which may result in reductions in the growth of new business as well as reductions in existing business. If our clients become financially less stable, enter bankruptcy or liquidate their operations, our revenues and/or collectibility of receivables could be adversely affected. In addition, our revenues from many of our outsourcing contracts depend upon the number of our clients' employees or the number of participants in our clients' employee benefit plans and could be adversely affected by layoffs. We may also experience decreased demand for our services as a result of postponed or terminated outsourcing of human resources functions or reductions in the size of our clients' workforce. Reduced demand for our services could increase price competition. Some portion of our services may be considered by our clients to be more discretionary in nature and thus, demand for these services may be impacted by reductions in economic activity.

We face significant competitive pressures in each of our businesses.

We believe that competition in our Risk Solutions segment is based on service, product features, price, commission structure, financial strength and ability to access certain insurance markets and name recognition. In particular, we compete with a large number of national, regional and local insurance companies and other financial services providers and brokers.

Our HR Solutions segment competes with a large number of independent firms and consulting organizations affiliated with accounting, information systems, technology and financial services firms around the world. Many of our competitors in this area are expanding the services they offer or reducing prices in an attempt to gain additional business. Additionally, some competitors have established, and are likely to continue to establish, cooperative relationships among themselves or with third parties to increase their ability to address client needs.

Our competitors may have greater financial, technical and marketing resources, larger customer bases, greater name recognition, stronger presence in certain geographies and more established relationships with their customers and suppliers than we have. In addition, new competitors, alliances among competitors or mergers of competitors could emerge and gain significant market share, and some of our competitors may have or may develop a lower cost structure, adopt more aggressive pricing policies or provide services that gain greater market acceptance than the services that we offer or develop. Large and well-capitalized competitors may be able to respond to the need for technological changes and innovate faster, or price their services more aggressively. They may also compete for skilled professionals, finance acquisitions, fund internal growth and compete for market share more effectively than we do. To respond to increased competition and pricing pressure, we may have to lower the cost of our services or decrease the level of service provided to clients, which could have an adverse effect on our financial condition or results of operations.

Financial Risks

We are exposed to fluctuations in currency exchange rates that could negatively impact our financial results and cash flows.

We face exposure to adverse movements in exchange rates of currencies other than our functional currency, the U.S. Dollar, as a significant portion of our business is located outside of the United States. These exposures may change over time, and they could have a material adverse impact on our financial results and cash flows. Our five largest non-U.S. Dollar exposures are the British Pound, Euro, Australian Dollar, Canadian Dollar and Indian Rupee; however, we also have exposures to emerging market currencies which can have significant currency volatility. These currency exchange risks are present in both the translation of the financial results of our global subsidiaries into U.S.

Dollars for our consolidated financial statements, as well as those of our operations that receive revenue and incur expenses other than in their respective local currencies which can reduce the reduced profitability of our operations based on the direction the respective currencies' exchange rates move. A decrease in the value of certain currencies relative to other currencies could place us at a competitive disadvantage compared to our competitors that benefit to a greater degree from a specific exchange rate move and can, as a result, deliver services at a lower cost or receive greater revenues from such a transaction. Although we use various derivative financial instruments to help protect against adverse foreign exchange rate fluctuations, we cannot eliminate such risks, and changes in exchange rates may adversely affect our results.

Changes in interest rates and deterioration of credit quality could reduce the value of our cash balances and investment portfolios and adversely affect our financial condition or results.

Operating funds available for corporate use and funds held on behalf of clients and insurers were \$1.0 billion and \$3.8 billion, respectively, at December 31, 2013. These funds are reported in Cash and cash equivalents, Short-term investments, and Fiduciary assets. We also carry an investment portfolio of other long-term investments. As of December 31, 2013, these long-term investments had a carrying value of \$132 million. Changes in interest rates and counterparty credit quality, including default, could reduce the value of these funds and investments, thereby adversely affecting our financial condition or results. For example, changes in interest rates directly affect our income from cash balances and short-term investments. Similarly, general economic conditions, stock market conditions, financial stability of the investees and other factors beyond our control affect the value of our long-term investments. Our cash holdings, including cash held in our fiduciary capacity, are subject to the credit, liquidity and other risks faced by our financial institution counterparties.

While we regularly measure, monitor and mitigate our exposure to these risks, a deterioration in the credit or liquidity of any of these counterparties, particularly if sudden or severe, could in turn adversely affect us. We also assess our portfolio for other-than-temporary impairments. For investments in which the fair value is less than the carrying value and the impairment is deemed to be other-than-temporary, we recognize a loss in the Consolidated Statement of Income.

Higher interest rates could result in a higher discount rate used by investors to value our future cash flows thereby resulting in a lower valuation of the Company.

Our pension obligations could adversely affect our shareholders' equity, net income, cash flow and liquidity.

To the extent that the pension obligations associated with our major plans continue to exceed the fair value of the assets supporting those obligations, our financial position and results of operations may be adversely affected. In certain years there have been declines in interest rates. As a result of lower interest rates and investment returns, the present value of plan liabilities could increase faster than the value of plan assets, resulting in higher unfunded positions in several of our major pension plans.

We currently plan to contribute approximately \$385 million to our major pension plans in 2014, although we may elect to contribute more. Total cash contributions to these pension plans in 2013 were \$523 million, which was a decrease of \$115 million compared to 2012.

The significance of our worldwide pension plans means that our pension contributions and expense are comparatively sensitive to various market and demographic factors. These factors include equity and bond market returns, the assumed interest rates we use to discount our pension liabilities, foreign exchange rates, rates of inflation, mortality assumptions, potential regulatory and legal changes and counterparty exposure from various investments and derivative contracts, including annuities. Variations in any of these factors could cause significant changes to our financial position and results of operations from year to year.

The periodic revision of pension assumptions can materially change the present value of expected future benefits, and therefore the funded status of the plans and resulting net periodic pension expense. Changes in our pension benefit obligations and the related net periodic pension expense or credits may occur in the future due to any variance of actual results from our assumptions. As a result, there can be no assurance that we will not experience future changes in the funded status of our plans, shareholders' equity, net income, cash flow and liquidity or that we will not be required to make additional cash contributions in the future beyond those that have been estimated.

We have debt outstanding that could adversely affect our financial flexibility.

As of December 31, 2013, we had total consolidated debt outstanding of approximately \$4.4 billion. The level of debt outstanding each period could adversely affect our financial flexibility. We also bear risk at the time debt matures.

We have two primary committed credit facilities outstanding, one with U.S. banks, and the other with European banks. The U.S. facility totals \$400 million and matures in March 2017. The Euro facility totals €650 million (\$890 million based on exchange rates at December 31, 2013) and matures in October 2015. Both the U.S. facility and the Euro facility are intended as a back-up against commercial paper and for our general working capital needs. At December 31, 2013, we had no borrowings under either of these credit facilities. Both facilities require certain representations and warranties to be made before drawing and both have similar financial covenants. At December 31, 2013, we could make all representations and warranties and were in compliance with all financial covenants.

A substantial portion of our outstanding debt, including certain intercompany debt obligations, contains financial and other covenants. The terms of these covenants may limit our ability to obtain, or increase the costs of obtaining, additional financing to fund working capital, capital expenditures, additional acquisitions or general corporate requirements. This in turn

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may have the impact of reducing our flexibility to respond to changing business and economic conditions, thereby placing us at a relative disadvantage compared to competitors that have less indebtedness (or fewer or less onerous covenants associated with such indebtedness) and making us more vulnerable to general adverse economic and industry conditions.

Our ability to make interest and principal payments, to refinance our debt obligations and to fund planned capital expenditures will depend on our ability to generate cash from operations. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. It will also reduce the availability to use that cash for other purposes, including working capital, dividends to shareholders, share repurchases, acquisitions, capital expenditures and general corporate purposes.

If we cannot service our indebtedness, we may have to take actions such as selling assets, seeking additional equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances, any of which could impede the implementation of our business strategy or prevent us from entering into transactions that would otherwise benefit our business. Additionally, we may not be able to effect such actions, if necessary, on commercially reasonable terms, or at all. We may not be able to refinance any of our indebtedness on commercially reasonable terms, or at all.

A decline in the credit ratings of our senior debt and commercial paper may adversely affect our borrowing costs, access to capital, and financial flexibility.

A downgrade in the credit ratings of our senior debt and commercial paper could increase our borrowing costs, reduce or eliminate our access to capital, and reduce our financial flexibility. Our senior debt ratings at December 31, 2013 were A- with a stable outlook (Standard & Poor's), BBB+ with a stable outlook (Fitch, Inc), and Baa2 with a positive outlook (Moody's Investor Services). Our commercial paper ratings were A-2 (S&P), F-2 (Fitch) and P-2 (Moody's). During 2013, Standard & Poor's upgraded their rating of our senior long-term debt from BBB+ to A-. Additionally, Moody's Investor Services changed their outlook from stable to positive.

Our credit ratings may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, our securities. In addition, real or anticipated changes in our credit ratings, which could result from any number of factors (including the modification by a credit rating agency of the criteria or methodology it applies to particular issuers, will generally affect any trading market for, or trading value of, our securities.

The economic and political conditions of the countries and regions in which we operate could have an adverse impact on our business, financial condition, operating results, liquidity and prospects for growth.

Our operations in countries undergoing political change or economic downturns are subject to uncertainty and risks that could materially adversely affect our business. These risks include, particularly in emerging markets, the possibility we would be subject to undeveloped or evolving legal systems, unstable governments and economies, and potential governmental actions affecting the flow of goods, services and currency. In addition, our European operations could experience detrimental uncertainty if the debt crisis worsens or financial market volatility there increases, and the region's commerce and business levels become impacted by questions surrounding certain countries' ability to satisfy their debt obligations, the future of the Eurozone and the stability of economic conditions in Europe and the value of the Euro generally.

Seemingly nationally or regionally localized political and economic changes could have a wider, negative impact on our businesses that expands beyond our operations in the immediately affected jurisdiction. The continued concerns regarding the ability of certain European countries to service their outstanding debt have given rise to instability in the global credit and financial markets. This instability has in turn led to questions regarding the future viability of the Euro as the common currency for the area as various scenarios could result in some countries choosing to return to their former local currencies in an effort to regain control over their domestic economies and monetary policies. This uncertainty has had a dampening effect on growth potential in Europe, and if it deteriorates, may have a material negative impact on our European business as well as that of our clients. Further, any development that has the effect of devaluing or replacing the Euro could meaningfully reduce the value of our assets or profitability denominated in that currency, potentially result in charges to our statement of operations and reduce the usefulness of liquidity alternatives denominated in that currency such as our Euro Credit Facility. We also deposit some of our cash, including cash held in a fiduciary capacity, with certain European financial institutions. While we continuously

monitor and manage exposures associated with those deposits, to the extent the uncertainty surrounding economic stability in Europe and the future viability of the Euro currency suddenly and adversely impacts those financial institutions, some or all of those cash deposits could be at risk.

The expected benefits of our Redomestication may not be realized or may be offset in whole or in part by related costs.

There can be no assurance that all of the goals of our Redomestication will be achievable, particularly as the achievement of the benefits are, in many important respects, subject to factors that we do not control. These factors would include such things as the reactions of third parties with whom we enter into contracts and do business and the reactions of investors, analysts, and U.K. and U.S. taxing authorities.

Our effective tax rates and the benefits anticipated from our Redomestication are also subject to a variety of other factors, many of which are beyond our ability to control, such as changes in the rate of economic growth in the U.K. and the U.S. and other countries, the financial performance of our business in various jurisdictions, currency exchange rate fluctuations (especially as between the British pound and the U.S. dollar), and significant changes in trade, monetary or fiscal policies of the U.K. or the U.S., including changes in interest rates. The impact of these factors, individually and in the aggregate, is difficult to predict, in part because the occurrence of the events or circumstances described in such factors may be (and, in fact, often seem to be) interrelated, and the impact to us of the occurrence of any one of these events or circumstances could be compounded or, alternatively, reduced, offset, or more than offset, by the occurrence of one or more of the other events or circumstances described in such factors.

Our Redomestication resulted in an increase in some of our ongoing expenses, including those related to complying with U.K. corporate and tax laws, and holding board meetings in the U.K. These additional expenses could serve to reduce or offset the benefits realized from our Redomestication.

On September 4, 2013, we received from the Internal Revenue Service ("IRS") an executed Closing Agreement pursuant to which the Company and the IRS agreed that the merger (pursuant to which the Redomestication occurred) did not cause Aon plc to be treated as a U.S. domestic corporation for federal tax purposes. This agreement substantially reduces the risk that actions taken to date might cause Aon plc to be treated as a U.S. domestic corporation for federal tax purposes under the current tax statute and regulations. However, the United States Congress, the IRS, the United Kingdom Parliament or U.K. tax authorities may enact new statutory or regulatory provisions that could adversely affect our status as a non-U.S. corporation, or otherwise adversely affect our anticipated global tax position.

Retroactive statutory or regulatory actions have occurred in the past, and there can be no assurance that any such provisions, if enacted or promulgated, would not have retroactive application to us, the Redomestication or any subsequent actions. Our net income and cash flow would be reduced if we were to be subject to U.S. corporate income tax as a domestic corporation. In addition, any future amendments to the current income tax treaties between the United Kingdom and other jurisdictions (including the United States), or any new statutory or regulatory provisions that might limit our ability to take advantage of any such treaties, could subject us to increased taxation.

HM. Revenue and Customs, or HMRC, may disagree with our conclusions on the U.K. tax treatment of our Redomestication, or relevant U.K. legislation may be subject to change.

We have obtained a ruling from HMRC that, following our Redomestication, the "temporary period exemption" from the U.K.'s controlled foreign company rules will apply such that, subject to certain conditions and limitations based on our facts and circumstances, we will not be subject to tax on the profits of any controlled company that is resident in a foreign jurisdiction under the controlled foreign company ("CFC") rules until 24 months after the end of the accounting period in which the Redomestication occurred, subject to any changes of legislation. On March 29, 2012, the U.K. Government published the Finance (No 4) Bill, which proposed major reforms to the CFC rules for accounting periods beginning on or after January 1, 2013. The proposed transitional rules would preserve the temporary period exemption for exempt periods beginning before the new rules come into force. While HMRC cannot provide any assurance in respect of the application of legislation that has not been enacted, we are of the view based on the Government's proposals and published draft legislation that the new CFC rules should not have a material adverse effect on our tax treatment in the U.K. if enacted in their current form. However, to the extent that the Finance (No 4) Bill is enacted in a form different to that currently proposed, this may result in additional corporation tax liabilities becoming payable following implementation of the revised legislation.

We have also obtained a ruling from HMRC in respect of the stamp duty and Stamp Duty Reserve Tax ("SDRT") consequences of the Redomestication and as a result believe that we have satisfied all stamp duty and SDRT payment and filing obligations in connection with the issuance of Class A Ordinary Shares issued in connection with our Redomestication.

Further, if HMRC disagrees with our view of any issues in respect of which no ruling has been obtained, it may take the position that material U.K. corporation tax or SDRT liabilities or amounts on account thereof are payable by any one or more of these companies as a result of our Redomestication, in which case we expect that we would contest such assessment. To contest such assessment, we may be required to remit cash or provide security of the amount in dispute, or such lesser amount as permitted under U.K. law and acceptable to HMRC, to prevent HMRC from seeking enforcement actions pending the dispute of such assessment. If we were unsuccessful in disputing the assessment, the implications could be materially adverse to us. To the extent that HMRC has not provided (and we have not requested) a ruling on the U.K. tax aspects of the Redomestication,

there can be no assurance that HMRC will agree with our interpretation of the U.K. tax aspects of our Redomestication or any related matters associated therewith.

Our global effective tax rate is subject to a variety of different factors, which could create volatility in that rate, expose us to greater than anticipated tax liabilities and cause us to adjust previously recognized tax assets and liabilities.

We are subject to income taxes in the U.K., U.S. and many other jurisdictions. As a result, our global effective tax rate from period to period can be affected by many factors, including changes in tax legislation, our global mix of earnings, the tax characteristics of our income, the transfer pricing of revenues and costs, acquisitions and dispositions and the portion of the income of non-U.S. subsidiaries that we expect to remit to the U.S. Significant judgment is required in determining our worldwide provision for income taxes, and our determination of our tax liability is always subject to review by applicable tax authorities.

We believe that our Redomestication and related transactions should significantly improve our ability to maintain a competitive global tax rate because the U.K. has implemented a dividend exemption system that generally does not subject non-U.K. earnings to U.K. tax when such earnings are repatriated to the U.K. in the form of dividends from non-U.K. subsidiaries. This should allow us to optimize our capital allocation and deploy efficient fiscal structures. However, we cannot provide any assurances as to what our tax rate will be in any period because of, among other things, uncertainty regarding the nature and extent of our business activities in any particular jurisdiction in the future and the tax laws of such jurisdictions, as well as changes in U.S. and other tax laws, treaties and regulations. Our actual global tax rate may vary from our expectation and that variance may be material. Additionally, the tax laws of the U.K. and other jurisdictions could change in the future, and such changes could cause a material change in our tax rate.

We also could be subject to future audits conducted by foreign and domestic tax authorities, and the resolution of such audits could impact our tax rate in future periods, as would any reclassification or other matter (such as changes in applicable accounting rules) that increases the amounts we have provided for income taxes in our consolidated financial statements. There can be no assurance that we would be successful in attempting to mitigate the adverse impacts resulting from any changes in law, audits and other matters. Our inability to mitigate the negative consequences of any changes in the law, audits and other matters could cause our global tax rate to increase, our use of cash to increase and our financial condition and results of operations to suffer.

Changes in our accounting estimates and assumptions could negatively affect our financial position and results of operations.

We prepare our consolidated financial statements in accordance with U.S. GAAP. These accounting principles require us to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of our financial statements. We are also required to make certain judgments that affect the reported amounts of revenues and expenses during each reporting period. We periodically evaluate our estimates and assumptions including, but not limited to, those relating to restructuring, pensions, recoverability of assets including customer receivables, contingencies, share-based payments and income taxes. We base our estimates on historical experience and various assumptions that we believe to be reasonable based on specific circumstances. Actual results could differ from these estimates, which could materially affect the Consolidated Statements of Income, Comprehensive Income, Financial Position, Shareholders' Equity and Cash Flows. Changes in accounting standards could also have an adverse impact on our future Consolidated Financial Statements.

We may be required to record goodwill or other long-lived asset impairment charges, which could result in a significant charge to earnings.

Under generally accepted accounting principles, we review our long-lived assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is assessed for impairment at least annually. Factors that may be considered in assessing whether goodwill or intangible assets may not be recoverable include a decline in our share price or market capitalization, reduced estimates of future cash flows and slower growth rates in our industry. There can be no assurances that goodwill or other long-lived asset impairment charges will not be required in the future, which could materially impact our consolidated financial statements.

We are a holding company and, therefore, may not be able to receive dividends or other payments in needed amounts from our subsidiaries.

Our principal assets are the shares of capital stock and indebtedness of our subsidiaries. We rely on dividends, interest and other payments from these subsidiaries to meet our obligations for paying principal and interest on outstanding debt obligation, paying dividends to shareholders, repurchasing ordinary shares and corporate expenses. Certain of our subsidiaries are subject to regulatory requirements of the jurisdictions in which they operate or other restrictions that may limit the amounts

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that these subsidiaries can pay in dividends or other payments to us. No assurance can be given that there will not be further changes in law, regulatory actions or other circumstances that could restrict the ability of our subsidiaries to pay dividends. In addition, due to differences in tax rates, repatriation of funds from certain countries into the U.K. through the U.S. could have unfavorable tax ramifications for us. Furthermore, no assurance can be given that our subsidiaries may be able to make timely payments to us in order for us to meet our obligations.

Legal and Regulatory Risks

We are subject to E&O claims against us as well as other contingencies and legal proceedings, some of which, if determined unfavorably to us, could have a material adverse effect on the financial condition or results of operations of a business line or the Company as a whole.

We assist our clients with various matters, including placing of insurance and reinsurance coverage and handling related claims, consulting on various human resources matters, providing investment consulting and asset management services, and outsourcing various human resources functions. E&O claims against us may allege our potential liability for damages arising from these services. E&O claims could include, for example, the failure of our employees or sub agents, whether negligently or intentionally, to place coverage correctly or notify carriers of claims on behalf of clients or to provide insurance carriers with complete and accurate information relating to the risks being insured, the failure to give error-free advice in our consulting business or the failure to correctly execute transactions in the human resources outsourcing business. It is not always possible to prevent and detect errors and omissions, and the precautions we take may not be effective in all cases. In addition, we are subject to other types of claims, litigation and proceedings in the ordinary course of business, which along with E&O claims, may seek damages, including punitive damages, in amounts that could, if awarded, have a material adverse impact on the Company's financial position, earnings, and cash flows. In addition to potential liability for monetary damages, such claims or outcomes could harm our reputation or divert management resources away from operating our business.

We have historically purchased, and intend to continue to purchase, insurance to cover E&O claims and other insurance to provide protection against certain losses that arise in such matters. However, we have exhausted or materially depleted our coverage under some of the policies that protect us for certain years and, consequently, are self-insured or materially self-insured for some historical claims. Accruals for these exposures, and related insurance receivables, when applicable, have been provided to the extent that losses are deemed probable and are reasonably estimable. These accruals and receivables are adjusted from time to time as developments warrant, and may also be adversely affected by disputes we may have with our insurers over coverage. Amounts related to settlement provisions are recorded in Other general expenses in the Consolidated Statements of Income. Discussion of some of these claims, lawsuits, and proceedings are contained in the notes to the consolidated financial statements.

The ultimate outcome of these claims, lawsuits and proceedings cannot be ascertained, and liabilities in indeterminate amounts may be imposed on us. It is possible that future Statements of Financial Position, results of operations or cash flows for any particular quarterly or annual period could be materially affected by an unfavorable resolution of these matters.

In addition, we provide a variety of guarantees and indemnifications to our customers and others. The maximum potential amount of future payments represents the notional amounts that could become payable under the guarantees and indemnifications if there were a total default by the guaranteed parties, without consideration of possible recoveries under recourse provisions or other methods. Any anticipated amounts that are deemed to be probable and reasonably estimable are included in our consolidated financial statements. These amounts may bear no relationship to the expected future payments, if any, for these guarantees and indemnifications.

Our businesses are subject to extensive governmental regulation, which could reduce our profitability, limit our growth, or increase competition.

Our businesses are subject to extensive legal and regulatory oversight throughout the world, including the U.K. Companies Act and the rules and regulations promulgated by the FCA, the U.S. securities laws and the rules and regulations promulgated by the SEC, and a variety of other laws, rules and regulations addressing, among other things, licensing, data privacy and protection, wage-and-hour standards, employment and labor relations, anti-competition, anti-corruption, currency, reserves and the amount of local investment with respect to our operations in certain countries. This legal and regulatory oversight could reduce our profitability or limit our growth by increasing the costs of legal and regulatory compliance, by limiting or restricting the products or services we sell, the markets we enter,

the methods by which we sell our products and services, or the prices we can charge for our services, and the form of compensation we can accept from our clients, carriers and third parties, or by subjecting our businesses to the possibility of legal and regulatory actions or proceedings.

The global nature of our operations increases the complexity and cost of compliance with laws and regulations, including training and employee expenses, adding to our cost of doing business. In addition, many of these laws and regulations may have differing or conflicting legal standards across jurisdictions, increasing further the complexity and cost of compliance. In

emerging markets and other jurisdictions with less developed legal systems, local laws and regulations may not be established with sufficiently clear and reliable guidance to provide us adequate assurance that we are operating our business in a compliant manner with all required licenses or that our rights are otherwise protected.

Certain laws and regulations, such as the Foreign Corrupt Practices Act ("FCPA") and the Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("FATCA") in the U.S. and the Bribery Act of 2010 ("U.K. Bribery Act") in the U.K., impact our operations outside of the legislating country by imposing requirements for the conduct of overseas operations, and in a number of cases, requiring compliance by foreign subsidiaries. For example, in 2011, we entered into settlement agreements with the U.S. Department of Justice ("DOJ") and the U.S. Securities and Exchange Commission ("SEC") relating to inadequate controls for potential FCPA violations. Those settlement agreements imposed monetary fines and the agreement with the DOJ required that we bring to the attention of the DOJ any criminal conduct by, or criminal investigations of, Aon or any of its senior managerial employees as well as any administrative proceeding or civil action brought by any governmental authority that alleges fraud or corruption by Aon.

We expect that FACTA will likely result in increased compliance costs. FATCA will require certain of our subsidiaries, affiliates and other entities to obtain valid FATCA documentation from payees prior to remitting certain payments to such payees. In the event we do not obtain valid FATCA documents, we may be obliged to withhold a portion of such payments. This obligation is shared with our customers and clients who may fail to comply, in whole or in part. In such circumstances, we may incur FATCA compliance costs including withholding taxes, interest and penalties. In addition, regulatory initiatives and changes in the regulations and guidance promulgated under FATCA may increase our costs of operations, and could adversely affect the market for our services as intermediaries, which could adversely affect our operations, results of operations and financial condition.

In addition to the complexity of the laws and regulations themselves, the development of new laws and regulations, changes in application or interpretation of laws and regulations and our continued operational changes and development into new jurisdictions and new service offerings also increases our legal and regulatory compliance complexity as well as the type of governmental oversight to which we may be subject. These changes in laws and regulations could mandate significant and costly changes to the way we implement our services and solutions or could impose additional licensure requirements or costs to our operations and services. Furthermore, as we enter new jurisdictions or lines of businesses and other developments in our services, we may become subject to additional types of laws and policies and governmental oversight and supervision such as those applicable to the financial lending or other service institutions.

In all jurisdictions, the applicable laws and regulations are subject to amendment or interpretation by regulatory authorities. Generally, such authorities are vested with relatively broad discretion to grant, renew and revoke licenses and approvals and to implement regulations. Accordingly, we may have a license revoked, be unable to obtain new licenses and be precluded or temporarily suspended from carrying on or developing some or all of our activities or otherwise fined or penalized in a given jurisdiction. No assurances can be given that our business can further develop or continue to be conducted in any given jurisdiction as it has been conducted in the past.

In addition, new regulatory or industry developments could create an increase in competition that could adversely affect us. These developments include:

- the selling of insurance by insurance companies directly to insureds;
- changes in our business compensation model as a result of regulatory actions or changes;
- the establishment of programs in which state-sponsored entities provide property insurance in catastrophe prone areas or other alternative types of coverage;
- changes in regulations relating to health and welfare plans, defined contribution and defined benefit plans, and investment consulting and asset management;
- additional regulations promulgated by the FCA in the U.K., or other regulatory bodies in jurisdictions in which we operate; or
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additional requirements respecting data privacy and data usage in jurisdictions in which we operate that may increase our costs of compliance and potentially reduce the manner in which data can be used by us to develop or further our product offerings.

Changes in the regulatory scheme, or even changes in how existing regulations are interpreted, could have an adverse impact on our results of operations by limiting revenue streams or increasing costs of compliance. Likewise, increased government involvement in the insurance or reinsurance markets could curtail or replace our opportunities and negatively affect our results of operations and financial condition.

With respect to our Risk Solutions segment, our business' regulatory oversight generally also includes the licensing of insurance brokers and agents, managing general agency or managing general underwriting operations and third party administrators and the regulation of the handling and investment of client funds held in a fiduciary capacity. Our continuing ability to provide insurance brokering and third party administration in the jurisdictions in which we currently operate depends on our compliance with the rules and regulations promulgated from time to time by the regulatory authorities in each of these jurisdictions. Also, we can be affected indirectly by the governmental regulation and supervision of insurance companies. For instance, if we are providing or managing general underwriting services for an insurer, we may have to contend with regulations affecting our client. Further, regulation affecting the insurance companies with whom our brokers place business can affect how we conduct those operations.

Services provided in our HR Solutions segment are also the subject of ever-evolving government regulation, either because the services provide to our clients are regulated directly or because aspects of the client's business are regulated, thereby indirectly impacting the manner in which we provide services to those clients. Changes in government regulations in the United States affecting the value, use or delivery of benefits and human resources programs, including changes in regulations relating to health and welfare (such as medical) plans, defined contribution (such as 401(k)) plans, defined benefit (such as pension) plans or payroll delivery, may adversely affect the demand for, or profitability of, our services. Recently, we have seen regulatory initiatives contribute to companies either discontinuing their defined benefit programs or de-emphasizing the importance such programs play in the overall mix of their benefit programs with a trend toward increased use of defined contribution plans. If organizations discontinue or de-emphasize defined benefit plans more rapidly than we anticipate, the results of our business could be adversely affected.

Recently, our HR Solutions business has made significant investments in health care exchanges and other product development to assist clients in de-risking their health benefits and migrate them towards a defined contribution model versus a defined benefit model. Depending on future changes to health legislation, these investments may not yield returns. In addition, if we are unable to adapt our services to changes resulting from these laws and any subsequent regulations, our ability to grow our business or to provide effective services, particularly in the HR Solutions segment, could be negatively impacted. Furthermore, if our clients reduce the role or extent of employer-sponsored health care in response to the newly enacted legislation, our results of operations could be adversely impacted.

If we violate the laws and regulation to which we are subject, we could be subject to fines, penalties or criminal sanctions and could be prohibited from conducting business in one or more countries. There can be no assurance that our employees, contractors or agents will not violate these laws and regulations, causing an adverse effect on our operations and condition.

Failure to protect our intellectual property rights, or allegations that we have infringed on the intellectual property rights of others, could harm our reputation, ability to compete effectively and financial condition.

To protect our intellectual property rights, we rely on a combination of trademark laws, copyright laws, patent laws, trade secret protection, confidentiality agreements and other contractual arrangements with our affiliates, clients, strategic partners and others. In addition, the protective steps that we take may be inadequate to deter misappropriation of our proprietary information. We may be unable to detect the unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. Further, effective trademark, copyright, patent and trade secret protection may not be available in every country in which we offer our services or competitors may develop products similar to our products that do not conflict with our related intellectual property rights. Failure to protect our intellectual property adequately could harm our reputation and affect our ability to compete effectively.

In addition, to protect or enforce our intellectual property rights, we may initiate litigation against third parties, such as infringement suits or interference proceedings. Third parties may assert intellectual property rights claims against us, which may be costly to defend, could require the payment of damages and could limit our ability to use or offer certain technologies, products or other intellectual property. Any intellectual property claims, with or without merit, could be expensive, take significant time and divert management's attention from other business concerns. Successful challenges against us could require us to modify or discontinue our use of technology or business processes where such use is found to infringe or violate the rights of others, or require us to purchase licenses from third parties, any of which could adversely affect our business, financial condition and operating results.

As a result of increased shareholder approval requirements, we have less flexibility as an English public limited company with respect to certain aspects of capital management.

English law imposes some restrictions on certain corporate actions by which previously, as a Delaware corporation, we were not constrained. For example, English law provides that a board of directors may only allot shares with the prior authorization of shareholders, such authorization being up to the aggregate nominal amount of shares and for a maximum period of five years, each as specified in the articles of association or relevant shareholder resolution. This authorization would

need to be renewed by our shareholders upon its expiration (i.e., at least every five years). Our articles of association authorize the allotment of additional shares, and renewal of such authorization for additional five year terms may be sought more frequently.

English law also generally provides shareholders with preemptive rights when new shares are issued for cash; however, it is possible for the articles of association, or shareholders in general meeting, to exclude preemptive rights. Such an exclusion of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, if the exclusion is contained in the articles of association, or from the date of the shareholder resolution, if the exclusion is by shareholder resolution; in either case, this exclusion would need to be renewed upon its expiration (i.e., at least every five years). Our articles of association exclude preemptive rights, and renewal of such exclusion for additional five year terms may be sought more frequently.

English law also generally prohibits a company from repurchasing its own shares by way of "off market purchases" without the prior approval of our shareholders. Such approval lasts for a maximum period of up to five years. Our shares are traded on the NYSE, which is not a recognized investment exchange in the U.K. Consequently, any repurchase of our shares is currently considered an "off market purchase." Resolutions were adopted to permit such purchases prior to the Redomestication. These resolutions will need to be renewed upon expiration (i.e., at least every five years) but may be sought more frequently for additional five year terms.

The enforcement of civil liabilities against us may be more difficult.

Because we are a public limited company incorporated under English law, investors could experience more difficulty enforcing judgments obtained against us in U.S. courts than would have been the case for U.S. judgments obtained against Aon Corporation. In addition, it may be more difficult (or impossible) to bring some types of claims against us in courts in England than it would be to bring similar claims against a U.S. company in a U.S. court.

We are a public limited company incorporated under the laws of England and Wales. Therefore, it may not be possible to effect service of process upon us within the United States in order to enforce judgments of U.S. courts against us based on the civil liability provisions of the U.S. federal securities laws.

There is doubt as to the enforceability in England and Wales, in original actions or in actions for enforcement of judgments of U.S. courts, of civil liabilities solely based on the U.S. federal securities laws. The English courts will, however, treat any amount payable by us under the U.S. judgment as a debt and new proceedings can be commenced in the English courts to enforce this debt against us. The following criteria must be satisfied in order for the English court to enforce the debt created by the U.S. judgment:

- the U.S. judgment must be for a debt or definite sum of money;
- the U.S. judgment must be final and conclusive;
- the U.S. court must, in the circumstances of the case, have had jurisdiction according to the English rules of private international law;
- the U.S. judgment must not have been obtained by fraud;
- the enforcement of the U.S. judgment must not be contrary to U.K. public policy; and
- the proceedings in which the U.S. judgment was obtained must not have been conducted contrary to the rules of natural justice.

Operational and Commercial Risks

Our success depends on our ability to retain and attract experienced and qualified personnel, including our senior management team and other professional personnel.

We depend, in material part, upon the members of our senior management team who possess extensive knowledge and a deep understanding of our business and our strategy. The unexpected loss of services of any of our senior executive officers could have a disruptive effect adversely impacting our ability to manage our business effectively and execute our business strategy. Competition for experienced professional personnel is intense, and we are constantly working to retain and attract these professionals. If we cannot successfully do so, our business, operating results and financial condition could be adversely affected.

Our global operations expose us to various international risks that could adversely affect our business.

Our operations are conducted globally. Accordingly, we are subject to legal, economic and market risks associated with operating in, and sourcing from, foreign countries, including:

- the general economic and political conditions existing in those countries, including risks associated with a concentration of operations in certain geographic regions;
- fluctuations in currency exchange rates;
- imposition of limitations on conversion of foreign currencies or remittance of dividends and other payments by foreign subsidiaries;
- imposition or increase of withholding and other taxes on remittances and other payments by subsidiaries;
- difficulties in staffing and managing our foreign offices, including due to unexpected wage inflation or job turnover, and the increased travel, infrastructure and legal and compliance costs associated with multiple international locations;
- hyperinflation in certain foreign countries;
- imposition or increase of investment and other restrictions by foreign governments;
- longer payment cycles;
- greater difficulties in accounts receivable collection;
- the requirement of complying with a wide variety of foreign laws;
- insufficient demand for our services in foreign jurisdictions;
- inability to execute effective and efficient cross-border sourcing of services on behalf of our clients;
- restrictions on the import and export of technologies; and
- trade barriers.

The occurrence of natural or man-made disasters could adversely affect our financial condition and results of operations.

We are exposed to various risks arising out of natural disasters, including earthquakes, hurricanes, fires, floods and tornadoes, and pandemic health events, as well as man-made disasters, including acts of terrorism and military actions. The continued threat of terrorism and ongoing military actions may cause significant volatility in global financial markets, and a natural or man-made disaster could trigger an economic downturn in the areas directly or indirectly affected by the disaster. These consequences could, among other things, result in a decline in business and increased claims from those areas. They could also result in reduced underwriting capacity, making it more difficult for our Risk Solutions professionals to place business. Disasters also could disrupt public and private infrastructure, including communications and financial services, which could disrupt our normal business operations.

A natural or man-made disaster also could disrupt the operations of our counterparties or result in increased prices for the products and services they provide to us. In addition, a disaster could adversely affect the value of the assets in our investment portfolio. Finally, a natural or man-made disaster could increase the incidence or severity of E&O claims against us.

As an example, in October 2012, Superstorm Sandy made landfall on the Northeast coast of the United States. The storm caused widespread disruption and dislocation across five states but New York and New Jersey in particular. One of our largest offices, located in lower Manhattan was closed until January 7, 2013, requiring us to relocate a large number of our employees to temporary workspace in the area and provide for enhanced remote working and information technology support arrangements. Given that lower Manhattan serves as a hub to the insurance industry, the storm impacted many of our clients, carriers and vendors as well, some of whose operations were severely disrupted. While we believe our relocation measures and business continuity plans allowed us to effectively continue to operate our critical business functions, it is possible that the disruption of the storm on our operations and that of our clients, carriers and vendors may have resulted in a negative effect on our results of operations and financial condition.

Also, through our merger with Benfield, we acquired Benfield's equity stake in certain Florida-domiciled homeowner insurance companies. We maintain ongoing agreements to provide modeling, actuarial, and consulting services to these insurance companies. These firms' financial results could be adversely affected if assumptions used in establishing their underwriting reserves differ from actual experience. Reserve estimates represent informed judgments based on currently available data, as well as estimates of future trends in claims severity, frequency, judicial theories of liability and other factors. Many of these factors are not quantifiable in advance and both internal and external events, such as changes in claims handling procedures, inflation, judicial and legal developments and legislative changes, can cause estimates to vary. Additionally, a natural disaster occurring in Florida could increase the

incidence or severity of E&O claims relating to these existing service agreements.

Our inability to successfully recover should we experience a disaster or other business continuity problem could cause material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability.

Should we experience a local or regional disaster or other business continuity problem, such as an earthquake, hurricane, terrorist attack, pandemic, security breaches, power loss, telecommunications failure or other natural or man-made disaster, our continued success will depend, in part, on the availability of our personnel, our office facilities, and the proper functioning of our computer, telecommunication and other related systems and operations. Superstorm Sandy, for example, impacted several of our locations in the Northeast United States, resulting in interruptions to our operations and information technology system

infrastructure. In events like these, while our operational size, the multiple locations from which we operate, and our existing back-up systems provide us with some degree of flexibility, we still can experience near-term operational challenges with regard to particular areas of our operations, such as key executive officers or personnel.

Our operations are dependent upon our ability to protect our technology infrastructure against damage from business continuity events that could have a significant disruptive effect on our operations. We could potentially lose client data or experience material adverse interruptions to our operations or delivery of services to our clients in a disaster recovery scenario.

We regularly assess and take steps to improve upon our existing business continuity plans and key management succession. However, a disaster on a significant scale or affecting certain of our key operating areas within or across regions, or our inability to successfully recover should we experience a disaster or other business continuity problem, could materially interrupt our business operations and cause material financial loss, loss of human capital, regulatory actions, reputational harm, damaged client relationships or legal liability.

We rely on complex information technology systems and networks to operate our business. Any significant system or network disruption or breach in the security of our information technology systems could have a negative impact on our reputation, operations, sales and operating results.

We rely on the efficient, uninterrupted and secure operation of complex information technology systems and networks, some of which are within the company and some are outsourced. All information technology systems are potentially vulnerable to damage or interruption from a variety of sources, including but not limited to computer viruses, security breaches, energy blackouts, natural disasters, terrorism, war and telecommunication failures. There also may be system or network disruptions if new or upgraded business management systems are defective or are not installed properly.

We have from time to time experienced cybersecurity breaches, such as computer viruses, unauthorized parties gaining access to our information technology systems and similar incidents, which to date have not had a material impact on our business. In the future, these types of incidents could result in intellectual property or other confidential information being lost or stolen, including client, employee or company data. We may not be able to detect breaches in our information technology systems or assess the severity or impact of a breach in a timely manner.

We have implemented various measures to manage our risks related to system and network security and disruptions, but a security breach or a significant and extended disruption in the functioning of our information technology systems could damage our reputation and cause us to lose clients, adversely impact our operations, sales and operating results and require us to incur significant expense to address and remediate or otherwise resolve such issues. The release of confidential information as a result of a security breach could also lead to litigation or other proceedings against us by affected individuals or business partners, or by regulators, and the outcome of such proceedings, which could include penalties or fines, could have a significant negative impact on our business.

Improper disclosure of personal data could result in legal liability or harm our reputation.

One of our significant responsibilities is to maintain the security and privacy of our employees' and clients' confidential and proprietary information and, in the case of our HR Solutions clients, the personal data of their employees and retirement and other benefit plan participants. We maintain policies, procedures and technological safeguards designed to protect the security and privacy of this information. Nonetheless, we cannot entirely eliminate the risk of improper access to or disclosure of personally identifiable information. Such disclosure could harm our reputation and subject us to liability under our contracts and laws that protect personal data, resulting in increased costs or loss of revenue.

Further, data privacy is subject to frequently changing rules and regulations, which are becoming increasingly complex and sometimes conflict among the various jurisdictions and countries in which we provide services both in terms of substance and in terms of enforceability. This makes compliance challenging and expensive. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace. Further, regulatory initiatives in the area of data privacy are more frequently including provisions allowing authorities to impose substantial fines and penalties, and therefore, failure to comply could also have a significant financial impact.

Implementation of changes to the methods in which we internally process and monitor transactions and activities may encounter delays or other problems, which could adversely impact our accounting and financial reporting processes. Our businesses require that we process and monitor, on a regular basis, a very large number of transactions and other activities, many of which are highly complex, across numerous markets in several different currencies using different systems. Initiatives underway that are designed to improve these functions will alter how we gather, organize and internally report these transactions and activities. To the extent these initiatives are not implemented properly or we encounter problems or delays in

their implementation, they may adversely impact our accounting and financial reporting processes, as well as our invoicing and collection efforts.

Our business performance and growth plans could be negatively affected if we are not able to effectively apply technology in driving value for our clients through technology-based solutions or gain internal efficiencies through the effective application of technology and related tools. Conversely, investments in innovative product offerings may fail to yield sufficient return to cover their investments.

Our success depends, in part, on our ability to develop and implement technology solutions that anticipate and keep pace with rapid and continuing changes in technology, industry standards and client preferences. We may not be successful in anticipating or responding to these developments on a timely and cost-effective basis, and our ideas may not be accepted in the marketplace. Additionally, the effort to gain technological expertise and develop new technologies in our business requires us to incur significant expenses. If we cannot offer new technologies as quickly as our competitors or if our competitors develop more cost-effective technologies, it could have a material adverse effect on our ability to obtain and complete client engagements. For example, we have invested significantly in the development of GRIP, a repository of global insurance placement information, which we use to drive better results for our clients in the insurance placement process. Our competitors are seeking to develop competing databases, and their success in this space may impact our ability to differentiate our services to our clients through the use of unique technological solutions. Likewise, we have invested significantly in our HR BPO business and platform. Innovations in software, cloud computing or other technologies that alter how these services are delivered could significantly undermine our investment in this business if we are slow or unable to take advantage of these developments.

On the other hand, we are continually developing and investing in innovative and novel product offerings that we believe will address needs that we identify in the markets. Nevertheless, for those efforts to produce meaningful value, we are reliant on a number of other factors, some of which are outside of our control. For example, our HR Solutions segment has invested substantial time and resources in launching health care exchanges under the belief that these exchanges will serve a useful role in helping corporations and individuals in the U.S. manage their growing health care expenses. But in order for these exchanges to be successful, health care insurers and corporate and individual participants have to deem them suitable to participate in, and whether those parties will find them suitable will be subject to their own particular circumstances.

If our clients or third parties are not satisfied with our services, we may face additional cost, loss of profit opportunities and damage to our reputation or legal liability.

We depend, to a large extent, on our relationships with our clients and our reputation for high-quality brokering, risk management and HR solutions, so that we can understand our clients' needs and deliver solutions and services that are tailored to satisfy these needs. If a client is not satisfied with our services, it may be more damaging to our business than to other businesses and could cause us to incur additional costs and impair profitability. Many of our clients are businesses that band together in industry groups and/or trade associations and actively share information among themselves about the quality of service they receive from their vendors. Accordingly, poor service to one client may negatively impact our relationships with multiple other clients. Moreover, if we fail to meet our contractual obligations, we could be subject to legal liability or loss of client relationships.

The nature of much of our work, especially our actuarial services in our HR Solutions business, involves assumptions and estimates concerning future events, the actual outcome of which we cannot know with certainty in advance. Similarly, in our investment consulting business, we may be measured based on our track record regarding judgments and advice on investments that are susceptible to influences unknown at the time the advice was given. In addition, we could make computational, software programming or data entry or management errors. A client may nonetheless claim it suffered losses due to reliance on our consulting advice. And, in addition to the risks of liability exposure and increased costs of defense and insurance premiums, claims arising from our professional services may produce publicity that could hurt our reputation and business and adversely affect our ability to secure new business. Damage to our reputation could have a material adverse effect on our business.

Our reputation is a key asset of the Company. We advise our clients on and provide services related to a wide range of subjects and our ability to attract and retain clients is highly dependent upon the external perceptions of our level of service, trustworthiness, business practices, financial condition and other subjective qualities. Negative perceptions or publicity regarding these matters or others, could erode trust and confidence and damage our reputation among

existing and potential clients, which could make it difficult for us to attract new clients and maintain existing ones as mentioned above. Negative public opinion could also result from actual or alleged conduct by us or those currently or formerly associated with us in any number of activities or circumstances, including operations, regulatory compliance, and the use and protection of data and systems, satisfaction of client expectations, and from actions taken by regulators or others in response to such conduct. This

damage to our reputation could further affect the confidence of our clients, rating agencies, regulators, stockholders and the other parties in a wide range of transactions that are important to our business having a material adverse effect on our business, financial condition and operating results.

We rely on third parties to perform key functions of our business operations and to provide services to our clients. These third parties may act in ways that could harm our business.

We rely on third parties, and in some cases subcontractors, to provide services, data and information such as technology, information security, fund transfer, data processing, and administration and support functions that are critical to the operations of our business. These third parties include correspondents, agents and other brokerage and intermediaries, insurance markets, data providers, plan trustees, payroll service providers, software and system vendors, health plan providers, investment managers, investment advisers, and providers of human resource functions such as recruiters and trainers, among others. As we do not fully control the actions of these third parties, we are subject to the risk that their decisions may adversely impact us and replacing these service providers could create significant delay and expense. A failure by the third parties to comply with service level agreement or regulatory or legal requirements, in a high quality and timely manner, particularly during periods of our peak demand for their services, could result in economic and reputational harm to us. In addition, these third parties face their own technology, operating, business and economic risks, and any significant failures by them, including the improper use or disclosure of our confidential client, employee, or company information, could cause harm to our reputation. An interruption in or the cessation of service by any service provider as a result of systems failures, capacity constraints, financial difficulties or for any other reason could disrupt our operations, impact our ability to offer certain products and services, and result in contractual or regulatory penalties, liability claims from clients and/or employees, damage to our reputation and harm to our business.

Our business is exposed to risks associated with the handling of client funds.

Our Risk Solutions business collects premiums from insureds and, after deducting commissions, remits the premiums to the respective insurers. We also collect claims or refunds from insurers on behalf of insureds, which are remitted to the insureds. Similarly, part of our HR Solutions' outsourcing business handles payroll processing for several of our clients. Consequently, at any given time, we may be holding and managing funds of our clients and, in the case of HR Solutions, their employees, while payroll is being processed. This function creates a risk of loss arising from, among other things, fraud by employees or third parties, execution of unauthorized transactions or errors relating to transaction processing. We are also potentially at risk in the event the financial institution in which we hold these funds suffers any kind of insolvency or liquidity event. The occurrence of any of these types of events in connection with this function could cause us financial loss and reputational harm.

In connection with the implementation of our corporate strategy, we face certain risks associated with the acquisition or disposition of businesses, and the entry into new lines of business.

In pursuing our corporate strategy, we may acquire other businesses, or dispose of or exit businesses we currently own. The success of this strategy is dependent upon our ability to identify appropriate acquisition and disposition targets, negotiate transactions on favorable terms and ultimately complete such transactions. If acquisitions are made, there can be no assurance that we will realize the anticipated benefits of such acquisitions, including, but not limited to, revenue growth, operational efficiencies or expected synergies. In addition, we may not be able to integrate acquisitions successfully into our existing business, and we could incur or assume unknown or unanticipated liabilities or contingencies, which may impact our results of operations. If we dispose of or otherwise exit certain businesses, there can be no assurance that we will not incur certain disposition related charges, or that we will be able to reduce overhead related to the divested assets.

From time to time, we may enter lines of business or offer new products and services within existing lines of business. There are substantial risks and uncertainties associated with these efforts, including the investment of significant time and resources, the possibility that these efforts will be unprofitable, and the risk of additional liabilities associated with these efforts. Failure to successfully manage these risks in the development and implementation of new lines of business and new products and services could have a material adverse effect on our business, financial condition or results of operations. External factors, such as compliance with regulations, competitive alternatives and shifting market preferences may also impact the successful implementation of a new line of business. In addition, we can provide no assurance that the entry into new lines of business or development of new products and services will be

successful.

We may face additional risks from the growth and development of companies that we acquire or new lines of business.

We face additional risks associated with companies that we acquire or new lines of business into which we enter, particularly in instances where the markets are not fully developed. In addition, many of the businesses that we acquire and develop will likely have significantly smaller scales of operations prior to the implementation of our growth strategy. If we are not able to manage the growing complexity of these businesses, including improving, refining or revising our systems and

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operational practices, and enlarging the scale and scope of the businesses, our business may be adversely affected. Other risks include developing knowledge of and experience in the new business, recruiting professionals and developing and capitalizing on new relationships with experienced market participants. Failure to manage these risks in the acquisition or development of new businesses successfully could materially and adversely affect our business, results of operations and financial condition.

The process of integrating an acquired company may create unforeseen operating difficulties and expenditures. Companies that we acquire often run on one or more technology platforms different from those used in our businesses. When integrating these businesses, we face additional risks. These risks include implementing or remediating controls, procedures, and policies at the acquired company, ensuring compliance with licensing and regulatory requirements, integration of the acquired company's accounting, human resource, and other administrative systems, and coordination of product, engineering, and sales and marketing functions, transition of operations, users, and customers onto our existing platforms and the failure to successfully further develop the acquired technology. Our failure to address these risks or other problems encountered in connection with our past or future acquisitions and investments could cause us to fail to realize the anticipated benefits of such acquisitions or investments, incur unanticipated liabilities, and harm our business generally.

Key employees of acquired businesses may receive substantial value in connection with a transaction in the form of change-in-control agreements, acceleration of stock options and the lifting of restrictions on other equity-based compensation rights. To retain such employees and integrate the acquired business, we may offer additional retention incentives, but it may still be difficult to retain certain key employees.

Risks relating Primarily to our Risk Solutions Segment

Results in our Risk Solutions segment may fluctuate due to many factors, including cyclical or permanent changes in the insurance and reinsurance markets outside of our control.

Results in our Risk Solutions segment have historically been affected by significant fluctuations arising from uncertainties and changes in the industries in which we operate. A significant portion of our revenue consists of commissions paid to us out of the premiums that insurers and reinsurers charge our clients for coverage. We have no control over premium rates, and our revenues and profitability are subject to change to the extent that premium rates fluctuate or trend in a particular direction. The potential for changes in premium rates is significant, due to pricing cyclicality in the commercial insurance and reinsurance markets.

In addition to movements in premium rates, our ability to generate premium-based commission revenue may be challenged by:

- the growing availability of alternative methods for clients to meet their risk-protection needs, including a greater willingness on the part of corporations to "self-insure," the use of so-called "captive" insurers, and the advent of capital markets-based solutions and other alternative capital sources for traditional insurance and reinsurance needs that increase market capacity, increase competition and put pressure on pricing;
- fluctuation in the need for insurance as the economic downturn continues, as clients either go out of business or scale back their operations, and thus reduce the amount of insurance, they procure;
- the level of compensation, as a percentage of premium, that insurance carriers are willing to compensate brokers for placement activity;
- the growing desire of clients to move away from variable commission rates and instead compensate brokers based upon flat fees, which can negatively impact us as fees are not generally indexed for inflation and do not automatically increase with premium as does commission-based compensation; and
- competition from insurers seeking to sell their products directly to consumers without the involvement of an insurance broker.

In addition, our increasing focus on new product offerings within the Risk Solutions space exposes us to additional risks. For example, GRIP is a relatively new and historically untested offering; it may fail to catch on within the insurance industry or conversely, if successful, may face increasing pressure from competitors who develop competing offerings. As our business, like the economy as a whole, becomes more technology focused, the speed at which our products are subject to challenge or becoming outdated is consistently increasing.

Our results may be adversely affected by changes in the mode of compensation in the insurance industry.

Since the Attorney General of New York brought charges against members of the insurance brokerage community in 2004, there has been uncertainty concerning longstanding methods of compensating insurance brokers. Given that the insurance brokerage industry has faced scrutiny from regulators in the past over its compensation practices, it is possible that those regulators may choose to revisit the same or other practices in the future. If they do so, compliance with new regulations along

with any sanctions that might be imposed for past practices deemed improper could have an adverse impact on our future results of operations and inflict significant reputational harm on our business.

Risks relating Primarily to our HR Solutions Segment

We may not realize all of the anticipated benefits of the acquisition of Hewitt or those benefits may take longer to realize than expected.

The acquisition and integration of a company the size of Hewitt is a complex, costly and time-consuming process. As a result, we have devoted and continue to devote significant management attention and resources to integrating Hewitt's business practices and operations with ours. As described further below, we have closed the global restructuring plan related to our acquisition of Hewitt, but a failure by us to further meet the challenges involved in successfully integrating Hewitt's operations with ours or to otherwise realize the anticipated benefits of the transaction could cause an interruption of our activities, preclude realization of the full benefits expected by us for the acquisition and seriously harm our results of operations and cash flows. In addition, the overall integration of the two companies may result in material unanticipated problems, including, among others:

- managing a significantly larger company;
- maintaining employee morale and retaining key management and other employees;
- integrating two unique business cultures, which may prove to be incompatible;
- the possibility of faulty assumptions underlying expectations regarding the integration process;
- retaining existing clients and attracting new clients;
- consolidating corporate information technology platforms and administrative infrastructures and eliminating duplicative operations;
 - the diversion of management's attention from ongoing business concerns and performance shortfalls as a result of the diversion of management's attention to the acquisition;
- coordinating geographically separate organizations; unanticipated issues in integrating information technology, communications and other systems;
- unanticipated changes in applicable laws and regulations;
 - managing tax costs or inefficiencies associated with integrating the operations of the combined company; and
- unforeseen expenses or delays associated with the acquisition.

Many of these factors are outside of our control and any one of them could result in increased costs, decreases in the amount of expected revenues and cash flows and diversion of management's time and energy, which could materially impact our business, financial condition and results of operations. In addition, even if Hewitt's operations are integrated successfully with our operations, we may not realize the full benefits of the transaction, including the synergies, cost savings or sales or growth opportunities that we expect. These benefits may not be achieved within the anticipated time frame, or at all. Further, additional unanticipated costs may be incurred in the integration of our businesses. All of these factors could cause dilution to our earnings, decrease or delay the expected accretive effect of the acquisition, and cause a decrease in the price of our ordinary shares. As a result, we cannot assure you that the acquisition of Hewitt will result in the realization of the full benefits anticipated from the transaction.

In 2010, after completion of the acquisition of Hewitt, we announced a global restructuring plan referred to as the Aon Hewitt Plan. The Aon Hewitt Plan, which closed in December 2013, was intended to streamline operations across the combined organization and facilitate the integration of Hewitt. The Aon Hewitt Plan resulted in cumulative costs of approximately \$429 million through the end of the plan, all of which are included in our Consolidated Statements of Income, primarily encompassing workforce reduction and real estate rationalization costs. The total cost of \$429 million consisted of approximately \$266 million in employee termination costs and approximately \$163 million in real estate rationalization costs. Approximately 2,960 positions globally, predominantly non-client facing, were eliminated as part of the Aon Hewitt Plan. We expect to achieve total annual savings of \$402 million in 2014, of which \$99 million is expected to be achieved in Risk Solutions and \$303 million is expected to be achieved in HR Solutions, and additional savings in areas such as information technology, procurement and public company costs. We cannot assure that we will achieve the targeted savings.

The profitability of our outsourcing and consulting engagements with clients may not meet our expectations due to unexpected costs, cost overruns, early contract terminations, unrealized assumptions used in our contract bidding

process or the inability to maintain our prices.

In our HR Solutions segment, our profitability is highly dependent upon our ability to control our costs and improve our efficiency. As we adapt to change in our business, adapt to the regulatory environment, enter into new engagements, acquire additional businesses and take on new employees in new locations, we may not be able to manage our large, diverse and changing workforce, control our costs or improve our efficiency.

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Most new outsourcing arrangements undergo an implementation process whereby our systems and processes are customized to match a client's plans and programs. The cost of this process is estimated by us and often partially funded by our clients. If our actual implementation expense exceeds our estimate or if the ongoing service cost is greater than anticipated, the client contract may be less profitable than expected.

Even though outsourcing clients typically sign long-term contracts, some of these contracts may be terminated at any time, with or without cause, by our client upon 90 to 360 days written notice. Our outsourcing clients are generally required to pay a termination fee; however, this amount may not be sufficient to offset the costs we incurred in connection with the implementation and system set-up or fully compensate us for the profit we would have received if the contract had not been cancelled. A client may choose to delay or terminate a current or anticipated project as a result of factors unrelated to our work product or progress, such as the business or financial condition of the client or general economic conditions. When any of our engagements are terminated, we may not be able to eliminate associated ongoing costs or redeploy the affected employees in a timely manner to minimize the impact on profitability. Any increased or unexpected costs or unanticipated delays in connection with the performance of these engagements, including delays caused by factors outside our control, could have an adverse effect on our profit margin.

Our profit margin, and therefore our profitability, is largely a function of the rates we are able to charge for our services and the staffing costs for our personnel. Accordingly, if we are not able to maintain the rates we charge for our services or appropriately manage the staffing costs of our personnel, we may not be able to sustain our profit margin and our profitability will suffer. The prices we are able to charge for our services are affected by a number of factors, including competitive factors, cost of living adjustment provisions, the extent of ongoing clients' perception of our ability to add value through our services and general economic conditions. Our profitability in providing HR BPO services is largely based on our ability to drive cost efficiencies during the term of our contracts for such services. If we cannot drive suitable cost efficiencies, our profit margins will suffer.

We might not be able to achieve the cost savings required to sustain and increase our profit margins in our HR Solutions business.

We provide our outsourcing services over long terms for variable or fixed fees that generally are less than our clients' historical costs to provide for themselves the services we contract to deliver. Also, clients' demand for cost reductions may increase over the term of the agreement. As a result, we bear the risk of increases in the cost of delivering HR outsourcing services to our clients, and our margins associated with particular contracts will depend on our ability to control our costs of performance under those contracts and meet our service commitments cost-effectively. Over time, some of our operating expenses will increase as we invest in additional infrastructure and implement new technologies to maintain our competitive position and meet our client service commitments. We must anticipate and respond to the dynamics of our industry and business by using quality systems, process management, improved asset utilization and effective supplier management tools. We must do this while continuing to grow our business so that our fixed costs are spread over an increasing revenue base. If we are not able to achieve this, our ability to sustain and increase profitability may be reduced.

Our accounting policy for our long-term outsourcing contracts requires using estimates and projections that may change over time. These changes may have a significant or adverse effect on our reported results of operations or financial condition.

Projecting contract profitability on the long-term outsourcing contracts in our HR Solutions business requires us to make assumptions and estimates of future contract results. All estimates are inherently uncertain and subject to change. In an effort to maintain appropriate estimates, we review each of our long-term outsourcing contracts, the related contract reserves and intangible assets on a regular basis. These assumptions and estimates involve the exercise of judgment and discretion, which may also evolve over time in light of operational experience, regulatory direction, developments in accounting principles and other factors. Further, changes in assumptions, estimates or developments in the business or the application of accounting principles related to long-term outsourcing contracts may change our initial estimates of future contract results. Application of, and changes in, assumptions, estimates and policies may adversely affect our financial results.

In our investment consulting business, we advise or act on behalf of clients regarding their investments. The results of these investments are uncertain and subject to numerous factors, some of which are within our control and some

which are not. Clients that experience losses or lower than expected investment returns may assert claims against us. Our investment consulting business provides advice to clients on: investment strategy, which can include advice on setting investment objectives, asset allocation, and hedging strategies; selection (or removal) of investment managers; the investment in different investment instruments and products; and the selection of other investment service providers such as custodians and transition managers. For some clients, we are responsible for making decisions on these matters and we may implement such decisions in a fiduciary/agency capacity albeit without assuming title or custody over the underlying funds or assets invested. Asset classes may experience poor absolute performance; third parties we recommend or select, such as

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investment managers, may underperform their benchmarks due to poor market performance, negligence or other reasons, resulting in poor investment returns or losses of some, or all, of the capital that has been invested. These losses may be attributable in whole or in part to failures on our part or to events entirely outside of our control. Regardless of the cause, clients experiencing losses may assert claims against us, and these claims may be for significant amounts. Defending against these claims can involve potentially significant costs, including legal defense costs, as well as cause substantial distraction and diversion of other resources. Furthermore, our ability to limit our potential liability is restricted in certain jurisdictions and in connection with claims involving breaches of fiduciary/agency duties or other alleged errors or omissions.

We rely heavily on our computing and communications infrastructure and the integrity of these systems in the delivery of human resources services for our HR Solutions clients, and our operational performance and revenue growth depends, in part, on the reliability and functionality of this infrastructure as a means of delivering human resources services.

The internet is a key mechanism for delivering our human resources services to our HR Solutions clients efficiently and cost effectively. Our clients may not be receptive to human resource services delivered over the internet due to concerns regarding transaction security, user privacy, the reliability and quality of internet service and other reasons. Our clients' concerns may be heightened by the fact we use the internet to transmit extremely confidential information about our clients and their employees, such as compensation, medical information and other personally identifiable information. In order to maintain the level of security, service and reliability that our clients require, we may be required to make significant additional investments in our online methods of delivering human resources services. In addition, websites and proprietary online services have experienced service interruptions and other delays occurring throughout their infrastructure. If we cannot use the internet effectively to deliver our services, our revenue growth and results of operation may be impaired.

We may lose client data as a result of major catastrophes and other similar problems that may materially adversely impact our operations. We have multiple processing centers around the world that use various commercial methods for disaster recovery capabilities. Our main data processing center is located near the Aon Hewitt headquarters in Lincolnshire, Illinois. In the event of a disaster, our business continuity may not be sufficient, and the data recovered may not be sufficient for the administration of our clients' human resources programs and processes.

Risks Related to Our Ordinary Shares

Transfers of the Class A Ordinary Shares may be subject to stamp duty or SDRT in the U.K., which would increase the cost of dealing in the Class A Ordinary Shares.

Stamp duty and/or SDRT are imposed in the U.K. on certain transfers of chargeable securities (which include shares in companies incorporated in the U.K.) at a rate of 0.5 percent of the consideration paid for the transfer. Certain transfers of shares to depositaries or into clearance systems are charged at a higher rate of 1.5 percent.

Our Class A Ordinary Shares are eligible to be held in book entry form through the facilities of Depository Trust Company ("DTC"). Transfers of shares held in book entry form through DTC will not attract a charge to stamp duty or SDRT in the U.K. A transfer of the shares from within the DTC system out of DTC and any subsequent transfers that occur entirely outside the DTC system will attract a charge to stamp duty at a rate of 0.5 percent of any consideration, which is payable by the transferee of the shares. Any such duty must be paid (and the relevant transfer document stamped by HMRC) before the transfer can be registered in the books of Aon UK. If those shares are redeposited into DTC, the redeposit will attract stamp duty or SDRT at a rate of 1.5 percent of the value of the shares. We have put in place arrangements to require that shares held in certificated form cannot be transferred into the DTC system until the transferor of the shares has first delivered the shares to a depository specified by us so that SDRT may be collected in connection with the initial delivery to the depository. Any such shares will be evidenced by a receipt issued by the depository. Before the transfer can be registered in our books, the transferor will also be required to put in the depository funds to settle the resultant liability to SDRT, which will be charged at a rate of 1.5 percent of the value of the shares.

Following the decision of the First Tier Tribunal (Tax Chamber) in *HSBC Holdings plc, The Bank of New York Mellon Corporation v HMRC 2012 UKFTT 163 (TC)* and the announcement by HMRC that it will not seek to appeal the decision, HMRC is no longer enforcing the charge to SDRT on the issue of shares into either EU or non-EU depository receipt or clearance systems.

If the Class A Ordinary Shares are not eligible for continued deposit and clearing within the facilities of DTC, then transactions in our securities may be disrupted.

The facilities of DTC are a widely-used mechanism that allow for rapid electronic transfers of securities between the participants in the DTC system, which include many large banks and brokerage firms. We believe that prior to the merger approximately 99% of the outstanding shares of common stock of Aon Corporation were held within the DTC system. The

Class A Ordinary Shares of Aon plc are, at present, eligible for deposit and clearing within the DTC system. In connection with the closing of the merger, we entered into arrangements with DTC whereby we agreed to indemnify DTC for any stamp duty and/or SDRT that may be assessed upon it as a result of its service as a depository and clearing agency for our Class A Ordinary Shares. In addition, we have obtained a ruling from HMRC in respect of the stamp duty and SDRT consequences of the reorganization, and SDRT has been paid in accordance with the terms of this ruling in respect of the deposit of Class A Ordinary Shares with the initial depository. DTC will generally have discretion to cease to act as a depository and clearing agency for the Class A Ordinary Shares. If DTC determines at any time that the Class A Ordinary Shares are not eligible for continued deposit and clearance within its facilities, then we believe the Class A Ordinary Shares would not be eligible for continued listing on a U.S. securities exchange or inclusion in the S&P 500 and trading in the Class A Ordinary Shares would be disrupted. While we would pursue alternative arrangements to preserve our listing and maintain trading, any such disruption could have a material adverse effect on the trading price of the Class A Ordinary Shares.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

We have offices in various locations throughout the world. Substantially all of our offices are located in leased premises. We maintain our corporate headquarters at 8 Devonshire Square, London, England, where we occupy approximately 225,000 square feet of space under an operating lease agreement that expires in 2018. We own one building at Pallbergweg 2-4, Amsterdam, the Netherlands (150,000 square feet). The following are additional significant leased properties, along with the occupied square footage and expiration.

Property:	Occupied Square Footage	Lease Expiration Dates
4 Overlook Point and other locations, Lincolnshire, Illinois	1,224,000	2017 – 2024
2601 Research Forest Drive, The Woodlands, Texas	414,000	2020
DLF City and Unitech Cyber Park, Gurgaon, India	413,000	2014 – 2015
200 E. Randolph Street, Chicago, Illinois	396,000	2028
2300 Discovery Drive, Orlando, Florida	364,000	2020
199 Water Street, New York, New York	319,000	2018
7201 Hewitt Associates Drive, Charlotte, North Carolina	218,000	2015

The locations in Lincolnshire, Illinois, The Woodlands, Texas, Gurgaon, India, Orlando, Florida, and Charlotte, North Carolina, each of which were acquired as part of the Hewitt acquisition in 2010, are primarily dedicated to our HR Solutions segment. The other locations listed above house personnel from both of our reportable segments.

In November 2011, Aon entered into an agreement to lease 190,000 square feet in a new building to be constructed in London, United Kingdom. The agreement is contingent upon the completion of the building construction. Aon expects to move into the new building in 2015 when it exercises an early break option at the Devonshire Square location.

In September 2013, Aon entered into an agreement to lease up to 479,000 square feet in a new building to be constructed in Gurgaon, India. The agreement is contingent upon the completion of the building construction. Aon expects to move into the new building in phases during 2014 and 2015 upon the expiration of the existing leases at the Gurgaon locations.

In general, no difficulty is anticipated in negotiating renewals as leases expire or in finding other satisfactory space if the premises become unavailable. We believe that the facilities we currently occupy are adequate for the purposes for which they are being used and are well maintained. In certain circumstances, we may have unused space and may seek to sublet such space to third parties, depending upon the demands for office space in the locations involved. See Note 9 "Lease Commitments" of the Notes to Consolidated Financial Statements in Part II, Item 8 of this report for information with respect to our lease commitments as of December 31, 2013.

Item 3. Legal Proceedings.

We hereby incorporate by reference Note 16 "Commitments and Contingencies" of the Notes to Consolidated Financial Statements in Part II, Item 8 of this report.

Item 4. Mine Safety Disclosure.

Not applicable

Executive Officers of the Registrant

The executive officers of Aon, their business experience during the last five years, and their ages and positions held are set forth below.

Name	Age	Position
Gregory C. Case	51	President and Chief Executive Officer. Mr. Case became President and Chief Executive Officer of Aon in April 2005. Prior to joining Aon, Mr. Case was a partner with McKinsey & Company, the international management consulting firm, for 17 years, most recently serving as head of the Financial Services Practice. He previously was responsible for McKinsey's Global Insurance Practice, and was a member of McKinsey's governing Shareholders' Committee. Prior to joining McKinsey, Mr. Case was with the investment banking firm of Piper, Jaffray and Hopwood and the Federal Reserve Bank of Kansas City.
Christa Davies	42	Executive Vice President and Chief Financial Officer. Ms. Davies became Executive Vice President — Global Finance in November 2007. In March 2008, Ms. Davies assumed the additional role of Chief Financial Officer. Prior to joining Aon, Ms. Davies served for 5 years in various capacities at Microsoft Corporation, an international software company, most recently serving as Chief Financial Officer of the Platform and Services Division. Before joining Microsoft in 2002, Ms. Davies served at ninemsn, an Australian joint venture with Microsoft.
Gregory J. Besio	56	Executive Vice President and Chief Human Resources Officer. Mr. Besio currently serves as Executive Vice President and Chief Human Resources Officer of Aon. Prior to serving in this role, Mr. Besio served as Aon's Chief Administrative Officer and Head of Global Strategy, and also served as the Executive Integration Leader for Aon Hewitt following the acquisition of Hewitt Associates, Inc. Prior to joining Aon in May 2007, Mr. Besio held a variety of senior positions in strategy and operations at Motorola.
Peter Lieb	58	Executive Vice President, General Counsel and Company Secretary. Mr. Lieb was named Aon's Executive Vice President and General Counsel in July 2009 and Company Secretary in November 2013. Prior to joining Aon, Mr. Lieb served as Senior Vice President, General Counsel and Secretary of NCR Corporation, a technology company focused on assisted and self-service solutions, from May 2006 to July 2009, and as Senior Vice President, General Counsel and Secretary of Symbol Technologies, Inc. from October 2003 to February 2006. From October 1997 to October 2003, Mr. Lieb served in various senior legal positions at International Paper Company, including Vice President and Deputy General Counsel. Earlier in his career, Mr. Lieb served as a law clerk to the Honorable Warren E. Burger, Chief Justice of the United States.
Stephen P. McGill	56	Group President, Aon plc and Chairman and Chief Executive Officer, Risk Solutions. Mr. McGill joined Aon in May 2005 as Chief Executive Officer of the Global Large Corporate business unit, which is now part of Aon Global, and was named Chief Executive Officer of Aon Risk Services Americas in January 2006 prior to being named to his current position in February 2008 and as Group President in May 2012. Previously, Mr. McGill served as Chief Executive Officer of Jardine Lloyd Thompson Group plc.
Laurel Meissner	56	Senior Vice President and Global Controller. Ms. Meissner joined Aon in February 2009, and was appointed Senior Vice President and Global Controller and designated as Aon's principal accounting officer in March 2009. Prior to joining Aon, Ms. Meissner served from July 2008 through January 2009 as Senior Vice President, Finance, Chief Accounting Officer of Motorola, Inc., an international communications company.

Kristi A. Savacool 54

Ms. Meissner joined Motorola in 2000 and served in various senior financial positions, including Corporate Vice President, Finance, Chief Accounting Officer. Chief Executive Officer, Aon Hewitt. Ms. Savacool joined Aon upon the completion of the merger between Aon and Hewitt Associates, Inc. and was named Chief Executive Officer of Aon Hewitt in February 2012. Prior to assuming this role, Ms. Savacool served as Co-Chief Executive Officer of Aon Hewitt from May 2011 and, prior to that, Chief Executive Officer of Benefits Administration for Aon Hewitt. At Hewitt, Ms. Savacool served in several senior executive positions, including Senior Vice President, Total Benefit Administration Outsourcing. Ms. Savacool joined Hewitt in July 2005. Prior to July 2005, Ms. Savacool held a number of executive management positions at The Boeing Company since 1985.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Aon's Class A Ordinary Shares, \$0.01 nominal value per share, are traded on the New York Stock Exchange. We hereby incorporate by reference the "Dividends paid per share" and "Price range" data in Note 19 "Quarterly Financial Data" of the Notes to Consolidated Financial Statements in Part II, Item 8 of this report.

We have approximately 269 holders of record of our Class A Ordinary Shares as of January 31, 2014.

We hereby incorporate by reference Note 11, "Shareholders' Equity" of the Notes to Consolidated Financial Statements in Part II, Item 8 of this report.

The following information relates to the repurchases of equity securities by Aon or any affiliated purchaser during any month within the fourth quarter of the fiscal year covered by this report:

Period	Total Number of Shares Purchased	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (1) (2)
10/1/13 – 10/31/13	126,905	\$78.78	126,905	\$2,940,498,870
11/1/13 – 11/30/13	838,582	79.79	838,582	2,873,588,140
12/1/13 – 12/31/13	—	—	—	2,873,588,140
	965,487	\$79.66	965,487	\$2,873,588,140

(1) Does not include commissions paid to repurchase shares.

In April 2012, our Board of Directors authorized a share repurchase program under which up to \$5 billion of Class A Ordinary Shares were authorized to be repurchased from time to time depending on market conditions or (2) other factors through open market or privately negotiated transactions, and will be funded from available capital. In 2013, we repurchased 16.8 million shares at an average price per share of \$65.65 for a total cost of \$1.1 billion.

The remaining authorized amount for share repurchase under the 2012 Share Repurchase Program is \$2.9 billion. Information relating to the compensation plans under which equity securities of Aon are authorized for issuance is set forth under Part III, Item 12 "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" of this report and is incorporated herein by reference.

Item 6. Selected Financial Data.

Selected Financial Data

(millions except shareholders, employees and per share data)	2013	2012	2011	2010	2009
Income Statement Data					
Commissions, fees and other	\$11,787	\$11,476	\$11,235	\$8,457	\$7,521
Fiduciary investment income	28	38	52	55	74
Total revenue	\$11,815	\$11,514	\$11,287	\$8,512	\$7,595
Income from continuing operations	\$1,148	\$1,020	\$1,010	\$759	\$681
(Loss) income from discontinued operations (1) (4)	—	—	—	(27)	) 111
Net income	1,148	1,020	1,010	732	792
Less: Net income attributable to noncontrolling interest	35	27	31	26	45
Net income attributable to Aon shareholders	\$1,113	\$993	\$979	\$706	\$747
Basic Net Income (Loss) Per Share Attributable to Aon Shareholders					
Continuing operations	\$3.57	\$3.02	\$2.92	\$2.50	\$2.25
Discontinued operations (4)	—	—	—	(0.09)	) 0.39
Net income	\$3.57	\$3.02	\$2.92	\$2.41	\$2.64
Diluted Net Income (Loss) Per Share Attributable to Aon Shareholders					
Continuing operations	\$3.53	\$2.99	\$2.87	\$2.46	\$2.19
Discontinued operations (4)	—	—	—	(0.09)	) 0.38
Net income	\$3.53	\$2.99	\$2.87	\$2.37	\$2.57
Balance Sheet Data					
Fiduciary assets (2)	\$11,871	\$12,214	\$10,838	\$10,063	\$10,835
Intangible assets including goodwill (3)	11,575	11,918	12,046	12,258	6,869
Total assets	30,251	30,486	29,552	28,982	22,958
Long-term debt	3,686	3,713	4,155	4,014	1,998
Total equity	8,195	7,805	8,120	8,306	5,431
Class A Ordinary Shares and Other Data					
Dividends paid per share	\$0.68	\$0.62	\$0.60	\$0.60	\$0.60
Price range:					
High	84.33	57.92	54.58	46.24	46.19
Low	54.65	45.04	39.68	35.10	34.81
At year-end:					
Market price	\$83.89	\$55.61	\$46.80	\$46.01	\$38.34
Common shareholders	281	240	8,107	9,316	9,883
Shares outstanding	300.7	310.9	324.4	332.3	266.2
Number of employees	65,547	64,725	62,443	59,100	36,200

We have sold certain businesses whose results have been reclassified as discontinued operations, including AIS (1) Management Corporation and our P&C Operations (both sold in 2009) and CICA and Sterling Life Insurance Company (both sold in 2008).

(2) Represents insurance premiums receivables from clients as well as cash and investments held in a fiduciary capacity.

(3) In 2010, we completed the acquisition of Hewitt. In connection with the acquisition, we recorded intangible assets, including goodwill, of \$5.7 billion.

(4)

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For the years ended December 31, 2012, and 2011 amounts related to discontinued operations have been included in Other income to conform to amounts included in the Consolidated Financial Statements in this Form 10-K. These amounts in the years ended December 31, 2012 and 2011, which were historically included in Income (loss) from discontinued operations, have been reclassified to conform with current presentation. The amounts reclassified were \$1 million loss and \$4 million income for the years ended December 31, 2012 and 2011, respectively, from Income (loss) from discontinued operations to Other income. For the years ended December 31, 2010 and 2009, amounts related to discontinued operations remain in Income (loss) from discontinued operations as they are more meaningful to the presentation of continuing operations in those years.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

EXECUTIVE SUMMARY OF 2013 FINANCIAL RESULTS

During 2013, we continued to face certain headwinds impacting our business. In our Risk Solutions segment, these headwinds included economic weakness in continental Europe and a significant decline in investment income due to lower short-term interest rates globally. In our HR Solutions segment, these headwinds included price compression in our benefits administration business and competitive pressures across continental Europe.

The following is a summary of our 2013 financial results:

Revenue increased \$301 million, or 3%, compared to the prior year to \$11.8 billion in 2013 due primarily to solid organic revenue growth of 3% in the Risk Solutions segment and 3% in the HR Solutions segment, and a 1% increase in commissions and fees resulting from acquisitions, net of divestitures, partially offset by a 1% unfavorable impact from foreign currency translation. The increase in revenue was driven by strong management of the renewal book portfolio and strong new business growth across our Retail business, as well as solid growth in our Reinsurance business, and new client wins in our HR Solutions segment with notable growth in health care exchanges.

Operating expenses increased \$226 million, or 2%, compared to the prior year to \$10.1 billion in 2013 due primarily to an increase in expense associated with organic revenue growth of 3%, an increase in restructuring charges of \$76 million and \$20 million of legacy, non-recurring claims handling charges, partially offset by lower intangible asset amortization expenses of \$28 million, a decrease in headquarters relocation costs of \$19 million, benefits achieved from the restructuring plans and a \$43.5 million favorable impact from settlement of a non-recurring, one-time legal matter.

Operating margin increased to 14.1% in 2013 from 13.9% in 2012. The increase in operating margin from the prior year is primarily related to organic revenue growth of 3%, decreased intangible asset amortization, and benefits achieved from the restructuring plans. Risk Solutions operating margin increased to 19.8% in 2013 from 19.6% in 2012. HR Solutions operating margin increased to 7.8% in 2013 from 7.4% in 2012.

Net income attributable to Aon shareholders was \$1.1 billion, an increase of \$120 million, or 12%, from \$993 million in 2012. Diluted earnings per share increased to \$3.53 in 2013 from \$2.99 in 2012.

Cash flows provided by operating activities was \$1.6 billion in 2013, an increase of \$214 million, or 15%, from \$1.4 billion in 2012, due primarily to growth in net income, strong working capital performance, and a decrease in pension contributions, partially offset by an increase in cash paid for taxes. Cash flow from operations in 2013 was also favorably impacted by the \$43.5 million settlement of a non-recurring, one-time legal matter.

We focus on four key non-GAAP metrics that we communicate to shareholders: grow organically, expand adjusted margins, increase adjusted diluted earnings per share, and increase free cash flow. The following is our measure of performance against these four metrics for 2013:

Organic revenue growth, a non-GAAP measure as defined under the caption "Review of Consolidated Results — Organic Revenue," was 3% in 2013. Organic revenue growth was driven by solid growth across our businesses in both Risk and HR Solutions. In Risk Solutions, organic revenue growth was driven by strong management of the renewal book portfolio and strong new business growth across our Retail Business, as well as growth in treaty placements in Reinsurance. In HR Solutions, organic growth was driven by new client wins in outsourcing, primarily health care exchanges, and solid growth across consulting.

Adjusted operating margin, a non-GAAP measure as defined under the caption "Review of Consolidated Results — Adjusted Operating Margin," was 19.0% for Aon overall, 22.5% for the Risk Solutions segment, and 16.7% for the HR Solutions segment in 2013. In 2012, adjusted operating margin was 18.6% for Aon overall, 21.7% for the Risk Solutions segment, and 16.6% for the HR Solutions segment. The increase in adjusted operating margin for the Risk Solutions segment reflects solid organic revenue growth and restructuring savings, partially offset by an unfavorable impact from foreign currency translation and a decline in fiduciary investment income. The increase in adjusted

operating margin for the HR Solutions segment reflects solid organic revenue growth and restructuring savings, partially offset by continued investment in long-term growth opportunities.

Adjusted diluted earnings per share from net income attributable to Aon's shareholders, a non-GAAP measure as defined under the caption "Review of Consolidated Results — Adjusted Diluted Earnings per Share," was \$4.89

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per share in 2013, an increase of \$0.68 per share, or 16%, from \$4.21 per share in 2012. The increase demonstrates solid operational performance and effective capital management despite a difficult business environment, as well as the impact of \$1.1 billion of share repurchases during 2013.

Free cash flow, a non-GAAP measure as defined under the caption "Review of Consolidated Results — Free Cash Flow," was \$1.4 billion in 2013, an increase of \$254 million, or 22%, from \$1.2 billion in 2012. The increase in free cash flow from the prior year was driven by strong cash flow from operations of \$1.6 billion in 2013 and a 15%, or \$40 million, decrease in capital expenditures.

During 2013, we continued to execute against the strategic goals of the Redomestication. We believe the Redomestication will continue to strengthen our long term strategy by:

• Enabling Risk Solutions to deliver superior value to our clients by executing our Aon Broking strategy;

• Expanding the HR Solutions portfolio penetration, especially within consulting, which already has a significant presence in the U.K. and EMEA;

• Enhancing our Risk Solutions' relationship with, and integration into, London markets;

• Increasing our connection to emerging markets, accelerating our ability to grow there, and further aligning our strategy with underwriters and carriers who are also targeting these high growth markets;

• Strengthening our international brand awareness and positioning as a global firm;

• Advancing our talent strategy through better development, retention and acquisition of professional talent, with a special focus on London's insurance talent;

• Optimizing our fiscal planning and capital allocation and reducing our global tax rate in a manner that provides us with the increased financial flexibility to properly invest in our growth.

REVIEW OF CONSOLIDATED RESULTS

General

In our discussion of operating results, we sometimes refer to certain non-GAAP supplemental information derived from consolidated financial information specifically related to organic revenue growth, adjusted operating margin, adjusted diluted earnings per share, free cash flow, and the impact of foreign exchange rate fluctuations on operating results.

Organic Revenue

We use supplemental information related to organic revenue to help us and our investors evaluate business growth from existing operations. Organic revenue is a non-GAAP measure and excludes the impact of foreign exchange rate changes, acquisitions, divestitures, transfers between business units, fiduciary investment income, reimbursable expenses, and certain unusual items. Supplemental information related to organic revenue growth represents a measure not in accordance with U.S. GAAP, and should be viewed in addition to, not instead of, our Consolidated Financial Statements and Notes thereto. Industry peers provide similar supplemental information about their revenue performance, although they may not make identical adjustments. Reconciliation of this non-GAAP measure, organic revenue growth percentages to the reported Commissions, fees and other revenue growth percentages, has been provided in the "Review by Segment" caption, below.

Adjusted Operating Margin

We use adjusted operating margin as a non-GAAP measure of core operating performance of our Risk Solutions and HR Solutions segments. Adjusted operating margin excludes the impact of certain items, including restructuring charges, intangible asset amortization and headquarters relocation costs. This supplemental information related to

adjusted operating margin represents a measure not in accordance with U.S. GAAP, and should be viewed in addition to, not instead of, our Consolidated Financial Statements and Notes thereto.

A reconciliation of this non-GAAP measure to the reported operating margin is as follows (in millions):

	Total	Risk	HR		
	Aon (1)	Solutions	Solutions		
Year Ended December 31, 2013					
Revenue — U.S. GAAP	\$ 11,815	\$ 7,789	\$ 4,057		
Operating income — U.S. GAAP	\$ 1,671	\$ 1,540	\$ 318		
Restructuring charges	174	94	80		
Intangible asset amortization	395	115	280		
Headquarters relocation costs	5	—	—		
Operating income — as adjusted	\$ 2,245	\$ 1,749	\$ 678		
Operating margins — U.S. GAAP	14.1	% 19.8	% 7.8	%	
Operating margins — as adjusted	19.0	% 22.5	% 16.7	%	
Year Ended December 31, 2012					
Revenue — U.S. GAAP	\$ 11,514	\$ 7,632	\$ 3,925		
Operating income — U.S. GAAP	\$ 1,596	\$ 1,493	\$ 289		
Restructuring charges	101	35	66		
Intangible asset amortization	423	126	297		
Headquarters relocation costs	24	—	—		
Operating income — as adjusted	\$ 2,144	\$ 1,654	\$ 652		
Operating margins — U.S. GAAP	13.9	% 19.6	% 7.4	%	
Operating margins — as adjusted	18.6	% 21.7	% 16.6	%	
Year Ended December 31, 2011					
Revenue — U.S. GAAP	\$ 11,287	\$ 7,537	\$ 3,781		
Operating income — U.S. GAAP	\$ 1,596	\$ 1,413	\$ 336		
Restructuring charges	113	65	48		
Legacy receivables write-off	18	18	—		
Intangible asset amortization	362	129	233		
Transaction related costs — UK reincorporation	3	—	—		
Hewitt related costs	47	—	47		
Operating income — as adjusted	\$ 2,139	\$ 1,625	\$ 664		
Operating margins — U.S. GAAP	14.1	% 18.7	% 8.9	%	
Operating margins — as adjusted	19.0	% 21.6	% 17.6	%	

(1) Includes unallocated expenses and the elimination of inter-segment revenue.

Adjusted Diluted Earnings per Share

We also use adjusted diluted earnings per share as a non-GAAP measure of our core operating performance. Adjusted diluted earnings per share excludes the impact of restructuring charges, intangible asset amortization, headquarters relocation costs, Hewitt related costs, and other unusual items, along with related income taxes. This supplemental information related to adjusted diluted earnings per share represents a measure not in accordance with U.S. GAAP and should be viewed in addition to, not instead of, our Consolidated Financial Statements and Notes thereto.

Reconciliations of this non-GAAP measure to the reported diluted earnings per share are as follows (in millions except per share data):

Year Ended December 31, 2013	U.S. GAAP	Adjustments	As Adjusted
Operating income	\$1,671	\$574	\$2,245
Interest income	9	—	9
Interest expense	(210)	) —	(210)
Other income	68	—	68
Income before income taxes	1,538	574	2,112
Income taxes	390	146	536
Net income	1,148	428	1,576
Less: Net income attributable to noncontrolling interests	35	—	35
Net income attributable to Aon shareholders	\$1,113	\$428	\$1,541
Diluted earnings per share	\$3.53	\$1.36	\$4.89
Weighted average common shares outstanding — diluted	315.4	315.4	315.4
Year Ended December 31, 2012	U.S. GAAP	Adjustments	As Adjusted
Operating income	\$1,596	\$548	\$2,144
Interest income	10	—	10
Interest expense	(228)	) —	(228)
Other income	2	2	4
Income before income taxes	1,380	550	1,930
Income taxes	360	144	504
Net income	1,020	406	1,426
Less: Net income attributable to noncontrolling interests	27	—	27
Net income attributable to Aon shareholders	\$993	\$406	\$1,399
Diluted earnings per share	\$2.99	\$1.22	\$4.21
Weighted average common shares outstanding — diluted	332.6	332.6	332.6
Year Ended December 31, 2011	U.S. GAAP	Adjustments	As Adjusted
Operating income	\$1,596	\$543	\$2,139
Interest income	18	—	18
Interest expense	(245)	) —	(245)
Other income	19	19	38
Income before income taxes	1,388	562	1,950
Income taxes	378	153	531
Net income	1,010	409	1,419
Less: Net income attributable to noncontrolling interests	31	—	31
Net income attributable to Aon shareholders	\$979	\$409	\$1,388
Diluted earnings per share	\$2.87	\$1.20	\$4.07
Weighted average common shares outstanding — diluted	340.9	340.9	340.9
Free Cash Flow			

We use free cash flow, defined as cash flow provided by operations minus capital expenditures, as a non-GAAP measure of our core operating performance. This supplemental information related to free cash flow represents a measure not in accordance with U.S. GAAP and should be viewed in addition to, not instead of, our Consolidated Financial Statements and Notes thereto. The use of this non-GAAP measure does not imply or represent the residual cash flow for discretionary expenditures.

Reconciliations of this non-GAAP measure to Cash flow provided by operations are as follows (in millions):

Years Ended December 31,	2013	2012	2011
Cash flow provided by operations-U.S. GAAP	\$1,633	\$1,419	\$1,018
Less: Capital expenditures	(229)	(269)	(241)
Free cash flow	\$1,404	\$1,150	\$777

Impact of Foreign Exchange Rate Fluctuations

Because we conduct business in more than 120 countries, foreign exchange rate fluctuations have a significant impact on our business. In comparison to the U.S. dollar, foreign exchange rate movements may be significant and may distort true period-to-period comparisons of changes in revenue or pretax income. Therefore, to give financial statement users meaningful information about our operations, we have provided an illustration of the impact of foreign currency exchange rates on our financial results. The methodology used to calculate this impact isolates the impact of the change in currencies between periods by translating last year's revenue, expenses and net income, using current year's foreign exchange rates. Using this illustrative methodology, currency fluctuations had an unfavorable impact of \$0.03, \$0.06, and favorable impact of \$0.04 during the years ended December 31, 2013, 2012, and 2011, respectively, on adjusted net income per diluted share, when we translate prior year results at current year end foreign exchange rates. These translations are performed for comparative and illustrative purposes only and do not impact the accounting policy or practices for amounts included in the Consolidated Financial Statements.

Summary of Results

Our consolidated results of operations follow (in millions):

Years ended December 31,	2013	2012	2011
Revenue:			
Commissions, fees and other	\$11,787	\$11,476	\$11,235
Fiduciary investment income	28	38	52
Total revenue	11,815	11,514	11,287
Expenses:			
Compensation and benefits	6,945	6,709	6,567
Other general expenses	3,199	3,209	3,124
Total operating expenses	10,144	9,918	9,691
Operating income	1,671	1,596	1,596
Interest income	9	10	18
Interest expense	(210)	(228)	(245)
Other income	68	2	19
Income before income taxes	1,538	1,380	1,388
Income taxes	390	360	378
Net income	1,148	1,020	1,010
Less: Net income attributable to noncontrolling interests	35	27	31
Net income attributable to Aon shareholders	\$1,113	\$993	\$979

Consolidated Results for 2013 Compared to 2012

Revenue

Revenue increased by \$301 million, or 3%, to \$11.8 billion in 2013, compared to \$11.5 billion in 2012. The increase was driven by organic revenue growth of 3% in the Risk Solutions segment and 3% in the HR Solutions segment. Organic growth in the Risk Solutions segment was driven by solid growth across both Retail and Reinsurance. Strong growth in Latin America, solid new business growth in U.S. Retail and strong management of the renewal book portfolio across the region drove organic revenue growth in the Americas. International organic revenue growth was driven by strong growth in Asia, emerging markets and New Zealand. Reinsurance organic growth was driven by growth in international treaty placements. Organic growth in the HR Solutions segment was driven by strong growth in health care exchanges, growth in investment and compensation consulting and strong growth in health care exchanges, modest growth in benefits administration and HR BPO, partially offset by a modest decline in actuarial services in retirement consulting.

Compensation and Benefits

Compensation and benefits increased \$236 million, or 4%, compared to 2012. The increase was driven by an increase in expense associated with 3% organic revenue growth, partially offset by the impact of realization of benefits from restructuring initiatives.

Other General Expenses

Other general expenses remained flat in 2013 compared to 2012 due largely to a decrease in intangible amortization of \$28 million, decreased costs related to the headquarters relocation of \$19 million, a \$43.5 million favorable impact from settlement of a non-recurring one-time legal matter and restructuring savings, partially offset by a \$76 million increase in formal restructuring costs and \$20 million of legacy, non-recurring claims handling charges.

Interest Income

Interest income represents income earned on operating cash balances and other income-producing investments. It does not include interest earned on funds held on behalf of clients. Interest income decreased \$1 million, or 10%, from 2012, due to lower average interest rates globally and lower average cash balances.

Interest Expense

Interest expense, which represents the cost of our worldwide debt obligations, decreased \$18 million, or 8%, from 2012. The decrease in interest expense reflects a decline in the average rate on total debt outstanding.

Other Income

Other income increased \$66 million from \$2 million in 2012 to \$68 million in 2013. Other income in 2013 includes \$28 million in gains on investments, equity earnings of \$20 million, foreign exchange gains of \$13 million, and \$10 million in gains on disposal of businesses, partially offset by a \$10 million loss from derivatives. Other income in 2012 includes equity earnings of \$13 million and \$7 million in gains on investments, partially offset by foreign exchange losses of \$19 million.

Income before Income Taxes

Income before income taxes was \$1.5 billion in 2013, an increase of \$158 million, or 11%, from \$1.4 billion in 2012.

Income Taxes

The effective tax rate on net income was 25.4% in 2013 and 26.1% in 2012. The 2013 rate reflects certain discrete tax adjustments and changes in the geographic distribution of income. The 2012 rate reflects the release of a valuation allowance relating to foreign tax credits and net operating losses, partially offset by the impact of a U.K. tax rate change. The effective tax rate is expected to decrease over time.

Net Income

Net income increased to \$1.1 billion (\$3.53 diluted net income per share) in 2013, compared to \$1.0 billion (\$2.99 diluted net income per share) in 2012.

Consolidated Results for 2012 Compared to 2011

Revenue

Revenue increased by \$227 million, or 2%, to \$11.5 billion in 2012, compared to \$11.3 billion in 2011. The increase was driven by organic revenue growth of 4% for both the Risk Solutions and HR Solutions segments. Organic growth in the Risk Solutions segment was driven by solid growth across all regions, including strong new business growth for U.S. retail and continued management of the renewal book portfolio in the Americas. International organic revenue growth was driven by strong growth in Asia and in emerging markets, as well as modest growth in continental Europe. Reinsurance organic growth was driven by strong growth across global treaty, driven by favorable pricing in the near-term and new business growth, partially offset by a significant decline in capital market transactions and advisory business. Organic growth in the HR Solutions segment was driven by growth in investment consulting, pension administration services, talent and rewards, and communications consulting, as well as new client wins in HR BPO, partially offset by a modest decline in benefits administration.

Compensation and Benefits

Compensation and benefits increased \$142 million, or 2%, compared to 2011. The increase was driven by 4% organic revenue growth, partially offset by the impact of realization of benefits from restructuring initiatives.

Other General Expenses

Other general expenses increased by \$85 million, or 3%, in 2012 compared to 2011. The increase was due largely to an increase in intangible amortization of \$61 million and increased costs related to the headquarters relocation of \$21 million. These increased costs were partially offset by lower restructuring charges of \$12 million and restructuring savings.

Interest Income

Interest income represents income earned on operating cash balances and other income-producing investments. It does not include interest earned on funds held on behalf of clients. Interest income decreased \$8 million, or 44%, from 2011, due to lower average interest rates globally.

Interest Expense

Interest expense, which represents the cost of our worldwide debt obligations, decreased \$17 million, or 7%, from 2011. The decrease was due primarily to lower average debt outstanding during the year, as well as the use of commercial paper to meet short-term working capital needs.

Other Income

Other income in 2012 of \$2 million decreased \$17 million from 2011. The decrease in income was the result of foreign exchange gains (losses) that were \$26 million of additional loss in 2012 and an \$11 million decrease in gains related to long-term investments, partially offset by \$6 million of additional income from equity method investments and \$19 million loss on extinguishment of debt in 2011.

Income before Income Taxes

Income before income taxes was \$1.4 billion, flat compared to \$1.4 billion in 2011.

Income Taxes

The effective tax rate on income was 26.1% in 2012 and 27.3% in 2011. The 2012 rate reflects the release of a valuation allowance relating to foreign tax credits and net operating losses, partially offset by the impact of a U.K. tax rate change. The 2011 rate reflects the release of a valuation allowance relating to foreign tax credits offset partially by net unfavorable deferred tax adjustments in non-U.S. jurisdictions including the impact of a U.K. tax rate change.

Net Income

Net income remained at \$1.0 billion (\$2.99 diluted net income per share) in 2012 compared to \$1.0 billion (\$2.87 diluted net income per share) in 2011.

Restructuring Initiatives

Aon Hewitt Restructuring Plan

On October 14, 2010, we announced a global restructuring plan in connection with the acquisition of Hewitt. The Aon Hewitt Plan is intended to streamline operations across the combined Aon Hewitt organization, the Health & Benefits organization and shared services and facility rationalization across the company. The Aon Hewitt Plan included approximately 2,960 job eliminations. The Aon Hewitt Plan resulted in cumulative costs of \$429 million through the end of the plan, which closed in 2013. The costs incurred consisted of approximately \$266 million in employee termination costs and approximately \$163 million in real estate rationalization across the company.

For the \$429 million of total costs, approximately \$174 million, \$98 million, and \$105 million were incurred in 2013, 2012, and 2011, respectively. Charges related to the restructuring are included in Compensation and benefits and Other general expenses in the accompanying Consolidated Statements of Income. The plan was closed December 2013.

The following summarizes the restructuring and related costs, by type, that were incurred related to the Aon Hewitt Plan (in millions):

	2010	2011	2012	2013	Completed Plan Total
Workforce reduction	\$49	\$64	\$74	\$79	\$266
Lease consolidation	3	32	18	83	136
Asset impairments	—	7	4	7	18
Other costs associated with restructuring (2)	—	2	2	5	9
Total restructuring and related expenses	\$52	\$105	\$98	\$174	\$429

The following summarizes the restructuring and related expenses for both reportable segments that were incurred related to the Aon Hewitt Plan (in millions):

	2010	2011	2012	2013	Completed Plan Total
HR Solutions	\$52	\$49	\$66	\$80	\$247
Risk Solutions	—	56	32	94	182
Total restructuring and related expenses	\$52	\$105	\$98	\$174	\$429

Costs included in the Risk Solutions segment are due to the inclusion of the health and benefits consulting business in the Risk Solutions segment, which was transferred from HR Solutions to Risk Solutions effective January 1, (1) 2012. Costs incurred in 2011 in the HR Solutions segment of \$41 million related to the health and benefits consulting business have been reclassified and presented in the Risk Solutions segment.

We estimate that we realized approximately \$329 million and \$236 million of cost savings before any reinvestment in 2013 and 2012, respectively. Approximately \$260 million and \$69 million of the costs savings before reinvestment in 2013 was realized in the HR Solutions segment and Risk Solutions segment, respectively.

LIQUIDITY AND FINANCIAL CONDITION

Liquidity

Executive Summary

We believe that our balance sheet and strong cash flow provide us with financial flexibility to create long-term value for our shareholders. Our primary sources of liquidity are cash flow from operations, available cash reserves and debt capacity available under various credit facilities. Our primary uses of liquidity are operating expenses, capital expenditures, acquisitions, share repurchases, restructuring initiatives, funding pension obligations and shareholder dividends.

Cash on our balance sheet includes funds available for general corporate purposes, as well as amounts restricted as to their use. Funds held on behalf of clients in a fiduciary capacity are segregated and shown together with uncollected insurance premiums in Fiduciary assets in the Consolidated Statement of Financial Position, with a corresponding amount in Fiduciary liabilities. Fiduciary funds cannot be used for general corporate purposes, and are not a source of liquidity for us.

Cash and cash equivalents and Short-term investments increased \$363 million to \$1.0 billion in 2013. During 2013, cash flow from operating activities increased \$214 million to \$1.6 billion. Additional sources of funds in 2013 included \$93 million in sales of long-term investments and issuance of debt net of net of repayments of \$227 million. The primary uses of funds in 2013 included share repurchases of \$1.1 billion, cash contributions to our major defined benefit plans of \$523 million, capital expenditures of \$229 million, dividends paid to shareholders of \$212 million, and net purchases of short term investments of \$174 million.

Our investment grade rating is important to us for a number of reasons, the most important of which is preserving our financial flexibility. If our credit ratings were downgraded to below investment grade, the interest expense on any outstanding balances on our credit facilities would increase and we could incur additional requests for pension contributions. To manage unforeseen situations, we have committed credit lines of approximately \$1.3 billion and we manage our business to ensure we maintain our current investment grade ratings. At December 31, 2013, we had no

borrowings on these credit lines.

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Operating Activities

Net cash provided by operating activities in 2013 increased \$214 million to \$1.6 billion compared to \$1.4 billion in 2012. The primary driver of the cash provided by operating activities was net income of \$1.1 billion and adjustments for non-cash items of \$856 million, primarily related to depreciation, amortization, and stock compensation expense. These items were partially offset by pension contributions of \$523 million. Net cash provided by operating activities was favorably impacted by a \$43.5 million settlement of a non-recurring, one-time legal matter. Pension contributions during 2013 were \$523 million compared to \$638 million in 2012. In 2014, we expect to contribute \$385 million to our pension plans, with the majority attributable to non-U.S. pension plans, which are subject to changes in foreign exchange rates. In 2014, we also expect to have cash payments related to restructuring plans of \$92 million. We expect cash generated by operations for 2013 to be sufficient to service our debt and contractual obligations, fund the cash requirements of our restructuring programs, finance capital expenditures, continue purchases of shares under our share repurchase program, and continue to pay dividends to our shareholders. Although cash from operations is expected to be sufficient to service these obligations, we have the ability to borrow under our credit facilities to accommodate any timing differences in cash flows. We have committed credit facilities of approximately \$1.3 billion, of which all was available at December 31, 2013. We can access these facilities on a same day or next day basis. Additionally, under current market conditions, we believe that we could access capital markets to obtain debt financing for longer-term funding, if needed.

Investing Activities

Cash flow used for investing activities in 2013 was \$339 million. The primary drivers of the cash flow used for investing activities were capital expenditures of \$229 million, net purchases of short term investments of \$174 million, acquisitions of businesses, net of cash acquired of \$54 million, partially offset by sales of long term investments of \$93 million.

Cash flow provided by investing activities in 2012 was \$177 million. The primary drivers of the cash flow provided by investing activities were sales of long term investments for \$178 million and net sales of short term investments for \$440 million, partially offset by acquisitions of \$160 million, and capital expenditures of \$269 million.

Cash flow used for investing activities in 2011 was \$186 million. The primary drivers of the cash flow used for investing activities were acquisitions of \$97 million, primarily related to the acquisition of Glenrand, net purchases of non-fiduciary short-term investments for \$8 million, and capital expenditures of \$241 million, partially offset by the sale of businesses for \$9 million, consisting of proceeds from several small dispositions, and sales, net of purchases, of long-term investments for \$160 million.

Financing Activities

Cash flow used for financing activities during 2013 was \$1.0 billion. The primary drivers of the cash flow used for financing activities were share repurchases of \$1.1 billion and dividends paid to shareholders of \$212 million, partially offset by issuances of debt, net of repayments, of \$227 million and proceeds from the exercise of share options and issuance of shares purchased through the employee stock purchase plan of \$98 million.

Cash flow used for financing activities during 2012 was \$1.6 billion. The primary drivers of the cash flow used for financing activities were share repurchases of \$1.1 billion and dividends paid to shareholders of \$204 million, partially offset by issuances of debt, net of repayments, of \$344 million and proceeds from the exercise of share options and issuance of shares purchased through the employee stock purchase plan of \$118 million.

Cash flow used for financing activities during 2011 was \$896 million. The primary drivers of the cash flow used for financing activities were share repurchases of \$828 million and dividends paid to shareholders of \$200 million, and dividends paid to, and purchase of shares from non-controlling interests were \$54 million, partially offset by proceeds from the exercise of share options and issuance of shares purchased through the employee stock purchase plan of \$201 million.

Cash and Investments

At December 31, 2013, our cash and cash equivalents and short-term investments were \$1.0 billion, an increase of \$363 million compared to the balance of \$637 million as of December 31, 2012. Of the total balance as of December 31, 2013, \$214 million was restricted as to its use, which was comprised of \$126 million of operating funds in the U.K. as required by the FCA and \$88 million held as collateral for various business purposes. At December 31, 2013,

\$516 million of cash and cash equivalents and short-term investments were held in the U.S. and \$484 million were held in other countries. Of the total balance as of December 31, 2012, \$200 million was restricted as to its use, which was comprised of \$124 million of operating funds in the U.K. as required by the FCA and \$76 million held as collateral for various business purposes. At December 31, 2012, \$138 million of cash and cash equivalents and short-term investments were held in the U.S. and \$499 million was held in

other countries. Due to differences in tax rates, the repatriation of funds from certain countries into the U.S., if repatriated, could have an unfavorable tax impact.

In our capacity as an insurance broker or agent, we collect premiums from insureds and, after deducting our commission, remit the premiums to the respective insurance underwriter. We also collect claims or refunds from underwriters on behalf of insureds, which are then returned to the insureds. Unremitted insurance premiums and claims are held by us in a fiduciary capacity. In addition, some of our outsourcing agreements require us to hold funds on behalf of clients to pay obligations on their behalf. The levels of fiduciary assets and liabilities can fluctuate significantly, depending on when we collect the premiums, claims and refunds, make payments to underwriters and insureds, collect funds from clients and make payments on their behalf, and foreign currency movements. Fiduciary assets, because of their nature, are required to be invested in very liquid securities with highly-rated, credit-worthy financial institutions. In our Consolidated Statements of Financial Position, the amount we report for Fiduciary assets and Fiduciary liabilities are equal. Our Fiduciary assets included cash and investments of \$3.8 billion and \$4.0 billion and fiduciary receivables of \$8.1 billion and \$8.2 billion at December 31, 2013 and 2012, respectively. While we earn investment income on the fiduciary assets held in cash and investments, the cash and investments are not owned by us, and cannot be used for general corporate purposes.

As disclosed in Note 15 "Fair Value Measurements and Financial Instruments" of the Notes to Consolidated Financial Statements, the majority of our investments carried at fair value are money market funds. Money market funds are carried at cost as an approximation of fair value. Consistent with market convention, we consider cost a practical and expedient measure of fair value. These money market funds are held throughout the world with various financial institutions. We do not believe that there are any market liquidity issues that would materially impact the fair value of these investments.

As of December 31, 2013, our investments in money market funds and highly liquid debt instruments had a fair value of \$2.1 billion and are reported as Short-term investments or Fiduciary assets in the Consolidated Statements of Financial Position depending on their nature and initial maturity.

The following table summarizes our Fiduciary assets and non-fiduciary Cash and cash equivalents and Short-term investments as of December 31, 2013 (in millions):

Asset Type	Statement of Financial Position Classification			
	Cash and Cash Equivalents	Short-term Investments	Fiduciary Assets	Total
Certificates of deposit, bank deposits or time deposits	\$477	\$—	\$2,222	\$2,699
Money market funds	—	523	1,531	2,054
Highly liquid debt instruments	—	—	25	25
Other investments due within one year	—	—	—	—
Cash and investments	477	523	3,778	4,778
Fiduciary receivables	—	—	8,093	8,093
Total	\$477	\$523	\$11,871	\$12,871

Share Repurchase Program

In April 2012, our Board of Directors authorized a share repurchase program under which up to \$5 billion of Class A Ordinary Shares may be repurchased ("2012 Share Repurchase Program"). Under this program, shares may be repurchased through the open market or in privately negotiated transactions, from time to time, based on prevailing market conditions, and will be funded from available capital.

During 2013, the Company repurchased 16.8 million shares at an average price per share of \$65.65 for a total cost of \$1.1 billion under the 2012 Share Repurchase Program. During 2012, the Company repurchased 21.6 million shares at an average price per share of \$52.16 for a total cost of \$1.1 billion under the 2012 Share Repurchase Program and the previously completed 2010 Share Repurchase Program. The remaining authorized amount for share repurchase under the 2012 Share Repurchase Program is approximately \$2.9 billion. Since the inception of the 2012 Share Repurchase Program, we repurchased a total of 36.3 million shares for an aggregate cost of \$2.1 billion.

For information regarding share repurchases made during the fourth quarter of 2012, see Item 5 — "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities" as previously described.

Dividends

During 2013, 2012, and 2011, we paid dividends on our Class A Ordinary Shares of \$212 million, \$204 million, and \$200 million, respectively. Dividends paid per Class A Ordinary Share were \$0.68, \$0.62, and \$0.60 for the years ended December 31, 2013, 2012, and 2011, respectively.

Redomestication

As a U.K. incorporated company, we must have "distributable reserves" to make share repurchases or pay dividends to shareholders. Distributable reserves may be created through the earnings of the U.K. parent company and, amongst other methods, through a reduction in share capital approved by the English Companies Court. Distributable reserves are not linked to a U.S. GAAP reported amount (e.g., retained earnings). On April 4, 2012, we received approval from the English Companies Court to reduce our share premium and in connection with that approval, recognized distributable reserves in the amount of \$8.0 billion. As of December 31, 2013 and 2012, we had distributable reserves of \$5.9 billion and \$7.0 billion, respectively.

Borrowings

Total debt at December 31, 2013 was \$4.4 billion, which represents an increase of \$224 million compared to December 31, 2012. During 2013, the €500 million (\$685 million) debt securities due July 2014 were classified as Short-term debt and current portion of long-term debt in the Consolidated Statements of Financial Position as the date of maturity is less than one year.

On March 8, 2013, we issued \$90 million in aggregate principal amount of 4.250% Notes Due 2042.

On May 21, 2013, we issued \$250 million aggregate principal amount of 4.45% Notes Due 2043. The 4.45% Notes Due 2043 were issued by Aon plc and fully and unconditionally guaranteed by Aon Corporation. We used the proceeds of the issuance to repay commercial paper borrowings and for general corporate purposes.

On November 21, 2013, the Company issued \$350 million in aggregate principal amount of 4.00% Notes Due 2023. The 4.00% Notes Due 2023 were issued by Aon plc and fully and unconditionally guaranteed by Aon Corporation. The Company used the proceeds of the issuance to repay commercial paper borrowings and for general corporate purposes.

Our total debt as a percentage of total capital attributable to Aon shareholders was 35.0% at both December 31, 2013 and December 31, 2012.

Credit Facilities

At December 31, 2013, we have a five-year \$400 million unsecured revolving credit facility in the U.S. ("U.S. Facility") that expires in 2017. The U.S. facility is for general corporate purposes, including commercial paper support. Additionally, we have a five-year €650 million (\$890 million at December 31, 2013 exchange rate) Euro Facility available, which expires in October 2015. At December 31, 2013, we had no borrowings under either of these credit facilities.

On April 29, 2013, we amended our Euro Facility agreement to add Aon plc as an additional borrower.

For both our U.S. Facility and Euro Facility, the two most significant covenants require us to maintain a ratio of consolidated EBITDA (earnings before interest, taxes, depreciation and amortization), adjusted for Hewitt related transaction costs and up to \$50 million in non-recurring cash charges ("Adjusted EBITDA") to consolidated interest expense and a ratio of consolidated debt to Adjusted EBITDA. For both facilities, the ratio of Adjusted EBITDA to consolidated interest expense must be at least 4 to 1. For the Euro Facility, the ratio of consolidated debt to Adjusted EBITDA must not exceed 3 to 1. For the U.S. Facility, the ratio of consolidated debt to Adjusted EBITDA must not exceed the lower of (a) 3.25 to 1.00 or (b) the greater of (i) 3.00 to 1.00 or (ii) the lowest ratio of consolidated debt to Adjusted EBITDA then set forth in the Euro Facility or Aon's \$450 million Term Loan Facility. We were in compliance with these and all other covenants during 2013.

Shelf Registration Statement

On August 31, 2012, we filed a shelf registration statement with the SEC, registering the offer and sale from time to time of an indeterminate amount of, among other securities, debt, securities, preference shares, Class A Ordinary Shares and convertible securities. The availability of any potential liquidity for these types of securities is dependent on investor demand, market conditions and other factors. Our March 2013 offering of \$90 million of 4.25% Notes Due 2042, May 2013 offering of \$250 million of 4.45% Notes Due 2043, and November 2013 offering of \$350

million of 4.00% Notes Due 2023 utilized this registration statement.

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Rating Agency Ratings

The major rating agencies' ratings of our debt at February 18, 2014 appear in the table below.

	Ratings	Commercial	Outlook
	Senior	Paper	
	Long-term Debt		
Standard & Poor's	A-	A-2	Stable
Moody's Investor Services	Baa2	P-2	Positive
Fitch, Inc.	BBB+	F-2	Stable

During 2013, Standard & Poor's upgraded their rating of our senior long-term debt from BBB+ to A-. Additionally, Moody's Investor Services changed their outlook from stable to positive. A downgrade in the credit ratings of our senior debt and commercial paper would increase our borrowing costs, reduce or eliminate our access to capital, reduce our financial flexibility, increase our commercial paper interest rates or possibly restrict our access to the commercial paper market altogether, or may impact future pension contribution requirements.

Letters of Credit and Other Guarantees

We had total letters of credit ("LOCs") outstanding for approximately \$71 million at December 31, 2013, compared to \$74 million at December 31, 2012. These letters of credit cover the beneficiaries related to certain of our U.S. and Canadian non-qualified pension plan schemes and secure deductible retentions for our own workers compensation program. We also have issued LOCs to cover contingent payments for taxes and other business obligations to third parties, and other guarantees for miscellaneous purposes at our international subsidiaries.

We have certain contractual contingent guarantees for premium payments owed by clients to certain insurance companies. Costs associated with these guarantees, to the extent estimable and probable, are provided in our allowance for doubtful accounts. The maximum exposure with respect to such contractual contingent guarantees was approximately \$98 million at December 31, 2013 compared to \$104 million at December 31, 2012.

Adequacy of Liquidity Sources

We believe that cash flows from operations and available credit facilities will be sufficient to meet our liquidity needs, including principal and interest payments on debt obligations, capital expenditures, pension contributions, cash restructuring costs, and anticipated working capital requirements, for the foreseeable future. We do not have exposure related to off balance sheet arrangements. Our cash flows from operations, borrowing availability and overall liquidity are subject to risks and uncertainties. See Item 1, "Information Concerning Forward-Looking Statements" and Item 1A, "Risk Factors."

Contractual Obligations

Summarized in the table below are our contractual obligations and commitments as of December 31, 2013 (in millions):

	Payments due in				
	2014	2015 – 2016	2017 – 2018	2019 and beyond	Total
Short- and long-term borrowings	\$703	\$1,119	\$356	\$2,211	\$4,389
Interest expense on debt	224	336	283	1,440	2,283
Operating leases	409	705	537	903	2,554
Pension and other postretirement benefit plan (1) (2)	373	623	463	657	2,116
Purchase obligations (3) (4) (5)	369	317	113	123	922
Insurance premiums payable	11,871	—	—	—	11,871
	\$13,949	\$3,100	\$1,752	\$5,334	\$24,135

Pension and other postretirement benefit plan obligations include estimates of our minimum funding requirements, pursuant to ERISA and other regulations and minimum funding requirements agreed with the trustees of our U.K. (1)pension plans. Additional amounts may be agreed to with, or required by, the U.K. pension plan trustees.

Nonqualified pension and other postretirement benefit obligations are based on estimated future benefit payments. We may make additional discretionary contributions.

In 2013, our principal U.K subsidiary agreed with the trustees of one of the U.K. plans to contribute an average of \$11 million per year to that pension plan for the next three years. The trustees of the plan have certain rights to request that our U.K. subsidiary advance an amount equal to an actuarially determined winding-up deficit. As of (2) December 31, 2013, the estimated winding-up deficit was £150 million (\$243 million). The trustees of the plan have accepted in practice the agreed-upon schedule of contributions detailed above and have not requested the winding-up deficit be paid.

Purchase obligations are defined as agreements to purchase goods and services that are enforceable and legally (3) binding on us, and that specifies all significant terms, including what is to be purchased, at what price and the approximate timing of the transaction. Most of our purchase obligations are related to purchases of information technology services or other service contracts.

(4) Excludes \$34 million of unfunded commitments related to an investment in a limited partnership due to our inability to reasonably estimate the period(s) when the limited partnership will request funding.

(5) Excludes \$164 million of liabilities for uncertain tax positions due to our inability to reasonably estimate the period(s) when cash settlements will be made.

Financial Condition

At December 31, 2013, our net assets of \$8.2 billion, representing total assets minus total liabilities, increased from \$7.8 billion at December 31, 2012. The increase was due primarily to Net income of \$1.1 billion for the year ended December 31, 2013, a decrease in Accumulated other comprehensive loss of \$236 million related primarily to a decrease in the post-retirement benefit obligation, partially offset by share repurchases of \$1.1 billion and dividends of \$212 million. Working capital decreased by \$113 million from \$1.0 billion at December 31, 2012 to \$919 million at December 31, 2013.

Equity

Equity at December 31, 2013 was \$8.2 billion, an increase of \$390 million from December 31, 2012. The increase resulted primarily from Net income of \$1.1 billion, a decrease in Accumulated other comprehensive loss of \$236 million, partially offset by share repurchases of \$1.1 billion and \$212 million of dividends to shareholders.

The \$236 million decrease in Accumulated other comprehensive loss from December 31, 2012, primarily reflects the following:

• negative net foreign currency translation adjustments of \$65 million, which are attributable to the strengthening of the U.S. dollar against certain foreign currencies,

• a decrease of \$293 million in net post-retirement benefit obligations,

• net derivative gains of \$6 million, and

• net investment gains of \$1 million.

REVIEW BY SEGMENT

General

We serve clients through the following segments:

Risk Solutions acts as an advisor and insurance and reinsurance broker, helping clients manage their risks, via • consultation, as well as negotiation and placement of insurance risk with insurance carriers through our global distribution network.

HR Solutions partners with organizations to solve their most complex benefits, talent and related financial challenges, • and improve business performance by designing, implementing, communicating and administering a wide range of human capital, retirement, investment management, health care, compensation and talent management strategies.

Risk Solutions

Years ended December 31	2013	2012	2011
Revenue	\$7,789	\$7,632	\$7,537
Operating income	1,540	1,493	1,413
Operating margin	19.8%	19.6%	18.7%

The demand for property and casualty insurance generally rises as the overall level of economic activity increases and generally falls as such activity decreases, affecting both the commissions and fees generated by our brokerage business. The economic activity that impacts property and casualty insurance is described as exposure units, and is most closely correlated with employment levels, corporate revenue and asset values. During 2013, we continued to see improvement in pricing on average globally; however, we would still consider this to be a "soft market," which began in 2007. In a soft market, premium rates flatten or decrease, along with commission revenues, due to increased competition for market share among insurance carriers or increased underwriting capacity. Changes in premiums have a direct and potentially material impact on the insurance brokerage industry, as commission revenues are generally based on a percentage of the premiums paid by insureds. In 2013, pricing showed signs of stabilization and improvement in our retail brokerage product lines.

Additionally, beginning in late 2008 and continuing through 2013, we faced difficult conditions as a result of unprecedented disruptions in the global economy, the repricing of credit risk and the deterioration of the financial markets. Weak global economic conditions have reduced our customers' demand for our retail brokerage and reinsurance brokerage products, which have had a negative impact on our operational results.

Risk Solutions generated approximately 66% of our consolidated total revenues in 2013. Revenues are generated primarily through fees paid by clients, commissions and fees paid by insurance and reinsurance companies, and investment income on funds held on behalf of clients. Our revenues vary from quarter to quarter throughout the year as a result of the timing of our clients' policy renewals, the net effect of new and lost business, the timing of services provided to our clients, and the income we earn on investments, which is heavily influenced by short-term interest rates.

We operate in a highly competitive industry and compete with many retail insurance brokerage and agency firms, as well as with individual brokers, agents, and direct writers of insurance coverage. Specifically, we address the highly specialized product development and risk management needs of commercial enterprises, professional groups, insurance companies, governments, health care providers, and non-profit groups, among others; provide affinity products for professional liability, life, disability income, and personal lines for individuals, associations, and businesses; provide products and services via GRIP Solutions; provide reinsurance services to insurance and reinsurance companies and other risk assumption entities by acting as brokers or intermediaries on all classes of reinsurance; provide capital management transaction and advisory products and services, including mergers and acquisitions and other financial advisory services, capital raising, contingent capital financing, insurance-linked securitizations and derivative applications; provide managing underwriting to independent agents and brokers as well as corporate clients; provide risk consulting, actuarial, loss prevention, and administrative services to businesses and consumers; and manage captive insurance companies.

Revenue

Commissions, fees and other revenue for Risk Solutions were as follows (in millions):

Years ended December 31	2013	2012	2011
Retail brokerage:			
Americas	\$3,191	\$3,071	\$3,001
International (1)	3,065	3,018	3,021
Total retail brokerage	6,256	6,089	6,022
Reinsurance brokerage	1,505	1,505	1,463
Total	\$7,761	\$7,594	\$7,485

(1) Includes the U.K., Europe, Middle East, Africa and Asia Pacific.

In 2013, commissions, fees and other revenue increased \$167 million, or 2%, compared to 2012 due to 3% organic revenue growth, partially offset by a 1% unfavorable impact from foreign currency exchange rates. Organic revenue growth was driven primarily by strong growth in Latin America, Asia and emerging markets, solid growth in U.S. Retail, as well as growth in treaty placements in the Reinsurance business.

Reconciliation of organic revenue growth to reported commissions, fees and other revenue growth for 2013 versus 2012 is as follows:

	Percent Change	Less: Currency Impact	Less: Acquisitions, Divestitures & Other	Organic Revenue
Retail brokerage:				
Americas	4%	(1)%	—%	5%
International (1)	2	—	—	2
Total retail brokerage	3	(1)	—	4
Reinsurance brokerage	—	(1)	(1)	2
Total	2%	(1)%	—%	3%

(1) Includes the U.K., Europe, Middle East, Africa and Asia Pacific.

Retail brokerage Commissions, fees and other revenue increased 3% in 2013 driven by 4% organic revenue growth, reflecting revenue growth in both the Americas and International business, partially offset by a 1% impact from unfavorable foreign currency exchange rates in the Americas.

Americas Commissions, fees and other revenue increased 4% in 2013 reflecting 5% organic revenue growth driven by strong growth in Latin America and new business generation in U.S. Retail, partially offset by a 1% impact from unfavorable foreign currency exchange rates.

International Commissions, fees and other revenue increased 2% in 2013 reflecting 2% organic revenue growth driven by strong growth across emerging markets, New Zealand and Asia, partially offset by a decline in certain countries across continental Europe.

Reinsurance Commissions, fees and other revenue was flat compared to the prior year due to 2% organic revenue growth driven primarily by net new business growth in treaty placements, partially offset by a 1% unfavorable impact from foreign currency exchange rates and a 1% unfavorable impact from acquisitions, net of divestitures.

Operating Income

Operating income increased \$47 million, or 3%, from 2012 to \$1.5 billion in 2013. In 2013, operating income margins in this segment were 19.8%, up 20 basis points from 19.6% in 2012. Operating margin improvement was driven by revenue growth and savings related to the restructuring programs, which was partially offset by the unfavorable impact from foreign currency translation and a decline in fiduciary investment income.

HR Solutions

Years ended December 31	2013	2012	2011
Revenue	\$4,057	\$3,925	\$3,781
Operating income	318	289	336
Operating margin	7.8%	7.4%	8.9%

Our HR Solutions segment generated approximately 34% of our consolidated total revenues in 2013 and provides a broad range of human capital services, as follows:

Retirement specializes in global actuarial services, defined contribution consulting, tax and ERISA consulting, and pension administration.

Compensation focuses on compensatory advisory/counsel including: compensation planning design, executive reward strategies, salary survey and benchmarking, market share studies and sales force effectiveness, with special expertise in the financial services and technology industries.

Strategic Human Capital delivers advice to complex global organizations on talent, change and organizational effectiveness issues, including talent strategy and acquisition, executive on-boarding, performance management, leadership assessment and development, communication strategy, workforce training and change management.

Investment consulting advises public and private companies, other institutions and trustees on developing and maintaining investment programs across a broad range of plan types, including defined benefit plans, defined contribution plans, endowments and foundations.

Benefits Administration applies our HR expertise primarily through defined benefit (pension), defined contribution (401(k)), and health and welfare administrative services. Our model replaces the resource-intensive processes once required to administer benefit plans with more efficient, effective, and less costly solutions.

Exchanges is building and operating healthcare exchanges that provide employers with a cost effective alternative to traditional employee and retiree healthcare, while helping individuals select the insurance that best meets their needs.

Human Resource Business Processing Outsourcing ("HR BPO") provides market-leading solutions to manage employee data; administer benefits, payroll and other human resources processes; and record and manage talent, workforce and other core HR process transactions as well as other complementary services such as flexible spending, dependent audit and participant advocacy.

Beginning in late 2008, the disruption in the global credit markets and the deterioration of the financial markets created significant uncertainty in the marketplace. Weak economic conditions globally continued throughout 2013. The prolonged economic downturn is adversely impacting our clients' financial condition and therefore the levels of business activities in the industries and geographies where we operate. While we believe that the majority of our practices are well positioned to manage through this time, these challenges are reducing demand for some of our services and putting continued pressure on the pricing of those services, which is having an adverse effect on our new business and results of operations.

Revenue

Commissions, fees and other revenue were as follows (in millions):

Years ended December 31	2013	2012	2011
Consulting services	\$1,626	\$1,585	\$1,546
Outsourcing	2,469	2,372	2,258
Intersegment	(38)	(32)	(23)
Total	\$4,057	\$3,925	\$3,781

Commissions, fees and other revenue for HR Solutions increased \$132 million, or 3%, in 2013 compared to 2012 due to 3% organic growth in commissions and fees in 2013.

Reconciliation of organic revenue growth to reported commissions, fees and other revenue growth for 2013 versus 2012 is as follows:

Year ended December 31	Percent Change	Less: Currency Impact	Less: Acquisitions, Divestitures & Other	Organic Revenue
Consulting services	3%	(1)%	1%	3%
Outsourcing	4	—	1	3
Intersegment	N/A	N/A	N/A	N/A
Total	3%	—%	—%	3%

Consulting services revenue increased \$41 million, or 3%, due primarily to organic revenue growth of 3%, driven by solid growth in investment and compensation consulting, pension administration services for certain project-related work, talent and rewards, and communication consulting, partially offset by a decline in actuarial services in retirement consulting.

Outsourcing revenue increased \$97 million, or 4%, due primarily to 3% organic revenue growth driven by strong growth in the health care exchanges, modest growth in benefits administration and HR BPO business, and 1% favorable impact from acquisitions, net of divestitures.

Operating Income

Operating income was \$318 million, an increase of \$29 million, or 10%, from 2012. This increase was primarily driven by organic revenue growth and savings related to the Aon Hewitt restructuring program, partially offset by continued

investment in long-term growth opportunities. Margins in this segment for 2013 were 7.8%, an increase of 40 basis points from 7.4% in 2012 driven by strong organic revenue growth and savings related to the Aon Hewitt restructuring program, partially offset by continued investment in long-term growth opportunities.

Unallocated Income and Expense

A reconciliation of our operating income to income before income taxes is as follows (in millions):

Years ended December 31	2013	2012	2011
Operating income:			
Risk Solutions	\$ 1,540	\$ 1,493	\$ 1,413
HR Solutions	318	289	336
Unallocated	(187)	(186)	(153)
Operating income	1,671	1,596	1,596
Interest income	9	10	18
Interest expense	(210)	(228)	(245)
Other income	68	2	19
Income before income taxes	\$ 1,538	\$ 1,380	\$ 1,388

Unallocated operating expense includes corporate governance costs not allocated to the operating segments. Net unallocated expenses remained relatively flat in 2013 compared to 2012.

Interest income represents income earned on operating cash balances and other income-producing investments. It does not include interest earned on funds held on behalf of clients. Interest income decreased \$1 million, or 10%, from 2012, due to lower average interest rates globally and lower average cash balances.

Interest expense, which represents the cost of our worldwide debt obligations, decreased \$18 million, or 8%, from 2012, which is primarily due to a decline in the average interest rate on total debt outstanding.

Other income increased \$66 million from \$2 million in 2012 to \$68 million in 2013. Other income in 2013 includes \$28 million in gains on investments, equity earnings of \$20 million, foreign exchange gains of \$13 million, and \$10 million in gains on disposal of businesses, partially offset by \$10 million in losses from derivatives. Other income in 2012 includes equity earnings of \$13 million and \$7 million gains on investments, partially offset by foreign exchange losses of \$19 million.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our Consolidated Financial Statements and Notes thereto have been prepared in accordance with U.S. GAAP. To prepare these financial statements, we made estimates, assumptions and judgments that affect what we report as our assets and liabilities, what we disclose as contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the periods presented.

In accordance with our policies, we regularly evaluate our estimates, assumptions and judgments, including, but not limited to, those concerning revenue recognition, restructuring, pensions, goodwill and other intangible assets, contingencies, share-based payments, and income taxes, and base our estimates, assumptions, and judgments on our historical experience and on factors we believe reasonable under the circumstances. The results involve judgments about the carrying values of assets and liabilities not readily apparent from other sources. If our assumptions or conditions change, the actual results we report may differ from these estimates. We believe the following critical accounting policies affect the more significant estimates, assumptions, and judgments we used to prepare these Consolidated Financial Statements.

Revenue Recognition

Risk Solutions segment revenues primarily include insurance commissions and fees for services rendered and investment income on funds held on behalf of clients. Revenues are recognized when they are earned and realized or realizable. The Company considers revenues to be earned and realized or realizable when all of the following four conditions are met: (1) persuasive evidence of an arrangement exists, (2) the arrangement fee is fixed or determinable, (3) delivery or performance has occurred, and (4) collectability is reasonably assured. For brokerage commissions, revenue is typically recognized at the completion of the placement process, assuming all other criteria required to recognize revenue have been met. The placement process is typically considered complete on the effective date of the related policy. Commission revenues are recorded net of allowances for estimated policy cancellations, which are

determined based on an evaluation of historical and current cancellation data.

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HR Solutions segment revenues consist primarily of fees paid by clients for consulting advice and outsourcing contracts. Fees paid by clients for consulting services are typically charged on an hourly, project or fixed-fee basis. Revenues from time-and-materials or cost-plus arrangements are recognized as services are performed, assuming all other criteria to recognize revenue have been met. Revenues from fixed-fee contracts are recognized as services are provided using a proportional-performance model or at the completion of a project based on facts and circumstances of the client arrangement. Revenues from health care exchange arrangements are typically recognized upon successful enrollment of participants, net of a reserve for estimated cancellations, assuming all other criteria to recognize revenue have been met. Reimbursements received for out-of-pocket expenses are recorded as a component of revenues. The Company's outsourcing contracts typically have three-to-five year terms for benefits services and five-to-ten year terms for human resources business process outsourcing ("HR BPO") services. The Company recognizes revenues as services are performed, assuming all other criteria to recognize revenue have been met. The Company may also receive implementation fees from clients either up-front or over the ongoing services period as a component of the fee per participant. Lump sum implementation fees received from a client are typically deferred and recognized ratably over the ongoing contract services period. If a client terminates an outsourcing services arrangement prior to the end of the contract, a loss on the contract may be recorded, if necessary, and any remaining deferred implementation revenues would typically be recognized over the remaining service period through the termination date. In connection with the Company's long-term outsourcing service agreements, highly customized implementation efforts are often necessary to set up clients and their human resource or benefit programs on the Company's systems and operating processes. For outsourcing services sold separately or accounted for as a separate unit of accounting, specific, incremental and direct costs of implementation incurred prior to the services commencing are generally deferred and amortized over the period that the related ongoing services revenue is recognized. Deferred costs are assessed for recoverability on a periodic basis to the extent the deferred cost exceeds related deferred revenue.

Restructuring

Workforce reduction costs

The method used to recognize workforce reduction costs depends on whether the benefits are provided under a one-time benefit arrangement or under an ongoing benefit arrangement. We account for relevant expenses as an ongoing benefit arrangement when we have an established termination benefit policy, statutory requirements dictate the termination benefit amounts, or we have an established pattern of providing similar termination benefits. The method to estimate the amount of termination benefits is based on the benefits available to the employees being terminated.

In most cases, workforce reductions are made pursuant to an ongoing arrangement. We recognize the workforce reduction costs related to restructuring activities resulting from an ongoing benefit arrangement when we identify the specific classification (or functions) and locations of the employees being terminated and notify the employees. Although it occurs less frequently, when a workforce reduction is made pursuant to a one-time benefit arrangement, we recognize the workforce reduction costs related to restructuring activities resulting from a one-time benefit arrangement when we identify the specific classification (or functions) and locations of the employee(s) being terminated, notify the employee(s), and expect to terminate the employee(s) within the legally required notification period. When employees receive incentives to stay beyond the legally required notification period, we recognize the cost of their termination benefits over the remaining service period.

Lease termination costs

Where we have provided notice of cancellation pursuant to a lease agreement or vacated space and have no intention of reoccupying it, we recognize a loss and corresponding liability. The liability reflects our best estimate of the fair value of the future cash flows associated with the lease at the date we vacate the property or sign a sublease arrangement. To determine the loss and corresponding liability, we estimate sublease income based on all information that is reasonably available, which typically includes current market quotes for similar properties.

Useful lives on leasehold improvements or other assets associated with lease abandonments may be revised to reflect a shorter useful life than originally estimated, which results in accelerated depreciation.

Fair value concepts of severance arrangements and lease losses

Accounting guidance requires that the liabilities recorded related to our restructuring activities be measured at fair value.

Where material, we discount the lease loss calculations to arrive at their present value. Most workforce reductions happen over a short span of time and therefore no discounting is necessary. However, we may discount the termination benefit arrangement when we terminate employees who will provide no future service and we pay their severance over an extended

period. The discount reflects our incremental borrowing rate, which matches the lifetime of the liability. Significant changes in the discount rate selected or the estimations of sublease income in the case of leases could impact the amounts recorded.

Other associated costs with restructuring activities

We recognize other costs associated with restructuring activities as they are incurred, including moving costs and consulting and legal fees.

Pensions

We sponsor defined benefit pension plans throughout the world. Our most significant plans are located in the U.S., the U.K., the Netherlands and Canada. Our significant U.S., U.K. and Canadian pension plans are closed to new entrants. We have ceased crediting future benefits relating to salary and service for our U.S., U.K. and Canadian plans.

Recognition of gains and losses and prior service

Certain changes in the value of the obligation and in the value of plan assets, which may occur due to various factors such as changes in the discount rate and actuarial assumptions, actual demographic experience and/or plan asset performance are not immediately recognized in net income. Such changes are recognized in Other comprehensive income and are amortized into net income as part of the net periodic benefit cost.

Unrecognized gains and losses that have been deferred in Other comprehensive income, as previously described, are amortized into Compensation and benefits expense as a component of periodic pension expense based on the average expected future service of active employees for our plans in the Netherlands and Canada, or the average life expectancy of the U.S. and U.K. plan members. After the effective date of the plan amendments to cease crediting future benefits relating to service, unrecognized gains and losses are also based on the average life expectancy of members in the Canadian plans. We amortize any prior service expense or credits that arise as a result of plan changes over a period consistent with the amortization of gains and losses.

As of December 31, 2013, our pension plans have deferred losses that have not yet been recognized through income in the Consolidated Financial Statements. We amortize unrecognized actuarial losses outside of a corridor, which is defined as 10% of the greater of market-related value of plan assets or projected benefit obligation. To the extent not offset by future gains, incremental amortization as calculated above will continue to affect future pension expense similarly until fully amortized.

The following table discloses our combined experience loss, the number of years over which we are amortizing the experience loss, and the estimated 2014 amortization of loss by country (amounts in millions):

	U.K.	U.S.	Other
Combined experience loss	\$2,012	\$1,219	\$402
Amortization period (in years)	29	26	11 - 23
Estimated 2014 amortization of loss	\$53	\$44	\$10

The unrecognized prior service cost at December 31, 2013 was \$27 million in the U.K. and Other plans.

For the U.S. pension plans we use a market-related valuation of assets approach to determine the expected return on assets, which is a component of net periodic benefit cost recognized in the Consolidated Statements of Income. This approach recognizes 20% of any gains or losses in the current year's value of market-related assets, with the remaining 80% spread over the next four years. As this approach recognizes gains or losses over a five-year period, the future value of assets and therefore, our net periodic benefit cost will be impacted as previously deferred gains or losses are recorded. As of December 31, 2013, the market-related value of assets was \$1.8 billion. We do not use the market-related valuation approach to determine the funded status of the U.S. plans recorded in the Consolidated Statements of Financial Position. Instead, we record and present the funded status in the Consolidated Statements of Financial Position based on the fair value of the plan assets. As of December 31, 2013, the fair value of plan assets was \$1.9 billion.

Our non-U.S. plans use fair value to determine expected return on assets.

Rate of return on plan assets and asset allocation

The following table summarizes the expected long-term rate of return on plan assets for future pension expense and the related target asset mix as of December 31, 2013:

	U.K.	U.S.	Other
Expected return (in total)	6.0%	8.8%	5.6 - 6.5%
Expected return on equities (1)	9.4%	9.7%	7.5 - 8.3%
Expected return on fixed income	4.8%	6.6%	4.7 - 4.8%
Asset mix:			
Target equity (1)	28.4%	70.0%	39.1-60.0%
Target fixed income	71.6%	30.0%	40.0 - 60.9%

(1) Includes investments in infrastructure, real estate, limited partnerships and hedge funds.

In determining the expected rate of return for the plan assets, we analyzed investment community forecasts and current market conditions to develop expected returns for each of the asset classes used by the plans. In particular, we surveyed multiple third party financial institutions and consultants to obtain long-term expected returns on each asset class, considered historical performance data by asset class over long periods, and weighted the expected returns for each asset class by target asset allocations of the plans.

The U.S. pension plan asset allocation is based on approved allocations following adopted investment guidelines. The actual asset allocation at December 31, 2013 was 69% equity and 31% fixed income securities for the qualified plan.

The investment policy for each U.K. and non-U.S. pension plans is generally determined by the plans' trustees.

Because there are several pension plans maintained in the U.K. and non-U.S. category, our target allocation presents a range of the target allocation of each plan. Further, target allocations are subject to change. As of December 31, 2013, the U.K. and non-U.S. plans were invested between 30% and 50% in equity and between 50% and 70% in fixed income securities.

Impact of changing economic assumptions

Changes in the discount rate and expected return on assets can have a material impact on pension obligations and pension expense.

Holding all other assumptions constant, the following table reflects what a one hundred basis point increase and decrease in our estimated liability discount rate would have on our projected benefit obligation at December 31, 2013 (in millions):

Estimated liability discount rate Increase (decrease) in projected benefit obligation of December 31, 2013 (1)	100 Basis Point Change in Discount Rate	
	Increase	Decrease
U.K. plans	\$ (989	) \$ 1,057
U.S. plans	(273	) 386
Other plans	(171	) 251

Increases to the projected benefit obligation reflect increases to the Company's pension obligations, while

(1) decreases in the projected benefit obligation are recoveries toward fully funded status. A change in the discount rate has an inverse relationship to the projected benefit obligation.

Holding all other assumptions constant, the following table reflects what a one hundred basis point increase and decrease in our estimated liability discount rate would have on our estimated 2014 pension expense (in millions):

	100 Basis Point Change in Discount Rate	
	Increase	Decrease
Increase (decrease) in expense		
U.K. plans	\$(32	) \$28
U.S. plans	(1) —
Other plans	(2	) 2

Holding other assumptions constant, the following table reflects what a one hundred basis point increase and decrease in our estimated long-term rate of return on plan assets would have on our estimated 2014 pension expense (in millions):

	100 Basis Point Change in Long-Term Rate of Return on Plan Assets	
	Increase	Decrease
Increase (decrease) in expense		
U.K. plans	\$(54	) \$54
U.S. plans	(18	) 18
Other plans	(11	) 11

Estimated future contributions

We estimate contributions of approximately \$385 million in 2014 as compared with \$523 million in 2013.

Goodwill and Other Intangible Assets

Goodwill represents the excess of cost over the fair market value of the net assets acquired. We classify our intangible assets acquired as either trademarks, customer relationships, technology, non-compete agreements, or other purchased intangibles.

Goodwill is not amortized, but rather tested for impairment at least annually in the fourth quarter. In the fourth quarter, we also test the acquired tradenames (which also are not amortized) for impairment. We test more frequently if there are indicators of impairment or whenever business circumstances suggest that the carrying value of goodwill or trademarks may not be recoverable. These indicators may include a sustained significant decline in our share price and market capitalization, a decline in our expected future cash flows, or a significant adverse change in legal factors or in the business climate, among others. No events occurred during 2013 that indicate the existence of an impairment with respect to our reported goodwill or tradenames.

We perform impairment reviews at the reporting unit level. A reporting unit is an operating segment or one level below an operating segment (referred to as a "component"). A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and segment management regularly reviews the operating results of that component. An operating segment shall be deemed to be a reporting unit if all of its components are similar, if none of its components is a reporting unit, or if the segment comprises only a single component.

The goodwill impairment test is initially a qualitative analysis to determine if it is "more likely than not" that the fair value of each reporting unit exceeds the carrying value, including goodwill, of the corresponding reporting unit. If the "more likely than not" threshold is not met, then the goodwill impairment test becomes a two step analysis. Step One requires the fair value of each reporting unit to be compared to its book value. Management must apply judgment in determining the estimated fair value of the reporting units. If the fair value of a reporting unit is determined to be greater than the carrying value of the reporting unit, goodwill and trademarks are deemed not to be impaired and no further testing is necessary. If the fair value of a reporting unit is less than the carrying value, we perform Step Two. Step Two uses the calculated fair value of the reporting unit to perform a hypothetical purchase price allocation to the fair value of the assets and liabilities of the reporting unit. The difference between the fair value of the reporting unit calculated in Step One and the fair value of the underlying assets and liabilities of the reporting unit is the implied fair value of the reporting unit's goodwill. A charge is recorded in the financial statements if the carrying value of the reporting unit's goodwill is greater than its implied fair value.

In determining the fair value of our reporting units, we use a discounted cash flow ("DCF") model based on our most current forecasts. We discount the related cash flow forecasts using the weighted-average cost of capital method at the date of evaluation. Preparation of forecasts and selection of the discount rate for use in the DCF model involve significant judgments,

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and changes in these estimates could affect the estimated fair value of one or more of our reporting units and could result in a goodwill impairment charge in a future period. We also use market multiples which are obtained from quoted prices of comparable companies to corroborate our DCF model results. The combined estimated fair value of our reporting units from our DCF model often results in a premium over our market capitalization, commonly referred to as a control premium. We believe the implied control premium determined by our impairment analysis is reasonable based upon historic data of premiums paid on actual transactions within our industry. Based on tests performed in both 2013 and 2012, there was no indication of goodwill impairment, and no further testing was required.

We review intangible assets that are being amortized for impairment whenever events or changes in circumstance indicate that their carrying amount may not be recoverable. There were no indications that the carrying values of amortizable intangible assets were impaired as of December 31, 2013. If we are required to record impairment charges in the future, they could materially impact our results of operations.

Contingencies

We define a contingency as an existing condition that involves a degree of uncertainty as to a possible gain or loss that will ultimately be resolved when one or more future events occur or fail to occur. Under U.S. GAAP, we are required to establish reserves for loss contingencies when the loss is probable and we can reasonably estimate its financial impact. We are required to assess the likelihood of material adverse judgments or outcomes, as well as potential ranges or probability of losses. We determine the amount of reserves required, if any, for contingencies after carefully analyzing each individual item. The required reserves may change due to new developments in each issue. We do not recognize gain contingencies until the contingency is resolved and amounts due are probable of collection.

Share-based Payments

Share-based compensation expense is measured based on the estimated grant date fair value and recognized over the requisite service period for awards that we ultimately expect to vest. We estimate forfeitures at the time of grant based on our actual experience to date and revise our estimates, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Share Option Accounting

We generally use a lattice-binomial option-pricing model to value share options granted. Lattice-based option valuation models use a range of assumptions over the expected term of the options, and estimate expected volatilities based on the average of the historical volatility of our share price and the implied volatility of traded options on our shares. No share options were granted during 2013 or 2012.

In terms of the assumptions used in the lattice-based model, we:

use historical data to estimate option exercise and employee terminations within the valuation model. We stratify employees between those receiving Leadership Performance Plan ("LPP") options, Special Share Plan options, and all other option grants. We believe that this stratification better represents prospective stock option exercise patterns,

base the expected dividend yield assumption on our current dividend rate, and

base the risk-free rate for the contractual life of the option on the U.S. Treasury yield curve in effect at the time of grant.

The expected life of employee share options represents the weighted-average period share options are expected to remain outstanding, which is a derived output of the lattice-binomial model.

Restricted Share Units

Restricted share units ("RSUs") are service-based awards for which we recognize the associated compensation cost on a straight-line basis over the requisite service period. We estimate the fair value of the awards based on the market price of the underlying share on the date of grant.

Performance Share Awards

Performance share awards ("PSAs") are performance-based awards for which vesting is dependent on the achievement of certain objectives. Such objectives may be made on a personal, group or company level. We estimate the fair value of the

awards based on the market price of the underlying stock on the date of grant, reduced by the present value of estimated dividends foregone during the vesting period.

PSAs may immediately vest at the end of the performance period or may have an additional service period.

Compensation cost is recognized over the performance or additional service period,

whichever is longer. The number of shares issued on the vesting date will vary depending on the actual performance objectives achieved. We make assessments of future performance using subjective estimates, such as long-term plans.

As a result, changes in the underlying assumptions could have a material impact on the compensation expense recognized.

The largest performance-based share-based payment award plan is the LPP, which has a three-year performance period. The 2011 to 2013 performance period ended on December 31, 2013, the 2010 to 2012 performance period ended on December 31, 2012, the 2009 to 2011 performance period ended on December 31, 2011, and the 2008 to 2010 performance period ended on December 31, 2010. The LPP currently has two open performance periods: 2012 to 2014 and 2013 to 2015. A 10% upward adjustment in our estimated performance achievement percentage for both LPP plans would have increased our 2013 expense by approximately \$5.9 million, while a 10% downward adjustment would have decreased our expense by approximately \$5.9 million. As the percent of expected performance increases or decreases, the potential change in expense can go from 0% to 200% of the targeted total expense.

Income Taxes

We earn income in numerous countries and this income is subject to the laws of taxing jurisdictions within those countries. The estimated effective tax rate for the year is applied to our quarterly operating results. In the event that there is a significant unusual or discrete item recognized, or expected to be recognized, in our quarterly operating results, the tax attributable to that item would be separately calculated and recorded at the same time as the unusual or discrete item, such as the resolution of prior-year tax matters.

The carrying values of deferred income tax assets and liabilities reflect the application of our income tax accounting policies, and are based on management's assumptions and estimates about future operating results and levels of taxable income, and judgments regarding the interpretation of the provisions of current accounting principles.

Deferred tax assets are reduced by valuation allowances if, based on the consideration of all available evidence, it is more likely than not that some portion of the deferred tax asset will not be realized. In this assessment, significant weight is given to evidence that can be objectively verified.

We assess carryforwards and tax credits for realization as a reduction of future taxable income by using a "more likely than not" determination. We have not recognized a U.S. deferred tax liability for permanently reinvested earnings of certain non-U.S. subsidiaries. Additional U.S. income taxes could be recorded (or incurred) if we change our investment strategy relating to these subsidiaries, which could materially affect our future effective tax rate.

We base the carrying values of liabilities for income taxes currently payable on management's interpretation of applicable tax laws, and incorporate management's assumptions and judgments about using tax planning strategies in various taxing jurisdictions. Using different estimates, assumptions and judgments in accounting for income taxes, especially those that deploy tax planning strategies, may result in materially different carrying values of income tax assets and liabilities and changes in our results of operations.

We operate in many jurisdictions where tax laws relating to our businesses are not well developed. In such jurisdictions, we typically obtain professional guidance, when available, and consider existing industry practices before using tax planning strategies and meeting our tax obligations. Tax returns are routinely subject to audit in most jurisdictions, and tax liabilities are frequently finalized through negotiations. In addition, several factors could increase the future level of uncertainty over our tax liabilities, including the following:

- the portion of our overall operations conducted in non-U.S. tax jurisdictions has been increasing, and we anticipate this trend will continue,

- to deploy tax planning strategies and conduct global operations efficiently, our subsidiaries frequently enter into transactions with affiliates, which are generally subject to complex tax regulations and are frequently reviewed by tax authorities,

- tax laws, regulations, agreements and treaties change frequently, requiring us to modify existing tax strategies to conform to such changes, and

the move of the corporate headquarters to London.

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NEW ACCOUNTING PRONOUNCEMENTS

Note 2 "Summary of Significant Accounting Principles and Practices" of the Notes to Consolidated Financial Statements contains a summary of our significant accounting policies, including a discussion of recently issued accounting pronouncements and their impact or future potential impact on our financial results, if determinable.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to potential fluctuations in earnings, cash flows, and the fair value of certain of our assets and liabilities due to changes in interest rates and foreign exchange rates. To manage the risk from these exposures, we enter into a variety of derivative instruments. We do not enter into derivatives or financial instruments for trading or speculative purposes.

The following discussion describes our specific exposures and the strategies we use to manage these risks. See Note 2 "Summary of Significant Accounting Principles and Practices" of the Notes to Consolidated Financial Statements for a discussion of our accounting policies for financial instruments and derivatives.

Foreign Exchange Risk

We are subject to foreign exchange rate risk. Our primary exposures include exchange rates between the U.S. dollar and the Euro, British Pound, the Canadian Dollar, the Australian Dollar, and the Indian Rupee. We use over-the-counter ("OTC") options and forward contracts to reduce the impact of foreign currency risk to our financial statements.

Additionally, some of our non-U.S. brokerage subsidiaries receive revenues in currencies that differ from their functional currencies. Our U.K. subsidiary earned approximately 30% of its 2013 revenue in U.S. dollars and 6% of its revenue in Euros, but most of its expenses are incurred in Pounds Sterling. At December 31, 2013, we have hedged 45% and 81% of our U.K. subsidiaries' expected U.S. Dollar transaction exposure for the years ending December 31, 2014 and 2015, respectively. In addition, we have hedged 81% of our U.K. subsidiaries' expected Euro transaction exposures for the same time periods. We generally do not hedge exposures beyond three years.

We also use forward contracts to economically hedge foreign exchange risk associated with monetary balance sheet exposures, such as inter-company notes and short-term assets and liabilities that are denominated in a non-functional currency and are subject to remeasurement.

The potential loss in future earnings from foreign exchange derivative instruments resulting from a hypothetical 10% adverse change in year-end exchange rates would be \$40 million and \$17 million at December 31, 2014 and 2015 respectively.

Interest Rate Risk

Our fiduciary investment income is affected by changes in international and domestic short-term interest rates. We monitor our net exposure to short-term interest rates and as appropriate, hedge our exposure with various derivative financial instruments. This activity primarily relates to brokerage funds held on behalf of clients in the U.S. and on the continent of Europe. A hypothetical, instantaneous parallel decrease in the year-end yield curve of 100 basis points would cause a decrease, net of derivative positions, of \$21 million and \$32 million to 2014 and 2015 pretax income, respectively. A corresponding increase in the year-end yield curve of 100 basis points would cause an increase, net of derivative positions, of \$51 million and \$54 million to 2014 and 2015 pretax income, respectively.

We have long-term debt outstanding with a fair market value of \$3.9 billion and \$4.2 billion at December 31, 2013 and 2012, respectively. This fair value was greater than the carrying value by \$208 million at December 31, 2013, and \$449 million greater than the carrying value at December 31, 2012. A hypothetical 1% increase or decrease in interest rates would change the fair value by approximately 6% at both December 31, 2013 and 2012.

We have selected hypothetical changes in foreign currency exchange rates, interest rates, and equity market prices to illustrate the possible impact of these changes; we are not predicting market events.

Item 8. Financial Statements and Supplementary Data.
Report of Independent Registered Public Accounting Firm
Board of Directors and Shareholders
Aon plc

We have audited the accompanying consolidated statements of financial position of Aon plc as of December 31, 2013 and 2012, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Aon plc at December 31, 2013 and 2012, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2013, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Aon plc's internal control over financial reporting as of December 31, 2013, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 Framework) and our report dated February 18, 2014 expressed an unqualified opinion thereon.
Chicago, Illinois
February 18, 2014

Aon plc Consolidated Statements of Income (millions, except per share data)	Years ended December 31		
	2013	2012	2011
Revenue			
Commissions, fees and other	\$11,787	\$11,476	\$11,235
Fiduciary investment income	28	38	52
Total revenue	11,815	11,514	11,287
Expenses			
Compensation and benefits	6,945	6,709	6,567
Other general expenses	3,199	3,209	3,124
Total operating expenses	10,144	9,918	9,691
Operating income	1,671	1,596	1,596
Interest income	9	10	18
Interest expense	(210)	(228)	(245)
Other income	68	2	19
Income before income taxes	1,538	1,380	1,388
Income taxes	390	360	378
Net income	1,148	1,020	1,010
Less: Net income attributable to noncontrolling interests	35	27	31
Net income attributable to Aon shareholders	\$1,113	\$993	\$979
Basic net income per share attributable to Aon shareholders	\$3.57	\$3.02	\$2.92
Diluted net income per share attributable to Aon shareholders	\$3.53	\$2.99	\$2.87
Cash dividends per share paid on ordinary shares	\$0.68	\$0.62	\$0.60
Weighted average ordinary shares outstanding — basic	311.4	328.5	335.5
Weighted average ordinary shares outstanding — diluted	315.4	332.6	340.9
See accompanying Notes to Consolidated Financial Statements.			

Aon plc

Consolidated Statements of Comprehensive Income

(millions)

	Years Ended December 31		
	2013	2012	2011
Net income	\$1,148	\$1,020	\$1,010
Less: Net income attributable to noncontrolling interests	35	27	31
Net income attributable to Aon shareholders	\$1,113	\$993	\$979
Other comprehensive gain (loss), net of tax:			
Change in fair value of investments	1	—	—
Change in fair value of derivatives	6	9	(13)
Foreign currency translation adjustments	(65)	109	(43)
Post-retirement benefit obligation	293	(358)	(396)
Total other comprehensive gain (loss)	235	(240)	(452)
Less: Other comprehensive (loss) income attributable to noncontrolling interests	(1)	—	1
Total other comprehensive gain (loss) attributable to Aon shareholders	236	(240)	(453)
Comprehensive income attributable to Aon shareholders	\$1,349	\$753	\$526

See accompanying Notes to Consolidated Financial Statements.

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Aon plc Consolidated Statements of Financial Position (millions, except nominal value)	As of December 31	2013	2012
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		\$477	\$291
Short-term investments		523	346
Receivables, net		2,896	3,101
Fiduciary assets		11,871	12,214
Other current assets		563	430
Total Current Assets		16,330	16,382
Goodwill		8,997	8,943
Intangible assets, net		2,578	2,975
Fixed assets, net		791	820
Investments		132	165
Non-current deferred tax assets		193	285
Other non-current assets		1,230	916
TOTAL ASSETS		\$30,251	\$30,486
LIABILITIES AND EQUITY			
LIABILITIES			
CURRENT LIABILITIES			
Fiduciary liabilities		\$11,871	\$12,214
Short-term debt and current portion of long-term debt		703	452
Accounts payable and accrued liabilities		1,931	1,853
Other current liabilities		906	831
Total Current Liabilities		15,411	15,350
Long-term debt		3,686	3,713
Non-current deferred tax liabilities		420	306
Pension, other post retirement, and post employment liabilities		1,607	2,276
Other non-current liabilities		932	1,036
TOTAL LIABILITIES		22,056	22,681
EQUITY			
Ordinary shares - \$0.01 nominal value		3	3
Authorized: 750 shares (issued: 2013 - 300.7; 2012 - 310.9)			
Additional paid-in capital		4,785	4,436
Retained earnings		5,731	5,933
Accumulated other comprehensive loss		(2,374)	(2,610)
TOTAL AON SHAREHOLDERS' EQUITY		8,145	7,762
Noncontrolling interests		50	43
TOTAL EQUITY		8,195	7,805
TOTAL LIABILITIES AND EQUITY		\$30,251	\$30,486
See accompanying Notes to Consolidated Financial Statements.			

Aon plc

Consolidated Statements of Shareholders' Equity

(millions)	Shares	Ordinary Shares and Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss, Net of Tax	Noncontrolling Interests	Total
Balance at January 1, 2011	385.9	\$ 4,386	\$ 7,861	\$(2,079)	\$(1,917)	\$ 55	\$ 8,306
Net income	—	—	979	—	—	31	1,010
Shares issued — employee benefit plans	0.5	113	(1)	—	—	—	112
Shares purchased	—	—	—	(828)	—	—	(828)
Shares reissued — employee benefit plans	—	(354)	(45)	354	—	—	(45)
Tax benefit — employee benefit plans	—	36	—	—	—	—	36
Share compensation expense	—	235	—	—	—	—	235
Dividends to stockholders	—	—	(200)	—	—	—	(200)
Change in net derivative gains/losses	—	—	—	—	(13)	—	(13)
Net foreign currency translation adjustments	—	—	—	—	(44)	1	(43)
Net post-retirement benefit obligation	—	—	—	—	(396)	—	(396)
Purchase of subsidiary shares from noncontrolling interests	—	(9)	—	—	—	(15)	(24)
Dividends paid to noncontrolling interests on subsidiary common stock	—	—	—	—	—	(30)	(30)
Balance at December 31, 2011	386.4	4,407	8,594	(2,553)	(2,370)	42	8,120
Net income	—	—	993	—	—	27	1,020
Retirement of treasury shares	(60.0)	(60)	(2,412)	2,472	—	—	—
Shares issued — employee benefit plans	4	29	—	—	—	—	29
Shares purchased	(20)	—	(1,025)	(100)	—	—	(1,125)
Shares reissued — employee benefit plans	—	(181)	(13)	181	—	—	(13)
Tax benefit — employee benefit plans	—	33	—	—	—	—	33
Share-based compensation expense	—	212	—	—	—	—	212
Dividends to shareholders	—	—	(204)	—	—	—	(204)
Change in net derivative gains/losses	—	—	—	—	9	—	9
Net foreign currency translation adjustments	—	—	—	—	109	—	109
Net post-retirement benefit obligation	—	—	—	—	(358)	—	(358)
	—	(1)	—	—	—	1	—

Purchase of subsidiary shares from non-controlling interest									
Dividends paid to non-controlling interests on subsidiary common stock	—	—	—	—	—	(27	)	(27)
Balance at December 31, 2012	310.9	4,439	5,933	—	(2,610	)	43	7,805
Net income	—	—	1,113	—	—		35	1,148	
Shares issued — employee benefit plans	0.7	28	(1	)	—		—	27
Shares issued — employee compensation	5.9	(50	)	—	—		—	(50)
Shares purchased	(16.8	)	—	(1,102	)	—	—	(1,102)
Tax benefit — employee benefit plans	—	74	—	—	—		—	74	
Share-based compensation expense	—	300	—	—	—		—	300	
Dividends to shareholders	—	—	(212	)	—		—	(212)
Net change in fair value of investments	—	—	—	—	1		—	1	
Change in net derivative gains/losses	—	—	—	—	6		—	6	
Net foreign currency translation adjustments	—	—	—	—	(64)	(1)	(65)
Net post-retirement benefit obligation	—	—	—	—	293		—	293	
Purchase of subsidiary shares from non-controlling interest	—	(3)	—	—		(8)	(11)
Dividends paid to non-controlling interests on subsidiary common stock	—	—	—	—	—		(19)	(19)
Balance at December 31, 2013	300.7	\$4,788	\$5,731	\$—	\$(2,374	)	\$ 50	\$8,195

See accompanying Notes to Consolidated Financial Statements.

Aon plc					
Consolidated Statements of Cash Flows					
(millions)	Years ended December 31	2013	2012	2011	
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income		\$1,148	\$1,020	\$1,010	
Adjustments to reconcile net income to cash provided by operating activities:					
Gain from sales of businesses, net		(65) —	(6)
Depreciation of fixed assets		240	232	220	
Amortization of intangible assets		395	423	362	
Share-based compensation expense		300	212	235	
Deferred income taxes		(14	) (95	) 146
Change in assets and liabilities:					
Fiduciary receivables		(4) (1,402) (14)
Short-term investments — funds held on behalf of clients		156	239	(713)
Fiduciary liabilities		(152	) 1,163	727
Receivables, net		141	106	(494)
Accounts payable and accrued liabilities		48	(37) —	
Restructuring reserves		15	(46) (73)
Current income taxes		(116	) 185	120
Pension and other post employment liabilities		(502) (585) (399)
Other assets and liabilities		43	4	(103)
CASH PROVIDED BY OPERATING ACTIVITIES		1,633	1,419	1,018	
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales of long-term investments		93	178	190	
Purchases of long-term investments		(15) (12) (30)
Net (purchases) sales of short-term investments — non-fiduciary		(174) 440	(8)
Acquisition of businesses, net of cash acquired		(54) (162) (106)
Proceeds from sale of businesses		40	2	9	
Capital expenditures		(229) (269) (241)
CASH (USED FOR) PROVIDED BY INVESTING ACTIVITIES		(339)	177	(186)	
CASH FLOWS FROM FINANCING ACTIVITIES					
Share repurchase		(1,102) (1,125) (828)
Issuance of shares for employee benefit plans		98	118	201	
Issuance of debt		4,906	733	1,673	
Repayment of debt		(4,679) (1,077) (1,688)
Cash dividends to shareholders		(212) (204) (200)
Purchases of shares from noncontrolling interests		(8) (4) (24)
Dividends paid to noncontrolling interests		(19) (27) (30)
CASH USED FOR FINANCING ACTIVITIES		(1,016)	(1,586)	(896)	
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(92)	9	(10)	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		186	19	(74)	
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		291	272	346	
CASH AND CASH EQUIVALENTS AT END OF YEAR		\$477	\$291	\$272	
Supplemental disclosures:					
Interest paid		\$206	\$232	\$240	
Income taxes paid, net of refunds		445	238	77	

See accompanying Notes to Consolidated Financial Statements.

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Notes to Consolidated Financial Statements

1. Basis of Presentation

The accompanying Consolidated Financial Statements and Notes thereto have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). The Consolidated Financial Statements include the accounts of Aon plc and all controlled subsidiaries ("Aon" or the "Company"). All intercompany accounts and transactions have been eliminated. The Consolidated Financial Statements include, in the opinion of management, all adjustments (consisting of normal recurring adjustments and reclassifications) necessary to present fairly the Company's consolidated financial position, results of operations and cash flows for all periods presented.

Reclassification

Certain amounts in prior year's consolidated financial statements and related notes have been reclassified to conform to the 2013 presentation. In prior periods, income or losses from discontinued operations and its related tax expense was recognized in Income (loss) from discontinued operations in the Consolidated Statements of Income. These amounts are now included in Other income in the Consolidated Statements of Income. The amounts reclassified were \$1 million loss and \$4 million income for the years ended December 31, 2012 and 2011, respectively. There was no earnings per share impact in 2012, and a \$0.01 diluted per share impact in 2011.

Use of Estimates

The preparation of the accompanying Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of reserves and expenses. These estimates and assumptions are based on management's best estimates and judgments. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. Aon adjusts such estimates and assumptions when facts and circumstances dictate. Illiquid credit markets, volatile equity markets, and foreign currency movements increase the uncertainty inherent in such estimates and assumptions. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

2. Summary of Significant Accounting Principles and Practices

Revenue Recognition

Risk Solutions segment revenues primarily include insurance commissions and fees for services rendered and investment income on funds held on behalf of clients. Revenues are recognized when they are earned and realized or realizable. The Company considers revenues to be earned and realized or realizable when all of the following four conditions are met: (1) persuasive evidence of an arrangement exists, (2) the arrangement fee is fixed or determinable, (3) delivery or performance has occurred, and (4) collectability is reasonably assured. For brokerage commissions, revenue is typically recognized at the completion of the placement process, assuming all other criteria required to recognize revenue have been met. The placement process is typically considered complete on the effective date of the related policy. Commission revenues are recorded net of allowances for estimated policy cancellations, which are determined based on an evaluation of historical and current cancellation data.

HR Solutions segment revenues consist primarily of fees paid by clients for consulting advice and outsourcing contracts. Fees paid by clients for consulting services are typically charged on an hourly, project or fixed-fee basis. Revenues from time-and-materials or cost-plus arrangements are recognized as services are performed, assuming all other criteria to recognize revenue have been met. Revenues from fixed-fee contracts are recognized as services are provided using a proportional-performance model or at the completion of a project based on facts and circumstances of the client arrangement. Revenues from health care exchange arrangements are typically recognized upon successful enrollment of participants, net of a reserve for estimated cancellations, assuming all other criteria to recognize revenue have been met. Reimbursements received for out-of-pocket expenses are recorded as a component of revenues. The Company's outsourcing contracts typically have three-to-five year terms for benefits services and five-to-ten year terms for human resources business process outsourcing ("HR BPO") services. The Company recognizes revenues as services are performed, assuming all other criteria to recognize revenue have been met. The Company may also

receive implementation fees from clients either up-front or over the ongoing services period as a component of the fee per participant. Lump sum implementation fees received from a client are typically deferred and recognized ratably over the ongoing contract services period. If a client terminates an outsourcing services arrangement prior to

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the end of the contract, a loss on the contract may be recorded, if necessary, and any remaining deferred implementation revenues would typically be recognized over the remaining service period through the termination date.

In connection with the Company's long-term outsourcing service agreements, highly customized implementation efforts are often necessary to set up clients and their human resource or benefit programs on the Company's systems and operating processes. For outsourcing services sold separately or accounted for as a separate unit of accounting, specific, incremental and direct costs of implementation incurred prior to the services commencing are generally deferred and amortized over the period that the related ongoing services revenue is recognized. Deferred costs are assessed for recoverability on a periodic basis to the extent the deferred cost exceeds related deferred revenue.

Share-Based Compensation Costs

Share-based payments to employees, including grants of employee share options, restricted shares and restricted share units ("RSUs"), performance share awards ("PSAs") as well as employee share purchases related to the Employee Share Purchase Plan, are measured based on estimated grant date fair value. The Company recognizes compensation expense over the requisite service period for awards expected to ultimately vest. Forfeitures are estimated on the date of grant and revised if actual or expected forfeiture activity differs materially from original estimates.

Pension and Other Post-Retirement Benefits

The Company has net period cost relating to its pension and other post-retirement benefit plans based on calculations that include various actuarial assumptions, including discount rates, assumed rates of return on plan assets, inflation rates, mortality rates, compensation increases, and turnover rates. The Company reviews its actuarial assumptions on an annual basis and modifies these assumptions based on current rates and trends. The effects of gains, losses, and prior service costs and credits are amortized over future service periods or future estimated lives if the plans are frozen. The funded status of each plan, calculated as the fair value of plan assets less the benefit obligation, is reflected in the Company's Consolidated Statements of Financial Position using a December 31 measurement date.

Net Income per Share

Basic net income per share is computed by dividing net income available to ordinary shareholders by the weighted-average number of ordinary shares outstanding, including participating securities, which consist of unvested share awards with non-forfeitable rights to dividends. Diluted net income per share is computed by dividing net income available to ordinary shareholders by the weighted-average number of ordinary shares outstanding, which have been adjusted for the dilutive effect of potentially issuable ordinary shares (excluding those that are considered participating securities), including certain contingently issuable shares. The diluted earnings per share calculation reflects the more dilutive effect of either (1) the two-class method that assumes that the participating securities have not been exercised, or (2) the treasury stock method.

Certain ordinary share equivalents, related primarily to options, were not included in the computation of diluted income per share because their inclusion would have been antidilutive.

Cash and Cash Equivalents and Short-term Investments

Cash and cash equivalents include cash balances and all highly liquid investments with initial maturities of three months or less. Short-term investments include certificates of deposit, money market funds and highly liquid debt instruments purchased with initial maturities in excess of three months but less than one year and are carried at amortized cost, which approximates fair value.

The Company is required to hold £77 million of operating funds in the U.K. as required by the Financial Conduct Authority, which were included in Short-term investments. These operating funds, when translated to U.S. dollars, were \$126 million and \$124 million at December 31, 2013 and 2012, respectively. Cash and cash equivalents included restricted balances of \$88 million and \$76 million at December 31, 2013 and 2012, respectively. The restricted balances primarily relate to cash required to be held as collateral.

Fiduciary Assets and Liabilities

In its capacity as an insurance agent and broker, Aon collects premiums from insureds and, after deducting its commission, remits the premiums to the respective insurers. Aon also collects claims or refunds from insurers on behalf of insureds. Uncollected premiums from insureds and uncollected claims or refunds from insurers are recorded as Fiduciary assets in the Company's Consolidated Statements of Financial Position. Unremitted insurance premiums

and claims are held in a fiduciary capacity and the obligation to remit these funds is recorded as Fiduciary liabilities in the Company's Consolidated Statements of Financial Position. Some of the Company's outsourcing agreements also require it to hold funds to pay certain

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obligations on behalf of clients. These funds are also recorded as Fiduciary assets with the related obligation recorded as Fiduciary liabilities in the Company's Consolidated Statements of Financial Position.

Aon maintained premium trust balances for premiums collected from insureds but not yet remitted to insurance companies of \$3.8 billion and \$4.0 billion at December 31, 2013 and 2012, respectively. These funds and a corresponding liability are included in Fiduciary assets and Fiduciary liabilities, respectively, in the accompanying Consolidated Statements of Financial Position.

Allowance for Doubtful Accounts

The Company's allowance for doubtful accounts with respect to receivables is based on a combination of factors, including evaluation of historical write-offs, aging of balances and other qualitative and quantitative analyses.

Receivables included an allowance for doubtful accounts of \$90 million and \$118 million at December 31, 2013 and 2012, respectively.

Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Included in this category is internal use software, which is software that is acquired, internally developed or modified solely to meet internal needs, with no plan to market externally. Costs related to directly obtaining, developing or upgrading internal use software are capitalized.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, which are generally as follows:

Asset Description	Asset Life
Software	Lesser of the life of an associated license, or 4 to 7 years
Leasehold improvements	Lesser of estimated useful life or lease term, not to exceed 10 years
Furniture, fixtures and equipment	4 to 10 years
Computer equipment	4 to 6 years
Buildings	35 years
Automobiles	6 years

Investments

The Company accounts for investments as follows:

Equity method investments — Aon accounts for limited partnership and other investments using the equity method of accounting if Aon has the ability to exercise significant influence over, but not control of, an investee. Significant influence generally represents an ownership interest between 20% and 50% of the voting stock of the investee. Under the equity method of accounting, investments are initially recorded at cost and are subsequently adjusted for additional capital contributions, distributions, and Aon's proportionate share of earnings or losses.

Cost method investments — Investments where Aon does not have an ownership interest of greater than 20% or the ability to exert significant influence over the operations of the investee are carried at cost.

Fixed-maturity securities are classified as available for sale and are reported at fair value with any resulting unrealized gain or loss recorded directly to shareholders' equity as a component of Accumulated other comprehensive loss in the Company's Consolidated Statement of Financial Position, net of deferred income taxes. Interest on fixed-maturity securities is recorded in Interest income in the Company's Consolidated Statements of Income when earned and is adjusted for any amortization of premium or accretion of discount.

The Company assesses any declines in the fair value of investments to determine whether such declines are other-than-temporary. This assessment is made considering all available evidence, including changes in general market conditions, specific industry and individual company data, the length of time and the extent to which the fair value has been less than cost, the financial condition and the near-term prospects of the entity issuing the security, and the Company's ability and intent to hold the investment until recovery of its cost basis. Other-than-temporary impairments of investments are recorded as part of Other income (expense) in the Consolidated Statements of Income in the period in which the determination is made.

Goodwill and Intangible Assets

Goodwill represents the excess of acquisition cost over the fair value of the net assets in the acquisition of a business. Goodwill is allocated to various reporting units, which are one reporting level below the operating segment. Upon disposition of a business entity, 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 was included. Goodwill is not amortized, but instead is tested for impairment at least annually.

The goodwill impairment test is performed at the reporting unit level. The Company initially performs a qualitative analysis to determine if it is more likely than not that the goodwill balance is impaired. If such a determination is made, then the Company will perform a two-step quantitative analysis. First, the fair value of each reporting unit is compared to its carrying value. If the fair value of the reporting unit is less than its carrying value, the Company performs a hypothetical purchase price allocation based on the reporting unit's fair value to determine the fair value of the reporting unit's goodwill. Fair value is determined using a combination of present value techniques and market prices of comparable businesses.

Intangible assets include customer related and contract based assets representing primarily client relationships and non-compete covenants, tradenames, and marketing and technology related assets. These intangible assets, with the exception of tradenames, are amortized over periods ranging from 1 to 13 years, with a weighted average original life of 10 years. Tradenames are generally not amortized as such assets have been determined to have indefinite useful lives, and are tested at least annually for impairments using an analysis of expected future cash flows. Interim impairment testing may be performed when events or changes in circumstances indicate that the carrying amount of the intangible asset may not be recoverable.

Derivatives

Derivative instruments are recognized in the Consolidated Statements of Financial Position at fair value. Where the Company has entered into master netting agreements with counterparties, the derivative positions are netted by counterparty and are reported accordingly in other assets or other liabilities. Changes in the fair value of derivative instruments are recognized in earnings each period, unless the derivative is designated as a hedge and qualifies for hedge accounting.

The Company has historically designated the following hedging relationships for certain transactions: (i) a hedge of the change in fair value of a recognized asset or liability or firm commitment ("fair value hedge"), (ii) a hedge of the variability in cash flows from a recognized variable-rate asset or liability or forecasted transaction ("cash flow hedge"), and (iii) a hedge of the net investment in a foreign operation ("net investment hedge").

In order for a derivative to qualify for hedge accounting, the derivative must be formally designated as a fair value, cash flow, or a net investment hedge by documenting the relationship between the derivative and the hedged item. The documentation must include a description of the hedging instrument, the hedged item, the risk being hedged, Aon's risk management objective and strategy for undertaking the hedge, the method for assessing the effectiveness of the hedge, and the method for measuring hedge ineffectiveness. Additionally, the hedge relationship must be expected to be highly effective at offsetting changes in either the fair value or cash flows of the hedged item at both the inception of the hedge and on an ongoing basis. Aon assesses the ongoing effectiveness of its hedges and measures and records hedge ineffectiveness, if any, at the end of each quarter or more frequently if facts and circumstances require.

For a derivative designated as hedging the exposure to changes in the fair value of a recognized asset or liability or a firm commitment (a fair value hedge), the gain or loss is recognized in earnings in the period of change together with the offsetting loss or gain on the hedged item attributable to the risk being hedged. The effect is to reflect in earnings the extent to which the hedge is not effective in achieving offsetting changes in fair value. For a cash flow hedge that qualifies for hedge accounting, the effective portion of the change in fair value of a hedging instrument is recognized in Other Comprehensive Income ("OCI") and subsequently reclassified to earnings in the same period the hedged item impacts earnings. The ineffective portion of the change in fair value is recognized immediately in earnings. For a net investment hedge, the effective portion of the change in fair value of the hedging instrument is recognized in OCI as part of the cumulative translation adjustment, while the ineffective portion is recognized immediately in earnings.

Changes in the fair value of a derivative that is not designated as part of a hedging relationship (commonly referred to as an "economic hedge") are recorded in other income (expense) in the Consolidated Statements of Income.

The Company discontinues hedge accounting prospectively when (1) the derivative expires or is sold, terminated, or exercised, (2) the qualifying criteria are no longer met, or (3) management removes the designation of the hedging relationship.

When hedge accounting is discontinued because the derivative no longer qualifies as a fair value hedge, the Company continues to carry the derivative in the Consolidated Statements of Financial Position at its fair value, recognizes subsequent changes in the fair value of the derivative in the Consolidated Statements of Income, ceases to adjust the

hedged asset or liability for changes in its fair value and accounts for the carrying amount (including the basis adjustment caused by designating the item as a hedged item) of the hedged asset, liability or firm commitment in accordance with GAAP applicable to those assets or liabilities.

When hedge accounting is discontinued and the derivative continues to exist but the forecasted transaction is no longer probable of occurrence, the Company continues to carry the derivative in the Consolidated Statements of Financial Position at its fair value, recognizes subsequent changes in the fair value of the derivative in the Consolidated Statements of Income, and

continues to defer the derivative gain or loss accumulated in OCI (unless the forecasted transaction is deemed probable not to occur, at which time it would be reclassified to earnings) until the hedged forecasted transaction affects earnings.

Foreign Currency

Certain of the Company's non-US operations use their respective local currency as their functional currency. These operations that do not have the U.S. dollar as their functional currency translate their financial statements at the current rates of exchange in effect at the balance sheet date and revenues and expenses using rates that approximate those in effect during the period. The resulting translation adjustments are included as a component of stockholders' equity in Accumulated other comprehensive loss in the Consolidated Statements of Financial Position. Gains and losses from the remeasurement of monetary assets and liabilities that are denominated in a non-functional currency are included in Other income within the Consolidated Statements of Income. The effect of foreign exchange gains and losses on the Consolidated Statements of Income was a gain of \$3 million in 2013, a loss of \$16 million in 2012 and a gain of \$10 million in 2011. Included in these amounts were hedging losses of \$10 million in 2013, hedging gains of \$3 million in 2012, and hedging losses of \$20 million in 2011.

Income Taxes

Deferred income taxes are recognized for the effect of temporary differences between financial reporting and tax basis of assets and liabilities and are measured using the enacted marginal tax rates and laws that are currently in effect. The effect on deferred tax assets and liabilities from a change in tax rates is recognized in the period when the rate change is enacted.

Deferred tax assets are reduced by valuation allowances if, based on the consideration of all available evidence, it is more likely than not that some portion of the deferred tax asset will not be realized. Significant weight is given to evidence that can be objectively verified. Deferred tax assets are realized by having sufficient future taxable income to allow the related tax benefits to reduce taxes otherwise payable. The sources of taxable income that may be available to realize the benefit of deferred tax assets are future reversals of existing taxable temporary differences, future taxable income exclusive of reversing temporary differences and carry-forwards, taxable income in carry-back years and tax planning strategies that are both prudent and feasible.

The Company recognizes the effect of income tax positions only if sustaining those positions is more likely than not. Tax positions that meet the more likely than not recognition threshold but are not highly certain are initially and subsequently measured based on the largest amount of benefit that is greater than 50% likely of being realized upon settlement with the taxing authority. Only information that is available at the reporting date is considered in the Company's recognition and measurement analysis, and events or changes in facts and circumstances are accounted for in the period in which the event or change in circumstance occurs.

The Company records penalties and interest related to unrecognized tax benefits in Income taxes in the Company's Consolidated Statements of Income.

Changes in Accounting Principles

Accumulated Other Comprehensive Income

In February 2013, the Financial Accounting Standards Board ("FASB") issued guidance on the disclosure of amounts to be reclassified out of accumulated other comprehensive income. The guidance requires that amounts reclassified out of accumulated other comprehensive income be presented either on the face of the statement of operations or in the notes to the financial statements by component. The guidance was effective for Aon beginning in the first quarter 2013. The adoption of this guidance did not have a material impact on the Company's Consolidated Financial Statements.

Indefinite-Lived Intangible Asset Impairment

In July 2012, FASB issued guidance on the testing of indefinite-lived intangible assets for impairment that gives an entity the option to perform a qualitative assessment that may eliminate the requirement to perform the annual quantitative test. The guidance gives an entity the option to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a an indefinite-lived intangible asset is less than its carrying amount. If an entity concludes that this is the case, it must perform the quantitative test. The guidance was effective

for Aon beginning in the first quarter 2013. The adoption of this guidance did not have a material impact on the Company's Consolidated Financial Statements.

Balance Sheet Offsetting

In December 2011, the FASB issued guidance on the disclosure of offsetting assets and liabilities to enable users of financial statements to evaluate the effect or potential effect of netting arrangements on an entity's financial position. The objective of this disclosure is to facilitate comparison between those entities that prepare their financial statements on the basis of U.S. GAAP and those entities that prepare their financial statements on the basis of IFRS. The guidance requires certain derivatives, repurchase agreements and reverse repurchase agreements, and securities borrowing and lending transactions to disclose both the gross and net position of these financial instruments. The guidance was effective for Aon beginning in the first quarter 2013. The adoption of this guidance did not have a material impact on the Company's Condensed Consolidated Financial Statements.

Presentation of Unrecognized Tax Benefits

In July 2013, the FASB issued guidance on the presentation of certain unrecognized tax benefits on the financial statements. The guidance requires, unless certain conditions exist, an unrecognized tax benefit to be presented as a reduction to a deferred tax asset in the financial statements for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward. The guidance is effective for Aon in the first quarter of 2014. The adoption of this guidance is not expected to have a material impact on the Company's Consolidated Financial Statements.

Foreign Currency

In March 2013, the FASB issued new accounting guidance clarifying the accounting for the release of cumulative translation adjustment into net income when a parent either sells a part or all of its investment in a foreign entity or no longer holds a controlling financial interest in a subsidiary or group of assets that is a nonprofit activity or a business within a foreign entity. The guidance is effective for Aon in the first quarter of 2014. The adoption of this guidance is not expected to have a material impact on the Company's Consolidated Financial Statements.

3. Other Financial Data

Consolidated Statements of Income Information

Other Income

Other income consists of the following (in millions):

Years ended December 31	2013	2012	2011
Equity earnings	\$20	\$13	\$7
Gains on investments	28	7	18
Gain on disposal of business	10	1	—
Loss on extinguishment of debt	—	—	(19)
Foreign currency remeasurement gains (losses)	13	(19)	) 30
Derivative (losses) gains	(10)	) 3	(20)
Other	7	(3)	) 3
	\$68	\$2	\$19

Consolidated Statements of Financial Position Information

Allowance for Doubtful Accounts

An analysis of the allowance for doubtful accounts is as follows (in millions):

Years ended December 31,	2013	2012	2011
Balance at beginning of year	\$118	\$104	\$102
Provision charged to operations	9	45	43
Accounts written off, net of recoveries	(38)	) (30)	) (42)
Effect of exchange rate changes and other	1	(1)	) 1
Balance at end of year	\$90	\$118	\$104

Other Current Assets

The components of Other current assets are as follows (in millions):

As of December 31	2013	2012
Prepaid expenses	\$229	\$231
Taxes	204	69
Deferred project costs	98	95
Other	32	35
	\$563	\$430

Fixed Assets, net

The components of Fixed assets, net are as follows (in millions):

As of December 31	2013	2012
Software	\$997	\$867
Leasehold improvements	434	426
Furniture, fixtures and equipment	323	331
Computer equipment	341	332
Construction in progress	70	109
Other (1)	124	124
	2,289	2,189
Less: Accumulated depreciation	1,498	1,369
Fixed assets, net	\$791	\$820

(1) Land and buildings and Automobiles, disclosed separately in 2012, are now presented in Other to conform with the current presentation.

Depreciation expense, which includes software amortization, was \$240 million, \$232 million, and \$220 million for the years ended December 31, 2013, 2012, and 2011, respectively.

Other Non-Current Assets

The components of Other non-current assets are as follows (in millions):

As of December 31	2013	2012
Prepaid pension	\$567	\$340
Deferred project costs	273	260
Taxes	108	84
Other	282	232
	\$1,230	\$916

Other Current Liabilities

The components of Other current liabilities are as follows (in millions):

As of December 31	2013	2012
Deferred revenue	\$475	\$435
Taxes	184	155
Other	247	241
	\$906	\$831

Other Non-Current Liabilities

The components of Other non-current liabilities are as follows (in millions):

As of December 31	2013	2012
Leases	\$204	\$215
Taxes	184	178
Deferred revenue	134	150
Compensation and benefits	105	216
Other	305	277
	\$932	\$1,036

4. Acquisitions and Dispositions

In 2013, the Company completed the acquisition of eight businesses in the Risk Solutions segment and three businesses in the HR Solutions segment.

In 2012, the Company completed the acquisition of six businesses in the Risk Solutions segment and five businesses in the HR Solutions segment.

The following table includes the aggregate consideration transferred and the preliminary value of intangible assets recorded as a result of the Company's acquisitions (in millions):

Years ended December 31	2013	2012
Consideration	\$54	\$175
Intangible assets:		
Goodwill	\$38	\$90
Other intangible assets	28	100
Total	\$66	\$190

The results of operations of these acquisitions are included in the Consolidated Financial Statements as of the acquisition date. The results of operations of the Company would not have been materially different if these acquisitions had been reported from the beginning of the period in which they were acquired.

Dispositions

During 2013, the Company completed the disposition of seven businesses in the Risk Solutions segment and two businesses in the HR Solutions segment. Total pretax gains of \$10 million were recognized on these sales, which are included in Other income in the Consolidated Statements of Income.

During 2012, the Company completed the disposition of three businesses in the Risk Solutions segment and one business in the HR Solutions segment. Total pretax gains of \$1 million were recognized on these sales, which are included in Other income in the Consolidated Statements of Income.

During 2011, the Company completed the disposition of two businesses in the Risk Solutions segment. No pretax gains or losses were recognized on these sales.

5. Goodwill and Other Intangible Assets

The changes in the net carrying amount of goodwill by operating segment for the years ended December 31, 2013 and 2012, respectively, are as follows (in millions):

	Risk Solutions	HR Solutions	Total
Balance as of January 1, 2012	\$5,557	\$3,213	\$8,770
Goodwill related to acquisitions	49	47	96
Goodwill related to disposals	(1)	—	(1)
Goodwill related to other prior year acquisitions	(6)	—	(6)
Transfers (1)	313	(313)	—
Foreign currency translation	70	14	84
Balance as of December 31, 2012	\$5,982	\$2,961	\$8,943
Goodwill related to acquisitions	36	2	38
Goodwill related to disposals	(9)	(3)	(12)
Goodwill related to other prior year acquisitions	(2)	17	15
Foreign currency translation	13	—	13
Balance as of December 31, 2013	\$6,020	\$2,977	\$8,997

(1) Effective January 1, 2012, the Health and Benefits Consulting business was transferred from the HR Solutions segment to the Risk Solutions segment.

Other intangible assets by asset class are as follows (in millions):

	As of December 31			As of December 31		
	2013 Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	2012 Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Intangible assets with indefinite lives:						
Tradenames	\$1,019	\$—	\$1,019	\$1,025	\$—	\$1,025
Intangible assets with finite lives:						
Customer related and contract based	2,720	1,310	1,410	2,714	969	1,745
Marketing, technology and other (1)	584	435	149	619	414	205
	\$4,323	\$1,745	\$2,578	\$4,358	\$1,383	\$2,975

(1) Tradenames with finite lives disclosed separately in prior years are now presented in Marketing, technology, and other.

Amortization expense from finite-lived intangible assets was \$395 million, \$423 million and \$362 million during 2013, 2012 and 2011, respectively.

The estimated future amortization for intangible assets as of December 31, 2013 is as follows (in millions):

	Risk Solutions	HR Solutions	Total
2014	\$98	\$243	\$341
2015	83	212	295
2016	72	177	249
2017	59	141	200
2018	42	94	136
Thereafter	76	262	338
	\$430	\$1,129	\$1,559

6. Restructuring

Aon Hewitt Restructuring Plan

On October 14, 2010, the Company announced a global restructuring plan ("Aon Hewitt Plan") in connection with the acquisition of Hewitt. The Aon Hewitt Plan was intended to streamline operations across the combined Aon Hewitt organization and included 2,960 job eliminations. Additionally, duplicate space and assets were abandoned. The Company incurred all remaining costs for the Aon Hewitt Plan and the plan was closed in 2013. The Aon Hewitt Plan resulted in cumulative costs of approximately \$429 million, consisting of approximately \$266 million in employee termination costs and approximately \$163 million in real estate rationalization costs.

The Company recorded \$174 million of restructuring related expenses for the year ended December 31, 2013.

Charges related to the restructuring are included in Compensation and benefits and Other general expenses in the accompanying Consolidated Statements of Income.

The following summarizes restructuring and related costs by type that were incurred through the end of the restructuring initiative related to the Aon Hewitt Plan (in millions):

	2010	2011	2012	2013	Completed Plan Total
Workforce reduction	\$49	\$64	\$74	\$79	\$266
Lease consolidation	3	32	18	83	136
Asset impairments	—	7	4	7	18
Other costs associated with restructuring (1)	—	2	2	5	9
Total restructuring and related expenses	\$52	\$105	\$98	\$174	\$429

(1) Other costs associated with restructuring initiatives, including moving costs and consulting and legal fees, are recognized when incurred.

The following summarizes the restructuring and related expenses, by segment, that have been incurred through the end of the restructuring initiative related to the Aon Hewitt Plan (in millions):

	2010	2011	2012	2013	Completed Plan Total
HR Solutions	\$52	\$49	\$66	\$80	\$247
Risk Solutions	—	56	32	94	182
Total restructuring and related expenses	\$52	\$105	\$98	\$174	\$429

(1) Costs included in the Risk Solutions segment are due to the inclusion of the health and benefits consulting business in the Risk Solutions segment, which was transferred from HR Solutions effective January 1, 2012. Costs incurred in 2011 in the HR Solutions segment of \$41 million related to the health and benefits consulting business have been reclassified and presented in the Risk Solutions segment.

As of December 31, 2013, the Company's liabilities for its restructuring plans are as follows (in millions):

	Aon Hewitt Plan	Aon Benfield Plan	2007 Plan	Other	Total
Balance at January 1, 2011	\$88	\$26	\$113	\$10	\$237
Expensed	98	19	(11)	) —	106
Cash payments	(93	) (24	) (59	) (2	) (178
Foreign exchange translation and other	2	(1	) 7	—	8
Balance at December 31, 2011	\$95	\$20	\$50	\$8	\$173
Expensed	94	6	(3	) —	97
Cash payments	(95	) (24	) (18	) (5	) (142
Stock compensation	—	(1	) —	—	(1
Foreign exchange translation and other	2	2	6	—	10
Balance at December 31, 2012	\$96	\$3	\$35	\$3	\$137
Expensed	167	—	—	—	167
Cash payments	(125	) (2	) (24	) (1	) (152
Foreign exchange and other	5	—	9	—	14
Balance at December 31, 2013	\$143	\$1	\$20	\$2	\$166

The Company's unpaid restructuring liabilities are included in both Accounts payable and accrued liabilities and Other non-current liabilities in the Consolidated Statements of Financial Position.

7. Investments

The Company earns income on cash balances and investments, as well as on premium trust balances that the Company maintains for premiums collected from insureds but not yet remitted to insurance companies, and funds held under the terms of certain outsourcing agreements to pay certain obligations on behalf of clients. Premium trust balances and a corresponding liability are included in Fiduciary assets and Fiduciary liabilities in the accompanying Consolidated Statements of Financial Position.

The Company's interest-bearing assets and other investments are included in the following categories in the Consolidated Statements of Financial Position (in millions):

As of December 31	2013	2012
Cash and cash equivalents	\$477	\$291
Short-term investments	523	346
Fiduciary assets (1)	3,778	4,029
Investments	132	165
	\$4,910	\$4,831

(1) Fiduciary assets include funds held on behalf of clients but does not include fiduciary receivables.

The Company's investments are as follows (in millions):

As of December 31	2013	2012
Equity method investments	\$113	\$102
Other investments, at cost (2)	10	43
Fixed-maturity securities (2)	9	20
	\$132	\$165

(2) The reductions in other investments and fixed-maturity securities are primarily due to sales.

8. Debt

The following is a summary of outstanding debt (in millions):

As of December 31	2013	2012
6.25% EUR 500 debt securities due July 2014	\$685	\$661
5.00% senior notes due September 2020	599	598
3.50% senior notes due September 2015	599	598
8.205% junior subordinated deferrable interest debentures due January 2027	521	521
3.125% senior notes due May 2016	500	500
4.76% CAD 375 debt securities due March 2018	352	377
4.00% senior notes due November 2023	349	—
6.25% senior notes due September 2040	298	297
4.45 senior notes due May 2043	248	—
4.25% senior notes due December 2042	195	107
Term loan credit facility due October 2013 (LIBOR+1.38%)	—	383
Other	43	123
Total debt	4,389	4,165
Less short-term and current portion of long-term debt	703	452
Total long-term debt	\$3,686	\$3,713

The Company uses proceeds from the commercial paper market from time to time in order to meet short-term working capital needs. The Company had no commercial paper outstanding at December 31, 2013 and \$50 million of commercial paper outstanding at December 31, 2012 which was included in Short-term debt in the Company's Consolidated Statements of Financial Position. The weighted average commercial paper outstanding for 2013 and 2012 was \$339 million and \$67 million, respectively. The weighted average interest rate of the commercial paper outstanding during 2013 and 2012 was 0.35% and 0.41%, respectively.

On November 21, 2013, the Company issued \$350 million in aggregate principal amount of 4.00% Notes Due 2023. The 4.00% Notes Due 2023 were issued by Aon plc and fully and unconditionally guaranteed by Aon Corporation. The Company used the proceeds of the issuance to repay commercial paper borrowings and for general corporate purposes.

On May 21, 2013, the Company issued \$250 million in aggregate principal amount of 4.45% Notes Due 2043. The 4.45% Notes Due 2043 were issued by Aon plc and fully and unconditionally guaranteed by Aon Corporation. The Company used the proceeds of the issuance to repay commercial paper borrowings and for general corporate purposes.

On April 29, 2013, the Company amended its Euro Facility agreement to add Aon plc as an additional borrower. On May 8, 2013, the Company established a multi-currency commercial paper program in aggregate principal amount of up to €650 million. Aon Corporation is a guarantor under the program.

On April 15, 2013, an S-4 registration statement registering \$256 million in aggregate principal amount of 4.250% Notes Due 2042 (the "Exchange Notes") under the Securities Act of 1933, as amended (the "Securities Act"), was declared effective by the Securities and Exchange Commission. The Exchange Notes were exchanged for the Original Notes. The form and terms of the Exchange Notes are substantially identical in all material respects to those of the Original Notes except that the Exchange Notes are registered under the Securities Act and the transfer restrictions, registration rights and related additional interest provisions applicable to the Original Notes do not apply to the Exchange Notes. Like the Original Notes, the Exchange Notes were issued by Aon plc and unconditionally guaranteed by Aon Corporation. All Original Notes were exchanged for Exchange Notes in the second quarter 2013

On March 8, 2013, the Company issued \$90 million in aggregate principal amount of 4.250% Notes Due 2042. The 4.250% Notes Due 2042 constitute a further issuance of, and were consolidated to form a single series of debt

securities with, the \$166 million aggregate principal amount of the 4.250% Notes Due 2042 issued by Aon plc on December 12, 2012 (collectively, the "Original Notes"). The Original Notes were unconditionally guaranteed as to the payment of principal and interest by Aon Corporation.

On December 12, 2012, the Company issued \$166 million aggregate principal amount of 4.250% Notes Due 2042 in connection with an exchange offer of Aon Corporation's outstanding 8.205% junior subordinated deferrable interest debentures due January 2027. In connection with this exchange, the Company paid a premium of \$59 million which will be amortized into Interest expense over the life of the new notes.

On August 31, 2012, the Company filed a shelf registration statement with the SEC, registering the offer and sale from time to time of an indeterminate amount of, among other securities, debt, securities, preference shares, Class A Ordinary Shares and convertible securities. The availability of any potential liquidity for these types of securities is dependent on investor demand, market conditions and other factors.

On March 20, 2012, Aon entered into the U.S. Facility. Borrowings under the U.S. Facility will bear interest, at the Company's option, at a rate equal to either (a) the rate for eurodollar deposits as reflected on the applicable Reuters LIBOR01 page for the interest period relevant to such borrowing ("Eurodollar Rate"), plus the applicable margin or (b) the highest of (i) the rate of interest publicly announced by Citibank as its prime rate, (ii) the federal funds effective rate from time to time plus 0.5% and (iii) the one month Eurodollar rate plus 1.0%, in each case plus the applicable margin. The applicable margin for borrowings under the U.S. Facility may change depending on achievement of certain public debt ratings. The U.S. Facility has a maturity date of March 20, 2017. In conjunction with the Company entering into the U.S. Facility the prior revolving U.S. credit agreement dated December 4, 2009 was terminated.

On May 24, 2011, Aon entered into an underwriting agreement for the sale of \$500 million of 3.125% unsecured Senior Notes due 2016 (the "Notes"). On June 15, 2011, Aon entered into a Term Credit Agreement for unsecured term loan financing of \$450 million ("2011 Term Loan Facility") due on October 1, 2013. The 2011 Term Loan Facility is a variable rate loan that is based on LIBOR plus a margin and at December 31, 2012, the effective annualized rate was approximately 1.59%. The Company used the net proceeds from the Notes issuance and 2011 Term Loan Facility borrowings to repay all amounts outstanding under its \$1.0 billion three-year credit agreement dated August 13, 2010 ("2010 Term Loan Facility"), which was entered into in connection with the acquisition of Hewitt. The Company recorded a \$19 million loss on the extinguishment of the 2010 Term Loan Facility as a result of the write-off of the deferred financing costs, which is included in Other income (expense) in the Consolidated Statements of Income.

On March 8, 2011, an indirect wholly-owned subsidiary of Aon issued CAD 375 million (\$377 at December 31, 2012 exchange rates) of 4.76% senior unsecured debt securities, which are due in March 2018 and are guaranteed by the Company. The Company used the net proceeds from this issuance to repay its CAD 375 million 5.05% debt securities upon their maturity on April 12, 2011.

On August 13, 2010, in connection with the acquisition of Hewitt, Aon entered into an unsecured three-year Term Credit Agreement (the "2010 Term Loan Credit Facility"), which provided unsecured term loan financing of up to \$1.0 billion. This Term Loan Credit Facility has an interest rate of LIBOR+2.5%. The Company borrowed \$1.0 billion under this facility on October 1, 2010 to finance a portion of the Hewitt purchase price. The Company incurred \$26 million of deferred finance costs associated with the Term Loan Credit Facility that were to be amortized over the term of the loan. Concurrent with entering into the Term Loan Credit Facility, the Company also entered into a Senior Bridge Term Loan Credit Agreement which provided unsecured bridge financing of up to \$1.5 billion (the "Bridge Loan Facility") to finance a portion of the Hewitt purchase price.

In lieu of drawing under the Bridge Loan Facility, on September 7, 2010, Aon entered into an Underwriting Agreement (the "Underwriting Agreement") with several underwriters with respect to the offering and sale by the Company of \$600 million aggregate principal amount of its 3.50% Senior Notes due 2015 (the "2015 Notes"), \$600 million aggregate principal amount of its 5.00% Senior Notes due 2020 (the "2020 Notes") and \$300 million aggregate principal amount of its 6.25% Senior Notes due 2040 (the "2040 Notes" and, together with the 2015 Notes and 2020 Notes, the "Notes") under the Company's Registration Statement on Form S-3. All of these Notes are unsecured. Deferred financing costs associated with the Notes of \$12 million were capitalized and are included in Other non-current assets, and will be amortized over the respective term of each note. Following the issuance of these Notes, on September 15, 2010, the Bridge Loan Facility was terminated and the Company recorded \$14 million of related deferred financing costs in the Consolidated Statements of Income.

On October 15, 2010, the Company entered into a new €650 million (\$860 million at December 31, 2012 exchange rates) multi-currency revolving loan credit facility (the "Euro Facility") used by certain of Aon's European subsidiaries. The Euro Facility replaced the previous facility which was entered into in October 2005 and matured in October 2010 (the "2005 Facility"). The Euro Facility expires in October 2015 and has commitment fees of 35 basis points payable on the unused portion of the facility. Aon has guaranteed the obligations of its subsidiaries with respect to this facility. The Company had no borrowings under the Euro Facility.

On July 1, 2009, an indirect wholly-owned subsidiary of Aon issued €500 million (\$661 million at December 31, 2012 exchange rates) of 6.25% senior unsecured debentures due on July 1, 2014. The carrying value of the debt includes \$11 million

related to hedging activities. The payment of the principal and interest on the debentures is unconditionally and irrevocably guaranteed by Aon. Proceeds from the offering were used to repay the Company's \$677 million outstanding indebtedness under its 2005 Facility.

In 1997, Aon created Aon Capital A, a wholly-owned statutory business trust ("Trust"), for the purpose of issuing mandatorily redeemable preferred capital securities ("Capital Securities"). Aon received cash and an investment in 100% of the common equity of Aon Capital A by issuing 8.205% Junior Subordinated Deferrable Interest Debentures (the "Debentures") to Aon Capital A. These transactions were structured such that the net cash flows from Aon to Aon Capital A matched the cash flows from Aon Capital A to the third party investors. Aon determined that it was not the primary beneficiary of Aon Capital A, a VIE, and, thus reflected the Debentures as long-term debt. During the first half of 2009, Aon repurchased \$15 million face value of the Capital Securities for approximately \$10 million, resulting in a \$5 million gain, which was reported in Other income (expense) in the Consolidated Statements of Income. To facilitate the legal release of the obligation created through the Debentures associated with this repurchase and future repurchases, Aon dissolved the Trust effective June 25, 2009. This dissolution resulted in the exchange of the Capital Securities held by third parties for the Debentures. Also in connection with the dissolution of the Trust, the \$24 million of common equity of Aon Capital A held by Aon was exchanged for \$24 million of Debentures, which were then cancelled. Following these actions, \$687 million of Debentures remain outstanding. The Debentures are subject to mandatory redemption on January 1, 2027 or are redeemable in whole, but not in part, at the option of Aon upon the occurrence of certain events.

There are a number of covenants associated with both the U.S. and Euro facilities, the most significant of which require Aon to maintain a ratio of consolidated EBITDA (earnings before interest, taxes, depreciation, and amortization), adjusted for Hewitt related transaction costs and up to \$50 million in non-recurring cash charges ("Adjusted EBITDA"), to consolidated interest expense of 4 to 1 and a ratio of consolidated debt to Adjusted EBITDA, of not greater than 3 to 1. Aon was in compliance with all debt covenants during 2013.

Other than the Debentures, outstanding debt securities are not redeemable by Aon prior to maturity. There are no sinking fund provisions. Interest is payable semi-annually on most debt securities.

Repayments of total debt are as follows (in millions):

2014	\$703
2015	609
2016	510
2017	4
2018	352
Thereafter	2,211
	\$4,389

9. Lease Commitments

The Company leases office facilities, equipment and automobiles under non-cancelable operating leases. These leases expire at various dates and may contain renewal and expansion options. In addition to base rental costs, occupancy lease agreements generally provide for rent escalations resulting from increased assessments for real estate taxes and other charges. The Company's lease obligations are primarily for the use of office space.

In September 2013, the Company entered into an agreement to lease up to 479,000 square feet in a new building to be constructed in Gurgaon, India. The agreement is contingent upon the completion of the building construction. Aon expects to move into the new building in phases during 2014 and 2015 upon the expiration of the existing leases at the Gurgaon locations. The Company has included the future minimum rental payments for this leased space in the schedule below.

In November 2011, the Company entered into an agreement to lease office space in a new building to be constructed in London, United Kingdom. The agreement is contingent upon the completion of the building construction. Aon expects to move into the new building in 2015 when the building is completed and it exercises an early break option at another leased facility. The Company has included the future minimum rental payments for this leased space in the schedule below and has excluded the future minimum rental payments for the existing lease beyond the expected date of the exercise of the break option.

Rental expenses (including amounts applicable to taxes, insurance and maintenance) for operating leases are as follows (in millions):

Years ended December 31	2013	2012	2011
Rental expense	\$520	\$536	\$525
Sub lease rental income	77	72	71
Net rental expense	\$443	\$464	\$454

At December 31, 2013, future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year, net of sublease rental income, are as follows (in millions):

2014	\$409
2015	371
2016	334
2017	287
2018	250
Thereafter	903
Total minimum payments required	\$2,554

10. Income Taxes

Income before income tax and the provision for income tax consist of the following (in millions):

Years ended December 31	2013	2012	2011
Income before income taxes:			
U.K.	\$96	\$36	\$222
U.S.	349	468	305
Other	1,093	876	861
Total	\$1,538	\$1,380	\$1,388
Income tax (benefit) expense:			
Current:			
U.K.	\$(18)	\$(10)	\$13
U.S. federal	111	170	(17)
U.S. state and local	52	57	35
Other	259	238	204
Total current	\$404	\$455	\$235
Deferred:			
U.K.	\$43	\$46	\$32
U.S. federal	(48)	(83)	109
U.S. state and local	10	(10)	14
Other	(19)	(48)	(12)
Total deferred	\$(14)	\$(95)	\$143
Total income tax expense	\$390	\$360	\$378

Income before income taxes shown above is based on the location of the business unit to which such earnings are attributable for tax purposes. In addition, because the earnings shown above may in some cases be subject to taxation in more than one country, the income tax provision shown above as U.K., U.S., or Other may not correspond to the geographic attribution of the earnings.

A reconciliation of the income tax provisions based on the Company's domicile and statutory rate at each reporting period is performed. Due to the Redomestication, the 2013 and 2012 reconciliations are based on the U.K. statutory corporate tax rate of 23% and 24%, respectively, and 2011 is based on the U.S. statutory rate of 35%, which was the statutory rate prior to the Redomestication. The reconciliation to the provisions reflected in the Consolidated Financial Statements is as follows:

Years ended December 31	2013	2012	2011
Statutory tax rate	23.0%	24.0%	35.0%
U.S. state income taxes, net of U.S. federal benefit	2.6	2.2	2.3
Taxes on international operations (1)	(4.4)	0.6	(11.5)
Nondeductible expenses	1.4	2.0	3.5
Adjustments to prior year tax requirements	(1.6)	0.4	(1.1)
Deferred tax adjustments, including statutory rate changes	1.4	0.7	0.9
Deferred tax adjustments, international earnings	3.3	—	—
Adjustments to valuation allowances	(1.7)	(5.6)	(1.7)
Other — net	1.4	1.8	(0.1)
Effective tax rate	25.4%	26.1%	27.3%

The Company determines the adjustment for taxes on international operations based on the difference between the (1) statutory tax rate applicable to earnings in each foreign jurisdiction and the enacted rate of 23%, 24% and 35% at December 31, 2013, 2012 and 2011, respectively.

The components of the Company's deferred tax assets and liabilities are as follows (in millions):

As of December 31	2013	2012
Deferred tax assets:		
Employee benefit plans	\$623	\$917
Net operating/capital loss and tax credit carryforwards	354	368
Other accrued expenses	142	47
Investment basis differences	50	13
Other	58	77
Total	1,227	1,422
Valuation allowance on deferred tax assets	(127)	(154)
Total	\$1,100	\$1,268
Deferred tax liabilities:		
Intangibles and property, plant and equipment	\$(1,074)	\$(1,128)
Unremitted earnings	(51)	—
Deferred revenue	(27)	(30)
Other accrued expenses	(39)	(62)
Unrealized investment gains	—	(5)
Unrealized foreign exchange gains	(27)	(8)
Other	(64)	(29)
Total	\$(1,282)	\$(1,262)
Net deferred tax asset (liability)	\$(182)	\$6

Deferred income taxes (assets and liabilities have been netted by jurisdiction) have been classified in the Consolidated Statements of Financial Position as follows (in millions):

As of December 31,	2013	2012	
Deferred tax assets — current (1)	\$93	\$44	
Deferred tax assets — non-current	193	285	
Deferred tax liabilities — current (1)	(48) (17)
Deferred tax liabilities — non-current	(420) (306)
Net deferred tax asset (liability)	\$(182	) \$6

(1) Included in Other current assets and Other current liabilities.

Valuation allowances have been established primarily with regard to the tax benefits of certain net operating loss and tax credit carryforwards. Valuation allowances decreased by \$27 million in 2013, primarily attributable to the change in the valuation allowances for foreign tax credit carryforwards.

The Company recognized, as an adjustment to additional paid-in-capital, income tax benefits attributable to employee stock compensation of \$74 million, \$33 million and \$36 million in 2013, 2012 and 2011, respectively.

During 2013 we changed our assertion on a portion of our undistributed earnings and U.S. deferred income taxes of \$51 million were accrued. Undistributed earnings of non-U.S. entities were approximately \$3.8 billion at December 31, 2013. U.S. income taxes have not been provided on these undistributed earnings because they are considered to be permanently invested in those subsidiaries. It is not practicable to estimate the amount of unrecognized deferred tax liabilities, if any, for these undistributed foreign earnings.

At December 31, 2013, the Company had U.K. operating loss carryforwards of \$660 million and capital loss carryforwards of \$270 million, nearly all of which have an indefinite carryforward. In addition there are U.S. federal operating loss carryforwards of \$25 million that will expire at various dates from 2020 to 2027 and U.S. state operating loss carryforwards of \$412 million that will expire at various dates from 2014 to 2031. In other non-U.S. jurisdictions there are operating and capital loss carryforwards of \$287 million and \$86 million, respectively, which have various carryforward periods and will begin to expire in 2015.

During 2012, we were granted a tax holiday for the period from October 1, 2012 through September 30, 2022, with respect to withholding taxes and certain income derived from services in Singapore. This tax holiday and reduced withholding tax rate may be extended when certain conditions are met or may be terminated early if certain conditions are not met. The benefit realized during 2013 was approximately \$3.9 million.

Uncertain Tax Positions

The following is a reconciliation of the Company's beginning and ending amount of uncertain tax positions (in millions):

	2013	2012	
Balance at January 1	\$156	\$118	
Additions based on tax positions related to the current year	22	21	
Additions for tax positions of prior years	69	45	
Reductions for tax positions of prior years	(70) (1)
Settlements	(10) (22)
Lapse of statute of limitations	(3) (5)
Balance at December 31	\$164	\$156	

As of December 31, 2013, \$141 million of uncertain tax positions would impact the effective tax rate if recognized.

The Company does not expect the uncertain tax positions to change significantly over the next twelve months.

The Company recognizes interest and penalties related to uncertain tax positions in its provision for income taxes.

Aon accrued potential interest and penalties of \$2 million and \$6 million in 2013 and 2012, respectively. The Company has recorded a liability for interest and penalties of \$27 million and \$23 million as of December 31, 2013 and 2012, respectively.

The Company and its subsidiaries file various income tax returns in their jurisdictions. The Company has substantially concluded all U.S. federal income tax matters for years through 2006. Material U.S. state and local income tax jurisdiction

examinations have been concluded for years through 2005. The Company has concluded income tax examinations in its primary non-U.S. jurisdictions through 2005.

11. Shareholders' Equity

Redomestication

Prior to the Redomestication, the Company accounted for purchases of its outstanding common stock using the treasury share method permitted under U.S. GAAP. Under this method, the Company recorded purchases of its own outstanding common stock as a reduction to Additional paid-in capital based on the cost of the shares acquired. Under U.K. law, when the Company repurchases its outstanding shares, those shares are treated as cancelled. In April 2012, the Company constructively cancelled 60 million shares of treasury stock related to the Redomestication. The impact of the cancellation of all outstanding treasury shares was a decrease in Ordinary shares and Retained earnings of \$60 million and \$2.4 billion, respectively. The balance of Treasury stock at cost of \$2.5 billion was also eliminated as part of the cancellation. Additionally, effective upon the completion of the Redomestication, the par value of Aon's outstanding equity shares decreased from \$1.00 to \$0.01. The impact of this change was a decrease in Ordinary shares of \$323 million, and an increase in Additional paid-in capital of \$323 million.

As a U.K. incorporated company, Aon plc must have "distributable reserves" to make share repurchases or pay dividends to shareholders. Distributable reserves may be created through the earnings of the U.K. parent company and, amongst other methods, through a reduction in share capital approved by the English Companies Court. Distributable reserves are not linked to a U.S. GAAP reported amount. On April 4, 2012, the Company received approval from the English Companies Court to reduce its share premium and in connection with that approval, recognized distributable reserves in the amount of \$8.0 billion. As of December 31, 2013 and 2012, the Company had distributable reserves of \$5.9 billion and \$7.0 billion, respectively.

Ordinary Shares

In January 2010, the Company's Board of Directors authorized a share repurchase program under which up to \$2 billion of common stock may be repurchased ("2010 Stock Repurchase Plan"). Shares could be repurchased through the open market or in privately negotiated transactions, including structured repurchase programs, from time to time, based on prevailing market conditions, and were to be funded from available capital. Any repurchased shares were to be available for employee stock plans and for other corporate purposes.

The 2010 Stock Repurchase Program, which related to common stock of Aon Corporation and preceded the Redomestication, did not extend to shares of Aon plc. In April 2012, the Company's Board of Directors therefore authorized a share repurchase program under which up to \$5.0 billion of Class A Ordinary Shares may be repurchased ("2012 Share Repurchase Program"). Under this program, shares may be repurchased through the open market or in privately negotiated transactions, from time to time, based on prevailing market conditions, and will be funded from available capital.

In 2013, the Company repurchased 16.8 million shares at an average price per share of \$65.65 for a total cost of \$1.1 billion. During 2012, the Company repurchased 21.6 million shares at an average price per share of \$52.16 for a total cost of \$1.1 billion under the 2012 Share Repurchase Program and the previously completed 2010 Share Repurchase Program. The remaining authorized amount for share repurchase under the 2012 Share Repurchase Program is \$2.9 billion. Since the inception of the 2012 Share Repurchase Program, we repurchased a total of 36.3 million shares for an aggregate cost of \$2.1 billion.

Participating Securities

Unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid, are participating securities, as defined, and therefore, should be included in computing basic and diluted earnings per share using the two class method. Certain of the Company's restricted share awards allow the holder to receive a non-forfeitable dividend equivalent.

Net income, attributable to participating securities were \$11 million, \$11 million, and \$13 million for the years ended December 31, 2013, 2012, and 2011 respectively.

Weighted average shares outstanding are as follows (in millions):

	Year ended December 31,		
	2013	2012	2011
Shares for basic earnings per share (1)	311.4	328.5	335.5
Common stock equivalents	4.0	4.1	5.4
Shares for diluted earnings per share	315.4	332.6	340.9

(1) Includes 3.9 million, 4.7 million and 7.6 million shares of participating securities for the years ended December 31, 2013, 2012, and 2011 respectively.

Certain ordinary share equivalents were not included in the computation of diluted net income per share because their inclusion would have been antidilutive. The number of shares excluded from the calculation was 0.0 million in 2013, 0.2 million in 2012 and 0.1 million in 2011.

Dividends

During 2013, 2012, and 2011, the Company paid dividends on its Class A Ordinary Shares of \$212 million, \$204 million, and \$200 million, respectively. Dividends paid per Class A Ordinary Share were \$0.68, \$0.62 and \$0.60 for the years ended December 31, 2013, 2012, and 2011 respectively.

Accumulated Other Comprehensive Loss

Changes in Accumulated other comprehensive loss by component, net of related tax, are as follows (in millions):

	Change in Fair Value of Investments (1)	Change in Fair Value of Derivatives (1)	Foreign Currency Translation Adjustments	Post-Retirement Benefit Obligation (2)	Total
Balance at January 1, 2011	\$—	\$(24)	\$ 168	\$ (2,061)	\$(1,917)
Other comprehensive loss before reclassifications:					
Other comprehensive loss before reclassifications	—	(44)	(47)	(682)	(773)
Tax benefit	—	15	3	225	243
Other comprehensive loss before reclassifications, net	—	(29)	(44)	(457)	(530)
Amounts reclassified from accumulated other comprehensive loss:					
Amounts reclassified from accumulated other comprehensive loss	—	25	—	89	114
Tax benefit	—	(9)	—	(28)	(37)
Amounts reclassified from accumulated other comprehensive loss, net	—	16	—	61	77
Net current period other comprehensive (loss) income	—	(13)	(44)	(396)	(453)
Balance at December 31, 2011	—	(37)	124	(2,457)	(2,370)
Other comprehensive loss before reclassifications:					
Other comprehensive loss before reclassifications	—	(19)	109	(598)	(508)
Tax benefit	—	7	—	164	171
Other comprehensive loss before reclassifications, net	—	(12)	109	(434)	(337)
Amounts reclassified from accumulated other comprehensive loss:					
Amounts reclassified from accumulated other comprehensive loss	—	33	—	110	143
Tax benefit	—	(12)	—	(34)	(46)
Amounts reclassified from accumulated other comprehensive loss, net	—	21	—	76	97
Net current period other comprehensive (loss) income	—	9	109	(358)	(240)
Balance at December 31, 2012	—	(28)	233	(2,815)	(2,610)
Other comprehensive loss before reclassifications:					
Other comprehensive loss before reclassifications	27	(12)	(65)	336	286
Tax benefit	(13)	5	1	(136)	(143)
Other comprehensive loss before reclassifications, net	14	(7)	(64)	200	143
Amounts reclassified from accumulated other comprehensive loss:					
Amounts reclassified from accumulated other comprehensive loss	(20)	21	—	131	132
Tax benefit	7	(8)	—	(38)	(39)
	(13)	13	—	93	93

Amounts reclassified from accumulated other comprehensive loss, net

Net current period other comprehensive (loss) income	1	6	(64	)	293	236
Balance at December 31, 2013	\$ 1	\$(22	)	\$ 169	\$ (2,522	) \$(2,374)

(1) Reclassifications from this category included in Accumulated other comprehensive loss are recorded in Other income

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(2) Reclassifications from this category included in Accumulated other comprehensive loss are recorded in Compensation and benefits

12. Employee Benefits

Defined Contribution Savings Plans

Aon maintains defined contribution savings plans for the benefit of its U.S. and U.K. employees. The expense recognized for these plans is included in Compensation and benefits in the Consolidated Statements of Income, as follows (in millions):

Years ended December 31	2013	2012	2011
U.S.	\$123	\$115	\$104
U.K.	45	41	43
	\$168	\$156	\$147

Pension and Other Post-retirement Benefits

The Company sponsors defined benefit pension and post-retirement health and welfare plans that provide retirement, medical, and life insurance benefits. The post-retirement healthcare plans are contributory, with retiree contributions adjusted annually, and the life insurance and pension plans are generally noncontributory. The significant U.S, U.K. and Canadian pension plans are closed to new entrants.

Pension Plans

The following tables provide a reconciliation of the changes in the projected benefit obligations and fair value of assets for the years ended December 31, 2013 and 2012 and a statement of the funded status as of December 31, 2013 and 2012, for the material U.K. plans, U.S. plans and other plans, which are located in the Netherlands and Canada. These plans represent approximately 93% of the Company's projected benefit obligations.

(millions)	U.K.		U.S.		Other	
	2013	2012	2013	2012	2013	2012
Change in projected benefit obligation						
At January 1	\$4,944	\$4,520	\$2,884	\$2,657	\$1,323	\$1,063
Service cost	1	1	7	—	18	14
Interest cost	210	217	114	119	45	48
Participant contributions	—	—	—	—	1	1
Plan amendment	—	—	12	—	—	—
Curtailements	—	—	—	—	(1)	—
Plan transfer and acquisitions	—	—	115	—	—	—
Actuarial loss (gain)	145	(116)	17	29	1	(23)
Benefit payments	(186)	(153)	(128)	(123)	(44)	(42)
Actual expenses	—	—	—	—	(1)	—
Change in discount rate	(95)	324	(277)	202	(85)	238
Foreign currency impact	87	151	—	—	(5)	24
At December 31	\$5,106	\$4,944	\$2,744	\$2,884	\$1,252	\$1,323
Accumulated benefit obligation at end of year	\$5,106	\$4,944	\$2,744	\$2,884	\$1,177	\$1,241
Change in fair value of plan assets						
At January 1	\$4,860	\$4,245	\$1,631	\$1,325	\$1,009	\$853
Actual return on plan assets	304	281	199	203	34	111
Participant contributions	—	—	—	—	1	1
Employer contributions	316	341	153	226	55	71
Plan transfer and acquisitions	—	—	—	—	—	—
Benefit payments	(186)	(153)	(128)	(123)	(44)	(42)
Actual Expenses	—	—	—	—	(1)	—
Foreign currency impact	104	146	—	—	7	15
At December 31	\$5,398	\$4,860	\$1,855	\$1,631	\$1,061	\$1,009
Market related value at end of year	\$5,398	\$4,860	\$1,765	\$1,566	\$1,061	\$1,009
Amount recognized in Statement of Financial Position at December 31						
Funded status	\$292	\$(84)	\$(889)	\$(1,253)	\$(191)	\$(314)
Unrecognized prior-service cost	24	24	12	—	3	4
Unrecognized loss	2,012	1,981	1,219	1,591	402	491
Net amount recognized	\$2,328	\$1,921	\$342	\$338	\$214	\$181
Amounts recognized in the Consolidated Statements of Financial Position consist of (in millions):						
	U.K.		U.S.		Other	
	2013	2012	2013	2012	2013	2012
Prepaid benefit cost (1)	\$549	\$301	\$—	\$—	\$1	\$—
Accrued benefit liability (2)	(257)	(385)	(889)	(1,253)	(192)	(314)
Accumulated other comprehensive loss	2,036	2,005	1,231	1,591	405	495
Net amount recognized	\$2,328	\$1,921	\$342	\$338	\$214	\$181
(1) Included in Other non-current assets						
(2) Included in Pension, other post retirement, and post employment liabilities						

Amounts recognized in Accumulated other comprehensive loss that have not yet been recognized as components of net periodic benefit cost at December 31, 2013 and 2012 consist of (in millions):

	U.K.		U.S.		Other	
	2013	2012	2013	2012	2013	2012
Net loss	\$2,012	\$1,981	\$1,219	\$1,591	\$402	\$491
Prior service cost	24	24	12	—	3	4
	\$2,036	\$2,005	\$1,231	\$1,591	\$405	\$495

In 2013, U.S. plans with a projected benefit obligation ("PBO") and an accumulated benefit obligation ("ABO") in excess of the fair value of plan assets had a PBO of \$2.7 billion, an ABO of \$2.7 billion, and plan assets of \$1.9 billion. U.K. plans with a PBO in excess of the fair value of plan assets had a PBO of \$1.2 billion and plan assets with a fair value of \$1.0 billion, and plans with an ABO in excess of the fair value of plan assets had an ABO of \$1.2 billion and plan assets with a fair value of \$1.0 billion. Other plans with a PBO in excess of the fair value of plan assets had a PBO of \$1.2 billion and plan assets with a fair value of \$1.0 billion, and plans with an ABO in excess of the fair value of plan assets had an ABO of \$0.4 billion and plan assets with a fair value of \$0.3 billion.

In 2012, U.S. plans with a with a PBO and an ABO in excess of the fair value of plan assets had a PBO of \$2.9 billion, an ABO of \$2.9 billion, and plan assets of \$1.6 billion. U.K. plans with a PBO in excess of the fair value of plan assets had a PBO of \$2.2 billion and plan assets with a fair value of \$1.8 billion, and plans with an ABO in excess of the fair value of plan assets had an ABO of \$2.2 billion and plan assets with a fair value of \$1.8 billion. Other plans with a PBO in excess of the fair value of plan assets had a PBO of \$1.3 billion and plan assets with a fair value of \$1.0 billion, and plans with an ABO in excess of the fair value of plan assets had an ABO of \$1.3 billion and plan assets with a fair value of \$1.0 billion.

The following table provides the components of net periodic benefit cost for the plans (in millions):

	U.K.			U.S.			Other		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
Service cost	\$1	\$1	\$4	\$7	\$—	\$—	\$18	\$14	\$15
Interest cost	210	217	216	114	119	122	45	48	51
Expected return on plan assets	(302)	(274)	(238)	(139)	(127)	(120)	(59)	(49)	(49)
Amortization of prior-service cost	1	1	1	—	—	—	—	—	—
Amortization of net actuarial loss	49	43	39	52	43	31	23	17	14
Net periodic benefit cost	\$(41)	\$(12)	\$22	\$34	\$35	\$33	\$27	\$30	\$31

The weighted-average assumptions used to determine future benefit obligations are as follows:

	U.K.		U.S.		Other	
	2013	2012	2013	2012	2013	2012
Discount rate	4.55%	4.45%	3.97-4.87%	3.73 – 4.05%	3.60 - 4.71%	3.25 - 3.89%
Rate of compensation increase	3.70 - 4.40%	3.85%	N/A	N/A	2.25 - 3.50%	2.25 - 3.50%
Underlying price inflation	2.4%	2.25%	N/A	N/A	1.50 - 2.50%	2.00 - 2.50%

The weighted-average assumptions used to determine the net periodic benefit cost are as follows:

	U.K.			U.S.			Other		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
Discount rate	4.45%	4.80%	5.30 - 5.50%	3.73 - 4.05%	4.33 – 4.60%	4.35 – 5.34%	3.25 - 3.89%	4.40 - 4.94%	4.70 - 5.45%
Expected return on plan assets	6.30%	6.30%	3.20 - 7.20%	8.80%	8.80%	8.80%	4.60 - 6.50%	4.90 - 6.75%	4.90 - 7.00%
Rate of compensation	3.25 - 3.85%	3.55%	4.00%	N/A	N/A	N/A	2.25 - 3.50%	2.25 - 3.50%	2.00 - 3.50%

increase

The amounts in Accumulated other comprehensive loss expected to be recognized as components of net periodic benefit cost during 2014 are \$44 million in the U.S. and \$63 million outside the U.S.

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Expected Return on Plan Assets

To determine the expected long-term rate of return on plan assets, the historical performance, investment community forecasts and current market conditions are analyzed to develop expected returns for each asset class used by the plans. The expected returns for each asset class are weighted by the target allocations of the plans. The expected return on plan assets in the U.S. of 8.8% reflects a portfolio that is seeking asset growth through a higher equity allocation while maintaining prudent risk levels. The portfolio contains certain assets that have historically resulted in higher returns and other financial instruments to minimize downside risk.

No plan assets are expected to be returned to the Company during 2014.

Fair value of plan assets

The Company determined the fair value of plan assets through numerous procedures based on the asset class and available information. See Note 15 "Fair Value Measurements and Financial Instruments" for a description of the procedures performed to determine the fair value of the plan assets.

The fair values of the Company's U.S. pension plan assets at December 31, 2013 and December 31, 2012, by asset category, are as follows (in millions):

Asset Category	Balance at December 31, 2013	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents (1)	\$53	\$53	\$—	\$—
Equity investments: (2)				
Large cap domestic	303	303	—	—
Small cap domestic	66	5	61	—
Large cap international	212	66	146	—
Equity derivatives	361	146	215	—
Fixed income investments: (3)				
Corporate bonds	395	—	395	—
Government and agency bonds	96	—	96	—
Asset-backed securities	25	—	25	—
Fixed income derivatives	13	—	13	—
Other investments:				
Alternative investments (4)	266	—	—	266
Commodity derivatives (5)	14	—	14	—
Real estate and REITS (6)	51	51	—	—
Total	\$1,855	\$624	\$965	\$266

(1) Consists of cash and institutional short-term investment funds.

(2) Consists of equity securities, equity derivatives, and pooled equity funds.

(3) Consists of corporate and government bonds, asset-backed securities, and fixed income derivatives.

(4) Consists of limited partnerships, private equity and hedge funds.

(5) Consists of long-dated options on a commodity index.

(6) Consists of exchange traded REITS.

Asset Category	Balance at December 31, 2012	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents (1)	\$22	\$22	\$—	\$—
Equity investments: (2)				
Large cap domestic	233	233	—	—
Small cap domestic	44	—	44	—
Large cap international	188	59	129	—
Equity derivatives	226	69	157	—
Fixed income investments: (3)				
Corporate bonds	421	—	421	—
Government and agency bonds	97	—	97	—
Asset-backed securities	18	—	18	—
Fixed income derivatives	52	—	52	—
Other investments:				
Alternative investments (4)	262	—	—	262
Commodity derivatives (5)	17	—	17	—
Real estate and REITS (6)	51	51	—	—
Total	\$1,631	\$434	\$935	\$262

(1) Consists of cash and institutional short-term investment funds.

(2) Consists of equity securities, equity derivatives, and pooled equity funds.

(3) Consists of corporate and government bonds, asset-backed securities, and fixed income derivatives.

(4) Consists of limited partnerships, private equity and hedge funds.

(5) Consists of long-dated options on a commodity index.

(6) Consists of exchange traded REITS.

The following table presents the changes in the Level 3 fair-value category in the Company's U.S. pension plans for the years ended December 31, 2013 and December 31, 2012 (in millions):

	Fair Value Measurement Using Level 3 Inputs
Balance at January 1, 2012	\$191
Actual return on plan assets:	
Relating to assets still held at December 31, 2012	22
Relating to assets sold during 2012	1
Purchases, sales and settlements—net	48
Transfer in/(out) of Level 3	—
Balance at December 31, 2012	262
Actual return on plan assets:	
Relating to assets still held at December 31, 2013	26
Relating to assets sold during 2013	4
Purchases, sales and settlements—net	(26
Transfer in/(out) of Level 3	—
Balance at December 31, 2013	\$266

The fair values of the Company's major U.K. pension plan assets at December 31, 2013 and December 31, 2012, by asset category, are as follows (in millions):

	Balance at December 31, 2013	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	\$555	\$555	\$—	\$—
Equity investments:				
Pooled funds: (1)				
Global	668		668	—
Europe	155	—	155	—
Equity securities — global (2)	171	171	—	—
Derivatives (2)	31	—	31	—
Fixed income investments:				
Pooled funds: (1)				
Fixed income securities	500	—	500	—
Fixed income securities (3)	2,043	2,043	—	—
Annuities	564	—	—	564
Derivatives (3)	142	—	142	—
Other investments:				
Pooled funds: (1)				
Real estate (4)	23	—	—	23
Alternative investments (5)	546	—	—	546
Total	\$5,398	\$2,769	\$1,496	\$1,133

(1) Consists of various equity, fixed income, commodity, and real estate mutual fund type investment vehicles.

(2) Consists of equity securities and equity derivatives.

(3) Consists of corporate and government bonds and fixed income derivatives.

(4) Consists of property funds and trusts holding direct real estate investments.

(5) Consists of limited partnerships, private equity and hedge funds.

	Balance at December 31, 2012	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	\$298	\$298	\$—	\$—
Equity investments:				
Pooled funds: (1)				
Global	967	—	967	—
Europe	319	—	319	—
Equity securities — global (2)	137	137	—	—
Derivatives (2)	103	—	103	—
Fixed income investments:				
Pooled funds: (1)				
Fixed income securities	501	—	501	—
Fixed income securities (3)	1,234	1,234	—	—
Annuities	568	—	—	568
Derivatives (3)	217	—	217	—
Other investments:				
Pooled funds: (1)				
Real estate (4)	70	—	—	70
Alternative investments (5)	446	—	—	446
Total	\$4,860	\$1,669	\$2,107	\$1,084

(1) Consists of various equity, fixed income, commodity, and real estate mutual fund type investment vehicles.

(2) Consists of equity securities and equity derivatives.

(3) Consists of corporate and government bonds and fixed income derivatives.

(4) Consists of property funds and trusts holding direct real estate investments.

(5) Consists of limited partnerships, private equity and hedge funds.

The following table presents the changes in the Level 3 fair-value category in the Company's U.K. pension plans for the years ended December 31, 2013 and December 31, 2012 (in millions):

	Fair Value Measurements Using Level 3 Inputs			Total
	Annuities	Real Estate	Alternative Investments	
Balance at January 1, 2012	\$419	\$97	\$335	\$851
Actual return on plan assets:				
Relating to assets still held at December 31, 2012	(4	) 1	19	16
Relating to assets sold during 2012	—	1	11	12
Purchases, sales and settlements—net	137	(32	) 68	173
Transfers in/(out) of Level 3	—	—	—	—
Foreign exchange	16	3	13	32
Balance at December 31, 2012	568	70	446	1,084
Actual return on plan assets:				
Relating to assets still held at December 31, 2013	(13	) 1	32	20
Relating to assets sold during 2013	—	3	5	8
Purchases, sales and settlements—net	—	(50	) 51	1
Transfers in/(out) of Level 3	—	—	—	—
Foreign exchange	9	(1	) 12	20
Balance at December 31, 2013	\$564	\$23	\$546	\$1,133

The fair values of the Company's major other pension plan assets at December 31, 2013 and December 31, 2012, by asset category, are as follows (in millions):

	Balance at December 31, 2013	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	\$11	\$11	\$—	\$—
Equity investments:				
Pooled funds: (1)				
Global	318	—	318	—
North America	52	—	52	—
Fixed income investments:				
Pooled funds: (1)				
Fixed income securities	509	—	509	—
Derivatives	20	—	20	—
Fixed income securities (2)	61	—	61	—
Derivatives (2)	14	—	14	—
Other investments:				
Pooled funds: (1)				
Commodities	32	—	32	—
REITS	5	—	5	—
Real estate (3)	17	—	—	17
Alternative investments (4)	8	—	—	8
Derivatives	14	—	14	—
Total	\$1,061	\$11	\$1,025	\$25

(1) Consists of various equity, fixed income, commodity, and real estate mutual fund type investment vehicles.

(2) Consists of corporate and government bonds and fixed income derivatives.

(3) Consists of property funds and trusts holding direct real estate investments.

(4) Consists of limited partnerships, private equity and hedge funds.

	Balance at December 31, 2012	Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	\$5	\$5	\$—	\$—
Equity investments:				
Pooled funds: (1)				
Global	274	—	274	—
North America	65	—	65	—
Fixed income investments:				
Pooled funds: (1)				
Fixed income securities	472	—	472	—
Derivatives	23	—	23	—
Fixed income securities (2)	64	—	64	—
Derivatives (2)	28	—	28	—
Other investments:				
Pooled funds: (1)				
Commodities	30	—	30	—
REITS	5	—	5	—
Real estate (3)	17	—	—	17
Alternative investments (4)	11	—	—	11
Derivatives	15	—	15	—
Total	\$1,009	\$5	\$976	\$28

(1) Consists of various equity, fixed income, commodity, and real estate mutual fund type investment vehicles.

(2) Consists of corporate and government bonds and fixed income derivatives.

(3) Consists of property funds and trusts holding direct real estate investments.

(4) Consists of limited partnerships, private equity and hedge funds.

The following table presents the changes in the Level 3 fair-value category in the Company's other pension plans for the years ended December 31, 2013 and December 31, 2012 (in millions):

	Fair Value Measurements Using Level 3 Inputs		
	Real Estate	Alternative Investments	Total
Balance at January 1, 2012	\$37	\$11	\$48
Actual return on plan assets:			
Relating to assets still held at December 31, 2012	(2	) —	(2
Relating to assets sold during 2012	—	—	—
Purchases, sales and settlements—net	—	—	—
Transfers in/(out) of Level 3	(18	) —	(18
Foreign exchange	—	—	—
Balance at December 31, 2012	17	11	28
Actual return on plan assets:			
Relating to assets still held at December 31, 2013	(1	) 1	—
Relating to assets sold during 2013	—	1	1
Purchases, sales and settlements—net	—	(4	) (4
Transfers in/(out) of Level 3	—	—	—
Foreign exchange	1	(1) —
Balance at December 31, 2013	\$17	\$8	\$25

Investment Policy and Strategy

The U.S. investment policy, as established by the Aon Retirement Plan Governance and Investment Committee ("RPGIC"), seeks reasonable asset growth at prudent risk levels within target allocations, which are 49% equity investments, 30% fixed income investments, and 21% other investments. Aon believes that plan assets are well-diversified and are of appropriate quality. The investment portfolio asset allocation is reviewed quarterly and re-balanced to be within policy target allocations. The investment policy is reviewed at least annually and revised, as deemed appropriate by the RPGIC. The investment policies for international plans are generally established by the local pension plan trustees and seek to maintain the plans' ability to meet liabilities and to comply with local minimum funding requirements. Plan assets are invested in diversified portfolios that provide adequate levels of return at an acceptable level of risk. The investment policies are reviewed at least annually and revised, as deemed appropriate to ensure that the objectives are being met. At December 31, 2013, the weighted average targeted allocation for the U.K. and non-U.S. plans was 31% for equity investments and 69% for fixed income investments.

Cash Flows

Contributions

Based on current assumptions, the Company expects to contribute approximately \$173 million and \$212 million, respectively, to its U.S. and non-U.S. pension plans during 2014.

Estimated Future Benefit Payments

Estimated future benefit payments for plans are as follows at December 31, 2013 (in millions):

	U.K.	U.S.	Other
2014	\$156	\$152	\$45
2015	157	158	46
2016	168	166	48
2017	181	173	49
2018	190	171	51
2019 – 2023	1,143	868	280

U.S. and Canadian Other Post-Retirement Benefits

The following table provides an overview of the accumulated projected benefit obligation, fair value of plan assets, funded status and net amount recognized as of December 31, 2013 and 2012 for the Company's other material post-retirement benefit plans located in the U.S. and Canada (in millions):

	2013	2012
Accumulated projected benefit obligation	\$118	\$134
Fair value of plan assets	20	20
Funded status	(98)	(114)
Unrecognized prior-service credit	(9)	(15)
Unrecognized loss	18	37
Net amount recognized	\$(89)	\$(92)

Other information related to the Company's other post-retirement benefit plans are as follows:

	2013	2012	2011
Net periodic benefit cost recognized (millions)	\$4	\$1	\$6
Weighted-average discount rate used to determine future benefit obligations	4.44 - 4.95	3.67 – 4.00	4.33 – 5.00
Weighted-average discount rate used to determine net periodic benefit costs	3.67 - 4.00	4.33 – 5.00	4.92 – 6.00

Amounts recognized in Accumulated other comprehensive loss that have not yet been recognized as components of net periodic benefit cost at December 31, 2013 are \$18 million and \$9 million of net loss and prior service credit, respectively. The amount in Accumulated other comprehensive income expected to be recognized as a component of net periodic benefit cost during 2014 is \$1 million and \$5 million of net loss and prior service credit, respectively.

Based on current assumptions, the Company expects:

• To contribute \$6 million to fund material other post-retirement benefit plans during 2014.

Estimated future benefit payments will be approximately \$8 million each year for 2014 through 2018, and \$40 million in aggregate for 2019-2023.

The accumulated post-retirement benefit obligation is increased by \$5 million and decreased by \$5 million by a respective 1% increase or decrease to the assumed health care trend rate. The service cost and interest cost components of net periodic benefits cost is increased by \$0.5 million and decreased by \$0.5 million by a respective 1% increase or decrease to the assumed healthcare trend rate.

For most of the participants in the U.S. plan, Aon's liability for future plan cost increases for pre-65 and Medical Supplement plan coverage is limited to 5% per annum. Although the net employer trend rates range from 8% to 5% per year, because of this cap, these plans are effectively limited to 5% per year in the future. During 2012, Aon recognized a plan amendment that phases out post-retirement coverage in its U.S. plan over the next two years. The amendment resulted in recognition of prior service credits of \$5 million in 2012 in net periodic benefit cost. The impact of this amendment also resulted in a new prior service credit of \$10 million which will impact net periodic benefit cost in future periods as it is recognized over the average remaining service life of the employees.

13. Share-Based Compensation Plans

The following table summarizes share-based compensation expense recognized in the Consolidated Statements of Income in Compensation and benefits (in millions):

Years ended December 31	2013	2012	2011
Restricted share units ("RSUs")	\$174	\$154	\$142
Performance share awards ("PSAs")	117	46	78
Share options	2	5	9
Employee share purchase plans	7	7	6
Total share-based compensation expense	300	212	235
Tax benefit	81	62	77
Share-based compensation expense, net of tax	\$219	\$150	\$158

Restricted Share Units

RSUs generally vest between three and five years, but may vest up to ten years from the date of grant. The fair value of RSUs is based upon the market value of the Aon ordinary shares at the date of grant. With certain limited exceptions, any break in continuous employment will cause the forfeiture of all unvested awards. Compensation expense associated with RSUs is recognized over the requisite service period. Dividend equivalents are paid on certain RSUs, based on the initial grant amount.

A summary of the status of the Company's RSUs is as follows (shares in thousands):

Years ended December 31	2013		2012		2011	
	Shares	Fair Value (1)	Shares	Fair Value (1)	Shares	Fair Value (1)
Non-vested at beginning of year	10,432	\$44	9,916	\$42	10,674	\$38
Granted	3,714	62	5,113	46	3,506	51
Vested	(3,945)	44	(3,958)	42	(3,773)	39
Forfeited	(442)	47	(639)	44	(491)	39
Non-vested at end of year	9,759	51	10,432	44	9,916	42

(1) Represents per share weighted average fair value of award at date of grant.

The fair value of RSUs that vested during 2013, 2012 and 2011 was \$172 million, \$180 million and \$146 million, respectively.

Performance Share Awards

The vesting of PSAs is contingent upon meeting various individual, divisional or company-wide performance conditions, including revenue generation or growth in revenue, pretax income or earnings per share over a one to five-year period. The performance conditions are not considered in the determination of the grant date fair value for these awards. The fair value of PSAs is based upon the market price of an Aon ordinary share at the date of grant. Compensation expense is recognized over the performance period, and in certain cases an additional vesting period, based on management's estimate of the number of units expected to vest. Compensation expense is adjusted to reflect the actual number of shares issued at the end of the programs. The actual issue of shares may range from 0-200% of the target number of PSAs granted, based on the terms of the plan and level of achievement of the related performance target. Dividend equivalents are not paid on PSAs.

Information regarding the Company's target PSAs granted and shares that would be issued at current performance levels for PSAs granted during the years ended December 31, 2013, 2012 and 2011, respectively, is as follows (shares in thousands, dollars in millions, except fair value):

	2013	2012	2011
Target PSAs granted	1,135	1,369	1,715
Fair value (1)	\$58	\$47	\$50
Number of shares that would be issued based on current performance levels	1,702	2,451	1,443
Unamortized expense, based on current performance levels	\$70	\$40	\$—

(1) Represents per share weighted average fair value of award at date of grant.

During 2013, the Company issued approximately 1.1 million shares in connection with the 2010 Leadership Performance Plan ("LPP") cycle and 0.2 million shares related to other performance plans. During 2012, the Company issued approximately 1.4 million shares in connection with the 2009 LPP cycle and 0.9 million shares related to other performance plans. During 2011, the Company issued approximately 1.2 million shares in connection with the 2008 LPP cycle and 0.3 million shares related to a 2006 performance plan.

Share Options

In prior periods, options to purchase ordinary shares were granted to certain employees at fair value on the date of grant. Commencing in 2010, the Company ceased granting new share options with the exception of historical contractual commitments. Generally, employees are required to complete two continuous years of service before the options begin to vest in increments until the completion of a four-year period of continuous employment, although a number of options were granted that require five continuous years of service before the options are fully vested. Options issued under the LPP program vest ratably over three years with a six-year term. The maximum contractual term on share options is ten years from the date of grant.

The Company uses a lattice-binomial option-pricing model to value share options. Lattice-based option valuation models use a range of assumptions over the expected term of the options. Expected volatilities are based on the average of the historical volatility of the Company's share price and the implied volatility of traded options and the Company's shares. The valuation model stratifies employees between those receiving LPP options, Special Stock Plan ("SSP") options, and all other option grants. The Company believes that this stratification better represents prospective share option exercise patterns. The expected dividend yield assumption is based on the Company's historical and expected future dividend rate. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. The expected life of employee share options represents the weighted-average period stock options are expected to remain outstanding and is a derived output of the lattice-binomial model.

In connection with its incentive compensation plans, the Company granted no shares for the years ended December 31, 2013 and 2012 and 80,000 shares at \$53 per share for the year ended December 31, 2011. The weighted average assumptions, the weighted average expected life and estimated fair value of employee share options granted are summarized as follows:

Years ended December 31	2013	2012	2011
Weighted average volatility	NA	NA	26.1%
Expected dividend yield	NA	NA	1.3%
Risk-free rate	NA	NA	2.2%
Weighted average expected life, in years	NA	NA	5.5
Weighted average estimated fair value per share	NA	NA	\$10.92

A summary of the status of the Company's share options and related information is as follows (shares in thousands):

Years ended December 31	2013		2012		2011	
	Shares	Weighted-Average Exercise Price Per Share	Shares	Weighted-Average Exercise Price Per Share	Shares	Weighted-Average Exercise Price Per Share
Beginning outstanding	5,611	\$ 32	9,116	\$ 32	13,919	\$ 32
Granted	—	—	—	—	80	53
Exercised	(2,116)	32	(3,413)	31	(4,546)	32
Forfeited and expired	(33)	34	(92)	37	(337)	36
Outstanding at end of year	3,462	32	5,611	32	9,116	32
Exercisable at end of year	3,270	32	5,117	31	7,833	30
Shares available for grant	11,330		17,024		24,508	

A summary of options outstanding and exercisable as of December 31, 2013 is as follows (shares in thousands):

Range of Exercise Prices	Options Outstanding			Options Exercisable		
	Shares Outstanding	Weighted-Average Remaining Contractual Life (years)	Weighted-Average Exercise Price Per Share	Shares Exercisable	Weighted-Average Remaining Contractual Life (years)	Weighted-Average Exercise Price Per Share
\$14.71 – 22.86	1,244	1.43	\$ 22.45	1,244	1.43	\$ 22.45
22.87 – 25.51	174	1.50	25.44	174	1.50	25.44
25.52 – 32.53	304	0.90	27.41	304	0.90	27.41
32.54 – 36.88	392	2.32	35.89	323	2.09	35.77
36.89 – 43.44	830	2.55	39.49	760	2.31	39.54
43.45 – 52.93	518	3.50	47.05	465	3.09	46.38
	3,462			3,270		

The aggregate intrinsic value represents the total pretax intrinsic value, based on options with an exercise price less than the Company's closing share price of \$83.89 as of December 31, 2013, which would have been received by the option holders had those option holders exercised their options as of that date. At December 31, 2013, the aggregate intrinsic value of options outstanding was \$179 million, of which \$170 million was exercisable.

Other information related to the Company's share options is as follows (in millions):

	2013	2012	2011
Aggregate intrinsic value of stock options exercised	\$73	\$67	\$80
Cash received from the exercise of stock options	61	105	153
Tax benefit realized from the exercise of stock options	15	11	14

Unamortized deferred compensation expense, which includes both options and awards, amounted to \$336 million as of December 31, 2013, with a remaining weighted-average amortization period of approximately 2.1 years.

Employee Share Purchase Plan

United States

The Company has an employee share purchase plan that provides for the purchase of a maximum of 7.5 million shares of the Company's ordinary shares by eligible U.S. employees. Prior to 2011, shares of the Company's common stock were purchased at 3-month intervals at 85% of the lower of the fair market value of the common stock on the first or the last day of each 3-month period. Beginning in 2011, the Company's ordinary shares were purchased at 6-month intervals at 85% of the lower of the fair market value of the ordinary shares on the first or last day of each 6-month period. In 2013, 2012, and 2011, 556,000 shares, 621,000 shares and 468,000 shares, respectively, were issued to employees under the plan. Compensation expense recognized was \$6 million in both 2013 and 2012, and \$5 million in 2011.

United Kingdom

The Company also has an employee share purchase plan for eligible U.K. employees that provides for the purchase of shares after a 3-year period and that is similar to the U.S. plan previously described. Three-year periods began in 2013 and 2010, allowing for the purchase of a maximum of 350,000 and 300,000 shares, respectively. In 2013, 2012, and 2011, 172,000 shares, 25,000 shares, and 63,000 shares, respectively, were issued under the plan. Compensation expense of \$1 million was recognized in each of 2013, 2012, and 2011.

14. Derivatives and Hedging

The Company is exposed to market risks, including changes in foreign currency exchange rates and interest rates. To manage the risk related to these exposures, the Company enters into various derivative instruments that reduce these risks by creating offsetting exposures. The Company does not enter into derivative transactions for trading or speculative purposes.

Foreign Exchange Risk Management

The Company is exposed to foreign exchange risk when it receives revenues, pays expenses, or enters into intercompany loans denominated in a currency that differs from its functional currency, or other transactions that are denominated in a currency other than its functional currency. The Company uses foreign exchange derivatives, typically forward contracts, options and cross currency swaps, to reduce its overall exposure to the effects of currency fluctuations on cash flows. These exposures are hedged, on average, for less than two years; however, in limited instances, the Company has hedged certain exposures up to five years in the future.

The Company also uses foreign exchange derivatives, typically forward contracts and options, to hedge its net investments in foreign operations for up to two years in the future.

The Company also uses foreign exchange derivatives, typically forward contracts and options, to manage the currency exposure of the Company's global liquidity profile, including monetary assets or liabilities that are denominated in a non-functional currency of an entity, for up to one year in the future. These derivatives are not accounted for as hedges, and changes in fair value are recorded each period in Other income in the Consolidated Statements of Income.

Interest Rate Risk Management

The Company holds variable-rate short-term brokerage and other operating deposits. The Company uses interest rate derivatives, typically swaps, to reduce its exposure to the effects of interest rate fluctuations on the forecasted interest receipts from these deposits for up to two years in the future.

Certain derivatives also give rise to credit risks from the possible non-performance by counterparties. The credit risk at the balance sheet date is generally limited to the fair value of those contracts that are favorable to the Company. The Company has reduced its credit risk by using International Swaps and Derivatives Association ("ISDA") master agreements, collateral and credit support arrangements, entering into non-exchange-traded derivatives with highly-rated major financial institutions and by using exchange-traded instruments. The Company monitors the creditworthiness of, and exposure to, its counterparties. As of December 31, 2013, all net derivative positions were free of credit risk contingent features. The Company has not received or pledged any collateral related to derivative arrangements as of December 31, 2013.

The notional and fair values of derivative instruments are as follows (in millions):

	Notional Amount		Derivative Assets (1) Fair Value		Derivative Liabilities (2) Fair Value	
	2013	2012	2013	2012	2013	2012
As of December 31						
Derivatives accounted for as hedges:						
Interest rate contracts	\$171	\$336	\$9	\$17	\$—	\$—
Foreign exchange contracts	1,191	1,208	71	191	93	250
Total	1,362	1,544	80	208	93	250
Derivatives not accounted for as hedges:						
Foreign exchange contracts	215	305	—	2	—	1
Total	\$1,577	\$1,849	\$80	\$210	\$93	\$251

- (1) Included within Other current assets (\$46 million in 2013 and \$167 million in 2012) or Other non-current assets (\$34 million in 2013 and \$43 million in 2012)
- (2) Included within Other liabilities \$51 million in 2013 and \$171 million in 2012) or Other non-current liabilities (\$42 million in 2013 and \$80 million in 2012)

Offsetting of financial assets and derivatives assets are as follows (in millions):

	Gross Amounts of Recognized Assets		Gross Amounts Offset in the Statement of Financial Position		Net Amounts of Assets Presented in the Statement of Financial Position (1)	
	2013	2012	2013	2012	2013	2012
Derivatives accounted for as hedges:						
Interest rate contracts	\$9	\$17	\$—	\$—	\$9	\$17
Foreign exchange contracts	71	191	(30	) (160	) 41	31
Total	80	208	(30	) (160	) 50	48
Derivatives not accounted for as hedges:						
Foreign exchange contracts	—	2	—	—	—	2
Total	\$80	\$210	\$(30	) \$(160	) \$50	\$50

(1) Included within Other current assets (\$18 million in both 2013 and 2012) or Other non-current assets (\$32 million in both 2013 and 2012)

Offsetting of financial liabilities and derivative liabilities are as follows (in millions):

	Gross Amounts of Recognized Liabilities		Gross Amounts Offset in the Statement of Financial Position		Net Amounts of Liabilities Presented in the Statement of Financial Position (2)	
	2013	2012	2013	2012	2013	2012
Derivatives accounted for as hedges:						
Interest rate contracts	\$—	\$—	\$—	\$—	\$—	\$—
Foreign exchange contracts	93	250	(30	) (160	) 63	90
Total	93	250	(30	) (160	) 63	90
Derivatives not accounted for as hedges:						
Foreign exchange contracts	—	1	—	—	—	1
Total	\$93	\$251	\$(30	) \$(160	) \$63	\$91

(2) Included within Other current liabilities (\$23 million in both 2013 and 2012) or Other non-current liabilities (\$40 million in 2013 and \$68 million in 2012)

The amounts of derivative gains (losses) recognized in the Consolidated Financial Statements are as follows (in millions):

	December 31,		
Gain (Loss) recognized in Accumulated Other Comprehensive Loss:	2013	2012	2011
Cash flow hedges:			
Interest rate contracts (1)	\$2	\$—	\$(1)
Foreign exchange contracts (2)	(4)	(21)	(54)
Total	(2)	(21)	(55)
Foreign net investment hedges:			
Foreign exchange contracts	\$—	\$4	\$(2)
(1) Location of future reclassification from Accumulated Other Comprehensive Loss will be included within Interest Expense			
(2) Location of future reclassification from Accumulated Other Comprehensive Loss will be included within Compensation and benefits (\$17 million loss for 2013, \$8 million loss for 2012 and \$6 million loss for 2011), Other general expenses (none for 2013, \$19 million loss for 2012 and \$34 million loss for 2011), and Other income (\$13 million gain for 2013, \$6 million gain for 2012 and \$14 million loss for 2011)			

	December 31,		
Gain (Loss) reclassified from Accumulated Other Comprehensive Loss into Income (Effective Portion):	2013	2012	2011
Cash flow hedges:			
Interest rate contracts (1)	\$(1)	\$(1)	\$—
Foreign exchange contracts (2)	(10)	(34)	(36)
Total	(11)	(35)	(36)
Foreign net investment hedges:			
Foreign exchange contracts	\$—	\$—	\$—
(1) Included within Interest Expense			
(2) Included within Compensation and benefits (\$12 million loss for 2013, \$9 million loss for 2012 and \$3 million loss for 2011), Interest Expense (\$3 million loss for 2013 and none for both 2012 and 2011), Other general expenses (\$9 million loss for 2013, \$16 million loss for 2012 and \$25 million loss for 2011), and Other income (\$14 million gain for 2013, \$9 million loss for 2012 and \$8 million loss for 2011)			

The amount of gain (loss) recognized in the Consolidated Financial Statements is as follows (in millions):

	Twelve months ended December 31,			Twelve months ended December 31,		
	Amount of Gain (Loss) Recognized in Income on Derivative(2)			Amount of Gain (Loss) Recognized in Income on Related Hedged Item		
	2013	2012	2011	2013	2012	2011
Fair value hedges:						
Foreign exchange contracts(1)	\$(8)	\$1	\$2	\$8	\$(1)	\$(2)
(1) Relates to fixed rate debt						
(2) Included in interest expense						

The Company estimates that approximately \$20 million of pretax losses currently included within Accumulated other comprehensive loss will be reclassified into earnings in the next twelve months.

The amount of gain (loss) recognized in income on the ineffective portion of derivatives for 2013, 2012 and 2011 was not material.

The Company recorded a loss of \$18 million and a gain of \$13 million in Other income for foreign exchange derivatives not designated or qualifying as hedges for 2013 and 2012, respectively.

15. Fair Value Measurements and Financial Instruments

Accounting standards establish a three tier fair value hierarchy that prioritizes the inputs used in measuring fair values as follows:

Level 1 — observable inputs such as quoted prices for identical assets in active markets;

Level 2 — inputs other than quoted prices for identical assets in active markets, that are observable either directly or indirectly; and

Level 3 — unobservable inputs in which there is little or no market data which requires the use of valuation techniques and the development of assumptions.

The following methods and assumptions are used to estimate the fair values of the Company's financial instruments: Money market funds and highly liquid debt securities are carried at cost and amortized cost, respectively, as an approximation of fair value. Based on market convention, the Company considers cost a practical and expedient measure of fair value.

Cash, cash equivalents, and highly liquid debt instruments consist of cash and institutional short-term investment funds. The Company independently reviews the short-term investment funds to obtain reasonable assurance the fund net asset value is \$1 per share.

Equity investments consist of domestic and international equity securities and exchange traded equity derivatives valued using the closing stock price on a national securities exchange. Over the counter equity derivatives are valued using observable inputs such as underlying prices of the equity security and volatility. The Company independently reviews the listing of Level 1 equity securities in the portfolio and agrees the closing stock prices to a national securities exchange, and on a sample basis, independently verifies the observable inputs for Level 2 equity derivatives and securities.

Fixed income investments consist of certain categories of bonds and derivatives. Corporate, government, and agency bonds are valued by pricing vendors who estimate fair value using recently executed transactions and proprietary models based on observable inputs, such as interest rate spreads, yield curves and credit risk. Asset-backed securities are valued by pricing vendors who estimate fair value using discounted cash flow models utilizing observable inputs based on trade and quote activity of securities with similar features. Fixed income derivatives are valued by pricing vendors using observable inputs such as interest rates and yield curves. The Company obtains a detailed understanding of the models, inputs, and assumptions used in developing prices provided by its vendors. This understanding includes discussions with valuation resources at the vendor. During these discussions, the Company uses a fair value measurement questionnaire, which is part of the Company's internal controls over financial reporting, to obtain the information necessary to assert the model, inputs and assumptions used comply with U.S. GAAP, including disclosure requirements. The Company also obtains observable inputs from the pricing vendor and independently verifies the observable inputs, as well as assesses assumptions used for reasonableness based on relevant market conditions and internal Company guidelines. If an assumption is deemed unreasonable, based on the Company's guidelines, it is then reviewed by a member of management and the fair value estimate provided by the vendor is adjusted, if deemed appropriate. These adjustments do not occur frequently and have not historically been material to the fair value estimates used in the Consolidated Financial Statements.

Pooled funds consist of various equity, fixed income, commodity, and real estate mutual fund type investment vehicles. Pooled investment funds fair value is estimated based on the proportionate share ownership in the underlying net assets of the investment, which is based on the fair value of the underlying securities that trade on a national securities exchange. Where possible, the Company independently reviews the listing securities in the portfolio and agrees the closing stock prices to a national securities exchange. The Company gains an understanding of the investment guidelines and valuation policies of the fund and discusses fund performance with pooled fund managers. The Company obtains audited fund manager financial statements, when available. If the pooled fund is designed to replicate a publicly traded index, the Company compares the performance of the fund to the index to assess the reasonableness of the fair value measurement.

Alternative investments consist of limited partnerships, private equity and hedge funds. Alternative investment fair value is generally estimated based on the proportionate share ownership in the underlying net assets of the investment as determined by the general partner or investment manager. The valuations are based on various factors depending on investment strategy, proprietary models, and specific financial data or projections. The Company obtains audited fund manager financial statements, when available. The Company obtains a detailed understanding of the models, inputs and assumptions used in developing prices provided by the investment managers (or appropriate party) through regular discussions. During these discussions with the investment managers, the Company uses a fair value measurement questionnaire, which is part of the Company's internal

controls over financial reporting, to obtain the information necessary to assert the model, inputs and assumptions used comply with U.S. GAAP, including disclosure requirements. The Company also obtains observable inputs from the investment manager and independently verifies the observable inputs, as well as assesses assumptions used for reasonableness based on relevant market conditions and internal Company guidelines. If an assumption is deemed unreasonable, based on the Company's guidelines, it is then reviewed by a member of management and the fair value estimate provided by the vendor is adjusted, if deemed appropriate. These adjustments do not occur frequently and have not historically been material to the fair value estimates in the Consolidated Financial Statements.

Derivatives are carried at fair value, based upon industry standard valuation techniques that use, where possible, current market-based or independently sourced pricing inputs, such as interest rates, currency exchange rates, or implied volatilities.

Annuity contracts consist of insurance group annuity contracts purchased to match the pension benefit payment stream owed to certain selected plan participant demographics within a few major United Kingdom defined benefit plans.

Annuity contracts are valued using a discounted cash flow model utilizing assumptions such as discount rate, mortality, and inflation. The Company independently verifies the observable inputs.

Real estate and REITs consist of publicly traded REITs and direct real estate investments. Level 1 REITs are valued using the closing stock price on a national securities exchange. The Level 3 values are based on the proportionate share of ownership in the underlying net asset value as determined by the investment manager. The Company independently reviews the listing of Level 1 REIT securities in the portfolio and agrees the closing stock prices to a national securities exchange. The Company gains an understanding of the investment guidelines and valuation policies of the Level 3 real estate funds and discusses performance with the fund managers. The Company obtains audited fund manager financial statements, when available. See the description of "Alternative investments" for further detail on valuation procedures surrounding Level 3 REITs.

Guarantees are carried at fair value, which is based on discounted estimated cash flows using published historical cumulative default rates and discount rates commensurate with the underlying exposure.

Debt is carried at outstanding principal balance, less any unamortized discount or premium. Fair value is based on quoted market prices or estimates using discounted cash flow analyses based on current borrowing rates for similar types of borrowing arrangements.

The following tables present the categorization of the Company's assets and liabilities that are measured at fair value on a recurring basis at December 31, 2013 and 2012, respectively (in millions):

	Balance at December 31, 2013	Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Money market funds and highly liquid debt securities (1)	\$2,079	\$2,054	\$25	\$—
Other investments				
Fixed maturity securities				
Corporate bonds	2	—	—	2
Government bonds	7	—	7	—
Equity securities	13	6	7	—
Derivatives				
Interest rate contracts	9	—	9	—
Foreign exchange contracts	71	—	71	—
Liabilities:				
Derivatives				
Foreign exchange contracts	93	—	93	—

(1) Includes \$2,054 million of money market funds and \$25 million of highly liquid debt securities that are classified as Fiduciary assets, Short-term investments or Cash equivalents in the Consolidated Statements of Financial Position, depending on their nature and initial maturity. See Note 7 "Investments" for additional information regarding the Company's investments.

	Balance at December 31, 2012	Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Money market funds and highly liquid debt securities (1)	\$2,133	\$2,108	\$25	\$—
Other investments				
Fixed maturity securities				
Corporate bonds	12	—	—	12
Government bonds	8	—	8	—
Equity securities	5	5	—	—
Derivatives				
Interest rate contracts	17	—	17	—
Foreign exchange contracts	193	—	193	—
Liabilities:				
Derivatives				
Foreign exchange contracts	251	—	251	—

(1) Includes \$2,108 million of money market funds and \$25 million of highly liquid debt securities that are classified as Fiduciary assets, Short-term investments or Cash equivalents in the Consolidated Statements of Financial Position, depending on their nature and initial maturity. See Note 7 "Investments" for additional information regarding the Company's investments.

There were no transfers of assets or liabilities between fair value hierarchy levels during 2013 or 2012. The Company recognized \$6 million of realized gains and no unrealized gains or losses recognized in the Consolidated Statements of Income during 2013 related to assets and liabilities measured at fair value using unobservable inputs. There were no realized or unrealized gains or losses recognized in the Consolidated Statements of Income during 2012 or 2011 related to assets and liabilities measured at fair value using unobservable inputs.

The fair value of all long-term debt instruments is classified as Level 2. The following table discloses the Company's financial instruments where the carrying amounts and fair values differ (in millions):

As of December 31	2013		2012	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt	\$3,686	\$3,894	\$3,713	\$4,162

16. Commitments and Contingencies

Legal

Aon and its subsidiaries are subject to numerous claims, tax assessments, lawsuits and proceedings that arise in the ordinary course of business, which frequently include errors and omissions ("E&O") claims. The damages claimed in these matters are or may be substantial, including, in many instances, claims for punitive, treble or extraordinary damages. Aon has historically purchased E&O insurance and other insurance to provide protection against certain losses that arise in such matters. Aon has exhausted or materially depleted its coverage under some of the policies that protect the Company and, consequently, is self-insured or materially self-insured for some historical claims. Accruals for these exposures, and related insurance receivables, when applicable, have been provided to the extent that losses are deemed probable and are reasonably estimable. These amounts are adjusted from time to time as developments warrant. Amounts related to settlement provisions are recorded in Other general expenses in the Consolidated Statements of Income.

A retail insurance brokerage subsidiary of Aon provides insurance brokerage services to Northrop Grumman Corporation ("Northrop"). This Aon subsidiary placed Northrop's excess property insurance program for the period covering 2005. Northrop suffered a substantial loss in August 2005 when Hurricane Katrina damaged Northrop's facilities in the Gulf states. Northrop's excess insurance carrier, Factory Mutual Insurance Company ("Factory Mutual"), denied coverage for the claim pursuant to a flood exclusion. Northrop sued Factory Mutual in the United States District Court for the Central District of California and later sought to add this Aon subsidiary as a defendant, asserting that if Northrop's policy with Factory Mutual does not cover the losses suffered by Northrop stemming from Hurricane Katrina, then this Aon subsidiary will be responsible for Northrop's losses. On August 26, 2010, the court granted in large part Factory Mutual's motion for partial summary judgment regarding the applicability of the flood exclusion and denied Northrop's motion to add this Aon subsidiary as a defendant in the federal lawsuit. On January 27, 2011, Northrop filed suit against this Aon subsidiary in state court in Los Angeles, California, pleading claims for negligence, breach of contract and negligent misrepresentation. Northrop has since settled with Factory Mutual. Aon believes that it has meritorious defenses and intends to vigorously defend itself against these claims. The outcome of this lawsuit, and the amount of any losses or other payments that may result, cannot be estimated at this time.

Another retail insurance brokerage subsidiary of Aon has been sued in Tennessee state court by a client, Opry Mills Mall Limited Partnership ("Opry Mills") that sustained flood damage to its property in May 2010. The lawsuit seeks \$200 million from numerous insurers with whom this Aon subsidiary placed the client's property insurance coverage. The insurers contend that only \$50 million in coverage is available for the loss because the flood event occurred on property in a high hazard flood zone. Opry Mills is seeking full coverage from the insurers for the loss and has sued this Aon subsidiary in the alternative for the same \$150 million difference on various theories of professional liability if the court determines there is not full coverage. In addition, Opry Mills seeks prejudgment interest, attorneys' fees and enhanced damages which could substantially increase Aon's exposure. Aon believes it has meritorious defenses and intends to vigorously defend itself against these claims. The outcome of this lawsuit, and the amount of any losses or other payments that may result, cannot be estimated at this time.

A pensions consulting and administration subsidiary of Hewitt before its acquisition by Aon provided advisory services to the Trustees of the Philips UK pension fund and the relevant employer of fund beneficiaries (together, "Philips"). In January 2014, the Aon subsidiary was served with a High Court lawsuit alleging negligence and breach of duty. The proceeding assert Philips' right to claim damages related to Philips' use of a credit default swap hedging strategy pursuant to the supply of the advisory services, which is said to have resulted in substantial damages to Philips. Aon believes that it has meritorious defenses and intends to vigorously defend itself against these allegations. The outcome of this circumstance, and the amount of any losses or other payments that may result, cannot be estimated at this time.

Mazeikiu Nafta ("MN"), which operates an oil refinery in Lithuania, has sued an insurance brokerage subsidiary of Aon in London. Aon placed property damage and business interruption coverage for MN. There was a fire at the refinery in 2006. MN settled with insurers in November 2011 and claimed against Aon in December 2012. The claim is for \$125 million, which is the shortfall alleged by MN to have been caused by Aon's failure to obtain appropriate business interruption coverage. Aon believes that it has meritorious defenses and intends to vigorously defend itself against these allegations. The outcome of this lawsuit, and the amount of any losses or other payments that may result, cannot be estimated at this time.

The International Road Transport Union ("IRU") sued Aon in a court in Switzerland. IRU alleges, among other things, that, between 1995 and 2004, a predecessor of Aon and, later, an Aon subsidiary (1) accepted commissions for certain insurance placements that violated a fee agreement entered between the parties and (2) negligently failed to ask certain insurance carriers to contribute to the IRU's risk management costs. Aon believes that it has meritorious defenses and intends to vigorously defend itself against these claims. The outcome of these proceedings, and the amount of any losses or other payments that may result, cannot be estimated at this time.

AXA Versicherung Aktiengesellschaft ("AXA") started arbitral proceedings against an insurance and reinsurance brokerage subsidiary of Aon in Germany. Predecessors of AXA granted predecessors of the Aon subsidiary a mandate to underwrite non-proportional reinsurance business from 1975 through 1999. AXA alleges, among other things, that the Aon-related entities intentionally exceeded their mandate and that, if AXA had known of this intention, it would not have granted a mandate. Aon believes that it has meritorious defenses and intends to vigorously defend itself against these claims. The outcome of these proceedings, and the amount of any losses or other payments that may result, cannot be estimated at this time.

From time to time, Aon's clients may bring claims and take legal action pertaining to the performance of fiduciary responsibilities. Whether client claims and legal action related to the Company's performance of fiduciary responsibilities are founded or unfounded, if such claims and legal actions are resolved in a manner unfavorable to the Company, they may adversely affect Aon's financial results and materially impair the market perception of the Company and that of its products and services.

Although the ultimate outcome of all matters referred to above cannot be ascertained, and liabilities in indeterminate amounts may be imposed on Aon or its subsidiaries, on the basis of present information, amounts already provided, availability of insurance coverages and legal advice received, it is the opinion of management that the disposition or ultimate determination of such claims will not have a material adverse effect on the consolidated financial position of Aon. However, it is possible that future results of operations or cash flows for any particular quarterly or annual period could be materially affected by an unfavorable resolution of these matters.

Guarantees and Indemnifications

In connection with the redomicile of Aon's headquarters ("the Redomestication"), the Company on April 2, 2012 entered various agreements pursuant to which it agreed to guarantee the obligations of its subsidiaries arising under issued and outstanding debt securities. Those agreements included the (1) Amended and Restated Indenture, dated as of April 2, 2012, among Aon Corporation, Aon plc, and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") (amending and restating the Indenture, dated as of September 10, 2010, between Aon Corporation and the Trustee), (2) Amended and Restated Indenture, dated as of April 2, 2012, among Aon Corporation, Aon plc and the Trustee (amending and restating the Indenture, dated as of December 16, 2002, between Aon Corporation and the Trustee), (3) Amended and Restated Indenture, dated as of April 2, 2012, among Aon Corporation, Aon plc and the Trustee (amending and restating the Indenture, dated as of January 13, 1997, as supplemented by the First Supplemental Indenture, dated as of January 13, 1997) (4) First Supplemental Indenture, dated as of April 2, 2012, among Aon Finance N.S. 1, ULC, as issuer, Aon Corporation, as guarantor, Aon plc, as guarantor, and Computershare Trust Company of Canada, as trustee, and (5) Amended and Restated Trust Deed, among Aon Corporation, Aon plc, Aon Services Luxembourg & Co S.C.A. (formerly known as Aon Financial Services Luxembourg S.A.) ("Aon Luxembourg") and BNY Mellon Corporate Trustee Services Limited, as trustee (the "Luxembourg Trustee") (amending and restating the Trust Deed, dated as of July 1, 2009, as amended and restated on January 12, 2011, among Aon Delaware, Aon Luxembourg and the Luxembourg Trustee).

Effective as of the same date, the Company also entered into agreements pursuant to which it agreed to guarantee the obligations of its subsidiaries arising under the (1) \$450,000,000 Term Credit Agreement dated June 15, 2011, among Aon Corporation, as borrower, Bank of America, N.A., as administrative agent and the other agents and lenders party thereto, (2) \$400,000,000 five-Year Agreement dated March 20, 2012, among Aon Corporation, as borrower, Citibank, N.A., as administrative agent and the other agents and lenders party thereto and (3) €650,000,000 Facility Agreement, dated October 15, 2010, among Aon Corporation, the subsidiaries of Aon Corporation party thereto as borrowers, Citibank International plc, as agent, and the other agents and lenders party thereto, as amended on July 18, 2011.

The Company provides a variety of guarantees and indemnifications to its customers and others. The maximum potential amount of future payments represents the notional amounts that could become payable under the guarantees and indemnifications if there were a total default by the guaranteed parties, without consideration of possible recoveries under recourse provisions or other methods. These amounts may bear no relationship to the expected future payments, if any, for these guarantees and indemnifications. Any anticipated amounts payable that are deemed to be probable and reasonably estimable are included in the Company's Consolidated Financial Statements, and are recorded at fair value.

The Company expects that, as prudent business interests dictate, additional guarantees and indemnifications may be issued from time to time.

Letters of Credit

The Company had total letters of credit ("LOCs") outstanding for approximately \$71 million at December 31, 2013, compared to \$74 million at December 31, 2012. These letters of credit cover the beneficiaries related to certain of Aon's U.S. and Canadian non-qualified pension plan schemes and secure deductible retentions for Aon's own workers compensation program. The Company has also issued LOCs to cover contingent payments for taxes and other business obligations to third parties, and other guarantees for miscellaneous purposes at its international subsidiaries. Amounts are accrued in the Consolidated Financial Statements to the extent the guarantees are probable and estimable, and are recorded at fair value.

Commitments

The Company has provided commitments to fund certain limited partnerships in which it has an interest in the event that the general partners request funding. Some of these commitments have specific expiration dates and the maximum potential funding under these commitments was \$34 million at December 31, 2013. During 2013, the Company funded \$15 million of these commitments.

Premium Payments

The Company has certain contractual contingent guarantees for premium payments owed by clients to certain insurance companies. Costs associated with these guarantees, to the extent estimable and probable, are provided in Aon's allowance for doubtful accounts. The maximum exposure with respect to such contractual contingent guarantees was approximately \$98 million at December 31, 2013 compared to \$104 million at December 31, 2012.

17. Segment Information

The Company has two reportable segments: Risk Solutions and HR Solutions. Unallocated income and expenses, when combined with the operating segments and after the elimination of intersegment revenues and expenses, equal the amounts in the Consolidated Financial Statements.

Reportable operating segments have been determined using a management approach, which is consistent with the basis and manner in which Aon's chief operating decision maker ("CODM") uses financial information for the purposes of allocating resources and evaluating performance. The CODM assesses performance based on operating income and generally accounts for inter-segment revenue as if the revenue were from third parties and at what management believes are current market prices. The Company does not present net assets by segment as this information is not reviewed by the CODM.

Risk Solutions acts as an advisor and insurance and reinsurance broker, helping clients manage their risks, via consultation, as well as negotiation and placement of insurance risk with insurance carriers through Aon's global distribution network.

HR Solutions partners with organizations to solve their most complex benefits, talent and related financial challenges, and improve business performance by designing, implementing, communicating and administering a wide range of human capital, retirement, investment management, health care, compensation and talent management strategies.

Aon's total revenue is as follows (in millions):

Years ended December 31	2013	2012	2011
Risk Solutions	\$7,789	\$7,632	\$7,537
HR Solutions	4,057	3,925	3,781
Intersegment elimination	(31)	(43)	(31)
Total revenue	\$11,815	\$11,514	\$11,287

Commissions, fees and other revenues by product are as follows (in millions):

Years ended December 31	2013	2012	2011
Retail brokerage	\$6,256	\$6,089	\$6,022
Reinsurance brokerage	1,505	1,505	1,463
Total Risk Solutions Segment	7,761	7,594	7,485
Consulting services	1,626	1,585	1,546
Outsourcing	2,469	2,372	2,258
Intrasegment	(38)	(32)	(23)
Total HR Solutions Segment	4,057	3,925	3,781
Intersegment	(31)	(43)	(31)
Total commissions, fees and other revenue	\$11,787	\$11,476	\$11,235

Fiduciary investment income by segment is as follows (in millions):

Years ended December 31	2013	2012	2011
Risk Solutions	\$28	\$38	\$52
HR Solutions	—	—	—
Total fiduciary investment income	\$28	\$38	\$52

A reconciliation of segment operating income before tax to income before income taxes is as follows (in millions):

Years ended December 31	2013	2012	2011
Risk Solutions	\$1,540	\$1,493	\$1,413
HR Solutions	318	289	336
Segment income before income taxes	1,858	1,782	1,749
Unallocated expenses	(187)	(186)	(153)
Interest income	9	10	18
Interest expense	(210)	(228)	(245)
Other income	68	2	19
Income before income taxes	\$1,538	\$1,380	\$1,388

Unallocated expenses include administrative or other costs not attributable to the operating segments, such as corporate governance costs. Interest income represents income earned primarily on operating cash balances and certain income producing securities. Interest expense represents the cost of worldwide debt obligations.

Other income consists of equity earnings, realized gains or losses on the sale of investments, gains or losses on the disposal of businesses, gains or losses on derivatives, and gains or losses on foreign currency transactions.

Revenues are generally attributed to geographic areas based on the location of the resources producing the revenues. Intercompany revenues and expenses are eliminated in consolidated results.

Consolidated revenue by geographic area is as follows (in millions):

Years ended December 31	Total	United States	Americas other than U.S.	United Kingdom	Europe, Middle East, & Africa	Asia Pacific
2013	\$11,815	\$5,574	\$1,214	\$1,544	\$2,304	\$1,179
2012	11,514	5,336	1,190	1,541	2,271	1,176
2011	11,287	5,134	1,176	1,519	2,377	1,081

Consolidated non-current assets by geographic area are as follows (in millions):

As of December 31	Total	United States	Americas other than U.S.	United Kingdom	Europe, Middle East, & Africa	Asia Pacific
2013	\$13,728	\$7,720	\$559	\$2,392	\$2,440	\$617
2012	13,819	8,355	599	1,721	2,462	682

18. Guarantee of Registered Securities

As described in Note 16, in connection with the Redomestication, Aon plc entered into various agreements pursuant to which it agreed to guarantee the obligations of Aon Corporation arising under issued and outstanding debt securities. Aon Corporation is a 100% directly owned subsidiary of Aon plc. The debt securities that are subject to Rule 3-10 of Regulation S-X are the 3.50% senior notes due September 2015, the 3.125% senior notes due May 2016, the 5.00% senior notes due September 2020, the 8.205% junior subordinated deferrable interest debentures due January 2027 and the 6.25% senior notes due September 2040. All guarantees of Aon plc are full and unconditional. There are no other subsidiaries of Aon plc that are guarantors of the debt.

Aon Corporation entered into an agreement pursuant to which it agreed to guarantee the obligations of Aon plc arising under the 4.250% Notes Due 2042 exchanged for Aon Corporation's outstanding 8.205% junior subordinated deferrable interest debentures due January 2027 in both Original Notes and Exchange Notes form as described in Note 8. Those notes are subject to Rule 3-10 of Regulation S-X. Aon Corporation also agreed to guarantee the obligations of Aon plc arising under the 4.45% Notes Due 2043 issued on May 21, 2013 and the 4.00% Notes Due November 2023 issued on November 21, 2013. In each case, the guarantee of Aon Corporation is full and unconditional. There are no subsidiaries of Aon plc, other than Aon Corporation, that are guarantors of the 4.250% Notes Due 2042, the 4.45% Notes Due 2043 or the 4.00% Notes Due 2023.

The following tables set forth condensed consolidating statements of income, comprehensive income and cash flows for the years ended December 31, 2013, 2012, and 2011, and condensed consolidating statements of financial position as of December 31, 2013 and December 31, 2012 in accordance with Rule 3-10 of Regulation S-X. The condensed consolidating financial information includes the accounts of Aon plc, the accounts of Aon Corporation, and the combined accounts of the non-guarantor subsidiaries. The condensed consolidating financial statements are presented in all periods as a merger under common control, with Aon plc presented as the parent company in all periods prior and subsequent to the Redomestication. The principal consolidating adjustments are to eliminate the investment in subsidiaries and intercompany balances and transactions.

In July 2013, Aon Holdings LLC, an intermediate holding company and the direct parent of Aon Corporation, transferred its ownership of Aon Corporation to Aon plc via distribution. The financial results of Aon Holdings LLC were included in the Other Non-Guarantor Subsidiaries column of the Condensed Consolidating Financial Statements. The Company has reflected the transfer of Aon Corporation from Aon Holdings LLC to Aon plc below for all periods presented.

Condensed Consolidating Statement of Income

Year Ended December 31, 2013

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated	
Revenue						
Commissions, fees and other	\$3	\$—	\$11,784	\$—	\$11,787	
Fiduciary investment income	—	—	28	—	28	
Total revenue	3	—	11,812	—	11,815	
Expenses						
Compensation and benefits	69	183	6,693	—	6,945	
Other general expenses	4	35	3,160	—	3,199	
Total operating expenses	73	218	9,853	—	10,144	
Operating income	(70	) (218	) 1,959	—	1,671
Interest income	—	3	6	—	9	
Interest expense	(20) (138) (52) —	(210)
Intercompany interest (expense) income	120	24	(144) —	—	
Other Income	—	19	49	—	68	
Income (loss) before taxes	30	(310	) 1,818	—	1,538
Income tax expense (benefit)	12	(64	) 442	—	390
(Income) loss before equity in earnings of subsidiaries	18	(246	) 1,376	—	1,148
Equity in earnings of subsidiaries, net of tax	1,095	1,061	—	(2,156) —	
Net income	1,113	815	1,376	(2,156	) 1,148
Less: Net income attributable to noncontrolling interests	—	—	35	—	35	
Net income attributable to Aon shareholders	\$1,113	\$815	\$1,341	\$(2,156	) \$1,113

Condensed Consolidating Statement of Income

Year Ended December 31, 2012

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated	
Revenue						
Commissions, fees and other	\$2	\$1	\$11,474	\$(1	) \$11,476
Fiduciary investment income	—	1	37	—	38	
Total revenue	2	2	11,511	(1	) 11,514
Expenses						
Compensation and benefits	117	24	6,568	—	6,709	
Other general expenses	18	47	3,145	(1	) 3,209
Total operating expenses	135	71	9,713	(1	) 9,918
Operating (loss) income	(133	) (69	) 1,798	—	1,596
Interest income	—	1	9	—	10	
Interest expense	—	(164) (64) —	(228)
Intercompany interest (expense) income	(19	) 190	(171) —	—	
Other income (expense)	—	57	(55	) —	2
(Loss) income before taxes	(152	) 15	1,517	—	1,380
Income tax (benefit) expense	(37	) 8	389	—	360
(Loss) income before equity in earnings of subsidiaries	(115	) 7	1,128	—	1,020
Equity in earnings of subsidiaries, net of tax	1,108	932	—	(2,040) —	
Net income	993	939	1,128	(2,040	) 1,020
Less: Net income attributable to noncontrolling interests	—	—	27	—	27	
Net income attributable to Aon shareholders	\$993	\$939	\$1,101	\$(2,040	) \$993

Condensed Consolidating Statement of Income

Year Ended December 31, 2011

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustment	Consolidated	
Revenue						
Commissions, fees and other	\$—	\$—	\$11,236	\$(1	) \$11,235
Fiduciary investment income	—	2	50	—	52	
Total revenue	—	2	11,286	(1	) 11,287
Expenses						
Compensation and benefits	—	118	6,449	—	6,567	
Other general expenses	—	47	3,078	(1	) 3,124
Total operating expenses	—	165	9,527	(1	) 9,691
Operating income	—	(163	) 1,759	—	1,596
Interest income	—	4	14	—	18	
Interest expense	—	(171) (74) —	(245)
Intercompany interest income (expense)	—	180	(180) —	—	
Other income (expense)	—	36	(17	) —	19
(Loss) income before taxes	—	(114	) 1,502	—	1,388
Income tax (benefit) expense	—	(43	) 421	—	378
(Loss) income before equity in earnings of subsidiaries	—	(71	) 1,081	—	1,010
Equity in earnings of subsidiaries, net of tax	979	868	—	(1,847) —	
Net income	979	797	1,081	(1,847	) 1,010
Less: Net income attributable to noncontrolling interests	—	—	31	—	31	
Net income attributable to Aon shareholders	\$979	\$797	\$1,050	\$(1,847	) \$979

Condensed Consolidating Statement of Comprehensive Income

Year Ended December 31, 2013

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net income	\$1,113	\$815	\$1,376	\$(2,156)	) \$1,148
Less: Net income attributable to noncontrolling interests	—	—	35	—	35
Net income attributable to Aon shareholders	\$1,113	\$815	\$1,341	\$(2,156)	) \$1,113
Other comprehensive income (loss), net of tax:					
Change in fair value of investments	—	—	1	—	1
Change in fair value of derivatives	—	5	1	—	6
Foreign currency translation adjustments	—	(60)	(5)	—	(65)
Post-retirement benefit obligation	—	223	70	—	293
Total other comprehensive income	—	168	67	—	235
Equity in other comprehensive income of subsidiaries, net of tax	236	69	—	(305)) —
Less: Other comprehensive loss attributable to noncontrolling interests	—	—	(1)	—	(1)
Total other comprehensive income attributable to Aon shareholders	236	237	68	(305)	) 236
Comprehensive income attributable to Aon shareholders	\$1,349	\$1,052	\$1,409	\$(2,461)	) \$1,349

Condensed Consolidating Statement of Comprehensive Income

Year Ended December 31, 2012

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net income	\$993	\$939	\$1,128	\$(2,040)	) \$1,020
Less: Net income attributable to noncontrolling interests	—	—	27	—	27
Net income attributable to Aon shareholders	\$993	\$939	\$1,101	\$(2,040)	) \$993
Other comprehensive loss, net of tax:					
Change in fair value of derivatives	—	2	7	—	9
Foreign currency translation adjustments	—	24	85	—	109
Post-retirement benefit obligation	—	(68)	(290)	—	(358)
Total other comprehensive loss	—	(42)	(198)	—	(240)
Equity in other comprehensive loss of subsidiaries, net of tax	(240)	(187)	—	427	—
Less: Other comprehensive income attributable to noncontrolling interests	—	—	—	—	—
	(240)	(229)	(198)	427	(240)

Total other comprehensive loss attributable to Aon shareholders					
Comprehensive income attributable to Aon shareholders	\$753	\$710	\$903	\$(1,613)) \$753

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Condensed Consolidating Statement of Comprehensive Income

Year Ended December 31, 2011

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net income	\$979	\$797	\$1,081	\$(1,847)	) \$1,010
Less: Net income attributable to noncontrolling interests	—	—	31	—	31
Net income attributable to Aon shareholders	\$979	\$797	\$1,050	\$(1,847)	) \$979
Other comprehensive loss, net of tax:					
Change in fair value of derivatives	—	—	(13	) —	(13)
Foreign currency translation adjustments	—	(6	) (37	) —	(43)
Post-retirement benefit obligation	—	(173	) (223	) —	(396)
Total other comprehensive loss	—	(179	) (273	) —	(452)
Equity in other comprehensive loss of subsidiaries, net of tax	(453	) (277	) —	730	—
Less: Other comprehensive income attributable to noncontrolling interests	—	—	1	—	1
Total other comprehensive loss attributable to Aon shareholders	(453	) (456	) (274	) 730	(453)
Comprehensive income attributable to Aon shareholders	\$526	\$341	\$776	\$(1,117)	) \$526

Condensed Consolidating Statement of Financial Position
As of December 31, 2013

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS					
Cash and cash equivalents	\$—	\$247	\$1,246	\$(1,016)	) \$477
Short-term investments	—	163	360	—	) 523
Receivables, net	—	4	2,892	—	) 2,896
Fiduciary assets	—	—	11,871	—	) 11,871
Intercompany receivables	186	3,503	5,452	(9,141)) —
Other current assets	—	69	513	(19)	) 563
Total Current Assets	186	3,986	22,334	(10,176)	) 16,330
Goodwill	—	—	8,997	—	) 8,997
Intangible assets, net	—	—	2,578	—	) 2,578
Fixed assets, net	—	—	791	—	) 791
Investments	—	57	75	—	) 132
Deferred tax assets	140	465	193	(605)	) 193
Intercompany receivables	7,166	2,178	2,201	(11,545)) —
Other non-current assets	6	95	1,228	(99)	) 1,230
Investment in subsidiary	4,607	11,694	—	(16,301)) —
TOTAL ASSETS	\$12,105	\$18,475	\$38,397	\$(38,726)	) \$30,251
LIABILITIES AND EQUITY					
Fiduciary liabilities	\$—	\$—	\$11,871	\$—	) \$11,871
Short-term debt and current portion of long-term debt	—	—	707	(4)	) 703
Accounts payable and accrued liabilities	1,036	62	1,849	(1,016)	) 1,931
Intercompany payables	15	5,449	3,677	(9,141)) —
Other current liabilities	12	47	866	(19)	) 906
Total Current Liabilities	1,063	5,558	18,970	(10,180)	) 15,411
Long-term debt	792	2,512	378	4	) 3,686
Deferred tax liabilities	—	—	1,025	(605)	) 420
Pension, other post-retirement and other post-employment liabilities	—	925	682	—	) 1,607
Intercompany payables	2,100	7,267	2,178	(11,545)) —
Other non-current liabilities	5	159	867	(99)	) 932
TOTAL LIABILITIES	3,960	16,421	24,100	(22,425)	) 22,056
TOTAL AON SHAREHOLDERS' EQUITY	8,145	2,054	14,247	(16,301)	) 8,145
Noncontrolling interests	—	—	50	—	) 50
TOTAL EQUITY	8,145	2,054	14,297	(16,301)	) 8,195
TOTAL LIABILITIES AND EQUITY	\$12,105	\$18,475	\$38,397	\$(38,726)	) \$30,251

Condensed Consolidating Statement of Financial Position
As of December 31, 2012

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS					
Cash and cash equivalents	\$ 131	\$ 199	\$—	\$(39)	) \$ 291
Short-term investments	—	89	257	—	346
Receivables, net	5	1	3,095	—	3,101
Fiduciary assets	—	—	12,214	—	12,214
Intercompany receivables	—	2,092	3,545	(5,637)) —
Other current assets	7	53	370	—	430
Total Current Assets	143	2,434	19,481	(5,676)	) 16,382
Goodwill	—	—	8,943	—	8,943
Intangible assets, net	—	—	2,975	—	2,975
Fixed assets, net	—	—	820	—	820
Investments	—	49	116	—	165
Deferred tax assets	117	620	266	(718)	) 285
Intercompany receivables	166	1,997	2,350	(4,513)) —
Other non-current assets	—	115	908	(107)	) 916
Investment in subsidiary	10,398	10,208	—	(20,606)) —
TOTAL ASSETS	\$ 10,824	\$ 15,423	\$ 35,859	\$(31,620)	) \$ 30,486
LIABILITIES AND EQUITY					
Fiduciary liabilities	\$—	\$—	\$ 12,214	\$—	\$ 12,214
Short-term debt and current portion of long-term debt	—	429	23	—	452
Accounts payable and accrued liabilities	10	71	1,811	(39)	) 1,853
Intercompany payables	51	2,637	2,162	(4,850)) —
Other current liabilities	—	49	779	3	831
Total Current Liabilities	61	3,186	16,989	(4,886)	) 15,350
Long-term debt	107	2,515	1,091	—	3,713
Deferred tax liabilities	—	—	1,024	(718)	) 306
Pension, other post-retirement and other post-employment liabilities	—	1,294	982	—	2,276
Intercompany payables	2,890	166	2,247	(5,303)) —
Other non-current liabilities	4	254	885	(107)	) 1,036
TOTAL LIABILITIES	3,062	7,415	23,218	(11,014)	) 22,681
TOTAL AON SHAREHOLDERS' EQUITY	7,762	8,008	12,598	(20,606)	) 7,762
Noncontrolling interests	—	—	43	—	43
TOTAL EQUITY	7,762	8,008	12,641	(20,606)	) 7,805
TOTAL LIABILITIES AND EQUITY	\$ 10,824	\$ 15,423	\$ 35,859	\$(31,620)	) \$ 30,486

Condensed Consolidating Statement of Cash Flows

Year Ended December 31, 2013

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES					
CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$(50)	\$(441)	\$2,124	\$—	\$1,633
CASH FLOWS FROM INVESTING ACTIVITIES					
Sales of long-term investments	—	8	85	—	93
Purchase of long-term investments	—	(15)	—	—	(15)
Net (purchases) sales of short-term investments - non-fiduciary	—	(74)	(100)	—	(174)
Acquisition of businesses, net of cash acquired	—	—	(54)	—	(54)
Proceeds from sale of businesses	—	7	33	—	40
Capital expenditures	—	—	(229)	—	(229)
CASH USED FOR INVESTING ACTIVITIES	—	(74)	(265)	—	(339)
CASH FLOWS FROM FINANCING ACTIVITIES					
Share repurchase	(1,102)	—	—	—	(1,102)
Advances from (to) affiliates	460	996	(479)	(977)	—
Issuance of shares for employee benefit plans	98	—	—	—	98
Issuance of debt	1,730	2,944	232	—	4,906
Repayment of debt	(1,055)	(3,377)	(247)	—	(4,679)
Cash dividends to shareholders	(212)	—	—	—	(212)
Purchase of shares from noncontrolling interests	—	—	(8)	—	(8)
Dividends paid to noncontrolling interests	—	—	(19)	—	(19)
CASH (USED FOR) PROVIDED BY FINANCING ACTIVITIES	(81)	563	(521)	(977)	(1,016)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS					
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(131)	48	1,246	(977)	186
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	131	199	—	(39)	291
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$—	\$247	\$1,246	\$(1,016)	\$477

Condensed Consolidating Statement of Cash Flows

Year Ended December 31, 2012

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES					
CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$(87)	\$(105)	\$1,611	\$—	\$1,419
CASH FLOWS FROM INVESTING ACTIVITIES					
Sales of long-term investments	—	79	99	—	178
Purchase of long-term investments	—	(12)	—	—	(12)
Net (purchases) sales of short-term investments - non-fiduciary	—	232	208	—	440
Acquisition of businesses, net of cash acquired	(50)	(55)	(57)	—	(162)
Proceeds from sale of businesses	—	—	2	—	2
Capital expenditures	—	—	(269)	—	(269)
CASH USED FOR INVESTING ACTIVITIES	(50)	244	(17)	—	177
CASH FLOWS FROM FINANCING ACTIVITIES					
Share repurchase	(1,025)	(100)	—	—	(1,125)
Advances from (to) affiliates	1,379	489	(1,850)	(18)	—
Issuance of shares for employee benefit plans	69	49	—	—	118
Issuance of debt	—	732	1	—	733
Repayment of debt	—	(1,061)	(16)	—	(1,077)
Cash dividends to shareholders	(155)	(49)	—	—	(204)
Purchase of shares from noncontrolling interests	—	—	(4)	—	(4)
Dividends paid to noncontrolling interests	—	—	(27)	—	(27)
CASH (USED FOR) PROVIDED BY FINANCING ACTIVITIES	268	60	(1,896)	(18)	(1,586)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS					
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	131	199	(293)	(18)	19
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	—	—	293	(21)	272
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$131	\$199	\$—	\$(39)	\$291

Condensed Consolidating Statement of Cash Flows

Year Ended December 31, 2011

(millions)	Aon plc	Aon Corporation	Other Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES					
CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$—	\$(201	) \$1,219	\$—	\$1,018
CASH FLOWS FROM INVESTING ACTIVITIES					
Sales of long-term investments	—	133	57	—	190
Purchase of long-term investments	—	(20	) (10	) —	(30
Net (purchases) sales of short-term investments - non-fiduciary	—	115	(123	) —	(8
Acquisition of businesses, net of cash acquired	—	(10	) (96	) —	(106
Proceeds from sale of businesses	—	5	4	—	9
Capital expenditures	—	—	(241	) —	(241
CASH USED FOR INVESTING ACTIVITIES	—	223	(409	) —	(186
CASH FLOWS FROM FINANCING ACTIVITIES					
Share repurchase	—	(828	) —	—	(828
Advances from (to) affiliates	—	789	(768	) (21) —
Issuance of shares for employee benefit plans	—	201	—	—	201
Issuance of debt	—	1,290	383	—	1,673
Repayment of debt	—	(1,288	) (400	) —	(1,688
Cash dividends to shareholders	—	(200	) —	—	(200
Purchase of shares from noncontrolling interests	—	—	(24	) —	(24
Dividends paid to noncontrolling interests	—	—	(30	) —	(30
CASH (USED FOR) PROVIDED BY FINANCING ACTIVITIES	—	(36	) (839	) (21	) (896
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS					
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	—	(14	) (39	) (21	) (74
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	—	14	332	—	346
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$—	\$—	\$293	\$(21	) \$272

19. Quarterly Financial Data (Unaudited)

Selected quarterly financial data for the years ended December 31, 2013 and 2012 as follows (in millions, except per share data):

	1Q	2Q	3Q	4Q	2013
INCOME STATEMENT DATA					
Commissions, fees and other revenue	\$2,908	\$2,891	\$2,786	\$3,202	\$11,787
Fiduciary investment income	7	6	8	7	28
Total revenue	\$2,915	\$2,897	\$2,794	\$3,209	\$11,815
Operating income	\$410	\$382	\$364	515	\$1,671
Net income	272	252	264	360	1,148
Less: Net income attributable to noncontrolling interests	11	11	8	5	35
Net income attributable to Aon shareholders	\$261	\$241	\$256	\$355	\$1,113
PER SHARE DATA					
Basic net income per share attributable to Aon shareholders	\$0.82	\$0.77	\$0.83	\$1.16	\$3.57
Diluted net income per share attributable to Aon shareholders	\$0.82	\$0.76	\$0.82	\$1.14	\$3.53
CLASS A ORDINARY SHARE DATA					
Dividends paid per share	\$0.16	\$0.18	\$0.18	\$0.18	\$0.68
Price range:					
High	\$61.87	\$67.26	\$76.30	\$84.33	\$84.33
Low	\$54.65	\$58.48	\$64.20	\$70.72	\$54.65
Shares outstanding	309.1	307.5	301.0	300.7	300.7
Average monthly trading volume	46.4	34.9	30.9	37.6	37.5
	1Q	2Q	3Q	4Q	2012
INCOME STATEMENT DATA					
Commissions, fees and other revenue	\$2,829	\$2,813	\$2,726	\$3,108	\$11,476
Fiduciary investment income	12	8	11	7	38
Total revenue	\$2,841	\$2,821	\$2,737	\$3,115	\$11,514
Operating income	\$402	\$394	\$339	\$461	\$1,596
Net income	249	254	210	307	1,020
Less: Net income attributable to noncontrolling interests	11	8	6	2	27
Net income attributable to Aon shareholders	\$238	\$246	\$204	\$305	\$993
PER SHARE DATA					
Basic net income per share attributable to Aon shareholders	\$0.72	\$0.74	\$0.62	\$0.95	\$3.02
Diluted net income per share attributable to Aon shareholders	\$0.71	\$0.73	\$0.62	\$0.93	\$2.99
CLASS A ORDINARY SHARE DATA					
Dividends paid per share	\$0.15	\$0.16	\$0.16	\$0.16	\$0.62
Price range:					
High	\$49.51	\$52.61	\$53.35	\$57.92	\$57.92
Low	\$45.58	\$45.04	\$45.87	\$51.78	\$45.04
Shares outstanding	326.4	322.4	318.7	310.9	310.9
Average monthly trading volume	47.0	47.6	30.1	33.7	39.6

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this annual report of December 31, 2013. Based on this evaluation, our chief executive officer and chief financial officer concluded as of December 31, 2013 that our disclosure controls and procedures were effective such that the information relating to Aon, including our consolidated subsidiaries, required to be disclosed in our SEC reports is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and is accumulated and communicated to Aon's management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

Management of Aon plc is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of our senior management, including our chief executive officer and chief financial officer, we assessed the effectiveness of our internal control over financial reporting as of December 31, 2013. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in the Internal Control — Integrated Framework (1992 Framework). Based on this assessment, management has concluded our internal control over financial reporting is effective as of December 31, 2013.

The effectiveness of our internal control over financial reporting as of December 31, 2013 has been audited by Ernst & Young LLP, the Company's independent registered public accounting firm, as stated in their report titled "Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting."

Changes in Internal Control Over Financial Reporting

No changes in Aon's internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) occurred during 2013 that have materially affected, or are reasonably likely to materially affect, Aon's internal control over financial reporting.

Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting
Board of Directors and Shareholders

Aon plc

We have audited Aon plc's internal control over financial reporting as of December 31, 2013, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 Framework) (the COSO criteria). Aon plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Aon plc maintained, in all material respects, effective internal control over financial reporting as of December 31, 2013, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statements of financial position of Aon plc as of December 31, 2013 and 2012, and the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2013 and our report dated February 18, 2014 expressed an unqualified opinion thereon.

Chicago, Illinois
February 18, 2014

Item 9B. Other Information.
Not applicable.

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PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Information relating to Aon's Directors is set forth under the heading "Proposal 1 — Resolutions Regarding Election of Directors" in our Proxy Statement for the 2014 Annual General Meeting of Shareholders to be held on June 24, 2014 (the "Proxy Statement") and is incorporated herein by reference from the Proxy Statement. Information relating to the executive officers of Aon is set forth in Part I of this Form 10-K and is incorporated by reference. Information relating to compliance with Section 16(a) of the Exchange Act is incorporated by reference from the discussion under the heading "Section 16(a) Beneficial Ownership Reporting Compliance" in the Proxy Statement. The remaining information called for by this item is incorporated herein by reference to the information under the heading "Corporate Governance" and the information under the heading "Board of Directors and Committees" in the Proxy Statement.

Item 11. Executive Compensation.

Information relating to director and executive officer compensation is set forth under the headings "Compensation Committee Report," "Compensation Discussion and Analysis," and "Executive Compensation" in the Proxy Statement, and all such information is incorporated herein by reference.

The material incorporated herein by reference to the information set forth under the heading "Compensation Committee Report" in the Proxy Statement shall be deemed furnished, and not filed, in this Form 10-K and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act as a result of this furnishing, except to the extent that it is specifically incorporated by reference by Aon.

Information relating to compensation committee interlocks and insider participation is incorporated by reference to the information under the heading "Board of Directors and Committees" in the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Information relating to equity compensation plans and the security ownership of certain beneficial owners and management of Aon's ordinary shares is set forth under the headings "Equity Compensation Plan Information", "Principal Holders of Voting Securities" and "Security Ownership of Directors and Executive Officers" in the Proxy Statement and all such information is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Aon hereby incorporates by reference the information under the headings "Corporate Governance — Director Independence" and "Certain Relationships and Related Transactions" in the Proxy Statement.

Item 14. Principal Accountant Fees and Services.

Information required by this Item is included under the caption "Auditor Fees" in the Proxy Statement and is hereby incorporated by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) (1) and (2). The following documents have been included in Part II, Item 8.

Report of Ernst & Young LLP, Independent Registered Public Accounting Firm, on Financial Statements Consolidated Statements of Financial Position — As of December 31, 2013 and 2012
Consolidated Statements of Income — Years Ended December 31, 2013, 2012 and 2011
Consolidated Statements of Comprehensive Income — Years Ended December 31, 2013, 2012 and 2011
Consolidated Statements of Shareholders' Equity — Years Ended December 31, 2013, 2012 and 2011
Consolidated Statements of Cash Flows — Years Ended December 31, 2013, 2012 and 2011
Notes to Consolidated Financial Statements

The following document has been included in Part II, Item 9.

Report of Ernst & Young LLP, Independent Registered Public Accounting Firm, on Internal Control over Financial Reporting

All schedules for the Registrant and consolidated subsidiaries have been omitted because the required information is not present in amounts sufficient to require submission of the schedules or because the information required is included in the respective financial statements or notes thereto.

(a)(3). List of Exhibits (numbered in accordance with Item 601 of Regulation S-K)

Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession.

- 2.1* Agreement and Plan of Merger dated as of July 11, 2010 among Aon Corporation, Alps Merger Corp., Alps Merger LLC and Hewitt Associates, Inc. — incorporated by reference to Exhibit 2.1 to Aon's Current Report on Form 8-K filed on July 12, 2010.
- 2.2* Agreement and Plan of Merger and Reorganization by and among Aon Corporation and Market Mergeco Inc. dated January 12, 2012 — incorporated by reference to Annex A of the Registration Statement on Form S-4/A (File No. 333-178991) filed by Aon Global Limited on February 6, 2012.
- 2.3* Amendment No. 1 to Merger Agreement dated as of March 12, 2012 by and between Aon Corporation and Market Mergeco — incorporated by reference to Exhibit 2.1 to Aon's Current Report on Form 8-K filed on March 12, 2012.

Articles of Association.

- 3.1* Articles of Association of Aon plc — incorporated by reference to Exhibit 3.1 to Aon's Current Report on Form 8-K filed on April 2, 2012.

Instruments Defining the Rights of Security Holders, Including Indentures.

- 4.1* Amended and Restated Indenture, dated as of April 2, 2012, among Aon Corporation, Aon plc and The Bank of New York Mellon Trust Company, N.A. (amending and restating the Indenture, dated as of January 13, 1997, as supplemented by the First Supplemental Indenture, dated as of January 13, 1997) — incorporated by reference to Exhibit 4.3 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 4.2* Capital Securities Guarantee Agreement dated as of January 13, 1997 between Aon and The Bank of New York, as Guarantee Trustee — incorporated by reference to Exhibit 4.8 to Aon's Registration Statement on Form S-4 (File No. 333-21237) filed on February 6, 1997.

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- 4.3* Capital Securities Exchange and Registration Rights Agreement dated as of January 13, 1997 among Aon, Aon Capital A, Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co. — incorporated by reference to Exhibit 4.10 to Aon's Registration Statement on Form S-4 (File No. 333-21237) filed on February 6, 1997.
- 4.4* Debenture Exchange and Registration Rights Agreement dated as of January 13, 1997 among Aon, Aon Capital A, Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co. — incorporated by reference to Exhibit 4.11 to Aon's Registration Statement on Form S-4 (File No. 333-21237) filed on February 6, 1997.
- 4.5* Guarantee Exchange and Registration Rights Agreement dated as of January 13, 1997 among Aon, Aon Capital A, Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co. — incorporated by reference to Exhibit 4.12 to Aon's Registration Statement on Form S-4 (File No. 333-21237) filed on February 6, 1997.

- 4.6* Indenture dated as of December 31, 2001 between Private Equity Partnership Structures I, LLC, as issuer, and The Bank of New York, as Trustee, Custodian, Calculation Agent, Note Registrar, Transfer Agent and Paying Agent — incorporated by reference to Exhibit 4(i) to Aon's Annual Report on Form 10-K for the year ended December 31, 2001.
- 4.7* Amended and Restated Indenture, dated as of April 2, 2012, among Aon Corporation, Aon plc and The Bank of New York Mellon Trust Company, N.A., as trustee (amending and restating the Indenture, dated as of December 16, 2002, between Aon Corporation and The Bank of New York Mellon Trust Company, N.A.) — incorporated by reference to Exhibit 4.2 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 4.8* Indenture dated as of April 12, 2006 among Aon Finance N.S.1, ULC, Aon and Computershare Trust Company of Canada, as Trustee — incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on April 18, 2006.
- 4.9* Amended and Restated Trust Deed, dated as of March 30, 2012, among Aon Corporation, Aon plc, Aon Services Luxembourg & Co. S.C.A. (formerly known as Aon Financial Services Luxembourg S.A.) and BNY Mellon Corporate Trustee Services Limited, as trustee (amending and restating the Trust Deed, dated as of July 1, 2009, as amended and restated on January 12, 2011) — incorporated by reference to Exhibit 4.2 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 4.10* Amended and Restated Indenture, dated as of April 2, 2012, among Aon Corporation, Aon plc and The Bank of New York Mellon Trust Company, N.A., as trustee (amending and restating the Indenture, dated as of September 10, 2010, between Aon Corporation and The Bank of New York Mellon Trust Company, N.A.) — incorporated by reference to Exhibit 4.2 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 4.11* Form of 3.50% Senior Note due 2015 — incorporated by reference to Exhibit 4.2 to Aon's Current Report on Form 8-K filed on September 10, 2010.
- 4.12* Form of 5.00% Senior Note due 2020 — incorporated by reference to Exhibit 4.3 to Aon's Current Report on Form 8-K filed on September 10, 2010.
- 4.13* Form of 6.25% Senior Note due 2040 — incorporated by reference to Exhibit 4.4 to Aon's Current Report on Form 8-K filed on September 10, 2010.
- 4.14* Indenture dated as of March 8, 2011, among Aon Finance N.S. 1, ULC, Aon Corporation and Computershare Trust Company of Canada. — incorporated by reference to Exhibit 4.1 to Aon's Current Report on Form 8-K filed on March 8, 2011.
- 4.15* First Supplemental Indenture, dated as of April 2, 2012, among Aon Finance N.S. 1, ULC, Aon Corporation, as guarantor, Aon plc, as guarantor, and Computershare Trust Company of Canada, as trustee (supplementing the Indenture dated as of March 8, 2011 among Aon Finance N.S.1, ULC, Aon Corporation, as guarantor, and Computershare Trust Company of Canada, as trustee) — incorporated by reference to Exhibit 4.2 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 4.16* Form of 3.125% Senior Note due 2016 — incorporated by reference to Exhibit 4.2 to Aon's Current Report on Form 8-K filed on May 27, 2011.

- 4.17* Indenture, dated as of December 12, 2012 by and among Aon plc, Aon Corporation, The Bank of New York Mellon Trust Company, N.A. — incorporated by reference to Exhibit 4.1 to Aon's Current Report on Form 8-K filed on December 13, 2012.
- 4.18* Form of 4.250% Senior Note Due 2042 - incorporated by reference to Exhibit 4.6 to Aon's Registration Statement on Form S-4 (File No. 333-187637) filed on March 29, 2013.
- 4.19* Indenture, dated as of May 24, 2013, among Aon, Aon Corporation and The Bank of New York Mellon Trust Company, National Association, as trustee (including the Guarantee) — incorporated by reference to Exhibit 4.1 to Aon's Current Report on Form 8-K filed on May 24, 2013.
- 4.20* Form of 4.45% Senior Note due 2043 — incorporated by reference to Exhibit 4.2 to Aon's Current Report on Form 8-K filed on May 24, 2013.
- 4.21* Form of 4.00% Senior Note due 2023 — incorporated by reference to Exhibit 4.2 to Aon's Current Report on Form 8-K filed on November 26, 2013.

Material Contracts.

- 10.1* Amended and Restated Agreement among the Attorney General of the State of New York, the Superintendent of Insurance of the State of New York, the Attorney General of the State of Connecticut, the Illinois Attorney General, the Director of the Illinois Department of Insurance, and Aon Corporation and its subsidiaries and affiliates effective as of February 11, 2010 — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on February 16, 2010.
- 10.2* Three-Year Term Credit Agreement, dated as of August 13, 2010, among Aon Corporation, Credit Suisse AG, as administrative agent, the lenders party thereto, Morgan Stanley Senior Funding, Inc., as syndication agent, Bank of America, N.A., Deutsche Bank Securities Inc. and RBS Securities Inc., as co-documentation agents, Credit Suisse Securities (USA) LLC and Morgan Stanley Senior Funding, Inc., as joint lead arrangers and joint bookrunners, and Bank of America, N.A., Deutsche Bank Securities Inc. and RBS Securities Inc. as co-arrangers — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on August 16, 2010.
- 10.3* Senior Bridge Term Loan Credit Agreement, dated as of August 13, 2010, among Aon Corporation, Credit Suisse AG, as administrative agent, the lenders party thereto, Morgan Stanley Senior Funding, Inc., as syndication agent, Bank of America, N.A., Deutsche Bank Securities Inc. and RBS Securities Inc., as co-documentation agents, Credit Suisse Securities (USA) LLC and Morgan Stanley Senior Funding, Inc., as joint lead arrangers and joint bookrunners, and Bank of America, N.A., Deutsche Bank Securities Inc. and RBS Securities Inc. as co-arrangers — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on August 16, 2010.
- 10.4* \$400,000,000 Five-Year Credit Agreement dated as of March 20, 2012 among Aon Corporation, Citibank, N.A. as Administrative Agent, JP Morgan Chase Bank, N.A. and Bank of America, N.A., as Syndication Agents, The Royal Bank of Scotland Plc and Wells Fargo Bank, National Association, as documentation agents and Citigroup Global Markets, Inc., J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner and Smith Incorporated, as joint lead arrangers and joint book managers and the lenders party thereto — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on March 21, 2012.
- 10.5* Joinder Agreement executed by Aon plc as of April 2, 2012 (modifying the \$400,000,000 Five-Year Credit Agreement, dated as of March 20, 2012, among Aon Corporation, as borrower, Citibank, N.A., as administrative agent and the other agents and lenders party thereto) — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 10.6* European Facility Amendment and Restatement Agreement, dated as of March 30, 2012, among Aon Corporation, Aon plc, the subsidiaries of Aon Corporation party thereto as borrowers, Citibank International plc, as agent, and the other agents and lenders party thereto, amending and restating the European Facility Agreement dated as of October 15, 2010 and amended on July 18, 2011 — incorporated by reference to Exhibit 10.3 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 10.7* \$450,000,000 Term Credit Agreement Dated as of June 15, 2011 among Aon Corporation, as borrower, the lenders party thereto, Bank of America, N.A., as administrative agent, Morgan Stanley Senior Funding, Inc. as syndication agent, Citigroup Global Markets, Inc., Credit Suisse AG, Deutsche Bank Securities Inc., Goldman Sachs Bank USA, RBS Securities Inc. and Wells Fargo Bank, N.A., as co-documentation agents, Merrill Lynch, Pierce, Fenner & Smith Incorporated and

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Morgan Stanley Senior Funding, Inc., as joint lead arrangers and joint bookrunners, and Citigroup Global Markets, Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Goldman Sachs Bank USA, RBS Securities Inc. and Wells Fargo Securities, LLC as co-arrangers — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on June 15, 2011.

10.8* Amendment No. 1 to Term Credit Agreement, dated as of April 2, 2012, among Aon Corporation, as borrower, Aon plc, as guarantor, the lenders party thereto and Bank of America, N.A., as administrative agent (amending the \$450,000,000 Term Credit Agreement, dated as of June 15, 2011, among Aon Corporation, as borrower, Bank of America, N.A., as administrative agent and the other agents and lenders party thereto) — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on April 2, 2012.

10.9* Letter of Amendment and Waiver between Aon and Citibank International PLC (as agent) dated April 29, 2013 amending €650,000,000 Facility Agreement dated October 15, 2010, as amended July 18, 2011 and as amended and restated March 30, 2012 — incorporated by reference to Exhibit 10.1 to Aon's Quarterly Report on Form 10-Q filed on May 1, 2013.

10.10*# Aon Corporation Outside Director Deferred Compensation Agreement by and among Aon and its directors who are not salaried employees of Aon or its affiliates — incorporated by reference to Exhibit 10(d) to Aon's Annual Report on Form 10-K for the year ended December 31, 1999.

10.11.*# Aon Corporation Outside Director Deferred Compensation Plan — incorporated by reference to Exhibit 10.9 to Aon's Annual Report on Form 10-K for the year ended December 31, 2007.

- 10.12.# Amendment to the Aon Outside Director Deferred Compensation Plan, effective January 1, 2008, dated July 19, 2012 — incorporated by reference to Exhibit 10.17 to Aon's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012.
- 10.13.# Aon Corporation Outside Director Corporate Bequest Plan (as amended and restated effective January 1, 2010) — incorporated by reference to Exhibit 10.1 to Aon's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.
- 10.14.# Aon Corporation Non-Employee Directors' Deferred Stock Unit Plan — incorporated by reference to Exhibit 10.2 to Aon's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006.
- 10.15.# Amendment to the Aon Corporation Non-Employee Director Deferred Stock Unit Plan, effective January 1, 2006, dated July 19, 2012 — incorporated by reference to Exhibit 10.16 to Aon's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012.
- 10.16.# Aon Corporation 1994 Amended and Restated Outside Director Stock Award Plan — incorporated by reference to Exhibit 10(b) to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 1995.
- 10.17.# Aon Corporation Outside Director Stock Award and Retirement Plan (as amended and restated effective January 1, 2003) and First Amendment to Aon Corporation Outside Director Stock Award and Retirement Plan (as amended and restated effective January 1, 2003) — incorporated by reference to Exhibit 10.12 to Aon's Annual Report on Form 10-K for the year ended December 31, 2007.
- 10.18.# Second Amendment to the Aon Corporation Outside Directors Stock Award and Retirement Plan — incorporated by reference to Exhibit 10.3 to Aon's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006.
- 10.19.# Amendment to the Aon Corporation Outside Director Stock Award and Retirement Plan effective January 1, 2003, dated July 19, 2012 — incorporated by reference to Exhibit 10.15 to Aon's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012.
- 10.20.# Amendment to the Aon Corporation Outside Director Stock Award and Retirement Plan, effective January 1, 2008, dated July 19, 2012 — incorporated by reference to Exhibit 10.18 to Aon's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012
- 10.21.# Aon Stock Incentive Plan, as amended and restated — incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on May 24, 2006.
- 10.22.# First Amendment to the Amended and Restated Aon Stock Incentive Plan — incorporated by reference to Exhibit 10(au) to Aon's Annual Report on Form 10-K for the year ended December 31, 2006.
- 10.23.# Second Amendment to the Amended and Restated Aon Stock Incentive Plan, dated April 2, 2012 — incorporated by reference to Exhibit 10.10 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 10.24.# Form of Stock Option Agreement — incorporated by reference to Exhibit 99.D(7) to Aon's Schedule TO (File Number 005-32053) filed on August 15, 2007.

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- 10.25.*# Aon Stock Award Plan (as amended and restated through February 2000) — incorporated by reference to Exhibit 10(a) to Aon's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000.
- 10.26.*# First Amendment to the Aon Stock Award Plan (as amended and restated through 2000) — incorporated by reference to Exhibit 10(as) to Aon's Annual Report on Form 10-K for the year ended December 31, 2006.
- 10.27.*# Form of Restricted Stock Unit Agreement — incorporated by reference to Exhibit 10.20 to Aon's Annual Report on Form 10-K for the year ended December 31, 2007.
- 10.28.*# Aon Stock Option Plan as amended and restated through 1997 — incorporated by reference to Exhibit 10(a) to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 1997.
- 10.29.*# First Amendment to the Aon Stock Option Plan as amended and restated through 1997 — incorporated by reference to Exhibit 10(a) to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 1999.
- 10.30.*# Second Amendment to the Aon Stock Option Plan as amended and restated through 1997 — incorporated by reference to Exhibit 99.D(3) to Aon's Schedule TO (File Number 005-32053) filed on August 15, 2007.
- 10.31.*# Third Amendment to the Aon Stock Option Plan as amended and restated through 1997 — incorporated by reference to Exhibit 10(at) to Aon's Annual Report on Form 10-K for the year ended December 31, 2006.
- 10.32.*# Aon Deferred Compensation Plan (as amended and restated effective as of November 1, 2002) — incorporated by reference to Exhibit 4.6 on Aon's Registration Statement on Form S-8 (File Number 333-106584) filed on June 27, 2003.

- 10.33.*# First Amendment to Aon Deferred Compensation Plan (as amended and restated effective as of November 1, 2002) — incorporated by reference to Exhibit 10.26 to Aon's Annual Report on Form 10-K for the year ended December 31, 2007.
- 10.34.*# Seventh Amendment to the Aon Deferred Compensation Plan (as amended and restated effective as of November 1, 2002) — incorporated by reference to Exhibit 10.27 to Aon's Annual Report on Form 10-K for the year ended December 31, 2007.
- 10.35.*# Aon Deferred Compensation Plan (as amended and restated effective as of September 20, 2013) — incorporated by reference to Exhibit 10.1 to Aon's Quarterly Report on Form 10-Q filed on October 25, 2013.
- 10.36.*# Form of Severance Agreement, as amended on September 19, 2008 — incorporated by reference to Exhibit 10.1 to Aon's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.
- 10.37.*# Form of Indemnification Agreement for Directors and Officers of Aon Corporation — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on February 5, 2009.
- 10.38.*# Form of Deed of Indemnity for Directors of Aon plc — incorporated by reference to Exhibit 10.4 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 10.39.*# Form of Deed of Indemnity for Gregory C. Case — incorporated by reference to Exhibit 10.5 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 10.40.*# Form of Deed of Indemnity for Executive Officers of Aon plc — incorporated by reference to Exhibit 10.6 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 10.41.*# Aon Corporation Executive Special Severance Plan, as amended and restated April 2, 2012 and as assumed by Aon plc as of April 2, 2012 — incorporated by reference to Exhibit 10.14 to Aon's Current Report on Form 8-K filed on April 2, 2012.
- 10.42.*# Aon Corporation Excess Benefit Plan and the following amendments to the Aon Corporation Excess Benefit Plan: First Amendment, Second Amendment, Third Amendment, Fifth Amendment (repealing 4th Amendment), Sixth Amendment (amending Section 4.1), Sixth Amendment (amending Article VII), and the Eighth Amendment — incorporated by reference to Exhibit 10.30 to Aon's Annual Report on Form 10-K for the year ended December 31, 2007.
- 10.43.*# First Amendment to the Amended and Restated Aon Corporation Excess Benefit Plan — incorporated by reference to Exhibit 10.2 to Aon's Current Report on Form 8-K filed on February 5, 2009.
- 10.44.*# Employment Agreement dated April 4, 2005 between Aon and Gregory C. Case — incorporated by reference to Exhibit 10.1 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005.
- 10.45.*# Amended and Restated Employment Agreement dated as of November 13, 2009 between Aon and Gregory C. Case — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on November 17, 2009.
- 10.46.*#

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Amended and Restated Change in Control Agreement dated as of November 13, 2009 between Aon and Gregory C. Case — incorporated by reference to Exhibit 10.2 to Aon's Current Report on Form 8-K filed on November 17, 2009.

10.47.*# International Assignment Letter dated as of January 12, 2012 by and between Aon and Gregory C. Case — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on January 13, 2012.

10.48.*# Employment Agreement dated as of October 3, 2007 between Aon Corporation and Christa Davies — incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on October 3, 2007.

10.49.*# Amendment effective as of March 27, 2012 to Employment Agreement between Aon Corporation and Christa Davies dated as of October 3, 2007 — incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on March 30, 2012.

10.50.*# International Assignment Letter dated as of January 12, 2012 by and between Aon and Christa Davies — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on January 13, 2012

10.51.*# Change in Control Agreement entered into as of March 27, 2012 by and between Aon Corporation and Christa Davies — incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on March 30, 2012.

10.52.*# Employment Agreement dated December 7, 2010, between Aon Corporation and Stephen P. McGill — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on December 13, 2010.

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Change in Control Agreement dated December 7, 2010 between Aon Corporation and Stephen P. McGill — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on December 13, 2010.

International Assignment Letter dated as of January 12, 2012 by and between Aon and Stephen P. McGill — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on January 13, 2012.

Employment Agreement dated as of January 22, 2010 between Aon Corporation and Baljit Dail — incorporated by reference to Exhibit 10.2 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010.

Separation Agreement dated as of February 13, 2012 by and between Aon and Baljit Dail — incorporated by reference to Exhibit 10.2 to Aon's Current Report on Form 8-K filed on February 14, 2012.

International Assignment Letter dated as of January 12, 2012 by and between Aon and Michael J. O'Connor — incorporated by reference to Exhibit 10.1 to Aon's Current Report on Form 8-K filed on January 13, 2012.

Employment Agreement, dated and effective as of March 29, 2013, between Aon Corporation and Michael J. O'Connor - incorporated by reference to Exhibit 10.2 to Aon's Quarterly Report on Form 10-Q filed on May 1, 2013.

Change in Control Agreement, entered into as of March 29, 2013, between Aon Corporation and Michael J. O'Connor - incorporated by reference to Exhibit 10.3 to Aon's Quarterly Report on Form 10-Q filed on May 1, 2013.

Employment Agreement dated and effective as of March 27, 2012 by and between Aon Corporation and Gregory J. Besio — incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on March 30, 2012.

Change in Control Agreement entered into as of March 27, 2013 by and between Aon Corporation and Gregory J. Besio — incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on March 30, 2012.

International Assignment Letter dated as of January 12, 2012 between Aon Corporation and Gregory J. Besio — incorporated by reference to Exhibit 10.12 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.

Employment Agreement dated as of September 30, 2010 between Aon Corporation and Kristi Savacool — incorporated by reference to Exhibit 10.8 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.

Amendment to Employment Agreement dated as of May 16, 2011 between Aon Corporation and Kristi Savacool — incorporated by reference to Exhibit 10.9 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.

10.65.*#

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Aon Corporation Leadership Performance Program for 2010-2012 — incorporated by reference to Exhibit 10.3 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010.

10.66.*# Aon Corporation Leadership Performance Program for 2011-2013 — incorporated by reference to Exhibit 10.45 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2011.

10.67.*# Aon Hewitt Performance Program for 2011-2013 — incorporated by reference to Exhibit 10.5 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2011.

10.68.*# Aon Corporation Leadership Performance Program for 2012-2014 — incorporated by reference to Exhibit 10.13 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.

10.69.*# Aon plc Leadership Performance Program for 2013-2015 - incorporated by reference to Exhibit 10.4 to Aon's Quarterly Report on Form 10-Q filed on May 1, 2013.

10.70.*# Senior Executive Incentive Compensation Plan — incorporated by reference to Exhibit 10.16 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.

10.71.*# Senior Executive Incentive Compensation Plan — incorporated by reference to Exhibit 10.5 to Aon's Quarterly Report on Form 10-Q filed on May 1, 2013.

10.72.*# Amended and Restated Global Stock and Incentive Compensation Plan of Hewitt Associates, Inc. — incorporated by reference to Exhibit 10.5 to Hewitt's Quarterly Report on Form 10-Q for the quarter ended December 31, 2007 (Commission File No. 001-31351).

10.73.*# First Amendment to the Amended and Restated Global Stock and Incentive Compensation Plan of Hewitt Associates, Inc., dated April 2, 2012 — incorporated by reference to Exhibit 10.8 to Aon's Current Report on Form 8-K filed on April 2, 2012.

10.74.*# Aon Corporation 2011 Incentive Plan, as amended and restated effective April 2, 2012 — incorporated by reference to Exhibit 10.11 to Aon's Current Report on Form 8-K filed on April 2, 2012.

10.75.*# Deed of Assumption of Aon plc dated April 2, 2012 — incorporated by reference to Exhibit 10.7 to Aon's Current Report on Form 8-K filed on April 2, 2012.

10.76.*# Master Amendment dated April 2, 2012 to the Aon Savings Plan, Aon Supplemental Savings Plan, Aon Corporation Supplemental Employee Stock Ownership Plan, Aon Corporation 2011 Employee Stock Purchase Plan, Aon Deferred Compensation Plan, Aon Stock Award Plan, Aon Stock Option Plan and the Employment Agreement dated as of April 4, 2005, between Aon Corporation and Gregory C. Case — incorporated by reference to Exhibit 10.8 to Aon's Current Report on Form 8-K filed on April 2, 2012.

10.77.*# Form of Change in Control Agreement — incorporated by reference to Exhibit 10.15 to Aon's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.

10.78.*# Form of Assignment, Assumption and Amendment to Change in Control Agreement for Executive Officers of Aon plc — incorporated by reference to Exhibit 10.13 to Aon's Current Report on Form 8-K filed on April 2, 2012.

10.79.*# Aon Deferred Compensation Plan (as Amended and Restated Effective as of January 1, 2008) — incorporated by reference to Exhibit 4.2 to Post-Effective Amendment No. 1 to Aon's Registration Statement on Form S-8 (File Number 333-106584) filed on April 2, 2012.

Statement re: Computation of Ratios.

12.1. Statement regarding Computation of Ratio of Earnings to Fixed Charges.

Subsidiaries of the Registrant.

21 List of Subsidiaries of Aon.

Consents of Experts and Counsel.

23 Consent of Ernst & Young LLP.

Rule 13a-14(a)/15d-14(a) Certifications.

31.1. Rule 13a-14(a) Certification of Chief Executive Officer of Aon in accordance with Section 302 of the Sarbanes-Oxley Act of 2002.

31.2. Rule 13a-14(a) Certification of Chief Financial Officer of Aon in accordance with Section 302 of the Sarbanes-Oxley Act of 2002.

Section 1350 Certifications.

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32.1. Section 1350 Certification of Chief Executive Officer of Aon in accordance with Section 906 of the Sarbanes-Oxley Act of 2002.

32.2. Section 1350 Certification of Chief Financial Officer of Aon in accordance with Section 906 of the Sarbanes-Oxley Act of 2002.

XBRL Exhibits.

Interactive Data Files. The following materials are filed electronically with this Annual Report on Form 10-K:

101.INS XBRL Report Instance Document.

101.SCH XBRL Taxonomy Extension Schema Document.

101.CAL XBRL Taxonomy Calculation Linkbase Document.

101.DEF XBRL Taxonomy Definition Linkbase Document.

101.PRE XBRL Taxonomy Presentation Linkbase Document.

101.LABXBRL Taxonomy Calculation Linkbase Document.

* Document has been previously filed with the Securities and Exchange Commission and is incorporated herein by reference herein. Unless otherwise indicated, such document was filed under Commission File Number 001-07933.

Indicates a management contract or compensatory plan or arrangement.

The registrant agrees to furnish to the Securities and Exchange Commission upon request a copy of (1) any long-term debt instruments that have been omitted pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, and (2) any schedules omitted with respect to any material plan of acquisition, reorganization, arrangement, liquidation or succession set forth above.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Aon plc

By: /s/ GREGORY C. CASE

Gregory C. Case, President

and Chief Executive Officer

Date: February 18, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ GREGORY C. CASE Gregory C. Case	President, Chief Executive Officer and Director (Principal Executive Officer)	February 18, 2014
/s/ LESTER B. KNIGHT Lester B. Knight	Non-Executive Chairman and Director	February 18, 2014
/s/ FULVIO CONTI Fulvio Conti	Director	February 18, 2014
/s/ CHERYL A. FRANCIS Cheryl A. Francis	Director	February 18, 2014
/s/ EDGAR D. JANNOTTA Edgar D. Jannotta	Director	February 18, 2014
/s/ J. MICHAEL LOSH J. Michael Losh	Director	February 18, 2014
Robert S. Morrison	Director	
/s/ RICHARD B. MYERS Richard B. Myers	Director	February 18, 2014
/s/ RICHARD C. NOTEBAERT Richard C. Notebaert	Director	February 18, 2014
/s/ GLORIA SANTONA Gloria Santona	Director	February 18, 2014
/s/ CAROLYN Y. WOO Carolyn Y. Woo	Director	February 18, 2014
/s/ CHRISTA DAVIES Christa Davies	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 18, 2014

/s/ LAUREL MEISSNER

Laurel Meissner

Senior Vice President and
Global Controller
(Principal Accounting Officer)

February 18, 2014

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PART I

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SIGNATURES